



UNION STEEL HOLDINGS LIMITED
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For Immediate Release

Union Steel issuing warrants to shareholders at a discount

- **Warrants issued on a basis of one warrant for every five shares**
- **Issue price of warrants at S\$0.03, exercisable at S\$0.12 over 3 years**
- **Discount of 50.8% to the last transacted price**

Singapore, 29 November 2007 – Union Steel Holdings Limited (“Union Steel” or “Company”), one of the largest metals recycling companies in Singapore listed on the Main Board of SGX-ST, is pleased to announced that Union Steel is proposing a renounceable non-underwritten Rights Issue of warrants (“Warrants Issue”), on a basis of one (1) warrant (“Warrant”) for every five (5) shares (“Shares”) held by shareholders of the Company.

Based on the existing share capital, the Company will be issuing up to 69,421,050 Warrants at an issue price of S\$0.03 for each Warrant, and each Warrant carrying the right, but not the obligation, to subscribe for one new share (“New Share”) of the Company at the exercise price of S\$0.12. Subject to the terms and conditions of the Warrants as set out in the Deed Poll constituting the Warrants, the Warrants can be converted into New Shares at any time during the period commencing on and including the date of issue of the Warrants and expiring on a date immediately preceding the third anniversary of such date of issue.

Based on the issue price and exercise price of each Warrant, the aggregate cost of subscribing to each New Share is S\$0.15, which represents a discount of approximately 50.8% to last transacted price of S\$0.305 for each Share.

Executive Chairman and CEO of Union Steel, Mr. Ang Yu Seng commented, “The Warrants Issue would enhance shareholders’ value and will allow our existing shareholders to continue to participate in the exciting growth of the Company. The proceeds from the Warrants Issue will also strengthen the Group’s balance sheet position.”

To demonstrate their commitment to the Company, Mr. Ang and two other Executive Directors of the Company have undertaken to subscribe and/or procure the subscription and payment for their respective entitlements under the Warrant Issue.

Mr. Ang continued, "As substantial shareholders and Executive Directors of the Company, the injection of our personal capital into the Company via the Warrants Issue reflects our growing confidence in the prospects of the Company."

- The End -

About Union Steel Holdings Limited

The Group was incorporated in Singapore on 12 August 2004 under the name of Union Steel Holdings Pte Ltd. It adopted the current name on 29 June 2005. The Group is principally engaged in the recycling of ferrous and non-ferrous scrap metals, the trading of steel products and the provision of other services, comprising waste collection and management, demolition works, rental of steel plates and car scrapping. The Group believes that it is currently one of the largest metals recycling companies in Singapore in terms of volume of metals recycled.

The Group serves a wide customer base of over 500 customers, spanning across countries such as China, India, Indonesia, Japan, Malaysia and Singapore. The Group intends to seek expansion opportunities within both its existing and potential markets via possible acquisitions and joint ventures in China and Indonesia.

For more information, please log on www.unionsteel.com.sg

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