

UNION STEEL HOLDINGS LIMITED
(Company Registration Number 200410181W)
(Incorporated in the Republic of Singapore)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE (“WARRANTS ISSUE”) OF UP TO 69,421,050 WARRANTS (“WARRANTS”) AT AN ISSUE PRICE OF S\$0.03 FOR EACH WARRANT, EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW ORDINARY SHARE (“NEW SHARE”) IN THE CAPITAL OF THE COMPANY AT AN EXERCISE PRICE OF S\$0.12 FOR EACH NEW SHARE, ON THE BASIS OF ONE (1) WARRANT FOR EVERY FIVE (5) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS BEING DISREGARDED

RESULTS OF SUBSCRIPTION AND ALLOCATION OF WARRANTS

Unless otherwise defined, all terms used herein shall bear the same meaning as in the Offer Information Statement dated 20 March 2008.

The Board of Directors of the Company is pleased to announce that, as at the close of the Warrants Issue on 7 April 2008 (the “**Closing Date**”), valid acceptances and excess applications for a total of 130,962,286 Warrants were received. This represents approximately 188.6% of the total number of Warrants that were available under the Warrants Issue.

Pursuant to the Shareholders’ Undertakings, the Undertaking Shareholders had subscribed and paid and/or procured subscriptions and payment for their provisional allotments of 36,927,849 Warrants, being the number of Warrants that they are required to subscribe and pay for and/or procure subscriptions and payment for pursuant to their respective undertakings.

Details of the valid acceptances and excess applications for the Warrants received are as follows:

- (a) valid acceptances were received for a total of 66,513,744 Warrants, representing approximately 95.8% of the total number of Warrants available under the Warrants Issue; and
- (b) excess applications were received for a total of 64,448,542 Warrants, representing approximately 92.8% of the total number of Warrants available under the Warrants Issue.

The balance of 2,907,306 Warrants, being the aggregation of the provisional allotments of Warrants not taken up by Entitled Shareholders and/or purchasers pursuant to the Warrants Issue as well as disregarded fractional entitlements of Warrants, will be used to satisfy excess applications for the Warrants or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Warrants, preference will be given to the rounding of odd lots and the Substantial Shareholders and Directors will rank last in priority.

All the provisional allotments of 333,400 Warrants which would have been provisionally allotted to Foreign Shareholders were sold “nil-paid” on the SGX-ST. The net proceeds from all such sales, after deduction of all expenses therefrom, amounting in aggregate to approximately S\$8,437.24, will be pooled and thereafter, distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them by ordinary post at their own risk, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of

the Company and no Foreign Shareholder will have any claim whatsoever against the Company, the Manager or CDP in connection therewith.

The Company has raised net proceeds of approximately S\$1.8 million after deducting estimated expenses of approximately S\$0.3 million (the "Net Proceeds") from the Warrants Issue. As disclosed in the Offer Information Statement dated 20 March 2008, the Company intends to apply the Net Proceeds for the refinancing of the Group's borrowings.

In the case of applications for excess Warrants, if an Entitled Depositor applies for excess Warrants but no excess Warrants are allotted to that particular Entitled Depositor, or if the number of excess Warrants allotted to that Entitled Depositor is less than the number applied for, the amount paid on application, or the surplus application monies, as the case may be, will be refunded to the relevant Entitled Depositor by CDP on behalf of the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by any one or a combination of the following:

(a) by crediting the relevant Entitled Depositor's bank account with the relevant Participating Bank at the Entitled Depositor's own risk if the Entitled Depositor applied by way of Electronic Application through an ATM, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder; and/or

(b) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at the relevant Entitled Depositor's own risk to the Entitled Depositor's mailing address as maintained with CDP or the Company or in such other manner as they may have agreed with CDP for the payment of any cash distribution, as the case may be.

By Order of the Board

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Ang Yu Seng
Chief Executive Officer
Union Steel Holdings Limited
11 April 2008