

# *Moving Forward*

**With Focus & Resilience**



COSMOSTEEL  
HOLDINGS  
LIMITED

---

**Annual  
Report  
2024**

## Contents

**02**

Corporate Objectives

**03**

Our Mission  
Corporate Profile  
Corporate Structure

**04**

Our Milestones

**05**

Our Core Values

**06**

Our Products & Services

**08**

A Note From The Chairman

**10**

CEO's Message  
To Our Shareholders

**12**

Board Of Directors

**14**

Financial Highlights

**15**

Operating & Financial Review

**20**

Sustainability Report

**55**

Corporate Information

**56**

Corporate Governance

**83**

Financial Report

# *Moving Forward*

## **With Focus & Resilience**

If everyone is  
***Moving Forward***  
together, then  
success takes  
care of itself.

---

Henry Ford



# Propelling Progress



## Corporate Objectives

1

To achieve an adequate level of profitability in line with market conditions and, in the process, enhance shareholder value.

2

To continually strive for improvements in the quality of our products and to consistently provide timely services to customers.

3

To focus on productivity improvements to achieve a leading position in price competitiveness.

4

To secure the health and safety of our employees and all concerning parties, and also protect the environment in the course of our operations.

5

To be a people developer by promoting performance excellence through a continuous process of learning and training.

## Our Mission

**To be a world-class provider of piping systems components and related services that surpasses the expectations of our customers through consistent product quality, competitive pricing, reliable on-time delivery, and service excellence with a strong commitment to social and environmental responsibility.**

## Corporate Profile

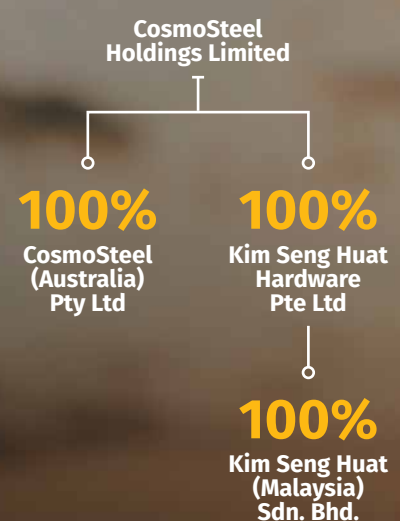
**S** GX Mainboard-listed CosmoSteel Holdings Limited and its subsidiaries (“**CosmoSteel**” or the “**Group**”) is backed by 40 years of established track record as a service-oriented and reliable solutions provider in the sourcing and distribution of piping system components in the Energy, Marine and Other industries in Southeast Asia and other regions.

Headquartered in Singapore, the Group has a total site area of approximately 397,000 sq feet across two warehouses<sup>1</sup> in Singapore and in Malaysia. We carry a comprehensive range of high-quality products from major international manufacturers, which we can deliver just-in-time to our customers. Over the years, CosmoSteel has forged close ties with

supply chain partners, ensuring our supply chain quality and continuity. Proving our capacity and capabilities to be a leader in our field, we have a diverse base of over 400 customers.

CosmoSteel has regularly received recognition for our best practices in corporate transparency and business operations. In 2024, the Group was ranked 151<sup>st</sup> of 477 companies on the Singapore Governance and Transparency Index (“**SGTI**”), the leading index for assessing corporate governance practices of Singapore listed companies. In addition, we have also received numerous world-class certifications including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 22301:2019 and bizSAFE STAR certification.

## Corporate Structure



1 Excludes the warehouse facility at 90 Second Lok Yang Road

# Our Milestones

## 1984

Started with a shophouse in Jalan Besar, Singapore

## 1993

Consolidated operations to new premises at 41 Tuas Avenue 13 (approximately 43,000 sqf: warehousing and office)

## 2000

Achieved ISO 9002:1994 certification

## 2003

Achieved ISO 9001:2000 certification

## 2005

Moved to new site at 14 Lok Yang Way (approximately 111,000 sqf: warehousing and office)

## 2007

- Acquired warehouse at 21A Neythal Road (approximately 112,000 sqf: warehousing)
- Listed on the Mainboard of Singapore Exchange Ltd

## 2008

Achieved ISO 9001:2008 certification

## 2009

Achieved ISO 14001:2004 and OHSAS 18001:2007 certifications

## 2010

Acquired new warehouse at 90 Second Lok Yang Road (approximately 70,000 sqf: warehousing)

## 2012

Achieved bizSAFE STAR certification

## 2014

Acquired warehousing facility at 36 Tuas Crescent (approximately 118,000 sqf: warehousing)

## 2015

- Achieved ISO 22301:2012 certification for Business Continuity Management (“BCM”)
- Entered into a strategic alliance with Hanwa Co., Ltd

## 2016

- Ranked 45<sup>th</sup> with an overall score of 77 in the SGTI 2016
- Became an Accredited Training Organisation authorised to train Chartered Accountants (Singapore) under the Singapore CA Qualification

## 2018

Completed construction of warehouse facility and workers’ dormitory at 90 Second Lok Yang Road

## 2019

- Won the Most Transparent Company Energy Category (Runner-up) at the SIAS 20th Investors’ Choice Awards
- Ranked 79<sup>th</sup> with an overall score of 78 in the SGTI 2019
- Executive Director, Mr Jack Ong Tong Hai, became CEO with the retirement of Mr Ong Chin Sum as Executive Director and CEO
- Achieved ISO 45001: 2018 certification

## 2020

- Ranked 70<sup>th</sup> with an overall score of 85 in the SGTI 2020
- Returned warehousing facility at 36 Tuas Crescent to JTC in July 2020

## 2021

- Ranked 58<sup>th</sup> with an overall score of 88 in the SGTI 2021
- Finalist in the category ‘Asia’s Best Sustainability Report – SME’ at the 2020 Asia Sustainability Reporting Awards

## 2022

- Ranked 92<sup>nd</sup> with an overall score of 82 in the SGTI 2022
- Completed the partial redevelopment of the warehouse storage facilities at 14 Lok Yang Way
- Returned warehouse at 21A Neythal Road to JTC in November 2022

## 2023

- Ranked 61<sup>st</sup> with an overall score of 89 in the SGTI 2023
- Entered into Sale and Purchase Agreement (“SPA”) to acquire a warehouse facility in Johor, Malaysia (“Johor Warehouse”) (approximately 285,000 sqf: warehousing)

## 2024

- Ranked 151<sup>st</sup> with an overall score of 74 in the SGTI 2024
- Completed acquisition of the Johor Warehouse
- Accepted Letter of Offer for the sale of warehouse facility at 90 Second Lok Yang Road



# B

## Build Trust

We endeavour to build open and honest relationships and operate with integrity to gain the trust of our stakeholders.

# E

## Effect Progress

We are passionate and driven to lead our business to the forefront of the industry by boosting our value proposition and expanding our peoples' capabilities while safeguarding the well-being of our people.

## Our Core Values

---



# S

## Surpass Expectations

We are determined to always be in pursuit of excellence and advancement in order to deliver value and achieve distinction among our peers.

# T

## Think Forward

We embrace innovation, champion continuous learning and prioritise the well-being of our people to achieve a more efficient, profitable and sustainable business that is both conscionable and practical in the long term.

# Our Customers

## Our Products & Services



### Energy Industry

For fabricating offshore rigs, conversion and building of FPSO/FSO vessels, fabricating onshore energy facilities, and renewable energy facilities such as wind energy structures.



### Marine Industry

For shipbuilding and repairs by major shipyards.



### Traders & Stockists

For on-selling to end-user customers in industries that include Energy and Marine.



### Other Industries

For the manufacturing sector and other industries.



## Products

Over

# 20,000

Line Items



## Services

Offering customisation services for specific engineering and fabrication design requirements



**W**ith more than 20,000 line items across five main product categories, CosmoSteel has an extensive inventory of steel pipes, fittings, flanges, cables and cable management, as well as structural products that we can readily draw on to meet the requirements of our customers in a timely and efficient manner.

Our range of product customisation services allows us to modify to meet the specific engineering and fabrication designs of our customers. To ensure quality assurance, we provide validation and testing services. We also provide expediting and project management services.

Our customers, many of whom are established companies in the Energy, Marine, and Other industries, consider CosmoSteel as their key trusted partner and have longstanding relationships with us.

### Products

- **Steel**
  - Pipes
  - Fittings
  - Flanges
- **Structural**
  - Structural beams
  - Channels
  - Sheets
  - Plats
  - Flats
  - Hollow sections of different steel grades
- **Electrical/Instrumentation Cable**
  - European offshore drilling and marine cables power, control cable
  - European onshore power, control and instrumentation cable
  - Fibre optic cable
  - Power instrument cable
  - Cable management
- **Non-Steel Products**

### Material Range

- Carbon steel
- Low temp carbon steel
- Stainless steel
- Duplex steel
- Super duplex steel
- High yield steel
- Low alloy steel

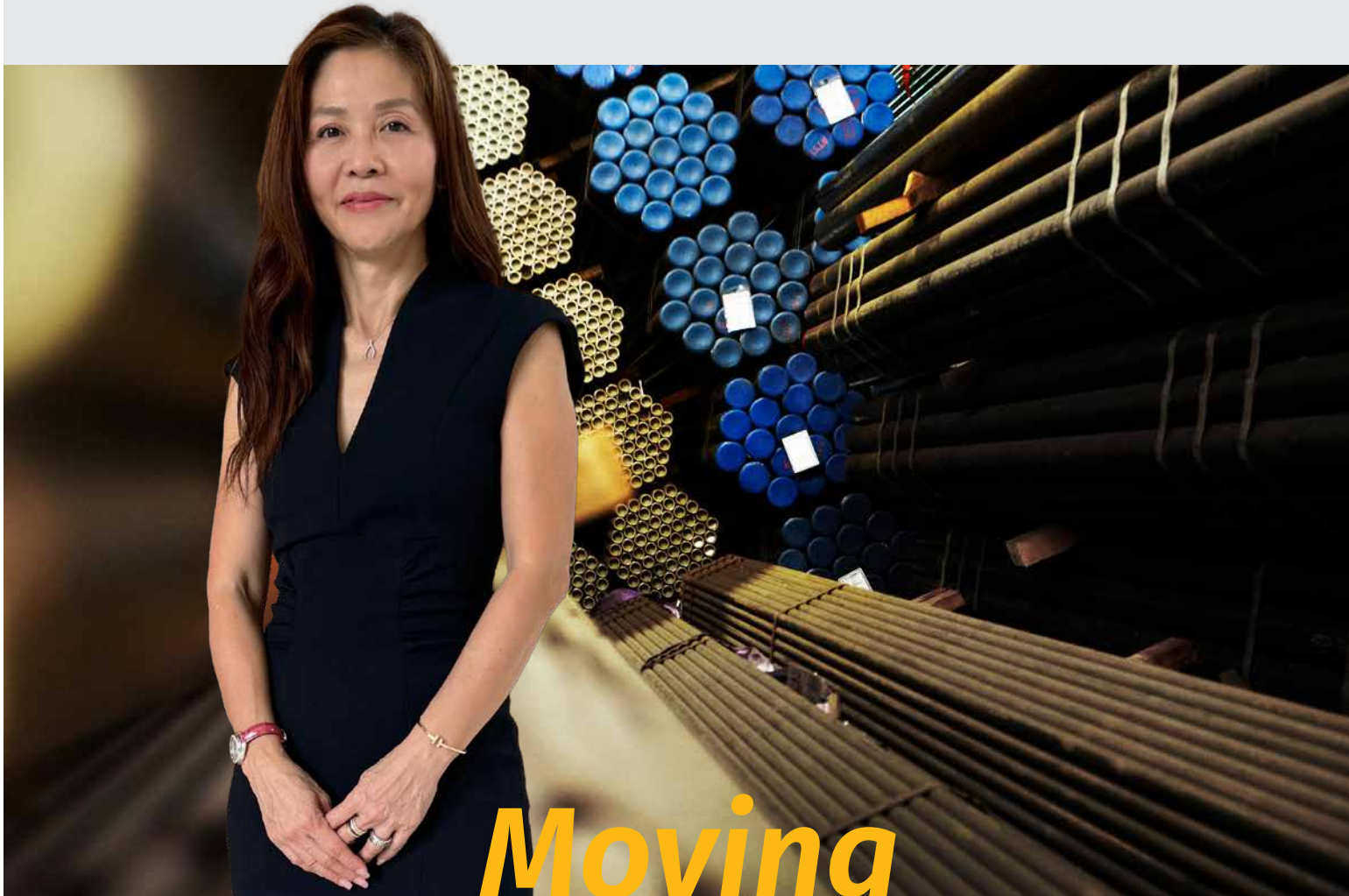
### International Standards

- **Steel and Structural Products**
  - API
  - ANSI
  - ASME
  - ASTM
  - EN
- **Cable Products**
  - IEEE
  - IEC
  - UL

### Value-add Services

- **Customisation**
  - Design
  - Size
  - Chemical compositions
  - Mechanical strength
  - Testing requirements
- **Validation**
- **Testing**
  - Non-Destructive Testing
    - Alloy verification
    - Dye penetrant testing
    - Magnetic particle testing
    - UT testing
    - Wall thickness check
    - Ferrite content check
  - Third-party Testing and Inspection
    - Hydrogen induction cracking
    - Sulfide stress cracking
    - RT testing
- **Expedited delivery**
  - For time-sensitive projects and material grades that are difficult to source
- **Project management**
  - Procurement and expediting services
  - Inventory management services for customers without warehouse or storage facilities
  - Just-in-time delivery

## Chairman's Message



# Moving Forward

**We remain vigilant of the evolving global economic landscape and its potential impact. Our priorities will remain on enhancing operational flexibility, optimising costs, and adopting innovative approaches to navigate uncertainties.**

## Dear Shareholders,

**F**iscal Year 2024 was marked by continued global volatility, fueled by geopolitical tensions, persistent inflationary pressures, and disruptions to supply chains. These challenges impacted businesses across the globe and CosmoSteel was no exception. These challenges exerted considerable pressure on our profit margins, ultimately leading to a financial loss for the fiscal year.

I am pleased to report tangible progress on several fronts, notably the commencement of operations at our new warehouse in Johor, Malaysia, in the third quarter of FY2024. As an inventory stockist, CosmoSteel requires round-the-clock access to warehouse facilities for the storage and effective management of its extensive inventory. This strategic relocation enhances our operational efficiency and provides long-term cost-saving benefits, driven by the lower operating costs in Malaysia. Furthermore, the facility is situated on freehold land, reinforcing its

financial viability. This move is a crucial component of our broader cost-control strategy and positions us to capitalise on opportunities for market expansion and revenue growth.

In tandem, we have proposed sale of our warehouse at 90 Second Lok Yang Road which is subject to shareholders' approval to be obtained at an upcoming general meeting. Pending this approval, we anticipate the sale to be completed by September 2025.

We are optimistic that these initiatives will not only enhance the Group's operational efficiency and market positioning but also strengthen our financial foundation, enabling us to capitalise on future growth opportunities. Our management team, under the leadership of our CEO, Jack Ong, remains committed to proactively execute strategies to enhance operational efficiency, strengthen market competitiveness, and build long-term resilience.

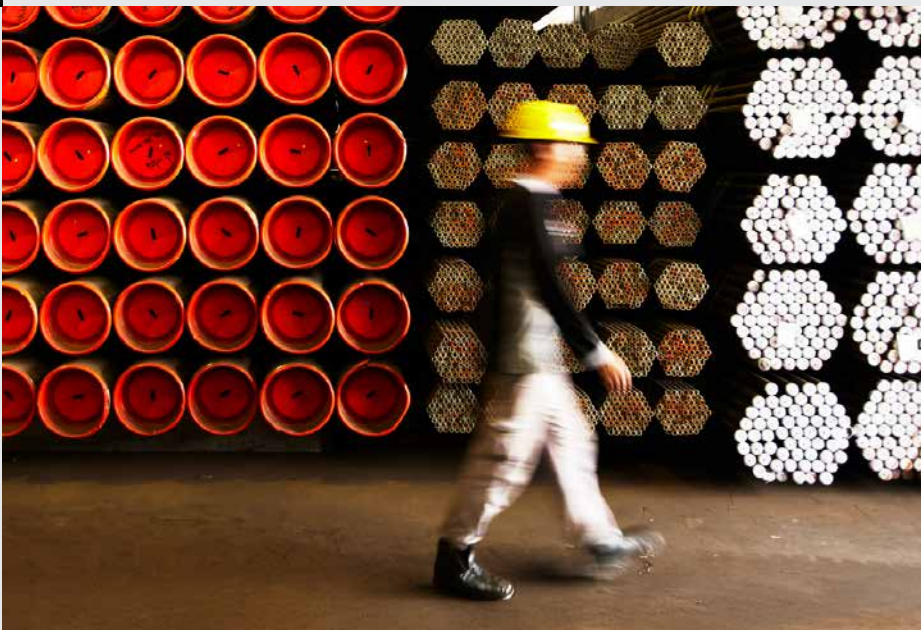
We have been granted a 12-month extension until 4 June 2025 to meet the requirements for removal from the SGX Watch-List and maintain the Company's listing on the Mainboard. The Board and management are committed to meeting these requirements and are also considering alternative options, including a potential transfer to the Catalist, to maintain the Company's continued listing on the SGX-ST.

In FY2024, we remained steadfast in advancing our corporate governance standards and fostering transparency. I am pleased to share that CosmoSteel was ranked 151<sup>st</sup> out of 477 companies on the Singapore Governance and Transparency Index 2024, placing us ahead of more than two-thirds of listed companies. This achievement underscores our dedication to robust governance practices and open communication with our stakeholders. Moving forward, we aim to deepen our engagement with investors and enhance our governance frameworks to maintain this positive momentum.

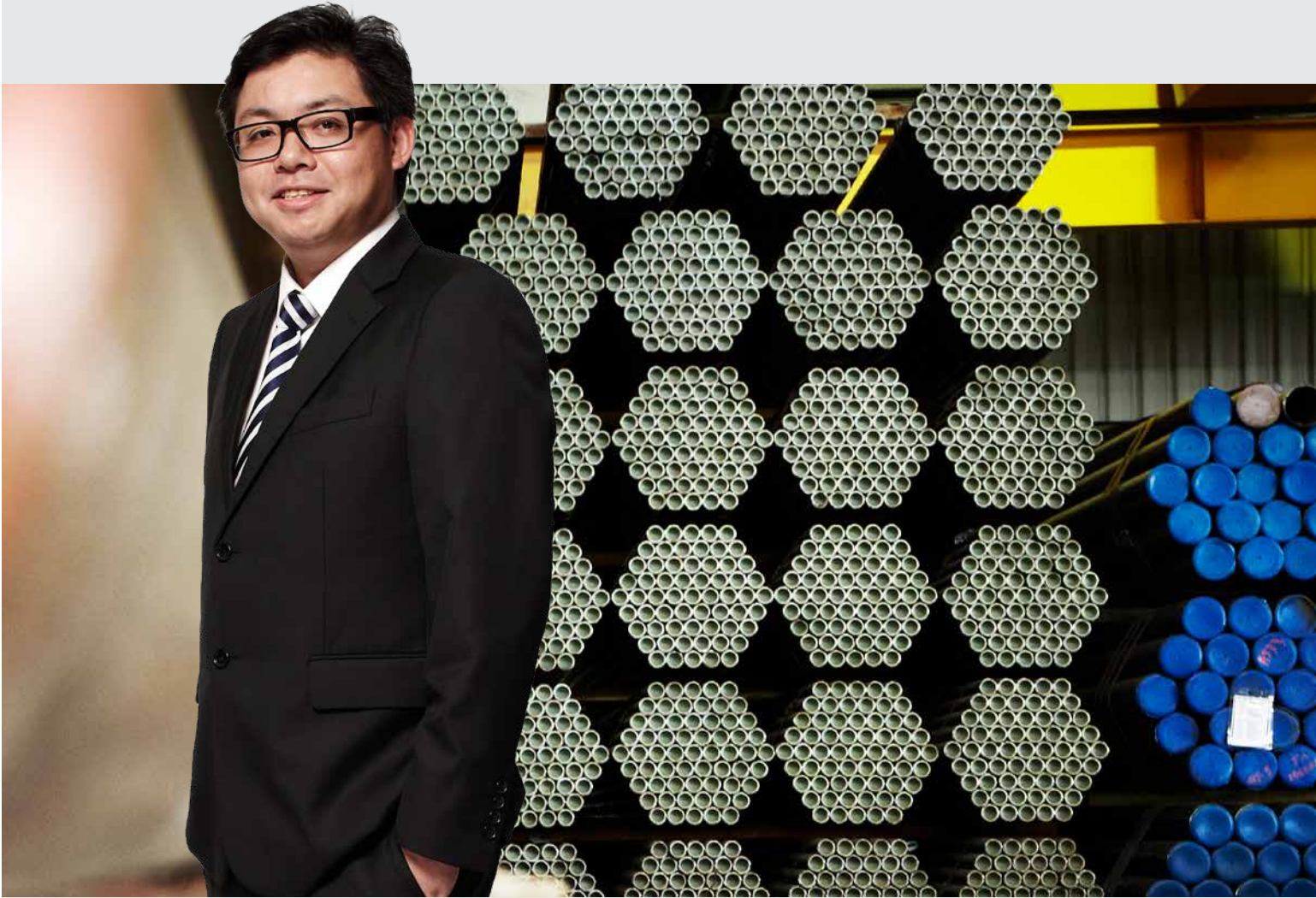
Looking ahead, we remain vigilant of the evolving global economic landscape and its potential impact. Our priorities will remain on enhancing operational flexibility, optimising costs, and adopting innovative approaches to navigate uncertainties. These initiatives are underpinned by our commitment to delivering sustainable, long-term value to our shareholders.

On behalf of the Board, I extend my heartfelt gratitude to our shareholders for your unwavering trust and support. Together, we will adapt to the challenges ahead, seize opportunities, and build a stronger, more resilient future for CosmoSteel.

Sincerely,  
**Tan Siok Chin**  
Chairman



## CEO's Message



**To navigate macroeconomic headwinds, we will maintain prudent financial management and pursue new markets and customers while also enhancing our revenue generation in terms of quantum and stability, including growing our sources of recurring income.**

## Dear Shareholders,

The past 12 months have been marked by continued geopolitical tensions and macroeconomic headwinds, which created a challenging environment for businesses globally. For CosmoSteel, these external factors weighed on our performance for the financial year ended 30 September 2024 (“FY2024”).

We faced several operational setbacks, including shipping delays and deferred deliveries for some customers due to revised project timelines. While we maintained a strong order book at the end of the financial year, revenue recognition for these orders was delayed beyond the financial year. Foreign exchange losses, driven by a weaker US Dollar against the Singapore Dollar, and inventory impairment allowances resulting from falling steel prices further affected our results negatively. This led to a 13.7% year-on-year (“yoy”) decline in revenue to S\$72.0 million, culminating in a net loss of S\$4.9 million.

The good news is that we expect the delayed orders to be fulfilled in FY2025, assuming no unforeseen circumstances arise. Despite the headwinds, the Group has made progress in earlier strategic initiatives we took to strengthen our operational resilience.

