



**UNION STEEL HOLDINGS LIMITED**

Co Reg. No.: 200410181W

*(Incorporated in the Republic of Singapore)  
(Company Registration No. 200410181W)*

---

## **PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF PROMOTER HYDRAULICS PTE. LTD. AND MARSHAL SYSTEMS PRIVATE LIMITED**

---

### **1. INTRODUCTION**

The board of directors ("**Board**" or "**Directors**") of Union Steel Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), wishes to announce that the Company's wholly-owned subsidiary, Transvictory Holdings Pte Ltd, has on 29 July 2022 entered into a sale and purchase agreement (the "**SPA**") with 9R Limited (the "**Vendor**") for the acquisition (the "**Proposed Acquisition**") of:

- a) 12,005,607 ordinary shares in Promoter Hydraulics Pte. Ltd. (Company Registration Number: 200513036G) ("**Promoter**"), constituting the entire issued and paid-up share capital of Promoter; and
- b) 1,838,733 ordinary shares in Marshal Systems Private Limited (Company Registration Number: 199308270D) ("**Marshal**"), constituting the entire issued and paid-up share capital of Marshal.

(collectively, the "**Sale Shares**").

### **2. PROPOSED ACQUISITION**

#### **2.1 Information on the Vendor**

The Vendor, 9R Limited (formerly known as Viking Offshore and Marine Limited), is a public company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. The Vendor was incorporated in Singapore on 4 November 1993. Through its wholly owned subsidiaries, the Vendor provides offshore and marine system solutions to yards, vessel owners and oil majors around the world.

As at the date of this announcement, the Vendor is an independent third party and is not related to the Directors or the controlling shareholders of the Company, or any of their respective associates.

#### **2.2 Information on Promoter and Marshal**

Promoter and Marshal are wholly-owned subsidiaries of the Vendor.

Promoter was incorporated in Singapore on 19 September 2005 and Marshal was incorporated in Singapore on 14 December 1993. Marshal has a direct interest in 100% of the entire issued and paid-up share capital of Marshal Offshore & Marine Engineering Co., Ltd ("**Marshal's Subsidiary**"), which was incorporated in the People's Republic of China on 24 November 2009.

The principal activities of Promoter are those of manufacture and repair of marine engines and ship parts, retail and rental of marine equipment, marine accessories and parts. The principal activities of Marshal are those of contractors for electronic and electrical engineering works.

Based on the latest available unaudited accounts of Marshal and Promoter for the financial period ended 30 June 2022:

- a) the book value of the shares of Marshal is approximately S\$179,000, and the net tangible asset value of the shares of Marshal is an aggregate of S\$179,000 at S\$ 0.10 per share; and,
- b) the book value and the net tangible asset value of the shares of Promoter is in deficit of approximately S\$61,000.

There is no open market value for the Sale Shares as they are not publicly traded. No independent valuation of the Sale Shares was carried out for the purposes of the Proposed Acquisition.

### **2.3 Completion of the Proposed Acquisition**

Completion of the Proposed Acquisition is expected to take place on 29 July 2022.

## **3. RATIONALE FOR THE PROPOSED ACQUISITION**

The Board believes that the Proposed Acquisition is in line with the Group's expansion plans into complementary business areas within the marine, offshore and oil & gas industries through strengthening its engineering and manufacturing capabilities.

The Board also believes that this will help the Group strengthen its competitive advantage, value proposition and provide a holistic engineering solution to existing customers, eventually gaining access to new markets, customers and business opportunities.

## **4. CONSIDERATION**

The consideration (the "**Consideration**") for the Proposed Acquisition is S\$505,000.00, payable fully in cash on completion of the Proposed Acquisition. The Consideration was arrived at on a willing-seller, willing-buyer basis, following arm's length negotiations between the Vendor and the Company, taking into account, *inter alia*, the value of Promoter and Marshal based on the latest unaudited accounts for the financial period ended 30 June 2022 set out in Section 2.2 of this announcement, the prospects of Promoter and Marshal, and the rationale and benefits to the Group for the Proposed Acquisition as set out in Section 3 of this announcement.

## **5. NON-DISCLOSEABLE TRANSACTION**

Based on the latest audited financial statements of the Company for the financial year ended 30 June 2021, the relative figures of the Proposed Acquisition as computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") do not exceed 5%. As such, the Proposed Acquisition is considered a non-discloseable transaction under Chapter 10 of the Listing Manual.

## **6. FINANCIAL EFFECTS**

The Proposed Acquisition is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year ending 30 June 2023.

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company or any of their respective associates has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholding interests in the Company.

**8. DOCUMENT FOR INSPECTION**

The SPA is available for inspection during normal business hours at the registered office of the Company at 33 Pioneer Road North, Singapore 628474 for three months from the date of this announcement.

By order of the Board

Ang Yu Seng  
Chief Executive Officer  
1 August 2022