

CIRCULAR DATED 16 MARCH 2015

This Circular is issued by Union Steel Holdings Limited (the “**Company**”).

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately hand this Circular, the notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



UNION STEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200410181W)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED CHANGE OF AUDITORS

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	29 March 2015 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	31 March 2015 at 10.00 a.m.
Place of Extraordinary General Meeting	:	33 Pioneer Road North, Singapore 628474

TABLE OF CONTENTS

	PAGE
DEFINITIONS	3
 LETTER TO SHAREHOLDERS	
1. INTRODUCTION.....	5
2. PROPOSED CHANGE OF AUDITORS	5
3. DIRECTORS' RECOMMENDATIONS.....	7
4. STATEMENT OF THE AUDIT COMMITTEE.....	7
5. EXTRAORDINARY GENERAL MEETING.....	7
6. ACTION TO BE TAKEN BY SHAREHOLDERS.....	7
7. DIRECTORS' RESPONSIBILITY STATEMENT	7
8. INSPECTION OF DOCUMENTS.....	8
 NOTICE OF EXTRAORDINARY GENERAL MEETING	 9
 PROXY FORM	

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Audit Committee”	:	The audit committee of the Company
“Auditors”	:	The auditors of the Company
“Board”	:	The board of Directors of the Company as at the date of this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 16 March 2015
“Companies Act”	:	Companies Act, Chapter 50 of Singapore
“Company”	:	Union Steel Holdings Limited
“Deloitte”	:	Messrs Deloitte & Touche LLP
“Directors”	:	The directors of the Company as at the date of this Circular
“EGM”	:	The extraordinary general meeting of the Company to be convened on 31 March 2015, notice of which is set out on page 9 of this Circular
“Group”	:	The Company and its subsidiaries
“Listing Manual”	:	Listing manual of the SGX-ST
“Proposed Change of Auditors”	:	The proposed change of Auditors from RT LLP to Deloitte
“RT LLP”	:	Messrs RT LLP
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholder(s)”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “ Shareholder(s) ” shall, in relation to those Shares, mean the Depositors who have shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the share capital of the Company

The terms “Depositor” and “Depository Register” shall have the meaning ascribed to them respectively in Section 130A of the Companies Act.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated.

LETTER TO SHAREHOLDERS

UNION STEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200410181W)

Directors:

Ang Yu Seng (*Executive Chairman and Chief Executive Officer*)
Ang Yew Chye (*Executive Director*)
Siau Kai Bing (*Lead Independent Director*)
Chang Yeh Hong (*Independent Director*)
Chan Kok Poh (*Independent Director*)

Registered Office:

33 Pioneer Road North
Singapore 628474

16 March 2015

To: The Shareholders of Union Steel Holdings Limited

Dear Sir / Madam,

PROPOSED CHANGE OF AUDITORS**1. INTRODUCTION**

- 1.1 The purpose of this Circular is to provide Shareholders with the relevant information and the underlying rationale pertaining to the Proposed Change of Auditors.
- 1.2 The approval of Shareholders for the Proposed Change of Auditors from Messrs RT LLP (“**RT LLP**”) to Messrs Deloitte & Touche LLP (“**Deloitte**”) will be sought at the EGM to be convened and held at 33 Pioneer Road North, Singapore 628474, on 31 March 2015 at 10.00 a.m. The notice of EGM is set out on page 9 of this Circular.

2. PROPOSED CHANGE OF AUDITORS**2.1 Reasons for the Proposed Change of Auditors**

- 2.1.1 RT LLP (formerly known as LTC & Associates), the retiring Auditors, has been the Auditors since 12 August 2004 based on ACRA records.
- 2.1.2 As the Group is expanding its business, the Board has decided to appoint Deloitte as the Auditors. In this regard, as announced by the Company on 5 February 2015, RT LLP had, on 3 February 2015, given notice to the Company of their withdrawal of consent to act as Auditors. The Company would like to propose that Deloitte be appointed as Auditors for the financial year ending 30 June 2015.

2.2 Information about Deloitte

- 2.2.1 Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s approximately 210,000 professionals are committed to becoming the standard of excellence.

LETTER TO SHAREHOLDERS

2.2.2 Deloitte Southeast Asia – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam – was established to deliver measurable value to the particular demands of increasingly intra-regional and fast growing companies and enterprises. Comprising over 270 partners and 6,300 professionals in 24 office locations, the subsidiaries and affiliates of Deloitte Southeast Asia Ltd combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region. All services are provided through the individual country practices, their subsidiaries and affiliates which are separate and independent legal entities.

2.2.3 In Singapore, services are provided by Deloitte & Touche LLP and its subsidiaries and affiliates. Deloitte & Touche LLP (Unique entity number: T08LL0721A) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A of Singapore).

2.2.4 The engagement partner-in-charge will be Ms. Seah Gek Choo. Ms. Seah is an audit partner in Deloitte with more than 19 years of public accounting experience handling listed companies, multi-national companies and small and medium enterprises. Ms. Seah has advised companies on their initial public offerings on the Singapore Exchange.

2.3 Opinion of the Audit Committee

The Audit Committee has, after taking into consideration the suitability of Deloitte and compliance with the Listing Manual, recommended the Proposed Change of Auditors.