### Fortifying Operational Resilience

We completed the acquisition of our new, freehold warehouse facility in Johor, Malaysia in February 2024, and immediately began the logistical arrangements to relocate part of our operations from our warehouse at 90 Second Lok Yang Road in 3Q FY2024. This move has been a strategic step in

optimising inventory management and ultimately leading to long-term cost savings through reduced warehouse cost and manpower expenses for the Group. To-date, the 285,000 square feet (site area) Johor facility is fully operational with approximately 60% of the space occupied.

Over time, we intend to step up our sales and marketing efforts to tap into the Malaysian market. We believe that our enlarged footprint in Singapore and Malaysia along with an improved cost structure from operating in a lower-cost locale will enable us to remain competitive and effectively meet the requirements of our customers.

Back home in Singapore, we secured a buyer for our warehouse and dormitory at 90 Second Lok Yang Road at a sale price of S\$9.0 million. The divestment is expected to complete by September 2025. Proceeds from the sale will be used to repay borrowings and will give us financial flexibility as we carefully evaluate how best to deploy these funds.

Additionally, we also implemented key initiatives to enhance the Group’s corporate governance standards and reinforce our commitment to sustainability. Demonstrating our efforts to ensure transparency and ethical conduct across all areas of our business, we achieved the ISO 37001:2016 certification in November 2024. Through this move, we aim to foster a culture grounded in honesty, integrity and the highest ethical standards.

At the same time, we have enhanced our ESG reporting by adopting the International Renewable Energy Certificate (“IREC”) framework to accurately track and document our renewable energy consumption. This reduces our carbon footprint and strengthen our green credentials. Since January 2024, CosmoSteel has been receiving IREC redemption certificates, signalling our active transition to renewable energy sources and our dedication to sustainable energy practices.

### Navigating New Horizons

Looking ahead to FY2025, macroeconomic headwinds will continue to impact our profit margins. To navigate this, we will maintain prudent financial management and pursue new markets and customers while also enhancing our revenue generation in terms of quantum and stability, including growing our sources of recurring income. We are exploring potential opportunities for trading and investment in Central Asia where there may be demand for our existing offerings and possibly new non-steel product categories. This is still a developing plan, and we will make the necessary announcements when there are material updates.

### Appreciation

In closing, I wish to extend my appreciation to all stakeholders for their collective efforts and steadfast support that has guided the Group. A thank you to our shareholders for your confidence and investment in CosmoSteel.

**Jack Ong Tong Hai**  
Chief Executive Officer

# Board Of Directors



**Tan Siok Chin, 54**  
Chairman & Non-Executive  
Non-Independent Director

**First Appointed:** 28 March 2007  
**Last Re-elected:** 29 January 2024  
**Country of Principal Residence:** Singapore  
**Member:** Audit Committee

Ms Tan was appointed as the Chairman on 1 December 2022 and re-designated from an Independent Director to Non-Executive Non-Independent Director of the Company on 24 August 2020. She is an Advocate and Solicitor of the Supreme Court of Singapore and a Director of ACIES Law Corporation, a firm of advocates and solicitors, heading its corporate practice group. Ms Tan has over three decades of experience in legal practice. Her main areas of practice are corporate finance, mergers and acquisitions, capital markets and commercial matters. Ms Tan graduated from the National University of Singapore with a Bachelor of Law (Honours) degree.



**Jack Ong Tong Hai, 47**  
Chief Executive Officer & Executive Director

**First Appointed:** 9 November 2005  
**Last Re-elected:** 29 January 2024  
**Country of Principal Residence:** Singapore

As CEO, Jack Ong is responsible for steering its corporate and business strategies as well as leading sales and marketing to major end-users and oil majors. Mr Ong, who first joined the Group in 1998, has comprehensive, well-rounded experience and deep-seated knowledge of both the Group and the steel industry, in particular, the Group's logistics and operations functions. Since joining the Group, he has also acquired in-depth management experience in inventory and warehousing logistics and management, information systems and technology management and administration. He holds a Bachelor of Business (Accountancy) from the Royal Melbourne Institute of Technology, Australia.



**Yasuhiko Watanabe, 55**  
Non-Executive Non-Independent Director

**First Appointed:** 1 November 2023  
**Last Re-elected:** 29 January 2024  
**Country of Principal Residence:** Japan  
**Member:** Remuneration and Nominating Committees

Mr Watanabe joined as a Non-Executive Non-Independent Director on 1 November 2023 and is a member of the Remuneration and Nominating Committees. Mr Watanabe joined Hanwa Co., Ltd. in 1992 and has worked in various capacities across different departments including export, machinery, accounting and corporate planning. He moved to Hanwa American Corp. in Houston in 1998 and returned to the Osaka office in 2004, under the Amusement Rides and Water Equipment Section. Mr Watanabe rose through the ranks and is currently the Executive Officer in charge of Corporate Planning, Legal, Credit and Sustainability Promotion Division. He holds a Bachelor of Economics from Chuo University, Japan.



**Ong Tiew Siam, 71**  
Lead Independent Director

**First Appointed:** 1 December 2022  
**Last Re-elected:** 31 January 2023  
**Country of Principal Residence:** Singapore  
**Chairman:** Audit Committee  
**Member:** Nominating Committee

Mr Ong has over 40 years of experience in finance, accounting and administration across diverse industries. Mr Ong is an Independent Director of CSC Holdings Limited, a SGX-Mainboard listed company. He holds a Bachelor of Commerce (Accountancy) (Honours) degree from the former Nanyang University, Singapore. He is also a Life Fellow Member of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.



**Hor Siew Fu, 73**

Independent Director

**First Appointed:** 26 October 2018  
**Last Re-elected:** 31 January 2023  
**Country of Principal Residence:** Singapore  
**Member:** Audit Committee

Mr Hor brings with him over 40 years of experience in accounting, finance, human resources, administration, legal and commercial matters having worked for government-linked companies, multinational corporations, public-listed companies, small medium enterprises, and in the public sector. He is an Independent Director of Edition Ltd, Memiontec Holdings Ltd and Assurance Healthcare Limited (formerly known as Revez Corporation Ltd) listed on the SGX-ST. Mr Hor is a Life Member and Fellow of the Institute of Singapore Chartered Accountants (FCA Singapore), Fellow of the Association of Chartered Certified Accountants, UK (FCCA) and a Professional-Life Member of the Singapore Human Resources Institute (MSHRI). He has served as a volunteer in various capacities with government agencies as well as professional and non-profit organisations. Mr Hor holds a Bachelor of Accountancy from the University of Singapore and a Masters in Business Administration from Macquarie University, Australia.



**Lim Jun Xiong Steven, 69**

Independent Director

**First Appointed:** 1 December 2022  
**Last Re-elected:** 31 January 2023  
**Country of Principal Residence:** Singapore  
**Chairman:** Nominating Committee  
**Member:** Remuneration Committee

Mr Lim brings with him close to 40 years of experience in the financial, trust and wealth management industry. He has held leading roles in financial organisations during his career including the CEO of SG Trust (Asia) Ltd, a subsidiary of Societe Generale Private Banking. Mr Lim currently provides consultancy advice in the field of global wealth solutions. He sits on the boards of SGX-listed Bund Center Investment Ltd, Sinarmas Land Limited, Livingstone Health Holdings Limited, Riverstone Holdings Limited and Baker Technology Limited as an Independent Director. Mr Lim holds a Bachelor of Commerce (Accounting and Finance) from the University of Newcastle, Australia. He is a fellow member of CPA Australia and the Institute of Singapore Chartered Accountants, as well as a member of the Society of Trust and Estate Practitioners.



**Loo Cheng Guan, 61**

Independent Director

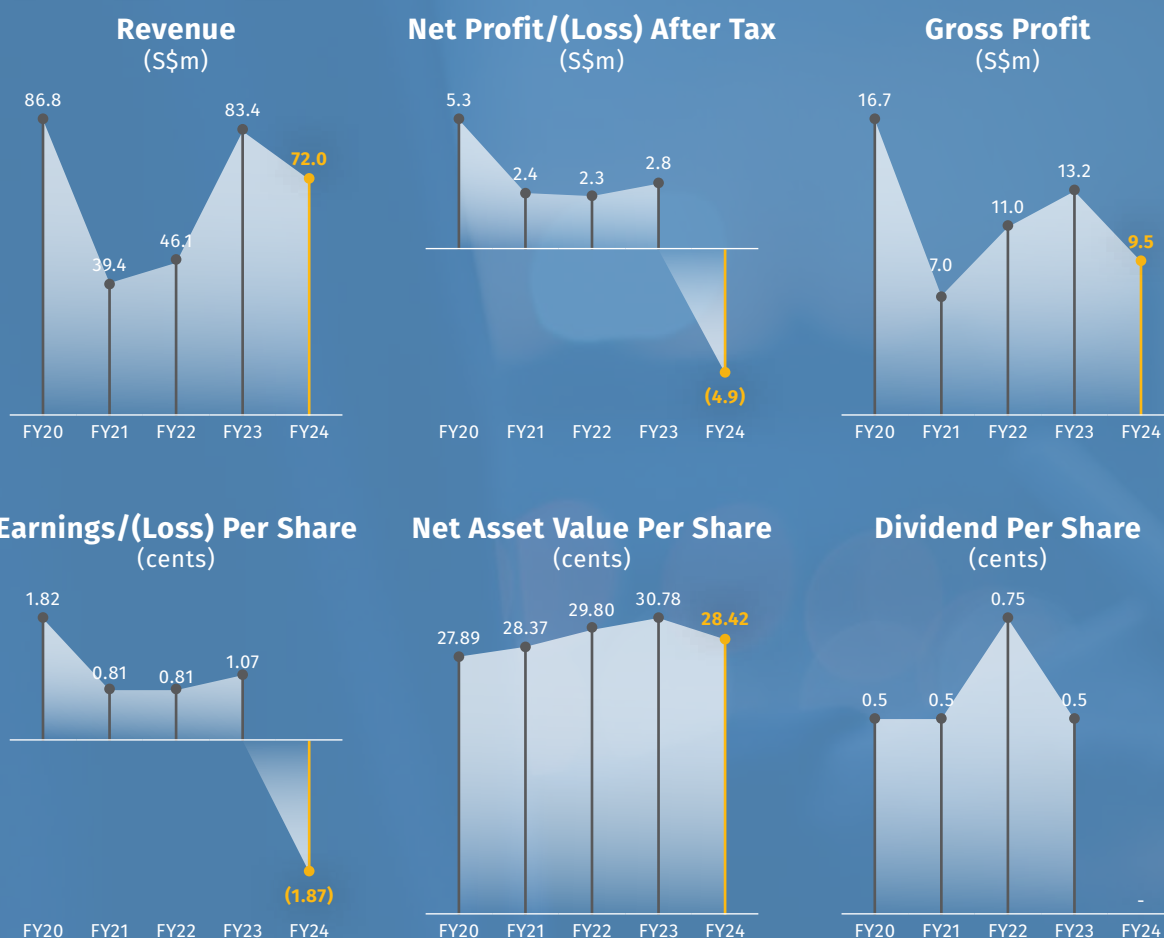
**First Appointed:** 1 December 2022  
**Last Re-elected:** 31 January 2023  
**Country of Principal Residence:** Singapore  
**Chairman:** Remuneration Committee

Mr Loo is the Managing Director of King Tower Asset Management (Singapore) Pte Ltd and Director of Vermilion Gate Pte Ltd. With 30 years of experience in fund management, private equity, and corporate finance, Mr Loo has spent a significant portion of his career advising on growth strategies, mergers and acquisitions, as well as private market investments. He currently sits on the boards of SGX-listed Valuetronics Holdings Limited as Independent Director, HKSE-listed China First Capital Group Limited as Independent Director and several other private companies in Singapore. He holds a Bachelor of Economics (Honours) degree and MBA from Monash University in Melbourne.

# Financial Highlights

(For other key non-financial indicators, please refer to page 22 of this annual report.)

## Key Financial Indicators



	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Current Ratio</b> (times)	3.84	9.55	6.57	5.32	2.72
<b>Gearing Ratio</b> (times)	0.38	0.24	0.26	0.27	0.59

Current Ratio is calculated as current assets divided by current liabilities.  
Gearing Ratio is calculated as total liabilities divided by total equity.



# Operating & Financial Review

## Income Statement Review

Income Statement	FY2024 \$'000	FY2023 \$'000	Change %
<b>Revenue</b>	71,985	83,448	(13.7)
Cost of sales	(62,516)	(70,260)	(11.0)
<b>Gross Profit</b>	9,469	13,188	(28.2)
<b>Other Items of Income</b>			
Interest income	505	246	105.3
<b>Operating Expenses</b>			
Marketing and distribution costs	(3,314)	(3,277)	1.1
Administrative expenses	(4,882)	(4,603)	6.1
Depreciation of property, plant and equipment	(2,880)	(2,753)	4.6
Depreciation of right-of-use assets	(282)	(463)	(39.1)
<b>Other Items of Expense</b>			
Finance costs	(986)	(880)	12.0
Other gains (net)	(2,707)	1,611	NM
<b>(Loss)/Profit Before Tax</b>	(5,077)	3,069	NM
Income tax benefit/(expense)	189	(264)	NM
<b>(Loss)/Profit for the Year</b>	(4,888)	2,805	NM

NM - Denotes "not meaningful"

For the year ended 30 September 2024 ("FY2024"), revenue decreased by 13.7% year-on-year ("yoy") to \$72.0 million from \$83.4 million for the year ended 30 September 2023 ("FY2023"). This was mainly due to lower revenue from the Energy and Trading segments as certain confirmed sales orders were deferred due to shipping delays and revised customer project timelines. The decrease was partially offset by higher revenue received from Marine and Other segments.

Correspondingly, the Group's gross profit decreased by 28.2% yoy from \$13.2 million in FY2023 to \$9.5 million in FY2024 while margin decreased by 2.6 percentage points from 15.8% in FY2023 to 13.2% in FY2024.

In FY2024, the Group recorded other losses of \$2.7 million compared to other gains of \$1.6 million in FY2023. This was mainly due to the decrease in reversal of write-down of inventories

and higher foreign exchange transaction and translation losses.

The Group recorded a net loss after tax of \$4.9 million, as compared to net profit after tax of \$2.8 million in FY2023, mainly as a result of these factors.

On a yoy basis, the Group's overall operating expenses increased by 2.4% from \$11.1 million in FY2023 to \$11.4 million in FY2024. This was mainly the result of higher administrative expenses and depreciation expenses incurred for property, plant and equipment and partly offset by lower depreciation expenses incurred for right-of-use assets. Marketing and distribution costs remained relatively stable at \$3.3 million.

Administrative expenses increased by 6.1% from \$4.6 million in FY2023 to \$4.9 million in FY2024, mainly due to higher employee benefits expenses and repair and maintenance

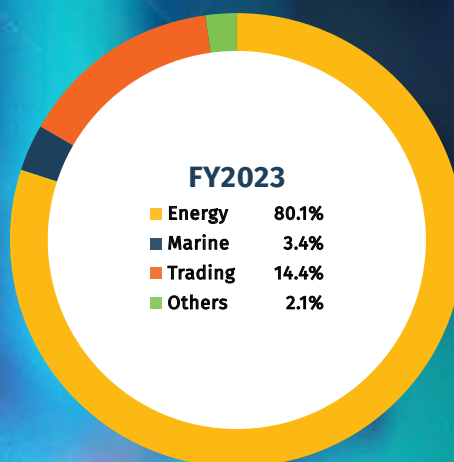
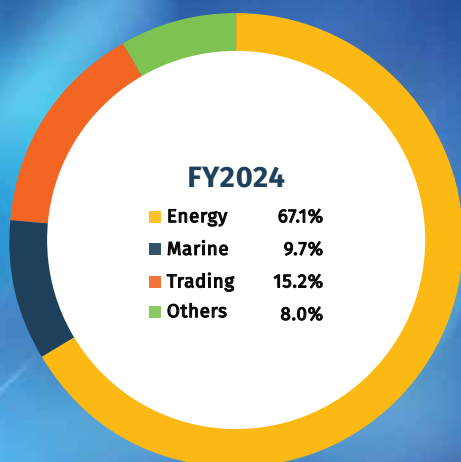
expenses. This was partly offset by lower legal and professional fees. Depreciation expense of property, plant and equipment also increased by 4.6% from \$2.8 million in FY2023 to \$2.9 million in FY2024 mainly due to an increase in depreciation of our two warehouses in Singapore.

Meanwhile, depreciation expenses incurred for right-of-use assets decreased 39.1% from \$0.5 million in FY2023 to \$0.3 million in FY2024, following the lease expiry of 21A Neythal Road on 30 November 2022.

Due to an increase in bank borrowings and higher interest rates during the year, finance costs increased by 12.0% from \$0.9 million in FY2023 to \$1.0 million in FY2024. Similarly, interest income also increased by 105.3% from \$0.2 million in FY2023 to \$0.5 million in FY2024, mainly from the notional interest income earned from the instalment payment plan to customers.

# Operating & Financial Review

## Revenue by Customer Type



	FY2024	FY2023	Change	
	S\$'000	S\$'000	S\$'000	%
Energy	48,323	66,839	(18,516)	(27.7)
Marine	6,979	2,877	4,102	142.6
Trading	10,967	11,978	(1,011)	(8.4)
Others	5,716	1,754	3,962	225.9
<b>Total Revenue</b>	<b>71,985</b>	<b>83,448</b>	<b>(11,463)</b>	<b>(13.7)</b>

## Revenue by Geographical Market



	FY2024	FY2023	Change	
	S\$'000	S\$'000	S\$'000	%
Singapore	36,501	59,759	(23,258)	(38.9)
Brunei	7,308	6,478	830	12.8
Vietnam	20,239	7,862	12,377	157.4
Others	7,937	9,349	(1,412)	(15.1)
<b>Total Revenue</b>	<b>71,985</b>	<b>83,448</b>	<b>(11,463)</b>	<b>(13.7)</b>

The Group's geographical revenue contribution is recorded based on the domicile of the customers and not where the products are ultimately put into use.

Despite revenue from the Singapore market declining 38.9% from \$59.8 million in FY2023 to \$36.5 million in FY2024, Singapore was still the main revenue contributor of the Group, accounting for 50.7% of total sales in FY2024.

Meanwhile, sales from Vietnam and Brunei rose by 157.4% and 12.8% to \$20.2 million and \$7.3 million respectively. Sales from Other countries declined 15.1% to \$7.9 million. Other than Singapore, Vietnam and Brunei, no single country accounted for more than 10% of the Group's revenue in FY2024.

# Operating & Financial Review

## Financial Position Review

Statement of Financial Position	FY2024 S\$'000	FY2023 S\$'000	Change %
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	17,478	22,697	(23.0)
Right-of-use assets	1,292	2,278	(43.3)
Trade and other receivables	4,005	951	321.1
Deferred tax assets	63	-	NM
<b>Total Non-Current Assets</b>	<b>22,838</b>	<b>25,926</b>	<b>(11.9)</b>
<b>Current Assets</b>			
Inventories	25,054	25,647	(2.3)
Trade and other receivables	45,416	30,290	49.9
Financial assets	168	154	9.1
Other non-financial assets	412	962	(57.2)
Cash and equivalents	14,403	18,948	(24.0)
	85,453	76,001	12.4
Assets held for sale	9,718	-	NM
<b>Total Current Assets</b>	<b>95,171</b>	<b>76,001</b>	<b>25.2</b>
<b>Total Assets</b>	<b>118,009</b>	<b>101,927</b>	<b>15.8</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	56,325	56,325	-
Treasury shares	(4,238)	(4,238)	-
Retained earnings	16,426	21,595	(23.9)
Other reserves	5,773	6,759	(14.6)
<b>Total Equity</b>	<b>74,286</b>	<b>80,441</b>	<b>(7.7)</b>
<b>Non-Current Liabilities</b>			
Provisions	374	719	(48.0)
Deferred tax liabilities	-	195	(100.0)
Loans and borrowings	7,209	4,122	74.9
Lease liabilities	1,209	2,159	(44.0)
<b>Total Non-Current Liabilities</b>	<b>8,792</b>	<b>7,195</b>	<b>22.2</b>
<b>Current Liabilities</b>			
Income tax payable	-	159	(100.0)
Trade and other payables	12,057	5,314	126.9
Loans and borrowings	21,667	8,332	160.0
Lease liabilities	186	253	(26.5)
Other non-financial liabilities	246	233	5.6
	34,156	14,291	139.0
Liabilities directly associated with the assets held for sale	775	-	NM
<b>Total Current Liabilities</b>	<b>34,931</b>	<b>14,291</b>	<b>144.4</b>
<b>Total Liabilities</b>	<b>43,723</b>	<b>21,486</b>	<b>103.5</b>
<b>Total Equity and Liabilities</b>	<b>118,009</b>	<b>101,927</b>	<b>15.8</b>

NM – Denotes “not meaningful”

## Financial Position Analysis

**T**otal assets of the Group increased by 15.8% from \$101.9 million as at FY2023 to \$118.0 million as at FY2024. Current assets increased by 25.2% from \$76.0 million as at FY2023 to \$95.2 million mainly due to an increase in trade and other receivables by 49.9% from \$30.3 million as at FY2023 to \$45.4 million as at FY2024, as well as an increase in assets held for sale to \$9.7 million as at FY2024. This was partly offset by a decrease in other non-financial assets by 57.2% from \$1.0 million to \$0.4 million as at FY2024 and a decrease in cash and cash equivalents by 24.0% from \$18.9 million to \$14.4 million as at FY2024. However, non-current assets of the Group decreased by 11.9% from \$25.9 million as at FY2023 to \$22.8 million as at FY2024. This was mainly due to the reclassification of one of the warehouses in Singapore to current assets held for sale, partly offset by the acquisition of the warehouse in Malaysia and increase in non-current portion of trade and other receivables.

The Group's total liabilities increased by 103.5% from \$21.5 million as at FY2023 to \$43.7 million as at FY2024. Current liabilities increased by 144.4% from \$14.3 million as at FY2023 to \$34.9 million as at FY2024 mainly due to an increase in trade and other payables by 126.9% from \$5.3 million as at FY2023 to \$12.1 million as at FY2024, as

well as a 160.0% increase in loans and borrowings from \$8.3 million as at FY2023 to \$21.7 million as at FY2024. As a result of new borrowing arising from the acquisition of the warehouse in Malaysia, non-current liabilities of the Group increased by 22.2% from \$7.2 million as at FY2023 to \$8.8 million as at FY2024.

As at FY2024, total equity of the Group decreased by 7.7% from \$80.4 million as at FY2023 to \$74.3 million as at FY2024. This was mainly from the loss generated in FY2024 and dividends paid to shareholders.

## Cashflow Analysis

**I**n FY2024, cash used in operating activities increased by \$7.6 million from \$3.6 million in FY2023 to an outflow of \$11.2 million in FY2024 mainly from the Group's working capital changes. Cash used in investing activities increased by \$4.7 million from \$1.8 million in FY2023 to \$6.5 million in FY2024, mainly from capital expenditure arising from the acquisition of the warehouse in Malaysia. Meanwhile, cash from financing activities increased by \$14.5 million from an outflow of \$1.0 million in FY2023 to an inflow of \$13.5 million in FY2024. This was mainly due to an increase in loan and borrowings during the year.

