



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

The board of directors (the “**Board**”) of 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 on 5 September 2016.

The Company was also placed on the watch-list under the minimum trading price (“**MTP**”) exit criterion pursuant to Rule 1311(2) of the Listing Manual on 3 March 2016.

Pursuant to Rule 1313(2) of the Listing Manual, 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.

Update on financial situation

The Company had released its unaudited financial statements of the Group for the half-year ended 31 August 2016 via the SGXNET on 7 October 2016. Shareholders may refer to the financial statements announcement for an update of the Group’s financial position.

Update on future direction and other material development

The Group will continue to promote the Nico branded materials and review its operations to stay competitive. The Group will also continue to explore opportunities in new markets to improve its future income stream and will update the shareholders at the appropriate time.

Update on efforts for satisfying MTP exit criterion

The Board will continue to make efforts and consider various options to meet the MTP exit criteria. At the opportune time, the Board will make a decision to the relevant options that will best serve the interests of the Company’s shareholders.

The Company will update its shareholders on any material developments in due course and the Company will make further announcements as and when there are any subsequent developments.

BY ORDER OF THE BOARD

Danny Tan Chee Khiong
Executive Chairman & President

18 October 2016