



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

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Nico Steel Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the financial entry criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 5 September 2016.

On 5 June 2017, the Company released an announcement to update shareholders that the SGX-ST had notified the Company on 2 June 2017 that the Company had been re-assessed under the revised minimum trading price (“**MTP**”) rules announced on 2 December 2016. Pursuant to Listing Rule 1311(2) of the Listing Manual, the Company will continue to be placed on the watch-list with effect from 5 June 2017.

The board of directors (the “**Board**”) wishes to provide an update on its effort and the progress made in meeting the financial and the MTP exit criteria of the watch-list pursuant to Rule 1313(2) of the Listing Manual.

Update on financial situation

With reference to the announcement released on 12 October 2017 for the half yearly results ended 31 August 2017, the Company has reported a profit for the current half year financial period as compared to the same period in 2016. The Board is, therefore, cautiously optimistic that insofar as the Company’s financial position is concerned, it will continue to see a sustained improvement.

The Company will release its unaudited financial statements of the Group for the full year ending 28 February 2018 (“**Full Year Results Announcement**”) via the SGXNET sometime in April 2018. The Company’s next quarterly update pursuant to Rule 1313(2) of the Listing Manual will be released together with the Full Year Results Announcement.

Please refer to the paragraph below for other updates.

Update on future direction and other material development

Currently, the Company does not have any new material development to report.

As explained in its last annual report, the Group will continue to promote and develop its NICO Branded Materials using green manufacturing process and to stay competitive by adopting high margin and lower volume business strategy. The Group will also continue to explore new markets and materials for its existing business while at the same time look for opportunities in new businesses and any opportune acquisition, in its current industry sector or in the approved expanded scope of business.

Update on efforts for satisfying MTP exit criterion

Insofar as the MTP criteria are concerned, the Board will continue to consider various options to meet the MTP exit criteria. At the opportune time, the Board will make a decision with respect to the relevant options that will best serve the interests of the Company's shareholders. The Board is focused on putting the Company's financial position back in the black.

The Company will update its shareholders on any material developments in the meantime.

BY ORDER OF THE BOARD

Tan Chee Khiong Danny
Executive Chairman & President

Date: 13 October 2017