	FY2024 S\$'000	FY2023 S\$'000
Net cash flows used in operating activities	(11,155)	(3,598)
Net cash flows used in investing activities	(6,479)	(1,816)
Net cash flows from/(used in) financing activities	13,528	(972)
Net decrease in cash and cash equivalents	(4,106)	(6,386)
Cash at end of the year	14,403	18,509

# Embracing Sustainability

## Sustainability Highlights

# 1

### Renewable Energy

Percentage of carbon neutral electricity consumption:

**100%**

# 2

### Environment

**ISO 14001:2015** Certified Environment Management System

# 3

### Health and Safety

**ISO 45001:2018** Certified Occupational Health and Safety Management System

**bizSAFE STAR**

# 4

### Quality Management

**ISO 9001:2015** Certified Quality Management System

# 5

### Singapore Governance and Transparency Index 2024

Ranked **151<sup>st</sup>** with an overall score of 74

# 6

### Business Continuity

**ISO 22301:2019** Certified Business Continuity Management System

# Sustainability Report 2024

## About This Report

This is our seventh annual Sustainability Report (“**Report**”), detailing the environmental, social, and governance (“**ESG**”) performance of CosmoSteel Holdings Limited (“**CosmoSteel**” or the “**Group**”) for the period from 1 October 2023 to 30 September 2024 (“**FY2024**”), in alignment with our financial year. This Report focuses on the ESG performance of our business operations in Singapore, where the majority of our activities are based. Overseas operations, given their minimal impact, are excluded from the scope of this report unless otherwise specified.

## Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (“**GRI**”) Standards, chosen for their international recognition and stakeholder acceptance. This report also includes disclosures aligned with the recommendations of the Taskforce on Climate-related Financial Disclosures (“**TCFD**”). Additionally, our report continues to be aligned with relevant United Nations Sustainable Development Goals (“**SDGs**”) reflecting our commitment to supporting sustainable development. The report outlines our material ESG factors, including policies, practices, performance, and targets for each identified factor, in compliance with SGX-ST Listing Rules (711A and 711B). As per the SGX-ST sustainability reporting requirements, the report covers six primary components: Material ESG Factors, Climate-Related Disclosures, Policies, Practices and Performance, Targets, the Sustainability reporting framework, and the Board Statement.

## Reporting Process

We follow the GRI reporting principles to identify, assess, prioritise, and validate material topics. In developing the report content, we have taken into account stakeholder expectations, CosmoSteel’s sustainability context, ESG risks and opportunities, and key industry trends. To ensure the highest report quality, we apply GRI’s principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The data presented in this report has been sourced from primary official records to ensure accuracy and consistency, and we provide year-over-year comparisons of our ESG performance. Unless otherwise stated, all financial figures are reported in Singapore dollars.

## Restatements

There are no restatements of previously reported data in this report.

## Assurance

Our financial statements have been audited by our independent auditor. We have an internal mechanism for verifying our ESG data for accuracy and reliability. The ESG data in the report has undergone an internal review process, overseen by the Internal Audit function to ensure reliability and integrity of information. No material issues were identified through this review.

## Availability

This report is included as part of our Annual Report and is available in PDF format for download on our website at [www.cosmosteel.com](http://www.cosmosteel.com) and the SGX website at [www.sgx.com](http://www.sgx.com).

## Feedback

Feedback, questions, comments or suggestions about our sustainability report can be submitted to [sustainability@cosmosteel.com.sg](mailto:sustainability@cosmosteel.com.sg).

# Sustainability Report 2024

## ESG Performance

ESG Factors	FY2022	FY2023	FY2024
<b>CORPORATE GOVERNANCE</b>			
Overall SGTI score (Points)	82	89	74
Overall SGTI ranking	92	61	151
<b>CUSTOMERS</b>			
Quality: Inaccuracy in sales order processing (Number) <sup>(1)</sup>	2	2	1
Efficiency: On-time deliveries (%)	93.7	95.2	95.9
Average customer satisfaction rate (Points) <sup>(2)</sup>	4.4	4.4	4.3
<b>PEOPLE</b>			
Permanent employees (As at the end of FY) (Number)	61	61	56
Female employees as % of total employees (%)	39.3	39.3	39.3
Proportion of local employees (%) <sup>(3)</sup>	60.7	60.7	58.9
New hires (Number)	5	9	6
Employee attrition rate (%)	11.3	9.8	22.2
<b>HEALTH AND SAFETY</b>			
Number of high-consequence (non-fatal) work-related injuries (Number)	0	0	0
Number of reportable accidents	2	2	0
<b>ENVIRONMENTAL</b>			
Purchased grid electricity - non-renewable (kWh)	275,074	175,743	137,935
Self-generated solar energy (kWh)	NA	408,514	677,859
Self-generated solar energy used (kWh)	NA	70,595	135,089
Self-generated solar energy sold (kWh)	NA	337,919	542,770
Redemption of RECs (MWh)	NA	NA	514.1
Percentage of renewable electricity (%)	0	40%	100%
Electricity consumption per employee (Renewable + Non-renewable) (kWh)	4,591	4,187	4,875
Energy consumption (GJ)	3,127	2,861	2,215
Energy intensity per S\$1 million of revenue (GJ)	67.9	34.3	30.8
Carbon emission: Scope-1 (tCO <sub>2</sub> )	144	133	83
Carbon emission: Scope-2 (tCO <sub>2</sub> ) <sup>(4)</sup>	112	100	0
Total emissions (Scope 1 + Scope 2) (tCO <sub>2</sub> )	256	233	83
Carbon emission intensity per S\$1 million of revenue (tCO <sub>2</sub> )	5.6	2.8	1.2
Water consumption (m <sup>3</sup> )	3,184	1,934	1,476
Water consumption per employee (m <sup>3</sup> )	53.1	32.9	26.4
Paper consumption per S\$1,000 of sales (Number of copies)	8	5	5
Hazardous waste (kg)	0	0	0
Non-hazardous waste (kg)	68,221	98,454	23,044

1 Calculated based on the number of customer non-conformance reports (non-product related); lower score indicates lower rates of non-conformance.

2 Based on annual surveys of our clients on 22 key areas including quality and efficiency; Rating system: Rating system: 5 = excellent, 4 = good, 3 = average, 2 = fair and 1 = poor.

3 Local employees include Singapore citizens and Permanent Residents (PRs).

4 Scope 2 emissions in FY2024 is recorded as zero as 100% of our electricity consumption was zero carbon.



## Board Statement

This sustainability report outlines CosmoSteel's performance against our sustainability targets, offering stakeholders a clear understanding of how we manage key ESG impacts, risks and opportunities.

The Board of Directors ("**the Board**"), as the highest governing body, oversees CosmoSteel's sustainability strategy and its associated risks, opportunities and sustainability reporting. Committed to long-term value creation, the Board ensures that sustainability is embedded in the business, driving growth and safeguarding stakeholder interests. Under the Board's guidance, the Management is responsible for executing ESG initiatives, tracking progress, and ensuring transparent sustainability reporting.

Supported by the Sustainability Committee, the Board identifies material ESG factors, including climate-related risks and opportunities, and integrates them into the Group's broader strategy. Regular performance reviews are conducted to ensure continuous improvement and address any emerging challenges.

As part of the Group's comprehensive risk management framework, the Board ensures that ESG considerations, particularly climate-related disclosures, are fully incorporated into our core business strategy. This commitment is aligned with the recommendations of the TCFD.

The Board has reviewed and approved this report.

## Sustainability Governance

The Sustainability Committee, comprising key managers from various departments, is responsible for managing CosmoSteel's ESG factors, including climate-related issues. The committee ensures that these factors are embedded into our daily operations, aligning with the company's strategic objectives and targets. The committee reports regularly to the Board, which reviews material ESG factors, evaluates performance, and considers stakeholder expectations. The Board also approves the material ESG factors and the content of the sustainability report.

Assisted by external sustainability experts, the committee conducts an annual review of material ESG factors, considering relevant legislation, standards, and local to global concerns. It oversees the preparation of the sustainability report, sets reporting priorities, and defines the scope and boundaries of the topics covered. The Internal Audit function supports the sustainability reporting process to review internal controls, its accuracy and conformance with relevant standards.

## Sustainability Strategy

CosmoSteel aims to be a world-class provider of piping system components and related services, with a business strategy rooted in sustainability and strong governance. Our goal is to create lasting value for all stakeholders by maintaining high standards of ESG responsibility while delivering consistent product quality, competitive pricing, timely delivery, and exceptional service to ensure customer satisfaction.

Our sustainability strategy focuses on managing the material ESG impacts and associated risks and opportunities arising from our operations. We use the GRI Standards to identify and assess significant economic, environmental, and social impacts, highlighting emerging risks and opportunities. Our material ESG issues are aligned with the United Nations SDGs, helping us understand how our strategy supports global sustainability efforts. To enhance our reporting and deepen our understanding of climate-related financial risks, we adhere to the TCFD framework.

With increasing global concern over climate change and the urgent need for decarbonisation, CosmoSteel is committed to reducing our reliance on fossil fuels and minimising our operational carbon footprint to contribute to both global and national emissions-reduction goals, such as the Paris Agreement and the Singapore Government's Climate Action Plan and Singapore Green Plan. As part of this strategy, we have installed solar panels on our premises to generate and use renewable energy for our operation's consumption.

Additionally, we underscore our commitment to sustainability through internationally recognised certifications. We mitigate our environmental footprint using ISO 14001:2015, ensure workforce safety with ISO 45001:2018 and bizSAFE STAR certifications, maintain product and service quality through ISO 9001:2015, and safeguard business continuity with ISO 22301:2019.

In May 2024, we began the process of implementing ISO 37001:2016 (Anti-Bribery Management System) and we successfully obtained the certification in November 2024. This initiative reinforces our commitment to the prevention, deterrence, and detection of fraud, bribery, and other corrupt practices. Attaining the ISO 37001:2016 certification will strengthen our anti-bribery procedures, ensuring that all business activities are conducted with honesty, integrity, and the highest ethical standards.

These comprehensive management systems enable us to proactively identify key risks, opportunities, and impacts, driving continuous improvement across our operations.

# Sustainability Report 2024

## ESG Targets

We have set targets for our material ESG factors across short, medium, and long-term timeframes, and we closely monitor our performance against these goals. The Senior Management regularly reviews our ESG progress and provides updates to the Board. Any gaps in our performance are thoroughly analysed, and improvement actions are taken to ensure targets are met. An overview of our performance is presented throughout this report in the relevant sections.

## Management Certifications

We have achieved the following internationally recognised management system certifications, which support us in managing our business more efficiently and sustainably while driving continuous improvement in our processes and performance:

- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)
- ISO 45001:2018 (Occupational Health and Safety)
- ISO 22301:2019 (Business Continuity Management)
- bizSAFE STAR (Workplace Safety and Health)

## Materiality Assessment

This sustainability report focuses on the material topics that represent the most significant economic, environmental, and social impacts, risks, and opportunities arising from our business activities, as well as issues that matter most to our stakeholders. Our materiality process is guided by the SGX Sustainability Reporting Guide and aligned with the GRI Standards. In determining our material impacts, we also consider the specific ESG risks and opportunities related to our industry, particularly in the energy, marine, and trading sectors where we operate. The Sustainability Committee oversees the materiality process, with final approval provided by the Board.

Our approach to identifying and prioritising material ESG impacts follows the GRI's materiality principle. Since our first comprehensive materiality assessment in March 2017, we have conducted annual reviews, with support from external sustainability experts, to ensure our focus remains on the most relevant and material topics. These assessments are reviewed annually by the Sustainability Committee and approved by the Board.

In FY2024, we conducted a review of our material topics to ensure they remain relevant, comply with the evolving reporting standards, and align with stakeholder expectations. As part of our reviews, we engage with our stakeholders to incorporate their perspectives and feedback. The process was guided by GRI guidelines and incorporated the SGX Sustainability Reporting Guide, TCFD recommendations, United Nations SDGs, and key sustainability megatrends impacting our business.

## Our 4-Step Materiality Review Process

# 1

### ANALYSE

- Analyse our business activities and supply chain to understand our organisational context.

# 2

### IDENTIFY

- Identify potential and actual ESG impacts, risks and opportunities.
- Consider sustainability trends.
- Engage stakeholders for their views.

# 3

### ASSESS

- Assess the significance of ESG impacts.
- Perform risk ranking.
- Engage stakeholders for their views.

# 4

### PRIORITISE

- Consider stakeholder concerns and expert views.
- Review by Sustainability Committee and approval by the Board.

## Updated Material ESG Topics

Following our recent materiality review, we have confirmed that the issues highlighted in our FY2023 Sustainability Report remain relevant and have retained all material topics. We continue to report on energy consumption and greenhouse gas (“GHG”) emissions. Energy consumption and associated GHG emissions, though relatively small for our operations, have gained greater significance due to increasing public concern over climate change and the global drive for decarbonisation under the Paris Agreement and Singapore’s Climate Action Plan and Singapore Green Plan.

While some topics may not be classified as material based on the review, we continue to report on these important areas voluntarily, as part of our commitment to best practices in sustainability reporting.

MATERIAL ESG TOPICS				
Material Topics	Materiality Description	CosmoSteel’s Involvement	Material for CosmoSteel Subsidiaries	Our Management Approach
<b>ENVIRONMENTAL TOPICS</b>				
Indirect Energy Consumption	Electricity used in our office, warehouse	Caused by purchased electricity	Kim Seng Huat Hardware Pte Ltd	Transition to renewable energy
Greenhouse Gas (“GHG”) Emissions	Emissions from purchased electricity and fuel used in transport and delivery activities	Caused by electricity and fuel consumption in our operations	Kim Seng Huat Hardware Pte Ltd	To minimise GHG emissions and emissions intensity
<b>SOCIAL TOPICS</b>				
Attracting and Retaining Talent	Newly hired as well as existing employees	Through our HR policies and practices	All entities	To hire, develop and retain the most suitable talent to drive customer satisfaction
Occupational Health and Safety (“OHS”)	Warehousing and workshop operations	Through our OHS policies and practices	Kim Seng Huat Hardware Pte Ltd	To strive for a zero-accident workplace
Product Quality and Labelling	Our product quality and specifications impact our customers and their projects which make use of our products	Through our stringent quality control measures	Kim Seng Huat Hardware Pte Ltd	To provide high-quality products and services with accurate specifications and product information that exceed customer expectations
Customer Satisfaction	Customer satisfaction is the result of our ability to deliver the required quality and product specifications in a timely manner	Through our focus on providing high-quality products and excellent customer service	All entities	To provide high-quality products and services that exceed customer expectations

# Sustainability Report 2024

## Other ESG Topics



As a responsible business, we pay attention to a wider range of ESG topics that we consider important but not material. We report on these topics voluntarily. A brief description of these topics is provided below.

ESG Topics	Description	Our Management Approach
<b>ENVIRONMENTAL TOPICS</b>		
Waste	Generated in our workshop and warehouse operations	To minimise the waste intensity
Water	Water use in our offices and workshop for drinking, cleaning and washing	To save and conserve water
<b>SOCIAL TOPICS</b>		
Diversity and Equal Opportunity	Diversity and inclusion at our workplace	To promote a culture of inclusivity and mutual respect at the workplace
Employee Training	Continuous learning and development of our employees	To provide learning opportunities to our employees
Human Rights (Non-discrimination, Forced Labour, Child Labour, and Freedom of Association and Collective Bargaining)	Upholding human rights through our HR policies and procurement practices	To protect and uphold human rights across our operations
<b>GOVERNANCE TOPICS</b>		
Anti-corruption	In our dealings with various stakeholders	Through our anti-corruption policy and governance

## Our Contribution to Sustainable Development


At CosmoSteel, we are supportive of advancing sustainable development by aligning our efforts with the relevant 17 SDGs. These 17 interconnected global goals serve as a universal blueprint for fostering peace, prosperity, and environmental stewardship for current and future generations. We integrate the relevant SDGs into our materiality assessment to ensure our actions contribute to sustainable development.

In the table below, we provide an overview of how our key ESG topics align with specific SDGs and their targets, highlighting the specific SDG Targets supported by our sustainability efforts.

SDGs	SDG Targets Supported	ESG Topics
<b>ENVIRONMENT</b>		
SDG 7: Affordable and Clean Energy	 7.3 By 2030, double the global rate of improvement in energy efficiency.	Energy Consumption
SDG 13: Climate Action	 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	GHG Emissions

SDGs	SDG Targets Supported	ESG Topics
SDG 12: Responsible Consumption and Production	 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Waste
SDG 6: Clean Water and Sanitation	 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	Water
<b>SOCIAL</b>		
SDG 8: Decent Work and Economic Growth	 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Occupational Health and Safety
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	Attracting and Retaining Talent
SDG 5: Gender Equality	 5.1 End all forms of discrimination against all women and girls everywhere.	Diversity and Inclusion
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	
SDG 4: Quality Education	 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	Employee Training
SDG 12: Responsible Consumption and Production	 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.	Product Quality and Labelling Customer Satisfaction
<b>GOVERNANCE</b>		
SDG 16: Peace, Justice and Strong Institutions	 16.5 Substantially reduce corruption and bribery in all their forms.	Anti-Corruption

# Sustainability Report 2024

SDGs	SDG Targets Supported	ESG Topics
SDG 8: Decent Work and Economic Growth	 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Human Rights
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	

## STAKEHOLDER ENGAGEMENT

**CosmoSteel is committed to building trusted relationships with stakeholders.**

We engage with a diverse range of stakeholders to understand their expectations and concerns, which helps us achieve our strategic goals. We prioritise engagement with those whose interests are most affected by our activities or who have the potential to influence our business strategy. Our key stakeholders include customers, employees, suppliers, local communities, the public, shareholders, and investors.

Our approach centres on encouraging open, trusted, and constructive communication to ensure meaningful stakeholder engagement. Continuous dialogue provides valuable insights that shape our material ESG topics and guide key business decisions.

The table below provides an overview of our stakeholder engagement methods.

Key Stakeholders	How We Engage with Them	Stakeholders' Expectations and Concerns	How We Respond to Their Expectations	Frequency of Engagement
Customers	<ul style="list-style-type: none"> <li>- Customer surveys;</li> <li>- Face-to-face meetings and video conferences;</li> <li>- Sales services team;</li> <li>- Annual reports;</li> <li>- Company website; and</li> <li>- Product certifications (mill certifications) of compliance with orders delivered.</li> </ul>	<ul style="list-style-type: none"> <li>- Provide high-quality products and services;</li> <li>- Meet the product specification standards required by customers;</li> <li>- Complete timely delivery of goods and services; and</li> <li>- Provide good value for money to customers.</li> </ul>	<p>We adhere to the ISO 9001 quality management system for our products and services. We monitor and review any non-conformances to ensure they do not recur, and we provide clear and transparent product information.</p> <p>To provide value for money, we actively seek ways to reduce our operational costs and pass on these savings to customers.</p> <p>We also engage with our suppliers to negotiate economies of scale and competitive pricing options.</p>	<p>Our customer survey is completed annually with all customers whose sales value is more than \$5,000 and/or who have more than 5 non-conformances raised.</p> <p>We meet regularly with customers to discuss their needs.</p> <p>Our sales service team is available to customers daily and product certifications are included with all orders that specify this requirement.</p>

Key Stakeholders	How We Engage with Them	Stakeholders' Expectations and Concerns	How We Respond to Their Expectations	Frequency of Engagement
Employees	<ul style="list-style-type: none"> <li>- Orientation training for new hires;</li> <li>- Annual appraisal reviews;</li> <li>- Development training;</li> <li>- Emails;</li> <li>- Posters; and</li> <li>- Annual reports.</li> </ul>	<ul style="list-style-type: none"> <li>- Provide employees with the ability to grow and develop within the Group;</li> <li>- Provide a safe, healthy and decent working environment;</li> <li>- Provide staff benefits that help their welfare over their working career at the Group; and</li> <li>- Prepare them for retirement at the end of their career.</li> </ul>	<p>We adopt a fair employment policy and provide a Code of Conduct for our employees to adopt.</p> <p>We provide a safe working environment in line with our ISO 45001 management system.</p> <p>We value our employees and provide them with regular training programmes, and development opportunities, rest and welfare facilities, and regular medical and dental care options.</p>	<p>Employees are provided orientation training at the start of their employment and receive ongoing training as required.</p> <p>Appraisals of all staff are completed annually.</p> <p>Health, welfare and benefits are available as per company policy.</p> <p>Posters are updated as required to address sustainability issues and further details are made available via our annual report.</p>
Suppliers and Sub-contractors	<ul style="list-style-type: none"> <li>- Performance evaluations;</li> <li>- Face-to-face meetings and video conferences;</li> <li>- Site-visits;</li> <li>- Requests for proposals;</li> <li>- Tenders; and</li> <li>- Tele-communication.</li> </ul>	<ul style="list-style-type: none"> <li>- Provide clear specifications for products and services;</li> <li>- Have fair terms and conditions and robust internal systems to allow timely payments;</li> <li>- Ethical business practices; and</li> <li>- Honour our contractual obligations.</li> </ul>	<p>We have implemented a fair supplier evaluation process based on pre-set evaluation criteria.</p> <p>We involve suppliers in customer engagement meetings to assist in understanding product specifications.</p> <p>We have robust financial processes to ensure timely payments and provide clear contracts outlining supplier obligations and the Code of Conduct we expect from them, including ethical business practices.</p>	<p>Our supplier evaluations are completed annually and include the top 10% of our suppliers in terms of the purchase value and/or with more than 5 non-conformances raised and all subcontractors.</p> <p>All suppliers are involved in customer orders as and when required.</p> <p>Our Purchasing and Finance teams are engaged throughout the procurement and payment process, including contract negotiations.</p>

# Sustainability Report 2024

Key Stakeholders	How We Engage with Them	Stakeholders' Expectations and Concerns	How We Respond to Their Expectations	Frequency of Engagement
Public and Community	<ul style="list-style-type: none"> <li>- Donations;</li> <li>- Website; and</li> <li>- Sustainability report.</li> </ul>	<ul style="list-style-type: none"> <li>- To be a good corporate citizen;</li> <li>- Provide local employment; and</li> <li>- Support the local community.</li> </ul>	<p>Our Code of Conduct outlines the standards we expect of our employees when engaging with the public.</p> <p>We manage our operations and vehicles fleet to ensure there is a limited impact on the surrounding communities.</p>	We engage with charity and voluntary organisations when approached for donations.
Shareholders and Investors	<ul style="list-style-type: none"> <li>- Annual General Meetings;</li> <li>- Annual reports;</li> <li>- Announcements;</li> <li>- Briefings; and</li> <li>- Emails to our investors.</li> </ul>	<ul style="list-style-type: none"> <li>- Present transparent and timely information on Company performance, profitability and status; and</li> <li>- Deliver good economic performance for our investors.</li> </ul>	<p>We have an experienced and competent Board and management team.</p> <p>We ensure good governance of risks and opportunities, transparency and honest disclosures, and strive to deliver sustainable growth.</p>	We provide financial and sustainability reports annually, periodic briefings and announcements as significant changes arise, half-yearly financial results, and respond to any shareholder queries as they arise during general meetings.

