



NICO STEEL HOLDINGS LIMITED

Regn No 200104166D

(Incorporated in the Republic of Singapore)

INCORPORATION OF A WHOLLY-OWNED SUBSIDIARY - NICO SIP TRADING COMPANY LIMITED

The Board of Directors (the "**Board**") of Nico Steel Holdings Limited (the "**Company**") and together with its subsidiaries the "**Group**") wishes to announce that the Company has incorporated a wholly-owned subsidiary in Suzhou, People's Republic of China known as Nico SIP Trading Company Limited (the "**Nico SIP Subsidiary**") with a total investment of US\$100,000.00.

The principal activities of the Nico SIP Subsidiary are provision of ferrous and non-ferrous raw materials for metal and plastic fabricating industries including import and export trading and distribution.

The incorporation of the above wholly-owned subsidiary is not expected to have any material impact on the earnings per share or the net-tangible assets per share of the Company for the current financial year ending 28 February 2015.

None of the Directors or substantial shareholders of the Company have any direct or indirect interest in the abovesaid transaction.

By Order of the Board

Danny Tan Chee Khiong
Executive Chairman & President

19 October 2014