

**THE PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE
CAPITAL OF FASTWELD ENGINEERING CONSTRUCTION PTE. LTD.**

1. INTRODUCTION

- 1.1. The board of directors ("**Board**" or "**Directors**") of Eneco Energy Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 2 February 2026 (the "**Previous Announcement**") in relation to the memorandum of understanding (the "**MOU**") entered into between Eneco Singapore Pte. Ltd. (UEN 200516046H) (the "**Buyer**") a wholly-owned Singapore-incorporated subsidiary of the Company and Union Engineering Pte. Ltd. (the "**Seller**") in respect of Fastweld Engineering Construction Pte. Ltd. (the "**Target Company**") for the proposed acquisition by the Buyer of the entire issued and paid-up share capital of the Target Company (the "**Sale Shares**") from the Seller (the "**Proposed Acquisition**"). Unless otherwise defined, the capitalised terms in this announcement shall have the meanings ascribed to them in the Previous Announcement.
- 1.2. The Board wishes to announce that the Buyer has on 24 April 2026 entered into a sale and purchase agreement with the Seller (the "**SPA**") to purchase the Sale Shares, being 100,000 ordinary shares of the issued share capital of the Target Company. Following completion of the Proposed Acquisition, the Buyer will be the registered holder of 100% of the issued share capital of the Target Company.
- 1.3. The Proposed Acquisition constitutes:
- a) an interested person transaction ("**IPT**") as defined under Chapter 9 of the Mainboard Rules of Singapore Exchange Securities Trading Limited (the "**SGX**") Listing Manual (the "**Listing Manual**"), which is subject to, among others, approval of the shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting to be convened (the "**EGM**"); and
 - b) a significant transaction under Chapter 10 of the Listing Manual which is subject to, among others, approval of the Shareholders at the EGM;
- 1.4. As such, the Company intends to seek Shareholders' approval for the Proposed Acquisition at the EGM to be convened in due course. Further information on the Proposed Acquisition will be provided in a circular to be issued by the Company in due course for the purpose of convening an EGM (the "**Circular**").

2. INFORMATION RELATING TO THE BUYER, THE SELLER AND THE TARGET COMPANY

2.1. The Buyer

The Buyer is a company incorporated in Singapore with its registered address at 300 Tampines Avenue 5 #05-02, Income at Tampines Junction, Singapore 529653. The Buyer is engaged in the business of investment holding and wholesale activities conducted on a fee or commission basis.

The Buyer is a wholly owned subsidiary of the Company.

2.2. The Seller

The Seller is a company incorporated in Singapore with its registered address at 33 Pioneer Road North, Singapore 628474. As at the date of this announcement, the Seller is the legal and beneficial owner of the Sale Shares comprising 100% of the entire issued and paid-up share capital of the Target Company. The Seller is engaged in the business of investment holding and lease of investment properties.

The Seller is a wholly owned subsidiary of Union Steel Holdings Limited ("**Union Steel Holdings**"), which is a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Union Steel Holdings is in turn a substantial shareholder of the Company.

2.3. The Target Company

The Target Company is a company incorporated in Singapore with its registered address at 2 Kranji Link, Singapore 728648. The Target Company is an engineering procurement and maintenance contractor and engaged in the business of the installation of industrial machinery and equipment, mechanical engineering works, and the provision of process and industrial plant engineering design and consultancy services.

2.4. The Ultimate Holding Company

Union Steel Holdings is the legal and beneficial owner of the 100% equity interest in the issued and paid-up share capital of the Seller and is the ultimate holding company of the Target Company. Union Steel Holdings has been listed on the Mainboard of the SGX-ST since 15 August 2005. Union Steel Holdings is also a substantial shareholder of the Company. As at the date of this announcement, Union Steel Holdings holds 951,000,000 shares representing approximately 25.02 per cent of the total ordinary share capital of the Company.

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Group's core operating business is currently conducted through Richland Logistics Services Pte. Ltd., which is principally engaged in logistics and supply chain services. While the logistics business remains a key pillar of the Group, the Board has been exploring opportunities to diversify the Group's business portfolio and revenue base in order to enhance long-term resilience and growth.