## Membership of Associations

We actively participate in industry associations to stay informed on the latest trends, address shared challenges, and contribute insights that drive industry progress. Our key memberships include:

- Singapore Chinese Chamber of Commerce and Industry
- Singapore Business Federation
- Singapore Manufacturing Federation
- Singapore Metal and Machinery Association
- Singapore International Chamber of Commerce





## MARKETPLACE

**We conduct our business with integrity, guided by our core corporate values: building trust, exceeding expectations, fostering a passion for progress, and embracing forward-thinking.**

Over the years, we have built trusted relationships with our customers, business partners and stakeholders by operating with integrity, honesty and professionalism. Maintaining our stakeholders' trust remains a top priority. We adhere to all relevant laws in our business operations and aim to surpass stakeholder expectations by utilising our integrated management systems and maintaining continuous feedback and review processes.

## Delighting Customers

As a world-class provider of piping system components and related services, we place our customers at the heart of our business decisions. Our goal is to consistently exceed their expectations by delivering high-quality products, exceptional value, unmatched service, and on-time delivery, all while upholding our commitment to sustainability.

To measure our performance in these areas, we conduct an annual survey targeting customers with sales exceeding \$5,000 or those who have experienced more than five non-conformance incidents. This survey helps us identify potential areas for improvement. In FY2024, we distributed the survey to 80 customers, achieving a 39% response rate, with an average customer satisfaction score of 4.3 out of 5. Lower scores prompt the respective departments to investigate and identify opportunities for improvement.

## TARGET AND PERFORMANCE

ESG Factor	FY2024 Target	FY2024 Performance	Ongoing Target
Customer Satisfaction	≥3 score by 100% customers in satisfaction survey	4.3	≥3 score by 100% customers in satisfaction survey
	Less than 5 non-conformances* (non-product related)	1	Less than 5 non-conformances (non-product related)
* Includes Mill Test Certificate labelling			

Customer Performance			
Indicator	FY2022	FY2023	FY2024
Quality: Inaccuracy in sales order processing (Number)	2	2	1
Efficiency: On-time deliveries (%)	93.7	95.2	95.9
Average customer satisfaction rate (Points)	4.4	4.4	4.3

# Sustainability Report 2024

## Certification for Safety-Critical Products

We are committed to delivering top-quality products and services that consistently exceed customer expectations. To ensure we meet our clients' specified requirements, we maintain an ISO 9001-certified quality management system. This system undergoes regular internal audits, external verification, and periodic reviews to drive continuous improvement.

Although we are not legally required to provide safety information for our products, we supply every product with a Mill Test Certificate ("MTC"), which verifies the material's chemical and physical properties. All incoming products are tested by suppliers and assigned HEAT numbers, ensuring full traceability through the MTCs.

During the reporting period, there were no incidents of non-compliance related to product and service information or labelling.

ESG Factor	Ongoing Target	FY2024 Performance
Product Quality and Labelling	Report on the number of incidents of non-compliance concerning product and service information and labelling	There were no incidents of non-compliance in FY2024

## Suppliers

Building a trusted and reliable supply chain is vital for our business.

Our suppliers provide a wide range of products, including pipes, butt weld fittings, forged fittings, and flanges. Over the years, we have developed strategic partnerships with global suppliers, ensuring timely deliveries and access to material grades that may be difficult to source locally. We maintain continuous communication with our suppliers and business partners, ensuring a reliable supply of high-quality products to consistently meet our customers' expectations.

To uphold our high standards, we have implemented a supplier and contractor performance evaluation system, which assesses suppliers based on a variety of criteria.

In FY2024, we worked with 115 active suppliers, 44% of whom were Singapore-based. Our total procurement from suppliers in FY2024 amounted to \$61.9 million.



## Anti-Corruption Policy

We maintain a zero-tolerance policy towards fraud, corruption, and bribery, recognising that any breach of ethical standards poses a significant risk to our reputation. Combating corruption is essential to safeguarding our integrity, promoting good governance, and ensuring responsible business practices. Our risk management approach aligns with the Singapore Prevention of Corruption Act and is clearly outlined in our Employee Code of Conduct, which all employees are required to follow.

Our policy explicitly prohibits:

- The misuse of company funds or assets for illegal purposes or to influence others through bribery.
- The provision of facilitation or 'grease' payments to expedite routine legal government actions, such as obtaining permits or releasing goods from customs.
- Offering rewards, gifts, or favours with the intent to corrupt judgment or compromise the conduct of those in positions of trust.

In May 2024, we began the process of implementing ISO 37001:2016 (Anti-Bribery Management System) and we successfully obtained the certification in November 2024. This will enhance our existing controls by establishing globally recognised best practices in preventing, detecting, and responding to bribery risks across all aspects of our business operations.

In FY2024, there were no reported incidents of corruption or bribery.



## Employee Code of Conduct

All employees at CosmoSteel are required to read, sign, and comply with our Employee Code of Conduct upon joining the company. This comprehensive Code outlines our corporate governance practices, policies, and standards, serving as a guide for employees and officers to ensure both legal compliance and ethical behaviour.

The Code establishes key principles for employees to perform their duties with the highest level of personal and corporate integrity. It covers interactions with colleagues, customers, competitors, suppliers, government agencies, officials, and the wider community. Key areas addressed include workplace health and safety, professional conduct, safeguarding company and third-party assets, handling confidential information, trading policy, conflicts of interest, personal data obligations, and legal compliance. Additionally, the Code includes a whistleblowing policy to encourage the reporting of misconduct.

Employees can access the Code via the Company's HR portal, and it is periodically reviewed by Management to ensure it remains aligned with changes in legislation and corporate strategy. The Code is also made available to Board members and applies to the Group's agents, representatives, and consultants.

## Whistleblowing Policy

Our whistleblowing policy provides a confidential channel for addressing concerns or complaints related to various aspects of the business, including operations, relationships with customers, suppliers, partners, and

associates, as well as the conduct of any employee, officer, or Management within the Group. This policy, approved by the Audit Committee and adopted by the Board, ensures transparency and accountability.

Employees are encouraged to raise concerns, including anonymously, about potential misconduct or improprieties. Concerns can be submitted via email or letter to the Company Secretary, who will forward the matter to the relevant party. For concerns involving Directors or the Chief Financial Officer/Financial Controller, the information is escalated to the Audit Committee. All other concerns are handled by the whistleblowing committee.

In FY2024, no complaints or issues related to corruption, bribery, fraud, or ethical breaches were reported through the whistleblowing mechanism or other channels.

## Regulatory Compliance

Legal compliance is the foundation of our ethical standards and corporate values. CosmoSteel is committed to conducting business in full compliance with all applicable laws and regulations. Our Code of Conduct outlines comprehensive principles and measures to ensure adherence to legal requirements, and we promptly address any instances of non-compliance within the required timeframes. Our goal is to achieve zero incidents of significant non-compliance with laws and regulations.

Management reviews our compliance systems annually, and additional reviews are conducted when there are significant changes in our business operations, regulations, or stakeholder expectations.

In FY2024, there were no incidents of non-compliance with laws or regulations resulting in monetary fines or non-monetary sanctions.



# Sustainability Report 2024



## PEOPLE

We are committed to cultivating an inclusive workplace where every employee is valued, motivated, engaged, and empowered to reach their full potential.

The foundation of our people-centric approach is built on promoting excellence, innovation, productivity, and safety across our operations. We are committed to providing a secure, fair, inclusive, and empowering work environment that enables our employees to perform at their best. A happy, healthy, and engaged workforce also plays a critical role in attracting and retaining the talent needed to achieve our business goals. Our Human Resources (“HR”) policies promote teamwork, collaboration, inclusiveness, mutual trust, well-being, and continuous learning and development.

To ensure the effectiveness of these policies, we regularly review our performance against key indicators and targets. Senior management continually evaluates our HR policies to maintain their relevance and effectiveness.

### Employment

As of the end of FY2024, we employed 56 full-time staff across our Singapore operations, with 80% being permanent employees and 20% on fixed-term contracts. There were no temporary employees in the reported period.

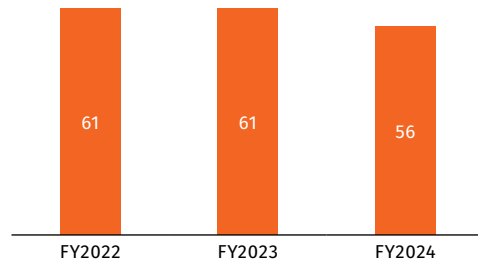
Aside from one cleaning staff member provided by a contractor, there were no non-employees working under our direct supervision.

### Workplace Diversity

We consider the diversity of our workforce to be a vital organisational asset. By fostering and embracing diversity, we tap into a wide range of perspectives, skills, and problem-solving approaches. Our HR policy actively promotes inclusivity, and our workforce reflects a balanced mix of gender, age, and racial diversity.

While our operational roles—mainly in warehousing, machining, and logistics—have traditionally attracted more male employees, women made up 39.3% of our workforce in FY2024, with 33% holding key management positions. Notably, the Chairman of our Board of Directors is also a woman. Additionally, of the six new hires in FY2024, three were female.

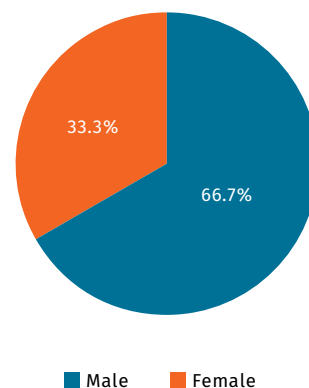
**Full-time Employees**  
(Number of Employees)

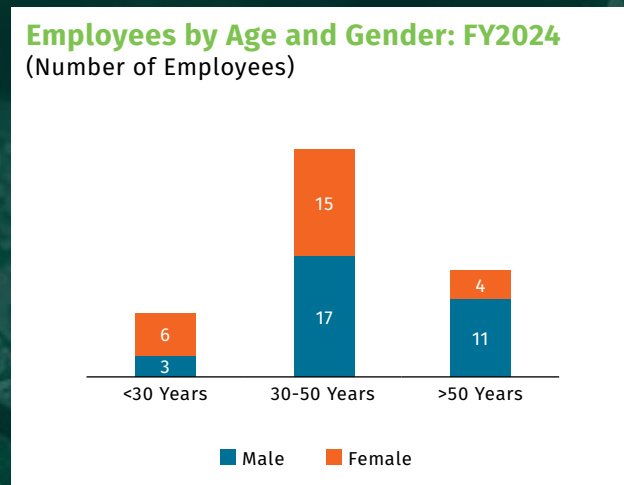
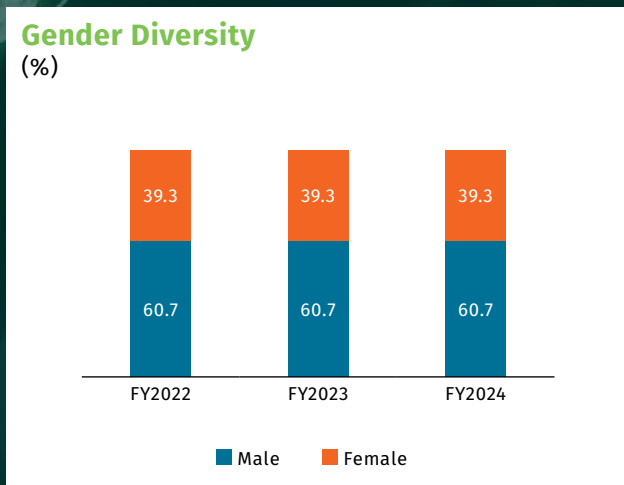


**Employees by Employment Category: FY2024**  
(Number of Employees)



**Key Management by Gender: FY2024**  
(%)





## Employees Welfare

In addition to annual and sick leave, our employees are entitled to a range of benefits that include insurance coverage, medical and dental care, as well as maternity, paternity, and childcare leave for full-time staff. By offering competitive remuneration packages and comprehensive benefits, we not only show our commitment to employee well-being but also attract and retain top talent at CosmoSteel.

## Workplace Health and Safety

The safety of our employees is paramount, particularly in our machining and warehouse operations where stringent safety measures are essential due to heavy machinery usage.

Our Work, Safety, and Health (“**WSH**”) and Emergency Response Committee, led by the CEO, oversees OHS matters and drives continuous improvement. This committee comprises representatives from key sites and functions, including a WSH Manager, Officer, Coordinator, Executives, Emergency Wardens, First Aiders, and Emergency Response Teams. Each member has defined roles and responsibilities for addressing safety risks and incidents.

## Health and Safety Policy

We are committed to ensuring the health and safety of our employees and all individuals impacted by our operations. Our policy focuses on identifying and mitigating risks, complying with regulations, and promoting continuous improvement in occupational health and safety. Hazard assessments guide our safety measures, which include providing necessary Personal Protective Equipment (“**PPE**”) and regular training.

We adhere to internationally recognised occupational health and safety standards, along with national safety initiatives. Our ISO 45001-certified OHS Management System and Singapore’s bizSAFE STAR compliance covers all our Singapore operations. Through our OHS system, we assess workplace hazards and risks, implementing appropriate measures to eliminate or control identified health and safety risks in line with ISO 45001 standards.

Aligned with our ISO 45001 OHS policy, employee safety is our priority. All operators are required to wear appropriate PPE, such as safety boots, hard hats, gloves, goggles, and face masks suited to their tasks. In machining operations, hearing protection is provided to reduce noise exposure. Employees are responsible for checking their PPE before starting work each day, and we hold quarterly PPE Cleaning Days for thorough maintenance and safety verification.

For heavy lifting, we use mechanical or powered systems, and forklifts are equipped with seat belts, warning lights, and load indicators. All machinery, equipment, and vehicles undergo regular maintenance and daily pre-use inspections.

We promote a culture of safety through daily briefings, periodic toolbox talks, and training sessions. Employees are encouraged to promptly report any safety concerns, and all external parties must obtain a permit before performing on-site activities.

We monitor our health and safety incident rates monthly and assess performance against targets, with the ultimate goal of achieving zero reportable accidents.

In FY2024, there were no incidents of reportable injury.

# Sustainability Report 2024

## TARGET AND PERFORMANCE

ESG Factor	Ongoing Target	FY2024 Performance
Occupational Health and Safety	Zero reportable accidents	0

Workplace Safety Performance				
Performance Indicators	Unit	FY2022	FY2023	FY2024
Number of fatalities by work-related injuries	Number	0	0	0
Rate of fatalities by work-related injuries	Rate	0	0	0
Number of high-consequence (non-fatal) work-related injuries <sup>5</sup>	Number	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	Rate	0	0	0
Number of recordable work-related injuries	Number	2	2	0
Rate of recordable work-related injuries <sup>6</sup>	Rate	3.26	3.37	0
Number of hours worked	Number	122,839	118,577	109,591

5 Work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

6 Rate has been calculated based on 200,000 hours worked.

## Managing Employee Performance

We are dedicated to recognising employee achievements and fostering continuous learning and development to enhance overall organisational performance. All employees with over three months of service undergo an annual performance evaluation, where performance is assessed impartially, and opportunities for further growth and development are identified. In FY2024, 100% of eligible employees participated in performance appraisal.

## Retaining Talent

Retaining talent and fostering employee loyalty are central to our HR strategy. Engaged and motivated employees are key to sustaining high levels of organisational performance and productivity. To support retention, we prioritise teamwork, mutual trust, and open communication

between staff and management. Additionally, we offer competitive salaries and a comprehensive benefits package, as outlined earlier in this report.

We regularly monitor employee turnover to identify trends and benchmark against industry standards. In FY2024, our annual turnover rate was 22.2%, higher than 9.8% in the prior year. This was more than our target to remain at or below the national industry average of 14.1%, based on available data at the time of this report. The elevated turnover rate stemmed from a significant number of new fixed-term contract employees departing the organisation.

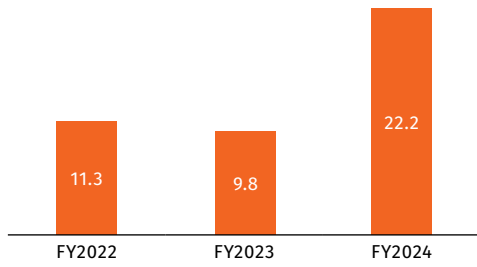
In FY2024, we hired six new employees, with an overall hiring rate of 7.9%. By gender, the hiring rate was 12.0% for female employees and 9.5% for male employees.

## TARGET AND PERFORMANCE

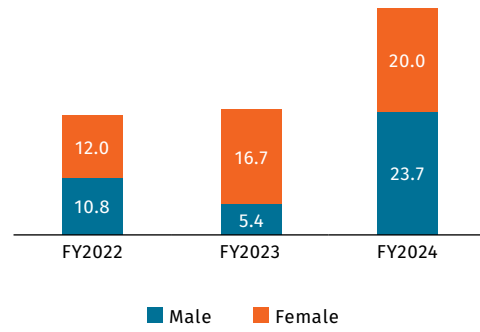
ESG Factor	Ongoing Target	FY2024 Performance
Attracting and Retaining Talent	Annual turnover rate equal to or less than the national industry rate	22.2% (Corresponding national average rate: 14.1%)*

\* We arrived at the national (Wholesale Trade) average by calculating the resignation rate figures for 3rd and 4th quarters of 2023 and the first two quarters of 2024 published by Manpower Research & Statistics Department, Ministry of Manpower ("MOM").

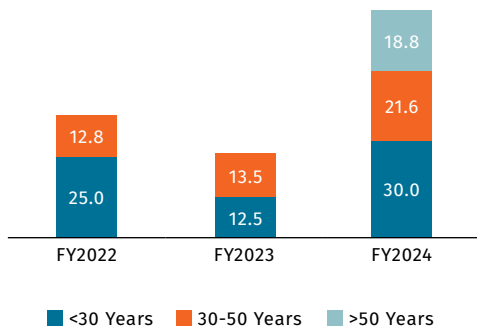
### Employee Attrition Rate (%)



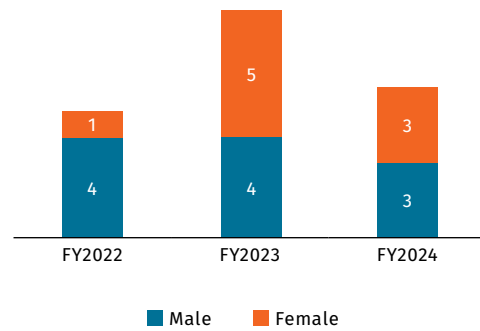
### Employee Attrition Rate by Gender (%)



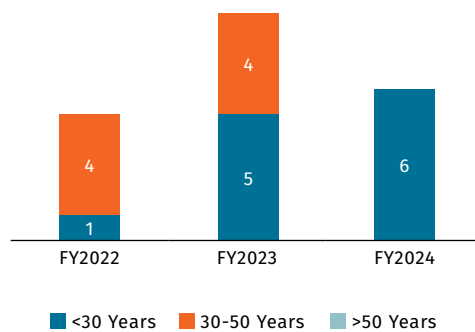
### Employee Attrition Rate by Age Group (%)



### New Hiring by Gender (Number of Employees)

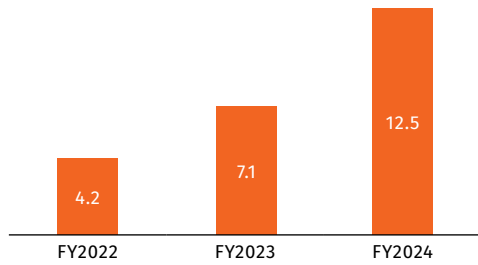


### New Hiring by Age Group (Number of Employees)

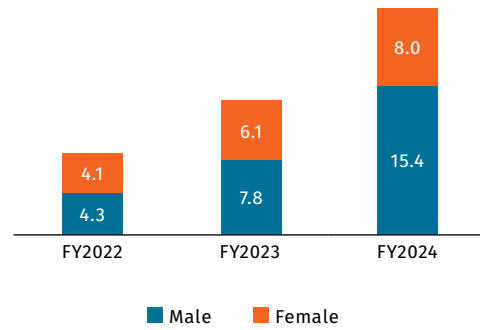


# Sustainability Report 2024

## Average Training Hours per Employee



## Average Training Hours by Gender



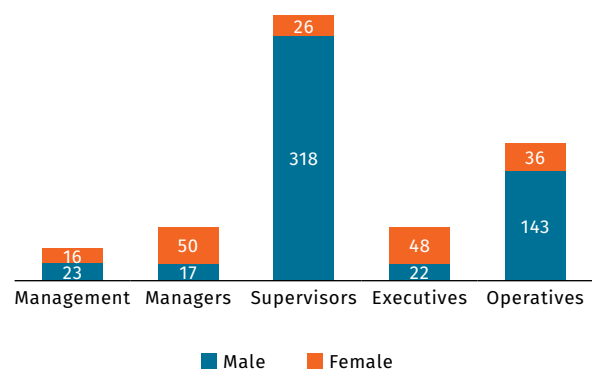
## Developing Employees

We recognise the importance of enhancing our employees' skills and competencies to equip them with the most up-to-date knowledge for their roles and support their career advancement. Our annual training calendar serves as a roadmap for employee development, offering continuous learning opportunities through on-site training, mentoring, and briefings. These initiatives help employees gain job-specific competencies while aligning with their personal career development goals. Our training priorities include:

- An orientation programme to effectively integrate new employees and equip them for success in their roles.
- Mandatory safety training to ensure employees in specific roles meet compliance requirements through the necessary courses and certifications.
- Organisational skills development to align with our overall business objectives.

In FY2024, employees received an average of 12.5 hours of training, up from 7.1 hours the previous year. On average, male employees completed 15.4 hours of training, while female employees completed 8.0 hours.

## Average Training Hours by Employment Category: FY2024





The training programmes attended by our employees during the year included:

- Apply Workplace Safety and Health in Metal Work (Mandarin)
- Apply Workplace Safety and Health in Metal Work (AWSHMW) (Malay)
- Applying the IFRS Sustainability Disclosure Standards
- Basic Laser Radiation Safety Course
- (BCMS) Company Accredited Standards Refresher Training 2023
- (BCMS) Company Accredited Standards Refresher Training 2023
- (QEHS) Company Accredited Standards Refresher Training 2024
- (QEHS) Company Accredited Standards Refresher Training 2024
- Chemical Spillage Drill 2023
- Chemical Spillage Drill 2024
- Company Accredited Standards Training 2023
- Company Accredited Standards Training 2023
- Company Accredited Standards Training 2024
- Company Accredited Standards Training 2024
- Corporate Governance Forum 1
- Corporate Governance Forum 2
- Demonstration on Bentsai Handheld Inkjet Printer
- Demonstration on Bentsai Handheld Inkjet Printer
- Digital Strategies Unplugged: Tech, Trends, and Tomorrow's Success - Planning for 2024 and the Future
- E094v: Ethical Business Conduct: Tell Tale Signs of Companies in Trouble
- E-Invoicing 101: SMEs Must Know
- Electrical Maintenance (Beginner)
- Financial Reporting Update
- Investor Forum
- ISO 22301 Business Continuity Management - Integrated Exercise 2023
- ISO 22301 Business Continuity Management - Table Top Exercise 2023
- ISO 37001:2016 Awareness Training
- ISO 37001:2016 Risk Management Training
- ISO 37001:2016 Internal Auditor Training
- ISO 9712 MT Level 2 Training
- ISO 9712 PT Level 2 Training
- Laser User Qualifying Test for N3 Licence
- Machine Operation
- Magnetic Particle & Penetrant Testing Examination
- Magnetic Particle & Penetrant Testing Training
- Malaysia Budget 2024
- Malaysia E-Invoicing Workshop
- Operate Lorry Crane Course (AOP)
- Operate Scissor Lift
- Operating Intelligent Ink Jet Printer
- Operating of Pallet Wrapping Machine
- Overhead Crane (LM) Safety & Operation Training
- Safety Orientation Course (Metalworking) - Recertification (Chinese)
- Safety Orientation Course (Metalworking) - Recertification (Chinese)
- SGNDT ISO 9712 MT Level 2 Examination
- SGNDT ISO 9712 PT Level 2 Examination
- SGX Sustainability Reporting Review 2023
- Stainless Steel Plate Training
- Supercharge Manufacturing with AI
- Table Top Exercise 2023
- Table Top Exercise 2024
- Top Executive WSH Programme (TEWP - Asynchronous E-Learning)
- WSQ Respond to Fire Emergency in Buildings (RFEB)

## Protecting Human Rights

We are committed to upholding human rights principles and values recognised both nationally and internationally. Our Code of Conduct strictly prohibits discrimination, child labour, and forced labour, and all employees are required to adhere to these standards. Our HR policy explicitly forbids discrimination based on nationality, age, race, religion, language, gender, or marital status.

