
COMPANY UPDATE – TEMPORARY CLOSURE OF OPERATIONS IN CHINA

The Board of Directors (the “**Board**”) of Nico Steel Holdings Limited (“**Nico Steel**” or the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the Company (“**Shareholders**”) that its operations based in Suzhou, China (“**China Operations**”), will be temporarily closed until 9 February 2020. This is pursuant to the latest directives by the Jiangsu Provincial People’s Government in its precautionary measures against the Wuhan coronavirus.

The Group’s China Operations is expected to resume on 10 February 2020. As revenue from its China Operations contributed approximately 83.6% and 84.6% of the Group’s revenue for the year ended 28 February 2019 and for the half year ended 31 August 2019, respectively, the temporary closure of its China Operations is expected to have an adverse impact on the Group’s financial performance for the financial year ending 29 February 2020.

The Group continues to monitor the situation closely and will make further announcements to update Shareholders of any material developments as and when they arise.

BY ORDER OF THE BOARD

Tan Chee Khiong Danny
Executive Chairman & President

Date: 03 February 2020