



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

PROPOSED DISPOSAL OF 60% EQUITY INTEREST IN MEGACRANE PTE. LTD.

The Board of Directors (“**Board**”) of Union Steel Holdings Limited (“**Company**”, and together with its subsidiaries, “**Group**”) wishes to announce that the Company, through its wholly-owned subsidiary, Union Engineering Pte. Ltd. (“**UE**”), disposed its entire shareholding interest in its 60% owned subsidiary, MegaCrane Pte. Ltd. (“**MegaCrane**”) for a total cash consideration of S\$27,017.09 (“**Purchase Consideration**”) (“**Proposed Disposal**”).

The Purchase Consideration was arrived at on a willing buyer, willing seller basis after taking into consideration of the net asset value of MegaCrane of S\$38,968.13 as at 30 November 2017. Following the completion of the Proposed Disposal, MegaCrane will cease to be an indirect 60% owned subsidiary of the Company.

The Proposed Disposal will consolidate the Group’s operations to achieve better performance, improve overall cooperation and efficiency between each business unit.

The Proposed Disposal is not expected to have any material impact on the net earnings per share or the net tangible assets per share of the Group for the financial year ending 30 June 2018.

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

By Order of the Board

Ang Yu Seng
Executive Chairman and Chief Executive Officer
12 January 2018