Within our own operations, we assess the risk of child labour and forced labour as extremely low. While we do not currently assess these risks within our supply chain due to limited influence, we remain vigilant in our dealings with suppliers and regularly evaluate them through a performance rating system.

In FY2024, there were no reported instances of discrimination, child labour, or forced labour.

## Upholding Freedom of Association

We fully respect our employees' rights to freedom of association and collective bargaining in compliance with local laws. While our employees are not currently part of any labour union or collective bargaining agreement, they are encouraged to approach the HR department or senior management to discuss employment-related issues in a supportive and open environment.

# Sustainability Report 2024



## ENVIRONMENT

**We are committed to managing our business in a manner that minimises the environmental impact of our operations.**

Although our direct environmental impact as a trading company is relatively low, we are committed to reducing our environmental footprint wherever possible. Guided by the precautionary principle, we take a proactive approach to managing and mitigating our environmental impact. Since 2009, we have maintained an ISO 14001-certified Environmental Management System (“EMS”), which helps us promote conservation, protection, and pollution prevention by effectively managing environmental risks and opportunities.

Our primary environmental goals focus on reducing carbon emissions through energy efficiency, using renewable energy, and enhancing resource efficiency while minimising waste. We have set clear targets in these areas and monitor our progress closely. Monthly performance reports are reviewed by management, with corrective actions implemented as needed.

Achieving these objectives, particularly in reducing fossil fuel based energy, water, and paper usage, requires the active involvement of all employees. To ensure alignment, we conduct annual refresher training sessions to reinforce our environmental commitments and help employees understand their role in meeting our targets.

### Environmental Policy

Our Environmental Policy, as part of our integrated Quality, Environmental, and Occupational Health and Safety (“QEHS”) framework, guides our approach to managing environmental impacts, risks, and opportunities. The policy is built on the following commitments:

- Comply with all applicable environmental laws, regulations, and other relevant requirements.
- Communicate our environmental policy and practices to employees and relevant stakeholders to raise awareness of the environmental impact of our operations.
- Conserve resources by prioritising reduction, reuse, and recycling efforts.
- Provide training to instil a sense of responsibility in every employee for environmental stewardship.
- Involve and consult employees on environmental matters to encourage active participation.
- Continuously review and improve our integrated management system to ensure its relevance and alignment with our business activities.

### Carbon Neutral Electricity

In a significant milestone towards sustainability, our solar photovoltaic (“PV”) systems, installed on the roofs of our office and warehouse buildings at 14 Lok Yang Way, now cover 100% of our electricity needs at zero carbon. Completed and commissioned in March 2023, these systems have a combined capacity to generate an estimated 735,000 kWh annually, allowing us to significantly reduce our reliance on traditional energy sources.

In FY2024, we produced 677,859 kWh of solar energy. Out of the total output, we used 135,089 kWh to meet our energy needs while the rest was sold to SP Power. We also purchased 137,935 kWh of grid electricity which was offset through retiring local Renewable Energy Certificates (“REC”) under the I-REC Standard.

### Minimising Energy Consumption

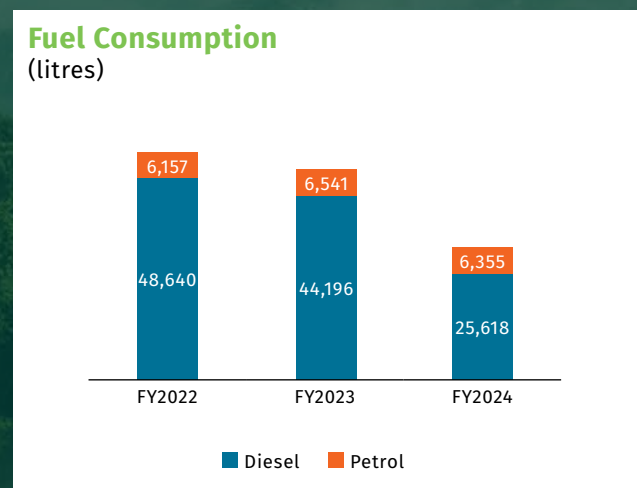
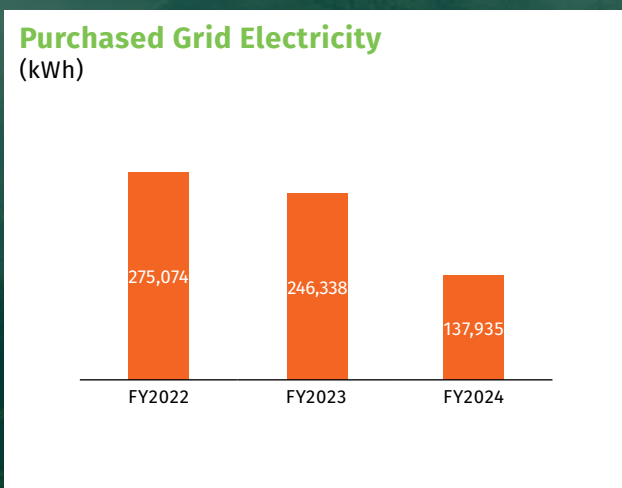
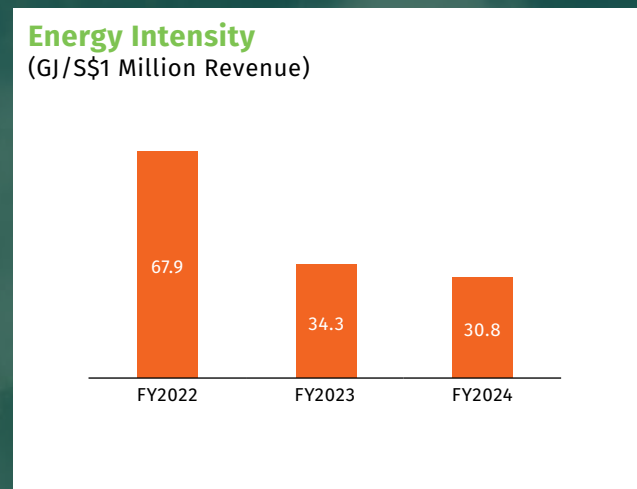
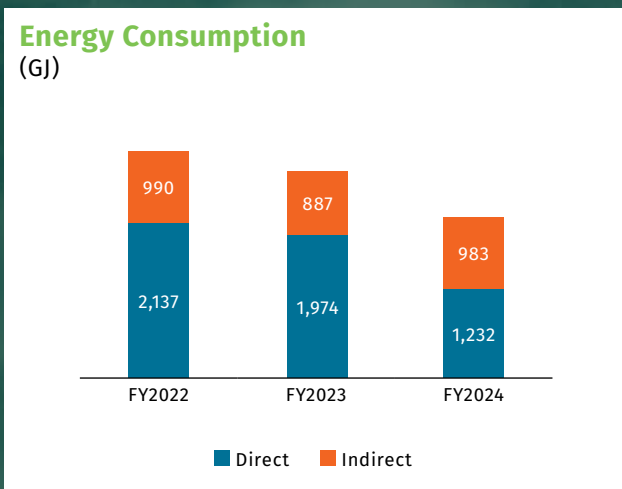
Additionally, we continue our efforts to further reduce energy consumption by replacing traditional lighting with energy-efficient LED lights, which reduce energy use by 50% to 70% compared to older technologies. We encourage employees to conserve energy by turning off lights and machinery when not in use, supported by “Switch off” posters throughout the facility. To raise awareness, we also share monthly energy performance data with all staff.

Our air conditioning systems are maintained regularly for optimal efficiency and set at a fixed temperature, while our pantry is equipped with energy-saving appliances. A dedicated team of “energy champions” ensures machines and office printers are switched off when not in use to prevent energy wastage.

In FY2024, our monthly electricity consumption per employee, from both non-renewable and renewable sources, was 406 kWh, compared with 349 kWh in the previous year. This is above our target of 300 kWh. We are actively reviewing our consumption patterns to identify new strategies for achieving this goal. Notably, in FY2024, 100% of our electricity consumption was carbon neutral, offset partly through the use of solar energy and the remainder via retiring local RECs.

Our energy intensity in FY2024 was 30.8 GJ per million dollars in revenue.

ESG Factor	Ongoing Target	FY2024 Performance
Indirect energy consumption	100% electricity from renewable sources	We produced 677,859 kWh of solar power against 137,935 kWh purchased grid electricity. 100% of purchased grid electricity was offset through redemption of RECs.



# Sustainability Report 2024

## ENVIRONMENTAL INITIATIVES

Since FY2023, we have implemented several initiatives aimed at reducing our environmental footprint. These efforts are outlined below:

### Rooftop Solar

We have installed PV systems on the roofs of our main office building and warehouse. These systems have a combined capacity to generate approximately 735,000 kWh of clean energy annually, significantly reducing our reliance on traditional energy sources.

### Electric Buses

We have replaced four diesel buses with electric models, reducing fossil fuel consumption and lowering our carbon emissions.

### Food Waste Management

We have introduced three Smartx-2 Food Waste Digesters in our office, which convert leftover food into organic, nutrient-rich fertiliser, helping to minimise waste sent to landfills.

### Growing Food

We have installed four SINGRASS Indoor Smart Eco Systems (“ISES”), which allow us to grow various leafy vegetables and spices indoors while also helping to reduce carbon dioxide levels in the atmosphere.

### Reducing Waste

We are committed to reducing waste through the ‘Three R’s Approach’—Reduce, Reuse, and Recycle—which guides our waste management policies. By enhancing resource efficiency, we actively minimise waste generation across

our operations. As part of our Environmental Management System, we closely monitor both hazardous and non-hazardous waste, ensuring it is collected, segregated, recycled, or disposed of safely.

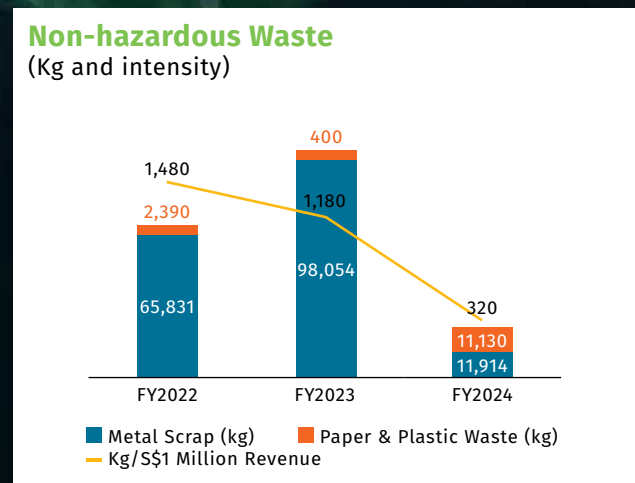
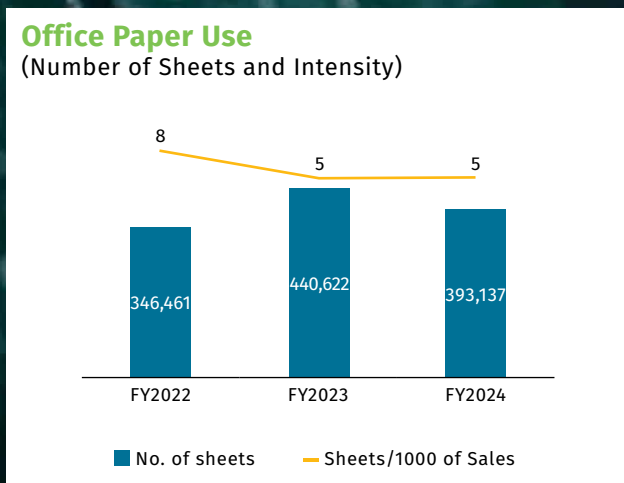
Our waste primarily consists of metal scrap, paper, plastic, electronics, and chemicals. Metal scrap, generated from our metal works, makes up the majority of our waste. As metal is recyclable, we sell scrap to licensed dealers. For other types of waste, we engage licensed waste management contractors and ensure that plastic and paper waste is sent for recycling.

In FY2024, we generated 23.0 tonnes of non-hazardous waste, a decrease from 98.5 tonnes in FY2023. This reduction primarily reflects the absence of one-off waste generated in FY2023 due to the decommissioning and disposal of an overhead crane runway beam during warehouse redevelopment, which added 65.6 tonnes of metal scrap. Excluding this one-off waste, our non-hazardous waste for FY2023 amounted to 32.8 tonnes. Therefore, our non-hazardous waste of 23.0 tonnes in FY2024 represents a 29.9% decrease compared to the adjusted figure of 32.8 tonnes for FY2023.

### Paper Use and Recycling

We are committed to minimising our environmental impact in our offices by using certified, sustainably produced paper. To further reduce paper usage, we have implemented double-sided printing and locked printer settings to ensure printing is done only when necessary. Our Enterprise Resource Planning (“ERP”) system and our e-invoicing initiative have significantly contributed to reducing paper consumption.

In FY2024, we averaged five sheets of paper per \$1,000 in revenue, below our target of using less than 10 sheets per \$1,000 in revenue.



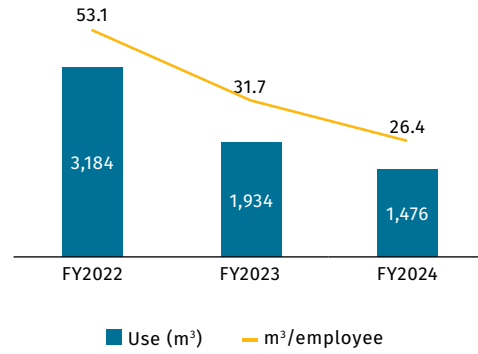
## Conserving Water

Although water is not a significant factor in our operations, as it is primarily used for domestic purposes like washing and cleaning, we recognise its importance as a vital global resource and are committed to conserving it. Our water conservation efforts include awareness campaigns to reduce unnecessary shower time, regular leak inspections in washrooms, and the use of water-efficient equipment such as spray hoses and taps. We closely monitor our water usage on a monthly basis, with management conducting annual reviews of our conservation initiatives.

All of our water is sourced from Singapore's Public Utilities Board ("PUB"), and our sewage is discharged into the city's sewage system, also managed by PUB. This advanced system treats and reuses sewage water as part of PUB's sustainability efforts.

In FY2024, our annual water intensity was 26.4 m<sup>3</sup> per employee, a 16.7% decrease compared to FY2023. Throughout the year, our average monthly water consumption was 2.1 m<sup>3</sup> per employee, significantly below our target of 3.0 m<sup>3</sup>. This reduction was largely attributed to the efforts of the organisation to reduce water consumption.

## Water Consumption and Intensity



## TCFD Report

We use the Taskforce on Climate-related Financial Disclosures ("TCFD") framework to guide our reporting on climate-related risks and opportunities.

We recognise the urgent need for global action to address rising temperatures and mitigate the risks posed by climate change. We fully support the Paris Agreement's primary goal of limiting the global temperature increase to well below 2°C above pre-industrial levels, with an ambition to cap it at 1.5°C.

To strengthen climate resilience across our business, we are developing strategies that focus on understanding the potential risks and opportunities climate change presents, particularly in relation to financial performance. The adoption of the TCFD framework has allowed us to enhance our governance, strategy, risk management, and metrics in relation to climate issues. We have already conducted a qualitative

analysis to assess the potential financial impacts of climate change on our core business activities. Moving forward, we plan to build on our climate scenario analysis to further refine our understanding of how climate change could influence our financial outlook, enabling us to continuously improve our TCFD reporting.

Our climate-related disclosures, aligned with the TCFD recommendations, cover four key areas. Governance outlines how CosmoSteel's leadership oversees climate-related issues, including the roles and responsibilities of key committees. Strategy details our approach to managing climate risks and opportunities, integrating climate considerations into our overall business strategy. Risk Management addresses the specific climate risks we face and the measures in place to mitigate them. Finally, Metrics and Targets provide key performance indicators and goals related to climate, highlighting our efforts to reduce environmental impact.

# Sustainability Report 2024

## GOVERNANCE

### Board Responsibility

At CosmoSteel, the Board oversees the Group's sustainability strategy, including climate-related material issues. This includes identifying, evaluating, and managing both physical and transitional climate risks and opportunities. The Board approves climate-related risk management strategies, performance metrics, and objectives. Climate oversight is integrated into the Board's broader governance of sustainability concerns, including evaluating and approving sustainability reports and TCFD disclosures. The Board also determines material ESG factors, including climate metrics and targets, and monitors progress toward these goals through regular management updates.

### Management Responsibility

Management is responsible for identifying, assessing, and addressing climate-related risks and opportunities, integrating them into our risk management framework, and implementing appropriate mitigation strategies. This includes conducting scenario analysis to assess climate impacts on operations, financial performance, and resilience. Management establishes and monitors climate-related KPIs, oversees TCFD reporting, and supports training initiatives to ensure executives are equipped to handle climate risks and opportunities effectively.

CosmoSteel's Sustainability Committee, chaired by the CEO and comprising senior executives from various functions, manages and assesses climate-related risks and opportunities. The committee oversees the implementation of climate strategies and policies and provides regular updates to the Board.

For further details, please refer to the sustainability governance section of this report.

## STRATEGY

Our strategy is designed to ensure CosmoSteel remains resilient to climate challenges while sustaining growth in a low-carbon future. We focus on identifying, evaluating, and mitigating both the physical impacts of climate change and the risks associated with the transition to a lower-carbon economy. At the same time, we recognise the opportunities presented by the global shift towards a lower-carbon economy by 2030 and achieving net-zero by 2050.

We specialise in sourcing and distributing piping system components, primarily made of steel, for the Energy, Marine, and other industries. We source these products from international manufacturers and supply them to our customers, strictly adhering to their product specifications and quality standards. Consequently, the carbon emissions from our direct operations are minimal and not deemed significant.

In the short term, our focus is on reducing GHG emissions across our operations where we have operational control, with solar energy already playing a pivotal role in lowering our environmental impact. In FY2024, we achieved carbon neutrality for our entire electricity consumption through the use of onsite solar energy and the redemption of I-RECs.

As we move forward, our medium- and long-term climate strategy will continue to evolve as we deepen our understanding of the associated risks and opportunities. Broader decarbonisation within the steel industry will be essential in reducing emissions throughout our value chain.

## RISK MANAGEMENT

In line with TCFD risk classifications, we have conducted a qualitative analysis of two key climate-related risk categories:

**Physical Risks:** These include acute risks, such as the increased frequency and severity of extreme weather events (e.g., cyclones, hurricanes, floods), and chronic risks, such as long-term shifts in climate patterns like rising temperatures, sea level rise, and prolonged heat waves. These physical risks can result in direct financial impacts through damage to assets and indirect disruptions to business operations.

**Transition Risks:** Transition risks arise from the substantial changes in policy, regulation, technology, and market dynamics required to shift towards a low-carbon economy. These risks can have financial and reputational consequences for businesses as they adapt to new regulatory frameworks and evolving market demands.

To mitigate the impact of these risks, including climate-related risks, we have implemented a business continuity management system in accordance with ISO 22301 standards. This system ensures we are prepared to respond to and recover from potential disruptions effectively.

Climate-Related Risks		
Risk Type	Description	Potential Financial Impacts
<b>PHYSICAL RISK</b>		
Acute <i>Increased severity of extreme weather events such as typhoons and floods</i>	<p>Higher flood risk can potentially damage our facilities, disrupt our supply chain and affect operations resulting in loss of revenue. A higher risk of flash floods can also increase our insurance costs.</p> <p>Our main operations are situated in Singapore, a small island state which is particularly vulnerable to the potential effects of climate change, which could include:</p> <ul style="list-style-type: none"> <li>• Rising sea level and the resulting flooding in low-level areas.</li> <li>• Rising temperatures and increased frequency and duration of severe weather events leading to: <ul style="list-style-type: none"> <li>- Droughts and flooding</li> <li>- Adverse effects on biodiversity and ecosystems</li> <li>- Increased risk of vector-borne disease transmission</li> <li>- Heat stress (especially for vulnerable groups)</li> <li>- Urban heat island effects which further increase energy demands for cooling, resulting in more GHG emissions</li> <li>- Risk of food security arising from droughts and floods disrupting or destroying crop harvests in supplier countries</li> </ul> </li> </ul>	<p>Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)</p> <p>Reduced revenue and higher costs from negative impacts on workforce (e.g., health, safety, absenteeism)</p>
Chronic <i>Changes in precipitation patterns and extreme variability in weather patterns</i>  <i>Rising mean temperatures</i>	<p>A warming climate can increase thermal stress and health risks for our employees in our facilities.</p>	<p>Increased insurance premiums and potential for reduced availability of insurance on assets in “high-risk” locations</p>
<b>TRANSITION RISK</b>		
Policy and Legal	<p>More regulatory reporting such as climate reporting, heightened energy efficiency standards and the implementation of carbon taxes may lead to increased compliance expenses.</p> <p>In our supply chain, carbon pricing mechanisms like taxes or cap-and-trade systems could raise energy and raw material costs for steel pipe manufacturers, potentially affecting profitability.</p>	<p>Increased operating costs (e.g., higher compliance costs, increased insurance premiums)</p>
Technology	<p>A failure to transition to cleaner and more energy-efficient steel manufacturing processes may reduce competitiveness of our suppliers.</p>	<p>Reduced demand for products and services</p>

# Sustainability Report 2024

Climate-Related Risks		
Risk Type	Description	Potential Financial Impacts
Supply Chain	In our supply chain, suppliers of key inputs, such as raw materials and energy, may themselves face climate-related challenges such as physical risks, leading to supply chain disruptions and cost fluctuations.	Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)
Market	Rising energy prices could increase the overall cost of operations. Changes in market demand for steel products with lower carbon footprints, such as those made from recycled steel or alternative materials, may affect the demand for traditional steel pipes.	Abrupt and unexpected shifts in energy costs
Reputation	High GHG emissions, poor climate risk management and lower ESG ratings can affect corporate reputation.	Reduced revenue from decreased production capacity (e.g., supply chain interruptions)  Reduction in capital availability
Climate-Related Opportunities		
Resource Efficiency	Improving energy efficiency and minimising waste can result in reduced operational expenses. These savings can be particularly significant in an environment with high energy prices.	Reduced operating costs (e.g., through efficiency gains and cost reductions)
Energy Sources	Adopting renewable energy, such as on-site solar power at our buildings, could enhance our energy resilience and reduce our carbon footprint.	Reduced operational costs (e.g., through use of lowest cost abatement)  Reduced exposure to future fossil fuel price increases  Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon
Products and Services	Our customers may develop a preference for buying pipes made from low-carbon steel which opens up a potential opportunity to source low-carbon steel pipes from our suppliers.	Increased revenue through demand for lower emissions products and services



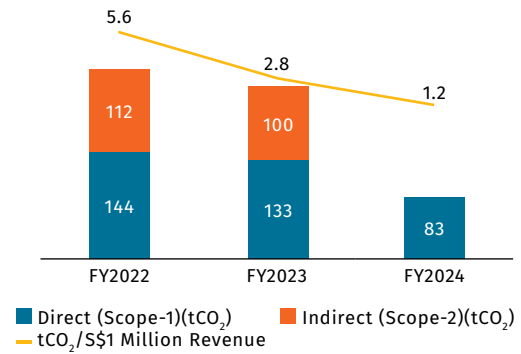
## METRICS AND TARGETS

We actively monitor and report our Scope 1 and Scope 2 GHG emissions in line with our climate strategy, with the goal of reducing overall emissions.

