

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

**MINUTES OF ANNUAL GENERAL MEETING**

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<b>PLACE</b>	:	By way of electronic means (via live webcast and audio only means)
<b>DATE</b>	:	Tuesday, 29 June 2021
<b>TIME</b>	:	2.05 p.m.
<b>PRESENT</b>	:	As set out in the attendance records maintained by the Company.
<b>IN ATTENDANCE</b>	:	As set out in the attendance records maintained by the Company.
<b>CHAIRPERSON</b>	:	Mr Tan Poh Chye Allan

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**INTRODUCTION**

Mr Tan Chee Khiong Danny welcomed all the shareholders for attending the Twentieth Annual General Meeting. He sent his apologies for not being able to be physically in Singapore to chair the annual general meeting (the “**AGM**” or the “**Meeting**”). Due to Covid-19 restrictions, some of the Directors including himself were unable to travel to Singapore.

In this connection, Chairman informed the Meeting that one of the Independent Directors, Mr Tan Poh Chye Allan has presided as Chairman of the Meeting (the “**Chairperson**”).

**QUORUM**

There being a quorum, the Chairperson declared the Meeting open at 2.05 p.m.

**NOTICE**

The notice of AGM dated 14 June 2021 convening the Meeting was taken as read.

**VOTING BY WAY OF A POLL**

Mr Allan Tan, in his capacity as Chairperson of the Meeting called for voting on all the resolutions to be conducted by way of a poll pursuant to Regulation 80 of the Company’s Constitution. Voting by poll has also complied with the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Chairperson had been appointed as proxy by shareholders who have directed the Chairperson of the Meeting to vote for, against, or abstain from voting on, the resolutions as set out in the Notice.

All valid proxy forms received by the deadline as specified in the Notice of AGM, had been accounted for and had been independently verified by Janusys Consultants Pte. Ltd., the appointed scrutineer for the Meeting, and Trusted Services Pte. Ltd., the appointed polling agent for the Meeting. A copy of the scrutineer’s report setting out the voting results of each resolution had been provided to the Chairperson.

## QUESTION AND ANSWER

The Chairperson addressed the question received from a shareholder before the AGM.

Question : What is the management going to do about in the resumption of trading of its shares on SGX?

Company's Response : On 16 October 2020, the Company received a notification of delisting from the Singapore Exchange Regulation Pte. Ltd. ("**SGX Regco**"). The Company's shares were mandatorily suspended on 16 November 2020 from 0900 hours, pending the completion of a cash exit offer to be provided to shareholders other than the offering controlling shareholder.

The Company would like to clarify for shareholders' benefit that a delisting notification cannot be appealed against.

Although two controlling shareholders had each provided an undertaking to the SGX Regco to make a fair and reasonable cash exit offer to all other shareholders ("**Undertaking Shareholders**"), the Company and the Board are unable to make any comments for and on the behalf of these controlling shareholders, in view of the need to remain independent and to comply with the Rules of the Takeover Code. Therefore, we apologise that we are unable to comment on the provisions of the letters of undertaking provided by these controlling shareholders to the SGX Regco.

Insofar as whether the Company itself is able to make a cash exit offer that is fair and reasonable to shareholders, other than the Undertaking Shareholders, shareholders would note that the Group has returned to profits of USD881,000 for the financial year ended 28 February 2021, a dramatic reversal from the financial year ended 29 February 2020 ("**FY2020**") where it recorded a loss of USD1,359,000. In fact, the Group has been improving since 2018, except for FY2020 which was a tough year for all owing to COVID-19.

In terms of meeting the Financial Exit Criteria, the Company has failed in the second limb of Rule 1314, which requires the Company to have an average daily market capitalisation of S\$40 million or more over the [relevant] last 6 months.

The Company is not in financial distress and is a viable going concern, with reasonable business prospects, and has cash and cash equivalent sufficient for its operating requirements. However, the Company does not have excess capital or sufficient distributable profits to propose a capital reduction for the purpose of making a fair and reasonable cash exit offer in compliance with Rule 1309 of the Listing Manual of the SGX-ST.

The Board, in fulfilling its fiduciary duties, is also unable to recommend any form of voluntary break-up of the Group's assets for the purpose of making a distribution-in-specie to shareholders.

Any break-up of the Group's assets may trigger a default of the Group's banking facilities and other legal obligations which will have adverse and unintended consequences.

In terms of the prospects of the Group, it has announced on 27 April 2021 the following:

1. Currently, the Company's Singapore subsidiary is in the research and development stage of its Liquid Forging Project. Production equipment will be installed and be put into trial operation within FY2022;
2. As a result of the ongoing urbanisation by the city government of Suzhou, China, which is taking place within the vicinity of the Group's Suzhou production facilities, plans to shift its operations to the northern region of Jiangsu Province could be beneficial because it could result in more cost efficiency for the Company's China operations.

The Company has also stated in its Annual Report published on 11 June 2021 that NICO has become the first company in China in the Aluminium industry to have been twice-certified with the 80% minimum pre-consumer scrap recycled aluminium alloy by SCS Global Services (A5052 R80 and A1060 R80). As of today, NICO is the only company in China that can provide Aluminium materials with recycled content of 80% and above. NICO hopes that this would give it a first-mover advantage and be the appointed recycled material supplier of choice to customers.