The Proposed Acquisition would allow the Group to acquire an established engineering and construction business through the Target Company, which operates in project-based industrial engineering activities and maintenance works. This represents a strategic diversification into a related industrial sector and provides the Group with an additional operating platform beyond logistics.

The Board is of the view that the engineering and construction business serves a customer base and industry segment that is complementary to the Group's existing logistics operations, particularly in industrial and project-oriented environments. The Proposed Acquisition is expected to broaden the Group's business profile and provide additional avenues for growth, while allowing the Group to manage diversification risks through phased evaluation and oversight.

4. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

4.1. Subject to the terms and conditions of the SPA, the Seller shall sell, and the Buyer shall purchase, the Sale Shares free from all encumbrances and together with all rights, entitlements, benefits and advantages attaching thereto as at the Completion Date (as defined therein).

4.2. Consideration

- a) The aggregate consideration for the purchase of the Sale Shares shall be the sum of S\$4,300,000 (the "**Consideration**").
- b) The Consideration was determined and agreed based on arm's length negotiations between the Buyer and the Seller on a willing-buyer and willing-seller basis, and taking into consideration, *inter alia*, the following factors:
 - (i) the net asset value and financial performance of the Target Company based on its audited financial statements for the financial year ended 30 June 2025, which reflected net assets of approximately S\$2,272,000 and the independent valuation of the Target Company; and
 - (ii) the business prospects of the Target Company as further described in paragraph 3 of this announcement.

There is no open market value for the Sale Shares as they are not publicly traded. The Company has commissioned Navi Corporate Advisory Pte Ltd to conduct an independent valuation of the Sale Shares for the purpose of the Proposed Acquisition.

4.3. Conditions precedent

Completion of the Proposed Acquisition ("**Completion**") is subject to, *inter alia*, the satisfaction or waiver (as the case may be) of the following conditions:

- a) where required, the in-principle approval by the SGX-ST, and where such approvals are subject to any conditions, such conditions being satisfactory to the Buyer and the Company;

- b) the approval by the shareholders of the Company at an extraordinary general meeting to be held by the Company (or at any adjournment of such meeting), for the transactions contemplated by the SPA;
- c) the business, financial, tax, accounting and legal due diligence conducted by the Buyer on the Target Company in connection with the transactions contemplated by the SPA, having been completed to the Buyer's satisfaction acting reasonably and the results of which are satisfactory to the Buyer acting reasonably;
- d) no material adverse change (as determined by the Buyer acting reasonably) in the turnover, profitability, financial or trading position of the Target Company having occurred between the date of the SPA and Completion;
- e) the Seller's Warranties being and remaining true, accurate and not misleading in all material respects as at the date of the SPA and as at Completion;
- f) no injunction, interim or otherwise, having been granted in respect of the Seller, the Target Company, the Buyer or the Company, and no laws having been enacted or proposed, which would prohibit, restrict or delay (i) the Seller or the Buyer from entering into or performing their obligations under the SPA; or (ii) the implementation of the transactions contemplated by the SPA;
- g) the Seller having obtained all relevant consents and approvals from, and the making of all relevant notifications to the relevant regulatory and government bodies in respect of the Proposed Acquisition.

(collectively the "**Conditions Precedent**" and each a "**Condition Precedent**")

4.4. Completion

Completion shall take place through the exchange of documents at the office of the Seller (or such other place as the Parties may agree) or remotely via electronic means on the Completion Date.

At completion, the following shall take place:

- a) the Seller shall deliver (or procure delivery) to the Buyer:
 - (i) duly executed share transfer forms in respect of the Seller's Sale Shares in favour of the Buyer accompanied by the original share certificates in the name of the Seller for cancellation;
 - (ii) wherever applicable, the written resignations of each of the directors of the Target Company to take effect on Completion Date;
 - (iii) a copy of the board of Directors' resolutions of the Target Company approving, *inter alia*, the transactions contemplated to be entered in the SPA including the Proposed Acquisition.
- b) the Buyer shall make payment of the Consideration by way of electronic funds transfer to a bank account designated by the Seller or cashier's order as to the agreed by the Parties on the Completion Date.