Our primary sources of GHG emissions stem from energy consumption. Direct emissions (Scope-1) are generated from fuel consumption by our business fleet, while indirect emissions (Scope-2) come from electricity usage in our offices and warehouses. Electricity-related Scope 2 emissions contribute to over 65% of our total emissions. In FY2024, we met our target of sourcing 100% of our electricity from renewable sources. This was achieved through the use of onsite solar energy and the redemption of I-RECs.

Thanks to our increased focus on energy-saving initiatives and the adoption of solar energy, our absolute carbon emissions have decreased by 80% in FY2024 compared to the base year of FY2016. Over the same period, our carbon emission intensity—measured in tonnes of CO<sub>2</sub> per million dollars in revenue—also dropped by 80%. In FY2024, our carbon emission intensity was 1.2 tCO<sub>2</sub> per million dollars in revenue, a notable improvement from 2.8 tCO<sub>2</sub> in FY2023, driven by 100% zero carbon electricity.

### Greenhouse Gas Emissions (tCO<sub>2</sub> and Intensity)



# Sustainability Report 2024



## GOVERNANCE

### Corporate Governance and Transparency

**Our Board and Management are committed to cultivating a strong corporate governance culture and upholding best practices in corporate transparency.**

Since March 2017, we have maintained “premium” status under the Inland Revenue Authority of Singapore’s (“IRAS”) GST Assisted Compliance Assurance Programme (“ACAP”), which provides a comprehensive framework for reviewing GST controls and implementing effective tax risk management and compliance measures.

A further measure of our commitment to strong corporate governance can be seen through the Singapore Governance and Transparency Index (“SGTI”), which assesses the corporate governance practices of Singapore-listed companies. CosmoSteel ranked 151<sup>st</sup> out of 477 listed companies in the 2024 Index.

### Risk Management Strategy

Our Enterprise Risk Management (“ERM”) Framework guides the Group in managing risks across daily operations and long-term business planning. This structured process allows us to assess key systems, policies, and processes, identify potential risks, and implement best practices for effective mitigation.

## Key Elements of ERM

# 1

**Identification of key business and operations risk factors**

# 2

**Categorisation of risks factors within broad compliance, financial and operational risks**

# 3

**Secondary categorisation of risk factors within 23 defined categories of key areas**

# 4

**Ranking of risk factors in terms of their relative importance of implications for the Group should such risks materialise**

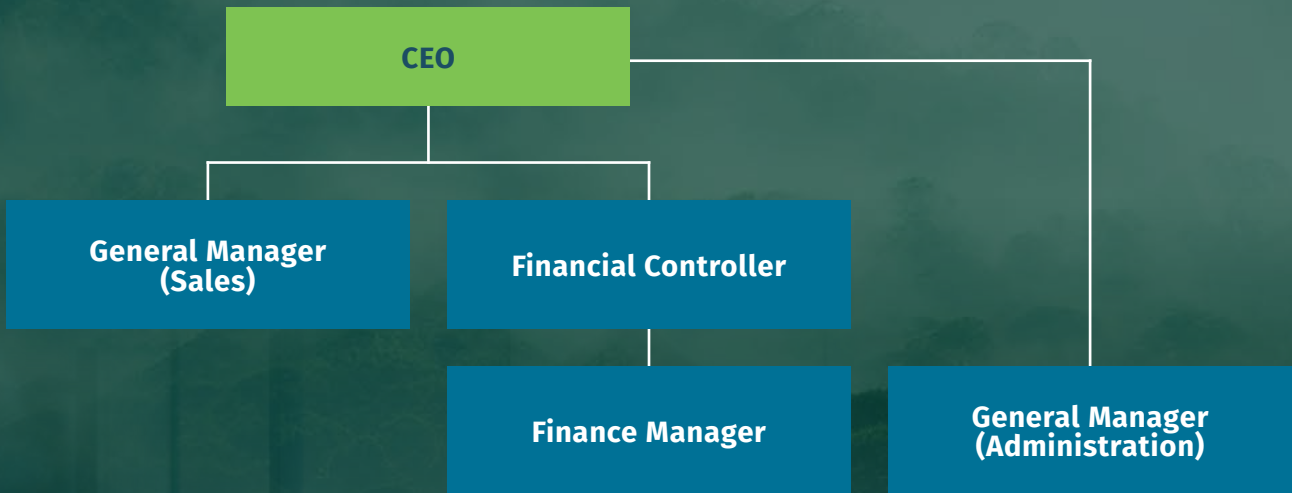
# 5

**Risk mitigating practices, where applicable, that are in place to address such risks**

## Risk Management Team

The ERM framework is overseen by a Risk Management Team, composed of members from the Management. This team is responsible for the effective implementation of the Group's risk management strategy, policies, and processes. It sets the direction for corporate risk management and monitors the application of risk management procedures. The Risk Management Team provides quarterly updates to the Audit Committee and the Board on any emerging areas of concern related to the Group's key risk factors.

When entering new markets, business ventures, or sectors, the Group may engage external professional advisors to assess and advise on additional risk factors. In line with the Company's expansion plans in Malaysia, we appointed CLA Global TS Risk Advisory Pte. Ltd. in May 2023 to review and propose updates to the existing Group-level risk registers.



# Sustainability Report 2024

## Compliance Risks

### Corporate Governance

A consistent risk assessment framework is essential for effective risk oversight and guiding decision-making across the organisation, including matters requiring Board approval. Our internal auditors assist Management in evaluating the effectiveness of internal controls to identify non-compliance risks. To address transparency and financial integrity risks, including compliance with SGX disclosure requirements and accounting standards, the Company Secretary advises the Board on regulatory changes, while external auditors provide updates to Management on accounting standards.

### Geopolitical

Geopolitical risks, such as the suspension of country concessions, are mitigated by regularly tracking regulatory developments to ensure our policies remain current and compliant with relevant laws and standards.

### Health & Welfare Benefits

Our policies align with industry standards and regulations. We ensure employee benefits, including healthcare insurance, meet the basic requirements set by the Ministry of Manpower (“MOM”) and stay updated through regular MOM notifications.

### Laws & Regulation

We are ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified. To maintain compliance with Environmental, Health, and Safety regulations, we subscribe to updates from BSI Group and undergo annual surveillance audits

by Bureau Veritas, with recertification every three years. The latest audit was conducted in August 2024. Contractual terms and conditions are reviewed by our Finance Department and, when necessary, external legal advisors to ensure compliance with internal policies and applicable laws.

## Operational Risks

To safeguard our legal interests, CosmoSteel hires professionals such as lawyers and accountants to advise us on our operational risks.

### Supply chain management

Our supply chain risks are twofold: planning and sourcing. Planning risk involves maintaining optimal safety stock, accurately forecasting capacity, demand, and supply. Sourcing risk pertains to procuring goods cost-effectively while managing volatile material costs. We mitigate these risks by sourcing from accredited suppliers per ISO 9001 standards and actively managing inventory and costs through supplier communication and market monitoring.

Additionally, our ISO 22301:2019 certification for Business Continuity Management (“BCM”) strengthens our ability to manage supply chain disruptions. This certification ensures that we identify potential operational risks, develop integrated mitigation strategies, and maintain resilience to recover critical business functions swiftly. Our BCM system is continuously improved to meet legal requirements and protect stakeholder interests, reputation, and brand.

## Key Elements of the BCM System

# 1

An established and appropriate internal and external communications protocol

# 2

Specific immediate steps that are to be taken during a disruption

# 3

Flexibility to respond to any unanticipated threats and to changing internal and external conditions

# 4

Being focused on the impact of events that could potentially disrupt operations

### **Sales, Marketing and Communications**

The Group's ability to meet its sales targets relies on an effective sales strategy. To mitigate this risk, we have implemented a comprehensive sales, marketing, and communication strategy that ensures consistent messaging to stakeholders and supports achieving sales goals. Our strategy includes regular management reviews and close communication with customers. We also conduct regular customer satisfaction surveys to monitor the quality of our services. For more details, please refer to the "Customers" section of this annual report.

### **Corporate Social Responsibility & Sustainability**

CosmoSteel is committed to reducing our environmental impact through strict corporate responsibility and sustainability practices. We manage industrial waste by recycling, reusing materials where possible, and working with licensed waste collectors. For further information on our environmental programmes, please refer to the "Environment" section of this annual report.

### **Human Resources**

To attract and retain top talent, the Group has developed comprehensive training and development programmes that exceed regulatory requirements. We also maintain robust health and safety management systems to ensure safe working environment. For details, please refer to the "People" section of this annual report.

### **Information Technology (IT)**

To ensure business continuity, we maintain reliable IT systems, partially outsourcing our infrastructure to professional vendors. We implement stringent security measures to protect against information leaks and data loss. Additionally, we employ on-site security devices to safeguard our operations.

### **Financial Risks**

The Group has identified two key financial risks: cash flow management (liquidity risk) and securing adequate funding for operations and investments.

**To mitigate liquidity risk**, we employ a capital management system to ensure sufficient working capital for meeting debt obligations. We closely monitor critical financial ratios such as inventory turnover, accounts receivable/payable, gearing, and current ratio to detect potential issues early. Key performance indicators and financial ratios are regularly reported to the Board for review.

**To manage funding risk**, we strive to maintain a diverse portfolio of bankers rather than relying on a single financial institution. To stay resilient amid evolving customer demands and an uncertain global economy, we stay informed of market conditions and maintain strong relationships with customers through regular engagement and monitoring of their purchasing patterns, ensuring our inventory aligns with both current and potential customer needs.

The Group follows a stringent credit policy that includes comprehensive credit evaluation, approval, and monitoring processes to minimise credit risks.

To guard against unforeseen financial losses, we have adopted hedging policies and maintain insurance coverage across various areas, including workmen's compensation, product liability, directors' and officers' liability, keyman insurance, industrial risks, marine insurance, and travel, health, and personal accident insurance.

# GRI Content Index

<b>Statement of Use</b>	<b>CosmoSteel Holdings Limited has reported in accordance with the GRI Standards for the period 1 October 2023 to 30 September 2024.</b>
<b>GRI 1 Used</b>	<b>GRI 1: Foundation 2021 used.</b>
<b>Applicable GRI Sector Standard(s)</b>	<b>Not applicable as a GRI sector standard is not available for our industry.</b>

<b>GRI Standard</b>	<b>Disclosures</b>	<b>Page Number(s)/ Location</b>
<b>GRI 2: General Disclosures 2021</b>		
<b>ORGANISATIONAL DETAILS AND REPORTING PRACTICES</b>		
GRI 2-1	Organisational details	3
GRI 2-2	Entities included in the organisation's sustainability reporting	21
GRI 2-3	Reporting period, frequency and contact point	21
GRI 2-4	Restatements of information	21
GRI 2-5	External assurance	21
<b>ACTIVITIES AND WORKERS</b>		
GRI 2-6	Activities, value chain and other business relationships	7
GRI 2-7	Employees	34-35
GRI 2-8	Workers who are not employees	34
<b>GOVERNANCE</b>		
GRI 2-9	Governance structure and composition	48-49, 55
GRI 2-10	Nomination and selection of the highest governance body	62-65
GRI 2-11	Chair of the highest governance body	9
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	23, 56
GRI 2-13	Delegation of responsibility for managing impacts	23, 44
GRI 2-14	Role of the highest governance body in sustainability reporting	23, 44
GRI 2-15	Conflicts of interest	58
GRI 2-16	Communication of critical concerns	33, 57, 75
GRI 2-17	Collective knowledge of the highest governance body	57
GRI 2-18	Evaluation of the performance of the highest governance body	65-66
GRI 2-19	Remuneration policies	64-70
GRI 2-20	Process to determine remuneration	64-70
GRI 2-21	Annual total compensation ratio	Not disclosed due to confidentiality/ commercial sensitivity
<b>STRATEGIES, POLICIES AND PRACTICES</b>		
GRI 2-22	Statement on sustainable development strategy	8-9, 10-11
GRI 2-23	Policy commitments	23, 32-35, 40
GRI 2-24	Embedding policy commitments	23, 32-35, 57
GRI 2-25	Processes to remediate negative impacts	33, 75
GRI 2-26	Mechanisms for seeking advice and raising concerns	33, 75
GRI 2-27	Compliance with laws and regulations	33
GRI 2-28	Membership associations	30
<b>STAKEHOLDER ENGAGEMENT</b>		
GRI 2-29	Approach to stakeholder engagement	28-30, 78
GRI 2-30	Collective bargaining agreements	39
<b>MATERIAL TOPICS</b>		
GRI 3-1	Process to determine material topics	24-25
GRI 3-2	List of material topics	25-26

GRI Standard	Disclosures	Page Number(s)/ Location
<b>ENVIRONMENTAL TOPICS</b>		
<b>Energy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	25
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	22
	302-3 Energy intensity	22
<b>Emissions</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	22, 47
GRI 305: Emissions 2016	305-1 Direct (Scope-1) GHG emissions	22, 47
	305-2 Energy indirect (Scope-2) GHG emissions	22, 47
	305-4 GHG emission intensity	22, 47
<b>SOCIAL TOPICS</b>		
<b>Employment</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 34, 36
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	22, 34, 37
<b>Occupational Health and Safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 35
Management Approach Disclosures 2018	403-1 Occupational health and safety management system	35
	403-2 Hazard identification, risk assessment, and incident investigation	35
	403-3 Occupational health services	35
	403-4 Worker participation, consultation, and communication on occupational health and safety	35
	403-5 Worker training on occupational health and safety	35
	403-6 Promotion of worker health	35
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	35
	403-9 Work-related injuries	22, 35-36
<b>Product Quality and Labelling</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 32
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	32
<b>NON-GRI MATERIAL TOPICS</b>		
<b>Customer Satisfaction</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	25, 31, 51
Customer Satisfaction	Percentage of on-time deliveries	25, 31
	Average customer satisfaction rate	25, 31

# TCFD Disclosures

The following table indicates our progress toward TCFD-recommended reporting.

Disclosure Number	TCFD Disclosures	Page Number(s)
<b>GOVERNANCE</b>		
TCFD 1(a)	Describe the board's oversight of climate-related risks and opportunities.	44
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	44
<b>STRATEGY</b>		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	44-46
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	44-46
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	44
<b>RISK MANAGEMENT</b>		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	24, 44
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	43-44
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	44
<b>METRICS AND TARGETS</b>		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	47
TCFD 4(b)	Disclose Scope-1, Scope-2, and, if appropriate, Scope-3 GHG emissions and the related risks.	22, 47
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	47



# CORPORATE INFORMATION

## Board of Directors

**Tan Siok Chin**  
(Chairman and Non-Executive Non-Independent Director)

**Jack Ong Tong Hai**  
(Chief Executive Officer and Executive Director)

**Yasuhiko Watanabe**  
(Non-Executive Non-Independent Director)

**Ong Tiew Siam**  
(Lead Independent Director)

**Hor Siew Fu**  
(Independent Director)

**Lim Jun Xiong Steven**  
(Independent Director)

**Loo Cheng Guan**  
(Independent Director)

## Audit Committee

**Ong Tiew Siam**  
(Chairman)

**Hor Siew Fu**  
(Member)

**Tan Siok Chin**  
(Member)

## Nominating Committee

**Lim Jun Xiong Steven**  
(Chairman)

**Ong Tiew Siam**  
(Member)

**Yasuhiko Watanabe**  
(Member)

## Remuneration Committee

**Loo Cheng Guan**  
(Chairman)

**Lim Jun Xiong Steven**  
(Member)

**Yasuhiko Watanabe**  
(Member)

## Company Secretary

**Lee Pih Peng MBA, LLB**

## Registered Office & Principal Place of Business

14 Lok Yang Way Singapore 628633

## Share Registrar

**Boardroom Corporate & Advisory Services Pte Ltd**

1 Harbourfront Avenue  
Keppel Bay Tower #14-07  
Singapore 098632

## Auditors

**RSM SG Assurance LLP**

8 Wilkie Road #03-08 Wilkie Edge  
Singapore 228095

Partner in-Charge: Poh Chin Beng (a member of the  
Institute of Singapore Chartered Accountants)

## Investor Relations

**CosmoSteel Holdings Limited**

[ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg)

**August Consulting**

Silvia Heng  
([silviaheng@august.com.sg](mailto:silviaheng@august.com.sg))

## Website

[www.cosmosteel.com](http://www.cosmosteel.com)

# Corporate Governance Statement

The Company recognises the importance of upholding a high standard of corporate governance to ensure the long-term sustainability of the Group's business and performance and accountability to protect shareholders' interests.

The SGX-ST Listing Manual requires an issuer to describe its corporate governance practices with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 ("**the Code**") in its annual report, as well as disclose any deviation from any provision of the Code and explain how the practices it had adopted are consistent with the intent of the relevant principle.

This statement outlines the policies adopted and practised by the Group during FY2024 with specific reference to the relevant principles and provisions of the Code. The Company has generally adopted principles and practices of corporate governance in line with the recommendations of the Code, save as highlighted and explained in this report.

## BOARD MATTERS

### Principle 1: Board's Conduct of its Affairs

The board of Directors of the Company (the "**Board**") works with the senior management of the Group (the "**Management**") for the long-term success of the Company.

All Directors recognise that they have to discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company and hold Management accountable for performance, and the Board is accountable to shareholders through effective governance of the business.

### **Provision 1.1**

The Board has put in place a Code of Conduct to guide employee's compliance with internal controls, policies and procedures of the Group, and to guide their observance of ethics and integrity in the day-to-day conduct of the Group's business.

The Board's principal functions include:-

- (a) to provide leadership and set strategic objectives and to ensure that the necessary financial and human resources are in place for the Group to meet its objectives. The Board will also, where appropriate, consider sustainability issues in respect of the Group's business and operations as part of its strategic formulation;
- (b) to establish a framework of internal controls for risk management;
- (c) to review Management's performance; and
- (d) to set the Group's values and standards (including ethical standards).

The Board has adopted a policy where Directors who are interested in any matter being considered, recuse themselves from deliberations and abstain from voting in relation to any such resolution(s) relating to such matter.

# Corporate Governance Statement (Continued)

## *Continuous Training for Directors and Orientation for Incoming Directors*

Incoming Directors will receive a tailored induction on joining the Board. This would include his duties and obligations as a director, and an orientation program to provide information on the Company's business and governance practice. If the newly appointed Director has no prior experience as a director of an SGX-ST listed company, they are also required to attend courses and training organised by institutions such as the Singapore Institute of Directors, the Accounting and Corporate Regulatory Authority (“ACRA”) and the SGX-ST.

**Provision 1.2  
and  
Provision 4.5**

Mr Yasuhiko Watanabe was appointed to the Board on 1 November 2023. As Mr Yasuhiko Watanabe did not have prior experience as a director of a company listed on the SGX-ST at the time of his appointment to the Board, Mr Yasuhiko Watanabe had attended and completed the relevant training in March 2024 as prescribed by Practice Note 2.3 of the SGX-ST Listing Manual.

Directors are briefed by Management or, if necessary, by the appropriate professional advisers on salient industry trends or updates and changes or updates to relevant legal or regulatory or accounting requirements, where applicable. Directors are also encouraged to attend relevant training programmes, seminars and workshops organised by various professional bodies and organisations to equip themselves to effectively discharge their duties and to enhance their skills and knowledge, either as part of their own professional practice or skills upgrading, or through the Company. The Company will be responsible for arranging and funding the training of the Directors.

In FY2024, the Directors attended various briefings, updates, and training as part of their continuing professional development.

## *Matters Requiring Board Approval*

The Board has adopted a set of internal guidelines setting forth matters that require its approval. Matters which are specifically reserved to the Board for approval include but are not limited to the following:

**Provision 1.3**

- (a) any proposed acquisitions and disposal of any company or other entity, business, undertaking and/or assets of the Group which is not in the ordinary course of business of the Group;
- (b) any proposed changes in the capital of the Company;
- (c) any interested person transaction (as defined under Chapter 9 of the SGX-ST Listing Manual);
- (d) any recommendation or declaration or approval of an interim or final dividend (including a bonus or special dividend, if any), including the rate and amount of dividend per share and date of payment and other returns to shareholders; and
- (e) capital expenditure or commitment exceeding S\$1 million per transaction which is not considered to be in the ordinary course of business.

## *Delegation of Authority to Board Committees*

The Board is supported by three sub-committees, namely the Audit Committee, the Nominating Committee and the Remuneration Committee, (collectively, the “**Board Committees**”) each with specific terms of reference where their powers, functions and duties as well as procedures governing their operation and decision-making are described.

**Provision 1.4**

# Corporate Governance Statement (Continued)

## Meetings of Board and Board Committees

The Board and Board Committees meet regularly throughout the year. Ad hoc meetings and/or discussions (including via email correspondences) are convened when circumstances require. Details relating to the number of Board and Board Committee meetings held in respect of FY2024 and the attendance of the Directors are set out below:

**Provision 1.5**

Name	Number of Meetings <sup>2</sup>									
	Board Meetings		Audit Committee Meetings		Nominating Committee Meetings		Remuneration Committee Meetings		General Meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held <sup>5</sup>	Attended
Tan Siok Chin	7	7	5	5	1	1 <sup>1</sup>	2	2 <sup>1</sup>	2	2
Jack Ong Tong Hai	7	7	5	4 <sup>1</sup>	1	1 <sup>1</sup>	2	2 <sup>1</sup>	2	2
Shiro Kanaya <sup>3</sup>	7	–	–	–	1	–	2	–	2	–
Yasuhiko Watanabe <sup>4</sup>	7	7	5	1 <sup>1</sup>	1	1	2	1	2	1
Ong Tiew Siam	7	7	5	5	1	1	2	2 <sup>1</sup>	2	2
Hor Siew Fu	7	7	5	5	1	1 <sup>1</sup>	2	2 <sup>1</sup>	2	2
Lim Jun Xiong Steven	7	7	5	4 <sup>1</sup>	1	1	2	2	2	2
Loo Cheng Guan	7	7	5	4 <sup>1</sup>	1	1 <sup>1</sup>	2	2	2	2

### Notes:

- <sup>1</sup> The Directors are not members of the respective Committees but have attended the meetings by invitation.
- <sup>2</sup> Regular Board and Board Committee meetings comprise four Board meetings, four Audit Committee meetings, two Nominating Committee meetings, two Remuneration Committee meetings and one Annual General Meeting. Notwithstanding that the Company is not required to release its financial statements on a half yearly basis with effect from 7 February 2020, the Board and the Audit Committee continues to meet at least four times a year.
- <sup>3</sup> Mr Shiro Kanaya has resigned from the Board and ceased to be a Director on 1 November 2023.
- <sup>4</sup> Mr Yasuhiko Watanabe was appointed to the Board on 1 November 2023 following the resignation of Mr Shiro Kanaya on the same date.
- <sup>5</sup> The Company held an extraordinary general meeting in relation to the proposed acquisition of a property in Malaysia on 23 October 2023, and its annual general meeting for FY2023 on 29 January 2024.

