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## NOTIFICATION OF DELISTING

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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 had on 16 October 2020 received from the Singapore Exchange Securities Trading Limited (“**SGX-ST**” or the “**Exchange**”) the notification of delisting from the Official List of the SGX-ST (“**Delisting Notification**”).

The Board wishes to refer shareholders of the Company (“**Shareholders**”) to the Company’s announcement dated 30 June 2020 wherein the Company applied to the SGX-ST for a further extension of time to meet the criteria for removal from the watch-list under Rule 1314(1) (“**Extension Announcement**”).

The Delisting Notification has come on the back of a rejection by the SGX-ST of the Company’s application made on 1 July 2020 for a further extension of 12 months to meet the criteria for removal from the watch-list.

Unless otherwise defined, all terms and references used herein shall bear the same meanings as ascribed to them respectively in the Extension Announcement.

1. In the Delisting Notification, the SGX-ST noted that:
  - (a) on 26 June 2019, the Exchange granted the Company an extension of 12 months to meet the requirements under Listing Rule 1314(1) (the “**Financial Exit Criteria**”) by 4 September 2020 (the “**First Waiver**”);
  - (b) the First Waiver is subject, *inter alia*, to the provision of an undertaking by the Company and its controlling shareholder(s) that, in the event the Company does not meet the Financial Exit Criteria on or prior to 4 September 2020 and is required by the SGX-ST to be removed from the Official List under Listing Rule 1315, the Company and/or its controlling shareholders will, pursuant to Listing Rule 1306, comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) to provide a reasonable exit offer to the Company’s shareholders; and
  - (c) the Company and its controlling shareholders, Mr Tan Chee Khiong Danny and Value Capital Asset Management Private Limited, have provided SGX-ST with the aforesaid undertakings on 16 July 2019.

2. The SGX-ST noted that the Company did not meet any of the requirements under Listing Rule 1314(1) by 4 September 2020. In this regard, the SGX-ST further noted that the Company:
  - (a) reported a net loss before tax of US\$1.18 million for the financial year ended 29 February 2020 (“FY2020”);
  - (b) did not have an average daily market capitalisation of S\$40 million or more over the last 6 months; and
  - (c) generated a negative cash flow from its operating activities amounting to US\$1.13 million for FY2020.
3. Pursuant to Listing Rule 1306, the Company or its controlling shareholder(s) must comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) to provide a fair and reasonable exit offer to shareholders.
4. The Company is required to inform the SGX-ST the terms of the exit offer proposal as soon as practicable and no later than one month from the date of the Delisting Notification, and also to provide an update of the status of the exit offer proposal on the SGXNET.
5. Therefore, in accordance with the Delisting Notification, the Company’s securities will be delisted.
6. The Company’s securities will continue being traded until 5.16 p.m. 15 November 2020 and trading will remain suspended from 9 a.m., 16 November 2020 until completion of the cash exit offer.
7. The Company intends to engage the SGX-ST with a view of making an appeal.
8. The Company will keep Shareholders informed of any developments in this regard and will continue to keep Shareholders updated on any material developments as and when appropriate.

### **Cautionary Statement**

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

### **BY ORDER OF THE BOARD**

Tan Chee Khiong Danny  
Executive Chairman & President

Date: 19 October 2020