2.4 Opinion of the Directors

The Directors have taken into account the recommendation of the Audit Committee and considered various factors, including the adequacy of the resources and experience of Deloitte and the persons assigned to the audit, audit engagements of Deloitte, the size and complexity of the Group, and the number and experience of supervisory and professional staff to be assigned to the audit, and is satisfied that Deloitte will be able to meet the audit requirements of the Company and that Rule 712(1) of the Listing Manual has been complied with. Accordingly, the Directors have recommended the Proposed Change of Auditors.

2.5 Confirmation from Outgoing Auditors

In accordance with the requirements of Rule 1203(5) of the Listing Manual, RT LLP has confirmed to Deloitte that it is not aware of any professional reasons why Deloitte should not accept the appointment as Auditors.

2.6 Confirmation from the Company

2.6.1 In accordance with the requirements of Rule 1203(5) of the Listing Manual, the Company confirms that:

- (a) there were no disagreements with RT LLP on accounting treatments within the last 12 months;
- (b) it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in Paragraphs 1 and 2 of this Circular;
- (c) the specific reasons for the Proposed Change of Auditors are as disclosed in Paragraph 2.1 above; and
- (d) it complies with Rules 712 and 715 of the Listing Manual in relation to the appointment of Deloitte.

LETTER TO SHAREHOLDERS

2.6.2 In this regard, RT LLP has given notice to the Directors of their withdrawal of consent to act as Auditors on 3 February 2015, and Deloitte has given their consent to be appointed as the Auditors on 5 February 2015, subject to the approval of the Shareholders at the EGM. The withdrawal of consent to act as Auditors by RT LLP and the appointment of Deloitte will take effect upon obtaining the approval of the Shareholders at the EGM.

2.6.3 The Directors wish to express their appreciation for the past services rendered by RT LLP.

3. DIRECTORS' RECOMMENDATIONS

Having fully considered the rationale and benefit of the Proposed Change of Auditors, the Directors are of the opinion that the Proposed Change of Auditors is in the best interests of the Company, and accordingly, recommend that Shareholders vote in favour of the ordinary resolution in respect of the Proposed Change of Auditors to be proposed at the EGM.

4. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee has reviewed the Proposed Change of Auditors and recommended the change of Auditors to Deloitte, having satisfied itself of the suitability of Deloitte and ensuring compliance with Rule 712(1) of the Listing Manual.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 9 of this Circular, is to be held at 33 Pioneer Road North, Singapore 628474, on 31 March 2015 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without any amendments the ordinary resolution set out in the notice of EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

6.1 Shareholders who are unable to attend and vote at the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf, should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for holding the EGM.

6.2 The completion and lodgement of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy or proxies if he so wishes. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the EGM in person, and in such an event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 Circular in its proper form and context.

LETTER TO SHAREHOLDERS

8. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) letter of withdrawal of consent to act as Auditors from Messrs RT LLP dated 3 February 2015;
- (c) consent to act as Auditors from Messrs Deloitte & Touche LLP dated 5 February 2015; and
- (d) professional clearance letter issued by Messrs RT LLP to Messrs Deloitte & Touche LLP dated 3 February 2015.

Yours faithfully
for and on behalf of the Board of Directors of
UNION STEEL HOLDINGS LIMITED

Ang Yu Seng
Executive Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

UNION STEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200410181W)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the shareholders of Union Steel Holdings Limited (the "**Company**") will be held at 33 Pioneer Road North, Singapore 628474, on 31 March 2015 at 10.00 a.m., for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolution as set out below.

All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 16 March 2015.

ORDINARY RESOLUTION

PROPOSED CHANGE OF AUDITORS FROM MESSRS RT LLP TO MESSRS DELOITTE & TOUCHE LLP

That:

- (a) Messrs Deloitte & Touche LLP be and is hereby appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company at a fee and on such terms to be agreed between the Directors and Messrs Deloitte & Touche LLP; and
- (b) the Directors and each of them be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interest of the Company to give effect to the Proposed Change of Auditors and/or this Ordinary Resolution.

BY ORDER OF THE BOARD

Ang Yu Seng
Executive Chairman and Chief Executive Officer
16 March 2015

Notes:

1. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one proxy or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 33 Pioneer Road North, Singapore 628474, not less than 48 hours before the time appointed for holding the Extraordinary General Meeting.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

PERSONAL DATA PRIVACY

Where a shareholder of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

This page has been intentionally left blank.

UNION STEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200410181W)

IMPORTANT:

1. For investors who have used their CPF monies to buy shares in **Union Steel Holdings Limited**, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM

I/We, _____ (Name)

of _____ (Address)

being a member/members of **UNION STEEL HOLDINGS LIMITED** (the “**Company**”), hereby appoint:

Name	Address	NRIC/ Passport No.	Number of Shares Represented

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Number of Shares Represented

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting of the Company (“**EGM**”) as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the EGM to be held at 33 Pioneer Road North, Singapore 628474, on 31 March 2015 at 10.00 a.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote “For” or “Against” with a tick [✓] within the box provided)

	For	Against
Ordinary Resolution To approve the change of auditors of the Company from Messrs RT LLP to Messrs Deloitte & Touche LLP		

Dated this _____ day of _____ 2015

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THE PROXY FORM



Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A shareholder of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
3. Where a shareholder appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. Completion and return of this instrument appointing a proxy shall not preclude a shareholder from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a shareholder attends the meeting in person, and in such an event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 33 Pioneer Road North, Singapore 628474, not less than 48 hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 16 March 2015.