## Multiple Board Representations

Directors with multiple board representations are to disclose such board representations and ensure that sufficient time and attention are given to the affairs of the Group. The Nominating Committee will review the multiple board representations held by the Directors on an annual basis to ensure that sufficient time and attention is given to the affairs of the Group.

## Provision of Information to the Board and Board Committees

Board papers for Board and Board Committee meetings are sent to Directors in advance in order for Directors to be adequately prepared for meetings including all relevant documents, materials, background or explanatory information relating to matters to be brought before the Board and Board Committees.

**Provision 1.6**

Management regularly puts up proposals or reports for the Board's consideration and approval (where appropriate), for instance, proposals on the annual budget of the Group, updates on any material variance between the budgeted and actual results, proposals relating to specific proposed transactions or general business direction or strategy of the Group, as well as regular reports or updates on the Group's inventory management and risk management. Directors, when presented with these proposals or reports for their consideration, evaluate the proposals or reports made by Management and Directors also review the performance of Management in meeting agreed key performance indicators and objectives and monitor the reporting of performance and, where appropriate, provide guidance to Management on relevant aspects of the Group's business and assist in the development of proposals on the Group's business strategy.

# Corporate Governance Statement (Continued)

The Board was informed and its approval sought on the matters which require its approval under the internal guidelines set by the Board, including material events and transactions. Requests for other information by the Board were also dealt with promptly.

## *Access to Management, Company Secretary and Independent Professional Advice*

The Board, the Board Committees and the Directors have separate and independent access to Management and are entitled to request from Management such additional information or clarification as required.

**Provision 1.7**

The Company Secretary attends all Board and Board Committee meetings, is responsible for ensuring that Board procedures are followed and that the minutes of all Board and Board Committees meetings are recorded and circulated to the Board and the Board Committees, and advises the Board on all governance matters.

Under the direction of the Chairperson, the Company Secretary facilitates the information flow within the Board and Board Committees and between Management and Non-Executive Directors. The Board has independent access to the Company Secretary. The appointment and the removal of the Company Secretary are decisions taken by the Board as a whole.

Professional advisors may be invited to advise the Board, or any of its members, if the Board or any individual member thereof needs independent professional advice.

## **Principle 2: Board Composition and Guidance**

The Board exercises objective judgment independently from Management on corporate affairs of the Group and no individual or small group of individuals dominate the decisions of the Board.

### *Board Composition and Degree of Independence of the Board*

As at the date of this Report, the Board comprises seven (7) Directors, four (4) of whom are independent Directors (“**Independent Director**”), two (2) of whom (including the Chairperson) are non-executive, non-independent Directors (“**Non-Executive Non-Independent Director**”) and one (1) is an executive director (“**Executive Director**”). The majority of the Board comprises Independent Directors. The Lead Independent Director is Mr Ong Tiew Siam.

**Provision 2.1,  
Provision 2.2,  
Provision 2.3  
and  
Provision 4.5**

The Directors in office at the date of this Report are:

<b>Name of Director</b>	<b>Role undertaken</b>	<b>Board Committee Membership</b>	<b>Date of First Appointment</b>	<b>Date of last Re-appointment</b>	<b>Present directorships and chairmanships in other listed companies and other principal commitments</b>	<b>Directorships and chairmanships in other listed companies and other principal commitments over the preceding 3 years</b>
<b>Tan Siok Chin</b>	Chairperson & Non-Executive Non-Independent Director	Audit Committee	28 March 2007	29 January 2024	Vibrant Group Limited  ACIES Law Corporation	Valuetronics Holdings Limited
<b>Jack Ong Tong Hai</b>	Chief Executive Officer & Executive Director	–	9 November 2005	29 January 2024	Kim Seng Huat Hardware Pte Ltd CosmoSteel (Australia) Pty Ltd Kim Seng Huat (Malaysia) Sdn Bhd	Nil

# Corporate Governance Statement (Continued)

Name of Director	Role undertaken	Board Committee Membership	Date of First Appointment	Date of last Re-appointment	Present directorships and chairmanships in other listed companies and other principal commitments	Directorships and chairmanships in other listed companies and other principal commitments over the preceding 3 years
<b>Yasuhiko Watanabe</b>	Non- Executive Non-Independent Director	Nominating Committee Remuneration Committee	1 November 2023	29 January 2024	Hanwa Co., Ltd <sup>1</sup>	Nil
<b>Ong Tiew Siam</b>	Lead Independent Director	Audit Committee (Chairperson) Nominating Committee	1 December 2022	31 January 2023	CSC Holdings Limited	Valuetronics Holdings Limited
<b>Hor Siew Fu</b>	Independent Director	Audit Committee	26 October 2018	31 January 2023	Edition Limited Memiontec Holdings Limited Assurance Healthcare Limited (formerly known as Revez Corporation Ltd)	Plastoform Holdings Limited Datapulse Technology Limited (and its subsidiaries)
<b>Lim Jun Xiong Steven</b>	Independent Director	Nominating Committee (Chairperson) Remuneration Committee	1 December 2022	31 January 2023	Sinarmas Land Limited Livingstone Health Holdings Limited Riverstone Holdings Limited Baker Technology Limited	Mirach Energy Limited Keong Hong Holdings Limited Emerging Towns & Cities Ltd Hong Fok Corporation Limited Bund Center Investment Ltd
<b>Loo Cheng Guan</b>	Independent Director	Remuneration Committee (Chairperson)	1 December 2022	31 January 2023	China First Capital Group Limited Vermilion Gate Pte Ltd Amalgam Capital Partners Pte. Ltd. Brash Asia Pte. Ltd. Castle Reach Asset Management Pte Ltd. King Tower Asset Management (S) Pte Ltd	Mirach Energy Limited Valuetronics Holdings Limited

**Note:**

<sup>1</sup> Mr Yasuhiko Watanabe is an executive officer in charge of Corporate Planning Division, Legal Division, Credit Division and Sustainability Promotion Office in the Tokyo office.

# Corporate Governance Statement (Continued)

## Alternate Directors

As of the date of this Report, the Company has not appointed any Alternate Directors.

## Composition and Size of the Board

The Board has adopted a policy and framework for promoting diversity on the Board and the Nominating Committee is responsible for ensuring that this policy is implemented in an effective and practical manner. The Nominating Committee will report to the Board periodically on the progress made in achieving the objectives set for promoting diversity.

### Provision 2.4

In designing, determining or assessing (as the case may be) the Board's composition, Board diversity has been considered from a wide range of aspects, including but not limited to skills, experience, educational background, length of service, gender, age and any other factors that the Board may consider relevant and applicable from time to time. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of core competences, knowledge, perspectives and insights that will enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Company and the Group, and support succession planning and development of the Board.

The Nominating Committee conducts an annual review on the composition of the Board, including the diversity and balance of skills, gender, age, knowledge and experience on the Board (in particular, whether Directors may possess core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience and industry knowledge) and the size of the Board which would facilitate decision-making.

The Nominating Committee is of the view that given the nature and scope of the Group's operations and also the nature of the composition of the Board, the present Board size of seven (7) members is necessary and appropriate to facilitate effective decision-making to meet the needs and demands of the Group's business.

The Nominating Committee also reviews the independence of the Independent Directors appointed to the Board annually in accordance with the guidelines on independence set out in the Code and the SGX-ST Listing Manual.

In addition, given the diverse qualifications, experience, background, gender and profile of the Directors, including the Independent Directors, a further breakdown of which is set out in the table below, the Nominating Committee is of the view that the current Board members as a group provides an appropriate balance and diversity of the relevant skills, experience and expertise required for effective management of the Group.

## Balance and Diversity of the Board

	Number of Directors	Proportion of Board (%)
<b>Core Competencies</b>		
Accounting or finance	4	57
Legal or corporate governance	5	71
Relevant industry knowledge or experience	2	29
Business Management/Strategic planning experience	7	100
Human Resource Management	1	14
<b>Gender</b>		
Male	6	86
Female	1	14

The Directors' profiles are set out in pages 12 to 13 of this Report.

# Corporate Governance Statement (Continued)

## *Meetings without the presence of Management*

Non-Executive Non-Independent Directors and Independent Directors meet regularly without the presence of Management, in the meetings with the external auditors and internal auditors at least annually and on such other occasions as may be required and the chairperson of such meetings provides feedback to the Board and/or the Chairperson as appropriate.

**Provision 2.5**

## **Principle 3: Chairperson and Chief Executive Officer**

### *Roles and Responsibilities of Chairperson and CEO*

The Company adopts a dual-leadership structure. Ms Tan Siok Chin is the Chairperson, Non-Executive Non-Independent Director and Mr Jack Ong Tong Hai is the Chief Executive Officer and Executive Director.

**Provision 3.1**

As Chief Executive Officer, Mr Jack Ong Tong Hai assumes executive responsibilities for the Group's performance and the Group's business.

**Provision 3.2**

As Chairperson, Ms Tan Siok Chin leads the Board, ensures that the Directors receive accurate, timely and clear information, encourages constructive relations between the Board and Management, as well as between Board members, facilitates contributions from Board members, including Non-Executive Non-Independent Directors, ensures effective communication with shareholders and endeavours to promote a high standard of corporate governance. The Chairperson also ensures that Board meetings are held regularly and on an ad hoc basis where required and, when necessary, sets the Board meeting agendas in consultation with the Management and the Company Secretary. The Chairperson presides over each Board meeting and ensures full discussion of agenda items. Management staff, as well as external experts who can provide additional insights into the matters to be discussed, are invited when necessary, to attend at the relevant time during the Board meetings.

### *Lead Independent Director*

The Lead Independent Director is Mr Ong Tiew Siam.

**Provision 3.3  
and Rule  
1207(10A) of the  
SGX-ST Listing  
Manual**

Mr Ong Tiew Siam responds to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairperson or Management may be inappropriate or inadequate.

## **Principle 4: Board Membership**

### *Composition and Terms of Reference of Nominating Committee*

The Nominating Committee is governed by written terms of reference under which it is responsible for:

**Provision 4.1**

- (a) determining annually, and as and when circumstances require, whether a Director is independent, and providing its views to the Board in relation thereto for the Board's consideration;
- (b) where a Director or proposed Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments;
- (c) where the appointment of an alternate Director to a Director is proposed, determining whether the alternate Director is familiar with the Company's affairs, appropriately qualified and (in the case of an alternate Director to an independent) whether the alternate Director would similarly qualify as an independent Director, and providing its views to the Board in relation thereto for the Board's consideration;



# Corporate Governance Statement (Continued)

- (d) making recommendations to the Board on relevant matters relating to:
  - (i) the review of board succession plans for Directors, in particular, the Chairperson and for the CEO;
  - (ii) the development of a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
  - (iii) the review of training and professional development programs for the Board; and
  - (iv) the appointment and re-appointment of Directors (including alternate Directors, if applicable).

The Nominating Committee comprises three (3) Directors, two (2) of whom are Independent Directors. As at the date of this Report, the members of the Nominating Committee are:

**Provision 4.2**

Mr Lim Jun Xiong Steven    Chairperson  
Mr Ong Tiew Siam  
Mr Yasuhiko Watanabe

Mr Shiro Kanaya had resigned from the Board and ceased to be a Director on 1 November 2023.

Mr Yasuhiko Watanabe was appointed to the Nominating Committee on 1 November 2023 following the resignation of Mr Shiro Kanaya on the same date.

## *Evaluation of the Board*

The Company has in place a process for selecting and appointing new Directors, and nominating existing Directors for re-appointment. Such process includes, in the case of a new Director to be appointed, *inter alia*, an evaluation of a candidate's qualifications and experience with due consideration being given to ensure that the Board consists of members who as a whole will collectively possess the relevant core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience and industry knowledge. The search for new Directors, if any, will, if considered necessary, be made through executive search companies, contacts and recommendations and shortlisted persons will be evaluated by the Nominating Committee before being recommended to the Board for consideration.

**Provision 4.3**

The Nominating Committee, working in conjunction with the Management, keeps a constant lookout for appropriate training and professional development programmes from time to time offered by professional bodies such as the Singapore Institute of Directors and external training institutes and service providers, and recommends them to Board members for attendance or participation. Individual Directors may from time to time attend separate training and professional development programmes, in connection with their own profession or work or other directorships which they may hold.

The Company's Constitution ("**Constitution**") require at least one-third of the Directors, or if their number is not a multiple of three, the number nearest to but not less than one-third of the Directors, to retire from office by rotation once every three years and shall then be eligible for re-election at the meeting at which he retires.

Existing Directors are put up for retirement and re-election in accordance with the foregoing requirement, and the Nominating Committee will recommend the nomination of a Director for re-election after considering, *inter alia*, the Director's competencies, commitment, contribution, and performance, as well as the need for progressive renewal of the Board.

The Nominating Committee considers the need for Board renewal as and when necessary or appropriate, as part of succession planning. At Management's level, action plans and training programmes are in place to build-up the next level of management team to support senior management.

# Corporate Governance Statement (Continued)

Each member of the Nominating Committee will abstain from voting on any resolution of the Nominating Committee or the Board (if applicable) in respect of the assessment of his/her performance or re-nomination as Director.

## *Determining Directors' Independence*

The Nominating Committee determines on an annual basis whether or not a Director is independent. As and when circumstances require, the Nominating Committee will also assess and determine a Director's independence.

**Provision 4.4**

Each Independent Director completes a declaration to confirm his independence on an annual basis. The declaration is drawn up based on the guidelines provided in the SGX-ST Listing Manual and the Code.

The Nominating Committee carried out a review on the independence of each Independent Director in November 2024 taking into account the respective Directors' self-declarations and their actual performance on the Board and Board Committees, and is satisfied that the Independent Directors are able to act with independent judgment.

## *Commitments of Directors Sitting on Multiple Boards*

Pursuant to the Board's policy on the maximum number of listed company board representations which any Director may hold, Directors should not have more than six (6) listed company board representations. The listed company directorships and principal commitments of each Director are set out above in pages 59 to 60 of this Report. The Nominating Committee has reviewed each Director's directorships in other companies and their principal commitments. Despite the multiple directorships held by some Directors, the Nominating Committee was satisfied that such Directors spent adequate time on the Company's affairs and have carried out their responsibilities and duties as a Director of the Company.

**Provision 4.5**

The Nominating Committee took into account the results of the assessment of the performance of the individual Director, the level of commitment required of the Director's other principal commitments, and the respective Directors' actual conduct and participation on the Board and Board Committees, including availability and attendance at regular scheduled meetings and ad-hoc meetings, in making the determination, and is satisfied that all the Directors have been able to and have adequately carried out their duties as Directors notwithstanding their multiple listed board representations and other principal commitments.

## **Principle 5: Board Performance**

The Nominating Committee has, with the approval of the Board, established performance criteria and evaluation procedures for evaluation and assessment of the effectiveness and performance of the Board, the Board Committees and the Directors.

**Provision 5.1**

The performance criteria which has been adopted include the adequacy and timeliness of information provided to the Board and the Board Committees, adequacy of process for monitoring and reviewing Management's performance, timeliness and adequacy of disclosures and communications with shareholders and other stakeholders. In addition, the Nominating Committee will have regard to whether a Director has adequate time and attention to devote to the Company, in the case of Directors with multiple board representations and other principal commitments.

# Corporate Governance Statement (Continued)

In addition to evaluating the performance of the Board and the Board Committees as a whole, the performance of all Directors, including the Chairperson, were individually reviewed by their fellow Directors, taking into consideration *inter alia*, the Director's competencies, commitment, contributions and performance at Board and Board Committee meetings and discussions, including attendance, preparedness, participation and candour.

**Provision 5.2**

Each of the Directors has completed a Board Performance Evaluation Checklist, giving their individual assessment and evaluation of the Board's ability and Committees' ability to meet the relevant criteria stated in the Board Performance Evaluation Checklist. In addition, each of the Directors has completed an Individual Directors' Evaluation Checklist, giving their assessment and review of other Directors' performance.

The results of such assessment and evaluation were collated by the Company Secretary and reviewed and considered by the Nominating Committee, with the appropriate reports or recommendations (including on follow-up actions, if any) provided to the Board.

The Company does not engage an external facilitator in respect of the Board Performance Evaluation.

## **Principle 6: Procedures for Developing Remuneration Policies**

### *Composition and Terms of Reference of Remuneration Committee*

The Remuneration Committee is governed by written terms of reference under which it is responsible for:

**Provision 6.1  
and  
Provision 6.3**

- (a) reviewing and recommending to the Board, a general framework of remuneration for the Directors and key management personnel;
- (b) reviewing and recommending annually to the Board, the specific remuneration packages for each Director as well as for the key management personnel;
- (c) reviewing all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind;
- (d) reviewing annually the remuneration of employees who are substantial shareholders, immediate family members of a Director or the CEO or a substantial shareholder whose remuneration exceeds S\$100,000 during the year;
- (e) reviewing the Company's obligations arising in the event of termination of the Executive Director and key management personnel's contracts of service, to ensure that such arrangements are fair and reasonable and not overly generous;
- (f) ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;

# Corporate Governance Statement (Continued)

- (g) administering the employee share option scheme, share-incentive or award scheme from time to time established or implemented by the Company (collectively the “Schemes”) with powers to determine, *inter alia*, the following:–
- (i) persons to be granted options, share incentives, awards and other benefits under the Schemes;
  - (ii) number of options, share incentives, awards and other benefits under the Schemes to be offered;
  - (iii) terms of such options, share incentives, awards and other benefits under the Schemes to be offered, including exercise price and vesting periods;
  - (iv) recommendations for modifications to the Schemes;
  - (v) generally, perform such other functions and duties as may be required by the relevant laws or provisions of the SGX-ST Listing Manual and the Code (as may be amended from time to time); and
- (h) reviewing whether Executive Director, Non-Executive Non-Independent Director, Independent Directors, and key management personnel should be eligible for options, share incentives, awards and other benefits under the Schemes.

There are currently no Schemes applicable to the Company.

The Company has established a Remuneration Committee which comprises three (3) Directors, all of whom are non-executive and two (2) of whom are Independent Directors.

**Provision 6.2**

As at the date of this Report, the Remuneration Committee members are:

Mr Loo Cheng Guan            Chairperson  
Mr Lim Jun Xiong Steven  
Mr Yasuhiko Watanabe

Mr Shiro Kanaya has resigned from the Board and ceased to be a Director on 1 November 2023.

Mr Yasuhiko Watanabe was appointed to the Remuneration Committee on 1 November 2023 following the resignation of Mr Shiro Kanaya on the same date.

## *Access to Remuneration Consultants*

The Remuneration Committee has access to the professional advice of external experts in the area of remuneration, where required.

**Provision 6.4**

No remuneration consultants were engaged by the Company in FY2024.

## **Principle 7: Level and Mix of Remuneration**

The Remuneration Committee sets the level and structure of remuneration for the Directors and key management personnel. All aspects of remuneration, including but not limited to Directors’ fees, salaries, allowances, bonuses, options and benefits-in-kind (including any changes thereto) are subject to the review and approval of the Remuneration Committee for recommendation to the Board. If required, the Remuneration Committee will seek expert professional advice.

The Remuneration Committee's recommendations are submitted for approval by the Board. Each member of the Remuneration Committee will abstain from reviewing and voting on any Remuneration Committee resolution approving his own remuneration and the remuneration packages of persons related to him.

# Corporate Governance Statement (Continued)

## Remuneration Structure of the Executive Director

The remuneration for the Executive Director is based on the terms of his service contract entered into with the Company. Part of the remuneration for the Executive Director under the terms of his service contract applicable for FY2024 included a discretionary annual bonus payable as may be determined and granted by the Remuneration Committee and the Board.

## Provision 7.1

In addition, the remuneration for the CEO of the Company included an incentive bonus made available under a profit-sharing scheme ("**Profit Sharing Scheme**"), such incentive bonus to be calculated as further elaborated below.

For the Profit Sharing Scheme to be applicable, the Group must achieve an audited net profit before tax on a consolidated basis attributable directly to the Group's operations ("**NPBT**") of not less than S\$5 million ("**NPBT Threshold**") and in the event that the incentive bonus has been paid under the Profit Sharing Scheme, no discretionary annual bonus will be payable to the CEO of the Company.

	<b>NPBT Attained</b>	<b>Incentive Bonus (on a cumulative basis, subject to the NPBT Threshold being met)</b>
(i)	For the first S\$5 million	2.0% of the NPBT
(ii)	More than S\$5 million but up to and including S\$7 million	2.5% for the additional NPBT above S\$5 million
(iii)	More than S\$7 million but up to and including S\$10 million	3.0% for the additional NPBT above S\$7 million
(iv)	More than S\$10 million but up to and including S\$15 million	4.0% for the additional NPBT above S\$10 million
(v)	More than S\$15 million	5.0% for the additional NPBT above S\$15 million

The discretionary bonus payable to the Executive Director is generally awarded based on a certain number of months of his basic monthly salary. It is intended as an additional remuneration tool, to recognise the efforts and contributions and performance of the Executive Director, in particular where such efforts and contributions and/or performance may not be directly or immediately reflected in or attributable to the financial performance of the Company and the Group.

Further details on the remuneration of the Executive Director are further disclosed below on page 69 of this Report.

## Remuneration Structure of Key Management Personnel

The remuneration of the key management personnel generally comprises primarily of a basic salary component and a variable component which is the bonuses, based on the performance of the Company and the Group as a whole and individual performance.

## Contractual Provisions Protecting the Company's Interests

The Company does not have any contractual provisions in the employment contracts with the Executive Director and key management personnel pursuant to which the Company may reclaim the variable components of remuneration from the Executive Director and key management personnel in exceptional circumstances, such as any misstatement of financial results, or misconduct resulting in financial loss to the Company and the Group. Notwithstanding the foregoing, the Executive Director owes a fiduciary duty to the Company and the Company should be able to avail itself of the relevant remedies at law against the Executive Director in the event of such breach of fiduciary duties.

# Corporate Governance Statement (Continued)

## Remuneration Structure of Independent Directors and Non-Executive Non-Independent Directors

The Independent Directors and Non-Executive Non-Independent Directors receive Directors' fees of varying amounts taking into account factors such as their respective roles and responsibilities, effort and time spent for serving on the Board and Board Committees.

### Provision 7.2

The Company believes that the current remuneration of the Independent Directors and Non-Executive Non-Independent Directors is at a level that will not compromise the independence of the Directors.

