



NICO STEEL HOLDINGS LIMITED
(Company Registration No.: 200104166D)
(Incorporated in the Republic of Singapore)

THE PROPOSED ISSUE OF 2.0% REDEEMABLE CONVERTIBLE BONDS DUE 2018 IN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$50,000,000 – SGX-ST APPROVAL IN PRINCIPLE

The Board of Directors (the “**Board**”) of Nico Steel Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 30 September 2015.

Capitalised terms used herein shall have the definitions ascribed to them in the announcement dated 30 September 2015, unless otherwise stated or the context otherwise requires.

SGX-ST APPROVAL-IN-PRINCIPLE

The Board wishes to announce that the Company has, on 27 January 2016, received the approval in-principle of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of up to 5,000,000 Conversion Shares and up to 55,000,000 Commitment Shares on the Main Board of the SGX-ST (the “**Proposed Issue**”).

The approval in-principle of the SGX-ST for the Proposed Issue was granted subject to the following conditions:-

- (a) Compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval for the Proposed Issue at an extraordinary general meeting of the Company to be convened;
- (c) Submission to the SGX-ST of the following:
 - (i) A written confirmation from the Company that the terms of the Bonds comply with Rule 829(1) of the Mainboard Rules;
 - (ii) A written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the Mainboard Rules in relation to the use of the proceeds from the Bonds and conversion of the Bonds and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (iii) A written undertaking from the Company that it will not place the Bonds to persons prohibited under Rule 812(1) of the Mainboard Rules; and
 - (iv) A written undertaking from the Company to announce any adjustment made pursuant to Rule 829(1) of the Mainboard Rules.

The Company will be providing the abovementioned confirmation and undertakings to the SGX-ST in due course. The approval in-principle issued by SGX-ST for the Proposed Issue is not to be taken as an indication of the merits of the Bonds, the Conversion Shares, the Commitment Shares, the Company, and/or its subsidiaries.

BY ORDER OF THE BOARD

Danny Tan Chee Khiong
Executive Chairman & President
27 January 2016