

NICO STEEL HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200104166D)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** ("EGM") of Nico Steel Holdings Limited (the "Company") will be convened on 25 February 2016 at 10.00 a.m., at Room 506, Level 5, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 for the purpose of considering and, if thought fit, passing with or without any modifications the following resolutions:-

ORDINARY RESOLUTIONS

ORDINARY RESOLUTIONS 1:

THE PROPOSED ISSUE BY THE COMPANY (THE "BOND ISSUE") OF THE 2.0% REDEEMABLE CONVERTIBLE BONDS DUE 2018 (THE "BONDS") WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$50,000,000 COMPRISING FOUR (4) SEPARATE SUCCESSIVE TRanches, WITH AN AGGREGATE PRINCIPAL AMOUNT OF S\$15,000,000 EACH FOR THE FIRST AND SECOND TRanches OF THE BONDS AND AN AGGREGATE PRINCIPAL AMOUNT OF S\$10,000,000 EACH FOR THE THIRD AND FOURTH TRanches OF THE BONDS TO PREMIER EQUITY FUND SUB FUND H (THE "SUBSCRIBER")

THAT subject to and contingent upon the passing of Ordinary Resolutions 2 and 3, approval be and is hereby given to the Directors:

- (A) to create and issue to the Subscriber of the 2.0% redeemable convertible bonds due 2018 (the "Bonds") with an aggregate principal amount of up to S\$50,000,000 comprising four (4) separate successive tranches, with an aggregate principal amount of S\$15,000,000 each for the first and second tranches of the bonds and an aggregate principal amount of S\$10,000,000 each for the third and fourth tranches of the bonds to be convertible at the option of the holder thereof into new ordinary shares of the Company ("Conversion Shares") at a conversion price ("Conversion Price") determined in accordance with the Terms and Conditions of the Subscription Agreement, and subject to such adjustments as the Terms and Conditions of the Subscription Agreement shall stipulate.
- (B) the Directors and each of them be and are hereby authorised and empowered to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to these Resolutions.

ORDINARY RESOLUTIONS 2:

THE PROPOSED ALLOTMENT AND ISSUE OF (I) UP TO 5,000,000,000 CONVERSION SHARES TO BE ISSUED ON CONVERSION OF THE BONDS AND (II) UP TO 55,000,000 COMMITMENT SHARES TO THE SUBSCRIBER

THAT subject to and contingent upon the passing of Ordinary Resolutions 1 and 3, approval be and is hereby given to the Directors:

- (A) to allot and issue:
- (i) such number of fully paid shares of the Company for the payment of the Commitment Fee of up to S\$550,000 to the Subscriber ("Commitment Shares") subject to and otherwise in accordance with the Terms and Conditions of the Subscription Agreement, whereby such Commitment Shares shall rank pari passu in all respects with the then existing shares of the Company except for any dividend, rights, allotment or other distributions the record date for which is before the issue of the Commitment Shares; and
- (ii) such number of Conversion Shares as may be required or permitted to be allotted or issued, subject to and otherwise in accordance with the Terms and Conditions of the Subscription Agreement, whereby such Conversion Shares shall rank pari passu in all respects with the then existing shares of the Company except for any dividend, rights, allotment or other distributions the record date for which is before the issue of the Conversion Shares.
- (B) the Directors and each of them be and are hereby authorised and empowered to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to these Resolutions.

ORDINARY RESOLUTIONS 3:

THE POTENTIAL TRANSFER OF CONTROLLING INTEREST TO THE SUBSCRIBER ARISING FROM THE BOND ISSUE

THAT subject to and contingent upon the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given to the Directors:

- (A) to issue the Conversion Shares and the Commitment Shares that could potentially result in the transfer of controlling interest of the Company to the Subscriber; and
- (B) the Directors and each of them be and are hereby authorised and empowered to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to these Resolutions.

ORDINARY RESOLUTIONS 4:

THE PROPOSED DIVERSIFICATION OF THE BUSINESS SCOPE OF THE COMPANIES AND ITS SUBSIDIARIES (THE "GROUP")

THAT approval be and is hereby given to the Directors:

- (A) to diversify the scope of the business of the Company and its subsidiaries to include:
- (i) the production and supply of renewable energy, including the supply and/or trading of equipment used for the production of renewable energy and other sustainable energy sources; and
- (ii) the provision of services and equipment to other energy production businesses.

ORDINARY RESOLUTIONS 5:

THE PROPOSED CHANGE OF AUDITORS

THAT:

- (A) Baker Tilly TFW LLP ("Baker Tilly TFW"), having consented to act, be and is hereby appointed as the auditors of the Company in place of KPMG LLP to hold office until the conclusion of the next annual general meeting of the Company (the "Proposed Change of Auditors") at a fee and on such terms to be agreed between the Directors and Baker Tilly TFW; and
- (B) the Directors and any one of them be and are hereby authorised and empowered to approve and complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company to give effect to the Proposed Change of Auditors and/or this Resolution.

BY ORDER OF THE BOARD

Danny Tan Chee Khiong
Executive Chairman & President
5 February 2016

Notes:

- a. Every shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- b. A shareholder of the Company which is a corporation is entitled to appoint its authorised representative or proxies to vote on its behalf.
- c. The instrument appointing a proxy must be deposited at the registered office of the Company at 51 Loyang Way, Singapore 508744, at least 48 hours before the time set for the EGM or any postponement or adjournment thereof.
- d. In accordance with the requirements of Rule 1203(5) of the Listing Manual:
- (i) the outgoing Auditors, KPMG LLP, have confirmed that they are not aware of any professional reasons why the new Auditors, Baker Tilly TFW LLP, should not accept appointment as Auditor of the Company;
- (ii) the Company confirms that there were no disagreements with the outgoing Auditors, KPMG LLP, on accounting treatments within the last 12 months from the date of this Circular;
- (iii) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders, which has not been disclosed in the Circular;
- (iv) the specific reasons for the Proposed Change of Auditors are as disclosed in section 15.1 of the Circular; and
- (v) the Company confirms that it is in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of Baker Tilly TFW LLP as the Auditors.