The Company will update shareholders on its plans once it has formulated a plan with its advisors.

The Chairperson proceeded with the ordinary business of the Meeting.

#### **ORDINARY BUSINESS:**

#### **ORDINARY RESOLUTION 1 - DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 28 FEBRUARY 2021 TOGETHER WITH THE AUDITORS' REPORT**

The first item on the agenda was to receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the year ended 28 February 2021 together with the Auditors' Report thereon.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	<b>Number of shares</b>	<b>Percentage (%)</b>
For the Resolution	1,677,626,537	99.88
Against the Resolution	2,000,000	0.12
Total number of valid votes cast	1,679,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That the Directors' Statement and Audited Financial Statements of the Company for the year ended 28 February 2021 together with the Auditors' Report thereon be received and adopted.”

#### **ORDINARY RESOLUTIONS 2 TO 3 - RE-ELECTION OF DIRECTORS**

Shareholders were informed that Mr Tan Poh Chye Allan and Mr Tang Chee Bian Steven, who were retiring pursuant to Regulation 107 of the Company's Constitution, had given their consents to continue in office.

#### **Ordinary Resolution 2 - Re-election of Mr Tan Poh Chye Allan**

The second item of the agenda was to re-elect Mr Tan Poh Chye Allan as a Lead Independent Director of the Company. It was noted that Mr Tan Poh Chye Allan, having been re-elected as a Lead Independent Director of the Company, remains as Chairman of the Remuneration Committee and a member of the Nominating Committee and Audit Committee respectively, and would be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	<b>Number of shares</b>	<b>Percentage (%)</b>
For the Resolution	1,695,626,537	99.88
Against the Resolution	2,000,000	0.12
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That Mr Tan Poh Chye Allan be re-elected as a Lead Independent Director of the Company.”

### **Ordinary Resolution 3 - Re-election of Mr Tang Chee Bian Steven**

The third item of the agenda was to re-elect Mr Tang Chee Bian Steven as a Director of the Company.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	<b>Number of shares</b>	<b>Percentage (%)</b>
For the Resolution	1,695,626,537	99.88
Against the Resolution	2,000,000	0.12
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That Mr Tang Chee Bian Steven be re-elected as a Director of the Company.”

### **ORDINARY RESOLUTION 4 – APPROVAL OF DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2021**

The Board had recommended the payment of S\$115,000 as Directors’ fees for the financial year ended 28 February 2021.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	<b>Number of shares</b>	<b>Percentage (%)</b>
For the Resolution	1,695,626,537	99.88
Against the Resolution	2,000,000	0.12
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That the payment of Directors’ fees amounting to S\$115,000 for the financial year ended 28 February 2021 be approved.”

## ORDINARY RESOLUTION 5 - RE-APPOINTMENT OF AUDITORS

Shareholders were informed that the retiring Auditors, Messrs Baker Tilly TFW LLP, had expressed their willingness to continue in office.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	Number of shares	Percentage (%)
For the Resolution	1,695,626,537	99.88
Against the Resolution	2,000,000	0.12
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That Messrs Baker Tilly TFW LLP be re-appointed as the Auditors of the Company and the Directors be authorized to fix their remuneration.”

## ANY OTHER ORDINARY BUSINESS

As no notice of any other ordinary business has been received by the Company Secretary, the Chairperson proceeded to deal with the special business of the Meeting.

## SPECIAL BUSINESS:

### ORDINARY RESOLUTION 6 - AUTHORITY TO ISSUE NEW SHARES

The Meeting was informed that Resolution 6 of the Agenda was to authorise the Directors to allot and issue shares pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the SGX-ST.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	Number of shares	Percentage (%)
For the Resolution	1,677,626,537	98.82
Against the Resolution	20,000,000	1.18
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That pursuant to Section 161 of the Companies Act, Chapter 50, and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) to be issued pursuant to this resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of any convertible securities;
- (b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this resolution; and
- (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

#### **ORDINARY RESOLUTION 7 - AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE NICO EMPLOYEE PERFORMANCE SHARE PLAN 2017**

Resolution 7 was to authorise the Directors to allot and issue shares under the Nico Employee Performance Share Plan 2017.

The Chairperson proposed the motion.

The votes had been counted and verified. The voting results of the poll were as follow:

	<b>Number of shares</b>	<b>Percentage (%)</b>
For the Resolution	1,677,626,537	98.82
Against the Resolution	20,000,000	1.18
Total number of valid votes cast	1,697,626,537	100

Based on the results of the poll, the Chairperson declared the motion carried.

IT WAS RESOLVED :-

“That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to allot and issue from time to time such number of shares as may be required to be issued pursuant to the vesting of awards granted under the Nico Employee Performance Share Plan 2017 (the “**Nico PSP**”) provided always that the aggregate number of shares to be issued or transferred pursuant to the awards granted under the Nico PSP, when aggregated with the aggregate number of shares over which options or awards are granted under any other share option schemes or share schemes, shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

**CONCLUSION**

There being no other business to transact, the Chairperson declared the AGM of the Company closed at 2.28 p.m. and thanked everyone for their attendance.

**CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

**TAN POH CHYE ALLAN**  
**CHAIRPERSON**