

**UNION STEEL HOLDINGS LIMITED**  
(Company Registration No. 200410181W)  
(Incorporated in the Republic of Singapore)

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**FILING OF DEFENCE AND COUNTERCLAIM**

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The Board of Directors of Union Steel Holdings Limited (the “**Company**”) wishes to announce that Lim Wen Heng Construction Pte Ltd (the “**Defendant**”) had on 16 January 2015 filed a Defence and Counterclaim (the “**Defence and Counterclaim**”) in response to a claim brought by the Company’s wholly-owned subsidiary, Union Steel Pte Ltd (“**USPL**”) with the High Court of the Republic of Singapore against the Defendant for damages suffered by reason of the Defendant’s failure to take delivery of the agreed quantity of reinforcement bars (the “**Goods**”) under the various contracts entered into between the parties.

The Defendant has filed the Defence and Counterclaim claiming damages for alleged late delivery and non-compliance with the specifications of the Goods.

The Company is currently seeking legal advice on allegations made in the Defence and Counterclaim and will, in consultation with its legal advisors, take such steps as necessary to reply to the Defence and defend the Counterclaim.

The Company will update the shareholders of any material development on the above matter as and when appropriate.

By Order of the Board

Ang Yu Seng  
Chairman and Chief Executive Officer  
19 January 2015