
RESPONSES TO QUESTIONS FROM SHAREHOLDERS PRIOR TO THE COMPANY'S EXTRAORDINARY GENERAL MEETING TO BE HELD ON 30 JUNE 2023

The Board of Directors (the “**Board**”) of Nico Steel Holdings Limited (the “**Company**”) refers to the Notice of Extraordinary General Meeting (“**EGM**”) and Circular to Shareholders released on 15 June 2023 relating to the Company’s EGM to be held by way of electronic means on 30 June 2023 at 2.30 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of Annual General Meeting of the Company to be held at 2.00 p.m. on the same day).

As stated in the Notice of EGM, the Company will endeavour to address all substantial and relevant questions received from the shareholders of the Company and investors by publication on 26 June 2023 via SGXNet and the Company’s website.

The Company’s responses to all the questions received from the shareholders can be found in the Appendix to this announcement. Where appropriate, the editorial amendments have been made to the questions to ensure that the meaning of each question is clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions. Any relevant and substantial questions received after 26 June 2023 shall be addressed during the EGM.

We would like to thank shareholders of the Company who have submitted their questions in advance of the Company’s EGM.

BY ORDER OF THE BOARD

Tan Chee Khiong Danny
Executive Chairman & President

Date : 26 June 2023

APPENDIX

Question 1

Please advise whether the Company may transfer to Catalist instead of delisting.

Company's response

The Delisting Notification received by the Company on 16 October 2020 is a mandatory delisting notice from the SGX-ST, i.e., it means that there was no longer any possibility of transfer to Catalist as of 16 October 2020, as the Company would be mandatorily delisted pursuant to Rule 1315 of the Listing Manual. As stated in the Delisting Notification, the Company's shares would be suspended from 16 November 2020 until a cash exit offer had been received and made. However, as shareholders would know, no cash exit offer has to date been made by any of the Undertaking Controlling Shareholders, and explained in the Circular for the EGM, the Company itself is not able to make any exit offer for the reasons explained in the Circular.

Question 2

Is there an avenue for future share transaction after the Company is delisted with share certificate to be given to the shareholders? Does the Company intend to buy back shares in future?

Company's response

After the Delisting, there will not be a ready market or platform (such as the SGX-ST) for trading of the Company's shares. However, shares of the Company may still be bought and sold on a willing-buyer, willing-seller basis.

The Company is unable to determine at the current time whether it will undertake a share buy-back in the future. Share buy-backs require the Company to have distributable reserves to undertake. Therefore, any share buy-backs if undertaken in the future will depend on whether the Company is able to generate sufficient profits and, therefore, distributable reserves to undertake a share buy-back in accordance with the requirements of the Companies Act 1967.

Question 3

Please provide detail future plan of the Company in the short to mid-terms.

Company's response

Please refer to paragraphs 5.2.1 to 5.2.4 of the Circular of the EGM for a detailed description of the Innovation and Significant Developments of the Group.

Question 4

What would be the future for shareholders if the Company is delisted without an exit offer?

Company's response

As explained in detail in the Circular for the EGM, the Company has no resources to make a cash exit offer. The Delisting Notification was issued to the Company for a mandatory delisting, and is not voluntary. As explained in the Circular for the EGM, the Company is not seeking shareholders' approval for a delisting. Delisting as explained is mandatory under Rule 1315 of the Listing Manual, pursuant to the Delisting Notification. The Company is seeking shareholders' approval for a delisting without having to make exit offer itself.

Question 5

When can we get our hard-earned money back?

Company's response

The subscription or purchase price of the ordinary shares of any company, whether private or public, is not refundable after subscription or purchase. As set out in the response to Question 1, the Delisting of the Company's shares on the SGX-ST is not a voluntary exercise, but a mandatory one, pursuant to Rule 1315 of the Listing Manual. As set out in the response to Question 2, the Company may in the future undertake a share buy-back, depending on whether, principally, amongst meeting other requirements of the Companies Act, the Company has distributable reserves.

Question 6

Is there any way that I can sell back the shares to the Company?

Company's response

As and when the Company's financial position improves and it has distributable profits in the future, it may undertake a share buy-back exercise. Please refer to the response given for Question 2 for a fuller explanation of a share buy-back.