4.5. Other terms of the SPA

The SPA contains customary provisions relating to the Proposed Acquisition, including representations and warranties.

5. **FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION**

The pro forma financial effects of the Proposed Acquisition on the Group are set out below and are purely for illustrative purposes. They are based on the Group's audited financial statements for the financial period from 1 January 2024 to 30 June 2025 ("FY2025 Financial Statements").

(a) NTA per share

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on the NTA per share of the Group as at 30 June 2025, as if the Proposed Acquisition was completed on 30 June 2025, are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to equity holders of the Company (S\$'000)	21,657	19,629
Weighted average number of ordinary shares in issue (excluding treasury shares) ('000)	2,462,635	2,462,635
NTA per share (Singapore cents)	0.88	0.80

(b) EPS

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on the EPS of the Group as at 30 June 2025, as if the Proposed Acquisition was completed on 1 January 2024 (being the beginning of the most recently completed financial period of the Group), are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Profit attributable to equity holders of the Company (S\$'000)	102	325
Weighted average number of ordinary shares in issue (excluding treasury shares) ('000)	2,462,635	2,462,635
EPS (Singapore cents)	0.00	0.01

- a) Profit before the Proposed Acquisition is based on the Group's net profit attributable to shareholders of S\$102,000 for the financial period from 1 January 2024 to 30 June 2025, as extracted from the FY2025 Financial Statements.

- b) Profit after the Proposed Acquisition includes the net profit of The Target Company of S\$223,000 for the financial year ended 30 June 2025, as extracted from The Target Company's audited financial statements for the year ended 30 June 2025.
- c) No adjustments have been made for any financing costs or other transaction-related expenses that may arise as a result of the Proposed Acquisition.
- d) For comparative and illustrative purposes, the weighted average number of ordinary shares before and after the Proposed Acquisition used to derive both the Group's NTA per share and EPS were computed based on 2,462,635,000 weighted average number of ordinary shares (excluding treasury shares) of the Company as at 30 June 2025.

6. RELATIVE FIGURES OF THE PROPOSED ACQUISITION UNDER CHAPTER 10 OF THE LISTING MANUAL

6.1. Relative Figures of the Proposed Acquisition under Rule 1006 of the Listing Manual

Based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 31 December 2025 (being the latest announced consolidated financial statements of the Group), the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows for the Proposed Acquisition:

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	Not applicable ⁽²⁾
(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	30.61% ⁽³⁾
(c)	Aggregate value of the Consideration given compared with the Company's market capitalization based on the total number of issued shares in the Company, excluding treasury shares	12.57% ⁽⁴⁾
(d)	Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽⁵⁾
(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	Not applicable ⁽⁶⁾

Notes:

¹ Percentage figures are rounded to the nearest two (2) decimal places.

² Not applicable, as the Proposed Acquisition is in relation to the acquisition (and not a disposal) of assets.

³ For this purpose, "**net profits**" are defined as profit before income tax and non-controlling interests. The net profits of the Group and the Target Company for the 6 months ended 31 December 2025 were approximately **S\$882,000** and **S\$270,000** respectively, as extracted from the latest announced unaudited consolidated financial statements of the Group for the half year ended 31 December 2025 and the management accounts of the Target Company for the same period respectively. The

relative figure is determined by dividing the net profit of The Target Company by the net profit of the Group for the same period.

⁴ The market capitalisation of the Company is approximately **S\$34,208,000**, which is determined by multiplying the number of shares in issue (being **3,800,860,000** shares, excluding treasury shares of 1,807,000) by the volume weighted average price of the shares (being **S\$0.009**) transacted on 23 April 2026, being the market day immediately preceding the date of the SPA.

⁵ Not applicable, as equity securities are not issued by the Company as consideration for the Proposed Acquisition.

⁶ Not applicable, as the Company is not a mineral, oil and gas company.

