



UNION STEEL HOLDINGS LIMITED

友联钢铁控股有限公司

## UNION STEEL HOLDINGS LIMITED

(Incorporated in Singapore)  
(Company Registration Number: 200410181W)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of Union Steel Holdings Limited (the "Company") will be held at 33 Pioneer Road North, Singapore 628474 on 11 February 2010 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without any amendment the following resolutions:

#### AS ORDINARY RESOLUTIONS:-

##### 1. PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

THAT:

- (a) the Share Buyback Mandate be approved and adopted and that ordinary shares in the capital of the Company acquired by the Company may either be held as Treasury Shares or cancelled as the Directors of the Company deem fit; and

THAT:

- (b) for the purposes of the Companies Act (Cap. 50), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchases (each a "Market Purchase") on the SGX-ST; and/or  
(ii) off-market purchases (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Singapore Companies Act, and otherwise in accordance with all other provisions of the Singapore Companies Act and listing rules of SGX-ST as may for the time being be applicable,

be and is hereby authorised and approved generally and unconditionally (the "Mandate");

- (c) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors of the Company pursuant to the Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

- (i) the date on which the next AGM is held or required by law or the existing Articles of Association of the Company to be held;  
(ii) the date on which the share buybacks are carried out to the full extent mandated; or  
(iii) the date on which the authority contained in the Mandate is varied or revoked

(the "Relevant Period");

- (d) in this Resolution:

"Prescribed Limit" means 10% of the issued ordinary share capital of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act (Cap 50), at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time); and

"Maximum Price" in relation to a fully-paid ordinary share in the capital of the Company (a "Share") to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price;  
(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent (120%) of the Highest Last Dealt Price, where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period;

"Highest Last Dealt Price" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"market day" means a day on which SGX-ST is open for trading in securities.

- (e) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

##### 2. PROPOSED ADOPTION OF THE UNION STEEL PERFORMANCE SHARE SCHEME

THAT:

- (a) the share performance scheme to be known as the "Union Steel Performance Share Scheme" (the "Scheme"), under which awards ("Awards") of fully-paid Shares will be issued free of charge to (i) selected employees of the Company and/or its subsidiaries and associated companies; and (ii) the Directors of the Company, particulars of which are set out in the Company's Circular to Shareholders dated 19 January 2010, be and is hereby approved; and

- (b) the Directors of the Company be and are hereby authorised:

- (i) to implement and establish the Scheme;  
(ii) to modify and/or amend the Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme; and  
(iii) to grant Awards in accordance with the provisions of the Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the grant of the Awards under the Scheme, provided that the aggregate number of new Shares to be issued pursuant to the Scheme shall not exceed 15% of the issued ordinary share capital of the Company from time to time.

##### 3. PARTICIPATION BY ANG SIEW CHIN IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 2, the participation of Ang Siew Chin, who is an Associate of a Controlling Shareholder (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited) of the Company, in the Scheme be and is hereby approved.

##### 4. PARTICIPATION BY ANG LAY ENG IN THE SCHEME

That subject to and contingent upon the passing of Ordinary Resolution 2, the participation of Ang Lay Eng, who is an Associate of a Controlling Shareholder (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited) of the Company, in the Scheme be and is hereby approved.

#### AS SPECIAL RESOLUTION:

##### APPROVAL OF THE PROPOSED AMENDMENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE ARTICLES OF ASSOCIATION OF THE COMPANY

That the Memorandum of Association of the Company be amended in the manner set out in Appendix B of the Circular to Shareholders dated 19 January 2010 and that the Articles of Association of the Company be amended in the manner as set out in Appendix C of the Circular to Shareholders dated 19 January 2010.

By Order of the Board

Ang Yu Seng  
Chairman and Chief Executive Officer  
19 January 2010  
Singapore

#### IMPORTANT: Please read notes below.

##### NOTES:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote in his stead. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
2. The Proxy Form is attached and 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 fixed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.
3. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 48 hours before the time fixed for holding the Extraordinary General Meeting in order for the Depositor to be entitled to attend and vote at the Extraordinary General Meeting.