6.2. The Proposed Acquisition as a Major Transaction under Chapter 10 of the Listing Manual

As the relative figure computed under Rule 1006(b) exceeds 20%, the Proposed Acquisition constitutes a “major transaction” as defined under Chapter 10 of the Listing Manual and is subject to the approval of Shareholders in general meeting.

7. **THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL**

7.1. The Proposed Acquisition constitutes an IPT under Chapter 9 of the Listing Manual:

- a) an “interested person transaction” is a transaction between an entity at risk and an interested person pursuant to Rule 904(5) of the Listing Manual.
- b) Union Steel Holdings (as further described in paragraph 2.4 of this announcement) holds 951,000,000 Shares, representing approximately 25.02 per cent of the total issued shares of the Company, and is a substantial shareholder of the Company and in turn, the Company’s wholly-owned subsidiaries including the Buyer.
- c) Union Steel Holdings is also the legal and beneficial owner of 100% of the issued and paid-up share capital of the Seller.
- d) In view of the foregoing, the Buyer constitutes an entity at risk and the Seller is an interested person of the Company and its subsidiaries by virtue of being an associate of Union Steel Holdings.

Under Chapter 9 of the Listing Manual, where an entity at risk proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than \$100,000, with the same interested person during the same financial year) is equal to or exceeds five per cent. (5%) of the group’s latest audited net tangible assets, shareholders’ approval is required in respect of the transaction.

Based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2025, the Group’s latest audited net tangible assets (“**NTA**”) was approximately S\$21,657,000 (being net assets of S\$21,836,000 less intangible assets of S\$179,000). Five per cent. (5%) of the Group’s latest audited NTA amounts to approximately S\$1,083,000. As the Consideration of S\$4,300,000 exceeds S\$1,083,000, the Proposed Acquisition represents more than five per cent. (5%) of the Group’s latest audited NTA.

Based on the above computation, the Proposed Acquisition represents more than five per cent. (5%) of the Group's latest audited NTA and accordingly the Company is seeking the approval of the Shareholders for the Proposed Acquisition at the EGM pursuant to Rule 906(1) of the Listing Manual.

8. INDEPENDENT FINANCIAL ADVISER

Capstone Investment Corporate Finance Pte Ltd has been appointed as the independent financial adviser (the "IFA") to advise, amongst other things, the Audit Committee of the Board ("Audit Committee") on whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders. The opinion of the IFA will be set out in the Circular to be made available to the shareholders of the Company in due course.

9. AUDIT COMMITTEE STATEMENT

The Audit Committee will be obtaining an opinion from the IFA before forming its view on whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders. The statement from the Audit Committee will be disclosed in the Circular to be made available to the shareholders of the Company in due course.

10. DIRECTORS' SERVICE AGREEMENTS

No person will be appointed to the Board in connection with the Proposed Acquisition and no service contracts in relation thereto will be entered into by the Company.

11. EGM AND CIRCULAR

The Circular to Shareholders containing, *inter alia*, further information of the Proposed Acquisition, to seek Shareholders' approval for the Proposed Acquisition as a major transaction and IPT, together with the notice of EGM to be convened, will be made available by the Company to Shareholders in due course.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

For completeness of disclosure, Mr Ang Jun Long, the Executive Director of the Company, is also a director of the Target Company.

Save as disclosed in this Announcement, none of the directors and substantial shareholders of the Company have any interests, direct or indirect in the Proposed Acquisition, other than through their respective shareholding interests (if any) in the Company.

13. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true

disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

14. DOCUMENTS FOR INSPECTION

A copy of the SPA may be inspected at the registered office of the Company at 300 Tampines Avenue 5, Income at Tampines Junction, Singapore 529653 during normal business hours for a period of three (3) months from the date of this announcement.

15. CAUTIONARY STATEMENT

- 15.1. Shareholders and potential investors should note that the Proposed Acquisition is subject to the fulfilment of, inter alia, the condition precedents set out above and accordingly, should exercise caution when trading in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.
- 15.2. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, solicitors or other professional advisors if they have any doubts as to the actions they should take.

BY ORDER OF THE BOARD

Ang Jun Long
Executive Director

27 April 2026