The Board may, if it considers it necessary, consult experts on the remuneration of Independent Directors and Non-Executive Non-Independent Directors. Currently, the Independent Directors' fees and Non-Executive Non-Independent Directors' fees are determined based on the following fee structure:

Fee Structure for Independent Directors and Non-Executive Non-Independent Directors for FY2024:

	\$
Basic board fee	45,000
Board chair	20,000
Lead Independent Director and AC chair	10,000
RC and NC chair	5,000
AC member	5,000
RC and NC member	2,500
Attendance fee <sup>1</sup>	1,500

<sup>1</sup> The attendance fee is applicable for attendance at Board and Board Committee meetings exceeding four (4) hours per meeting, other than the regular Board and Board Committee meetings comprising four (4) Board meetings, four (4) Audit Committee meetings, two (2) Nominating Committee meetings, two (2) Remuneration Committee meetings, and one (1) Annual General Meeting for each financial year, subject to any revision as may be proposed by the Chairman of the Company.

The payment of Directors' fees is subject to the approval of shareholders, and the Board will recommend the remuneration of the Independent Directors and the Non-Executive Non-Independent Directors for approval by shareholders at the AGM. The Executive Director does not receive Directors' fees.

## Remuneration Framework

The Board is of the view that the current remuneration structure for the Executive Director, Independent Directors, Non-Executive Non-Independent Directors, and key management personnel are appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

### Provision 7.3

# Corporate Governance Statement (Continued)

## Principle 8: Disclosure of Remuneration

### Remuneration of Directors and Key Management Personnel

Details of the remuneration paid to the Directors for FY2024 are as follows:

**Provision 8.1  
and Provision  
8.3 and Rule  
1207(10D) of  
the SGX-ST  
Listing Manual**

Remuneration of Directors	Directors' Fees (%)	Salary <sup>2</sup> (%)	Bonus <sup>1,2</sup> (%)	Allowances and Others (%)	Post-employment benefits (if applicable) <sup>4</sup> (%)	Total Compensation (S\$)
<b>Executive Director</b>						
Mr Jack Ong Tong Hai	0.9	83.1	–	16.0	–	476,437
<b>Non-Executive Non-Independent Directors</b>						
Ms Tan Siok Chin	100	–	–	–	–	71,500
Mr Shiro Kanaya <sup>3</sup>	100	–	–	–	–	5,667
Mr Yasuhiko Watanabe <sup>3</sup>	100	–	–	–	–	45,833
<b>Independent Directors</b>						
Mr Ong Tiew Siam	100	–	–	–	–	59,000
Mr Hor Siew Fu	100	–	–	–	–	51,500
Mr Lim Jun Xiong Steven	100	–	–	–	–	54,000
Mr Loo Cheng Guan	100	–	–	–	–	51,500

#### Notes:

- <sup>1</sup> There was no incentive bonus or discretionary bonus payable to Mr Jack Ong Tong Hai for FY2024.
- <sup>2</sup> Salary and bonus excludes Central Provident Fund Contributions which is included under Allowances and Others.
- <sup>3</sup> Mr Shiro Kanaya has resigned from the Board and ceased to be a Director on 1 November 2023, following which Mr Yasuhiko Watanabe was appointed to the Board on the same date, and accordingly the Directors' fees payable to them for FY2024 was shared on a pro rata basis.
- <sup>4</sup> including termination and retirement benefits, if any.

The Company has four employees apart from the CEO that it considers to be its key management personnel. For the financial year ended 30 September 2024, the top four key management personnel (who are not also Directors) of the Group are Mr Andy Ong Tong Yang, Ms Chong Siew Kuen, Mr Lim Kim Seng, and Mr Benjamin Ng Loong Tatt.

**Provision 8.1  
and  
Provision 8.3**

# Corporate Governance Statement (Continued)

A breakdown of the remuneration of the top four key management personnel of the Group for the financial year ended 30 September 2024 is set out below:

Remuneration of Top Four Key Management Personnel <sup>2</sup>	Salary <sup>1</sup> (%)	Bonus <sup>1</sup> (%)	Allowances and Others (%)	Post-employment benefits (if applicable) <sup>5</sup> (%)	Total Compensation (%)
<b>Below S\$500,000</b>					
Mr Andy Ong Tong Yang	79.8	9.3	10.9	–	100.0
<b>Below S\$250,000</b>					
Ms Chong Siew Kuen	68.7	8.5	22.8	–	100.0
Mr Lim Kim Seng	69.7	8.6	21.7	–	100.0
Ms Tan Bee Kheng <sup>3</sup>	58.8	34.2	7.0	–	100.0
Mr Benjamin Ng Loong Tatt <sup>4</sup>	92.4	–	7.6	–	100.0

**Notes:**

- <sup>1</sup> Salary and bonus excludes Central Provident Fund Contributions which is included under Allowances and Others.
- <sup>2</sup> The Group has only four (4) key management personnel (who are not Directors nor the CEO).
- <sup>3</sup> Ms Tan Bee Kheng resigned from her position as Financial Controller and Joint Company Secretary and ceased to be a key management personnel of the Group with effect from 31 July 2024.
- <sup>4</sup> Mr Benjamin Ng Loong Tatt was appointed as a Financial Controller with effect from 2 September 2024 following the resignation of Ms Tan Bee Kheng.
- <sup>5</sup> including termination and retirement benefits, if any.

The annual aggregate remuneration of the top four key management personnel of the Group (who are not Directors or the CEO) and the former Financial Controller for FY2024 is S\$1,089,700.

The Company has not disclosed the specific remuneration of each of the top four (4) key management personnel for confidentiality reasons, and given the disclosure of the annual aggregate remuneration of the top four key management personnel of the Group (who are not Directors or the CEO) as aforesaid.

*Remuneration of Employees who are Immediate Family Members of Directors, the CEO and/or Substantial Shareholders of the Company*

Mr Andy Ong Tong Yang, a substantial shareholder of the Company and the brother of Mr Jack Ong Tong Hai, the CEO of the Company, is an employee of the Group whose remuneration was more than S\$400,000 but less than S\$500,000 for FY2024. Further details of Mr Andy Ong Tong Yang's remuneration is further disclosed above.

**Provision 8.2**

*Employee Share Schemes*

The Company does not have any employee share schemes or any other short-term or long-term incentive schemes and will review the feasibility of having such schemes when appropriate.

**Provision 8.3**



# Corporate Governance Statement (Continued)

## Principle 9: Risk Management and Internal Controls

### *Risk Management System*

The Board determines the nature and extent of significant risks which the Company is willing to take in achieving its strategic objectives and value creation by way of a framework of a series of identified risks or risk factors, as set out in a risk register (“**Risk Register**”). The Risk Register of the Group reviews the adequacy and effectiveness of the company’s risk management by setting out (i) the key risk factors that are faced by the Company and the Group in its business and operations and categorised according to compliance, financial, operational risks, and information technology including sanction-related risks; (ii) ranking of the risk factors in terms of their relative importance or implications for the Company and the Group should such risks materialise; and (iii) the risk mitigating practices (where applicable) which may be in place to address such risks.

### **Provision 9.1**

A risk management team comprising members from Management (the “**Risk Management Team**”) is responsible for the effective implementation of risk management strategy, policies, and processes to facilitate the achievement of business plans and goals within the risk tolerance set by the Board. The Risk Management Team provides quarterly updates to the Audit Committee and the Board where there may be areas of concern arising in relation to any of the identified key risks factors, if any, which the Audit Committee and the Board should take note of. All members of the Risk Management Team are required to submit an Annual Statement of Compliance, confirming the Group’s compliance with the policies and procedures in place.

### *Assistance from Internal Auditors*

The responsibility of overseeing the Company’s risk management framework and policies is undertaken by the Audit Committee with the assistance of the internal auditors.

The Company has requested its internal auditors to take such risk factors into consideration in drawing up the annual internal audit plan, so that there is a system and process review of the identified key risk areas. In the event that the Company intends to enter into any new markets, business venture or business sector, the Company may, where necessary or appropriate, appoint and commission the appropriate professional parties to review or advise on, *inter alia*, any additional areas of risk factors to consider in connection with such forays.

### *Assurance from CEO and Chief Financial Officer/Financial Controller*

The Chief Executive Officer and Financial Controller have at the financial year-end provided a letter of assurance to the Audit Committee confirming, *inter alia*, that:-

### **Provision 9.2**

- (i) the financial statements of the Company for FY2024 give a true, accurate and complete view of the Group and the Company’s operations and finances as at 30 September 2024;
- (ii) the accounting and other records required by the Act to be kept by the Company have been maintained in accordance with the provisions of the Act; and
- (iii) the Company and the Group have put in place and will continue to maintain an effective, and adequate system of risk management and internal controls (addressing financial, operational, compliance and information technology risks).

# Corporate Governance Statement (Continued)

## *Board's Opinion on Internal Controls*

Based on the internal controls established and maintained by the Group, work performed by external auditors and internal auditors and reviews performed by Management, the various Board Committees and the Board, the Audit Committee and the Board are of the opinion, pursuant to Rule 1207(10) of the SGX-ST Listing Manual, that the Group's internal controls, (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective as at 30 September 2024.

**Rule 1207(10)  
of the SGX-ST  
Listing Manual**

In addition, based, *inter alia*, on the current nature and scope of business and operations of the Group, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems to address and mitigate any sanctions-related risks, were adequate and effective as at 30 September 2024 and there has been no material change in the Company's risk of being subject to any sanctions-related laws or regulations since 30 September 2024.

The Board and the AC will be responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related laws or regulations; and (b) ensuring timely and accurate disclosures to SGX and other relevant authorities.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

## **Principle 10: Audit Committee**

### *Composition and Terms of Reference of Audit Committee*

The Audit Committee is governed by written terms of reference under which it is responsible for:

**Provision 10.1**

- (a) reviewing the audit plan of the external auditors, including the nature and scope of the audit, before the audit commences;
- (b) reviewing the results of external audit, in particular:
  - (i) their audit report; and
  - (ii) their management letter and Management's response thereto;
- (c) reviewing the co-operation given by the Company's officers to the external auditors;
- (d) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and the Group and any announcements relating to the Company's financial performance. The Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts. In this regard, the Audit Committee should focus particularly on: –
  - (i) major judgmental areas; and
  - (ii) significant adjustments resulting from audit;

and give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

# Corporate Governance Statement (Continued)

- (e) reviewing the independence of the external auditors annually and where the external auditors also provide a substantial volume of non-audit services to the Company, keep the nature and extent of such service under review, seeking to maintain objectivity;
- (f) making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment, and removal of the external auditors, and approving the remuneration and terms of the engagement of the external auditors;
- (g) reviewing the policy and arrangements by which staff of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters (whistle-blowing policy);
- (h) reviewing and reporting to the Board at least annually, the adequacy and effectiveness of the Company's internal controls and risk management systems. Review of the Company's internal controls and risk management systems can be carried out with the assistance of externally appointed professionals;
- (i) reviewing and monitoring the Group's possible exposure or nexus (if applicable) to sanctions-related risks (including being subject to sanctions-related laws or regulations and/or financing or engaging in any sanctioned activity and/or having dealings with sanctioned subjects) and, where necessary, to consider obtaining independent legal advice or appointing a compliance adviser in relation to the sanctions-related risks applicable to the Company and continuous monitoring of the validity of the information provided to shareholders and SGX.
- (j) monitoring the establishment, appointments, staffing, qualifications and experience of the Company's internal audit function, including approval of the appointment and compensation terms of the head of the internal audit function, review of whether the internal audit function is adequately resourced, is independent of the activities it audits, and has appropriate standing within the Company. The internal audit function can either be in-house, outsourced to a reputable accounting/auditing firm, or performed by a major shareholder, holding company, parent company or controlling enterprise with an internal audit staff;
- (k) reviewing, at least annually, the adequacy and effectiveness of the Company's internal audit function;
- (l) meeting with (a) the external auditors, and (b) the internal auditors, if deemed necessary, without the presence of Management, at least annually;
- (m) to discuss problems and concerns, if any, arising from the internal and external audits, and any matters which the auditors may wish to discuss (in the absence of Management where necessary);
- (n) reviewing the assurance from the CEO and Financial Controller on the financial records and financial statements of the Company;
- (o) commissioning and reviewing the findings of internal investigations into matters where there is suspicion of fraud or irregularity or failure of internal controls or infringement of any Singapore law, rule, or regulation, which has or is likely to have a material impact on the Company and the Group's operating results and/or financial position;
- (p) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and
- (q) generally, performing such other functions and duties as may be required by the relevant laws or provisions of the SGX-ST Listing Manual and the Code (as may be amended from time to time).

# Corporate Governance Statement (Continued)

The duties and responsibilities of the Audit Committee in relation to interested person transactions shall be as follows:-

- (a) review, at least annually, any interested person transactions;
- (b) monitor that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the SGX-ST Listing Manual and accounting and financial reporting standards, are complied with;
- (c) monitor that the guidelines and procedures established to monitor interested person transactions have been complied with; and
- (d) review, from time to time, such guidelines and procedures established to monitor interested person transactions to determine if they are adequate and/or commercially practicable in ensuring that transactions between the Company and interested persons are conducted at arm's length and on normal commercial terms.

The Audit Committee has explicit authority to investigate any matter within its terms of reference and has full access to and co-operation from Management and has full discretion to invite any director or executive officer to attend its meetings to enable it to discharge its functions properly.

In the event that a member of the Audit Committee is interested in any matter being considered by the Audit Committee, he will abstain from reviewing or voting on that particular resolution.

## *Continuing Development of the Audit Committee*

The Audit Committee is kept abreast by Management, the external and internal auditors on changes and updates to accounting standards, and other issues which could have a direct impact on the financial statements of the Group, if any. During the financial year in question, the Audit Committee has, *inter alia*, undertaken reviews of the financial statements, the results of the internal and external audit of the Company, and the Group, with particular focus on significant areas such as inventory policy and inventory management controls.

## *External Audit Function*

The Group's existing external auditors, Messrs RSM SG Assurance LLP (formerly known as RSM Chio Lim LLP), an audit firm registered with the ACRA, have been the auditors of the Group since 30 September 2006 and Mr Poh Chin Beng is the current audit partner in charge for the financial year ended 30 September 2024.

The Audit Committee has been briefed on the key audit matters of the Company for FY2024 and has reviewed, and is satisfied with, the measures taken by the Company to address such key audit matters.

The aggregate amount of fees paid to the external auditors of the Company for non-audit services for FY2024 is less than 50% of the aggregate amount of fees paid for audit services. The Audit Committee, having reviewed the nature, range and value of non-audit services performed by the external auditors, is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The Audit Committee has also reviewed and confirmed that Messrs RSM SG Assurance LLP is a suitable audit firm to meet the Company's audit obligations, having regards to the adequacy of resources and experience of the firm and the assigned audit engagement partner, other audit engagements, size and nature of the Group, number and experience of supervisory and professional staff assigned to the audit. Notwithstanding the aforesaid, as the external auditors are currently providing a range of non-audit services to the Group, the Audit Committee is keeping the nature and extent of such non-audit services under review, seeking to maintain objectivity.

# Corporate Governance Statement (Continued)

The Audit Committee is satisfied that Rules 712 and 715 of the SGX-ST Listing Manual are complied with and has recommended to the Board that, Messrs RSM SG Assurance LLP be nominated for re-appointment as external auditors at the forthcoming AGM.

## *Whistle Blowing Policy*

The Company has put in place a whistle blowing policy and has implemented relevant procedures, as approved by the Audit Committee and adopted by the Board, for the purposes of handling complaints, concerns or issues relating to activities or affairs relating to the business, customers, suppliers, partners or associates, activities or affairs of the Group or conduct of any officer, Management or employee of the Group. Staff of the Group have access to the Company Secretary and may, in confidence, raise concerns about possible improprieties in any such corporate matters by sending an email or a letter in writing to the Company Secretary, who would re-direct and/or send such email or letter in writing to the Audit Committee (in the event such concerns relates to any of the Directors or the Financial Controller of the Company) or the whistle blowing committee (for all other concerns), as the case may be. During FY2024, there were no complaints, concerns or issues received.

The Audit Committee comprises three (3) Directors, all of whom are Non-Executive Directors. As at the date of this Report, the Audit Committee members are:

**Provision 10.2**

Mr Ong Tiew Siam            Chairperson  
Ms Tan Siok Chin  
Mr Hor Siew Fu

The Audit Committee members bring with them professional expertise and experience in the accounting, business and legal domains and the Board is satisfied that the Audit Committee members are appropriately qualified to discharge their responsibilities.

The Audit Committee does not comprise former partners or Directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

**Provision 10.3**

## *Internal Audit Function*

The Company has outsourced its internal audit function to CLA Global TS Risk Advisory Pte. Ltd. ("IA"). The IA is a corporate member of the Institute of Internal Auditors Singapore, and is staffed with professionals with relevant qualifications and experience. The IA's primary line of reporting would be to the Chairperson of the Audit Committee, although the IA would also report administratively to the CEO.

**Provision 10.4**

The IA performs the internal audit functions which are guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The IA carries out its internal audit functions based on a work plan agreed with the Audit Committee, where different aspects of internal controls are reviewed for each year, and also take into consideration key risk factors identified under the Risk Register. The IA have submitted a report dated 9 May 2024 to the Audit Committee, reporting, *inter alia*, that having reviewed certain business processes, including Sales, Receivables and Collection, Inventory Management, Interested Person Transactions and Sustainability Reporting Process, in relation to, *inter alia*, whether such operations were conducted within the policies and procedures laid down and identified areas for improvements, where controls can be strengthened, there were no major findings arising from such review.

The Company cooperates fully with the IA in terms of allowing unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit Committee.

# Corporate Governance Statement (Continued)

## *Meeting with External and Internal Auditors*

The Audit Committee meets with the external auditors of the Company without the presence of Management, at least once a year. The Audit Committee also meets with the internal auditors of the Company and, if deemed necessary, without the presence of Management at least once a year.

**Provision 10.5**

The Audit Committee reviews the adequacy and effectiveness of the internal audit function (including whether it is adequately resourced and independent) on an annual basis and is satisfied with its independence, adequacy and effectiveness. The Audit Committee also reviews the internal audit reports as well as the remedial measures recommended by the Internal Auditor and adopted by Management to address any issue or inadequacy identified.

**Rule 1207(10C)  
of the SGX-ST  
Listing Manual**

## **Principle 11: Shareholder Rights and Conduct of General Meetings**

### *Provision of Information to Shareholders*

Shareholders are informed of general meetings through annual reports and circulars sent to all shareholders in addition to notices published in the newspapers, the Company's announcements via SGXNET and the Company's website. The Company ensures that timely and adequate disclosure of information on matters of material impact on the Company are made to shareholders of the Company, in compliance with the requirements set out in the SGX-ST Listing Manual. In this respect, the Company announces its financial results to shareholders on a half-yearly basis.

**Provision 11.1**

### *Proxies*

The Constitution allows all shareholders (who are not relevant intermediaries as set out in the Companies Act) to appoint up to two proxies to attend general meetings and vote on their behalf and the Companies Act allows relevant intermediaries such as the Central Provident Fund (CPF) agent bank nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

In conjunction with the notices of general meetings, shareholders are provided with the proxy forms which include the instructions on voting.

### *Procedure of General Meetings*

The Company will also appoint a polling agent and an independent external party as scrutineer who will attend the AGM to ensure that the polling process is properly carried out.

**Provision 11.2**

Prior to the AGM, the scrutineer will review the proxies and the poll voting system and attends to the proxy verification process to ensure that the proxy and poll voting information is compiled correctly.

### *Attendees at General Meetings*

The Board and Management are present at these meetings to address any questions that shareholders may have. The entire Board, excluding Mr Shiro Kanaya who had resigned on 1 November 2023 and including Mr Yasuhiko Watanabe who was appointed on 1 November 2023, was present at the AGM of the Company on 31 January 2024. The entire Board, except for Mr Shiro Kanaya who had resigned on 1 November 2023, was present at the date of the extraordinary general meeting of the Company held on 23 October 2023.

**Provision 11.3**

# Corporate Governance Statement (Continued)

## *Voting in Absentia*

The Constitution allows Directors, at their sole discretion, to approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

**Provision 11.4**

## *Minutes of General Meetings*

Minutes of general meetings (including minutes of AGM), which include substantial comments or queries from shareholders and responses from the Board and Management will be published on the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) and via SGXNET within one (1) month from the date of the AGM.

**Provision 11.5**

## *Dividend Policy*

The Company has formalised its dividend policy which aims to provide its shareholders with a target annual dividend payout of at least 10% of the net profit attributable to shareholders of the Company in any financial year, whether as interim and/or final dividends, provided always that such dividend payout for any financial year is subject to and conditional upon (a) the net profit attributable to shareholders of the Company for such financial year being equal to at least S\$3 million, and (b) if the net profit referred to in (a) is less than S\$3 million, the declaration and payment of dividends being determined at the sole discretion of the Board.

**Provision 11.6**

The total dividend recommended, declared or paid in any financial year shall not exceed 50% of the total net profit attributable to shareholders, unless otherwise approved by the Board.

In proposing any dividend payout and/or determining the form, frequency and/or the amount of such dividend payout, the Board will also take into account, *inter alia*, the Group's financial position, retained earnings, results of operation and cash flow, the ability of the Company's subsidiaries to make dividend payments to the Company, the Group's expected working capital requirements, the Group's expected capital expenditure and future expansion and investment plans and other funding requirements, general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy. The Board will continually review the dividend policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the dividend policy at any time.

The Company has not declared any dividends in respect of FY2024.

# Corporate Governance Statement (Continued)

## Principle 12: Engagement with Shareholders

### *Communication with Shareholders*

The Company communicates with shareholders and the investment community through timely release of announcements to the SGX-ST via SGXNET, including the Company's financial results announcements which are published through the SGXNET on a half-yearly basis. Financial results announcements and annual reports are announced or issued within the mandatory period prescribed. Notices of general meetings and all documents relating to the business of such general meetings (including the Annual Report) are published on SGXNET and the Company's website.

**Provision 12.1**

General meetings have been and are still the principal forum for dialogue with shareholders. Shareholders' views are sought at general meetings, and shareholders are given the opportunity to air their views and ask Directors and Management questions regarding the Company and the Group. Management makes the relevant presentation slides available on SGXNET in conjunction with the release of the Group's half-year and full year financial results announcements.

Shareholders may also provide any feedback they may have about the Company to the Company's email at [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg).

### *Investor Relations Policy*

The Company has adopted an investor relations policy to formalize the principles and practices that the Company applies to provide current and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field.

**Provision 12.2  
and  
Provision 12.3**

The Company is committed to treating all shareholders fairly and equitably, and keep all shareholders and other stakeholders informed of its corporate activities, including changes in the Company or its business which would be likely to materially affect the price or value of its shares, on a timely basis.

The Company's Investor Relations Policy is published on the Company's corporate website and sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

## Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders, and vendors.

**Provision 13.1  
and  
Provision 13.2**

The Company maintains a corporate website at [www.cosmosteel.com](http://www.cosmosteel.com) to communicate and engage stakeholders.

**Provision 13.3**



# Corporate Governance Statement (Continued)

## DEALINGS IN SECURITIES

In line with the rules of the SGX-ST Listing Manual, the Company has adopted a policy prohibiting its Directors and officers from dealing in the Company's shares whilst they are in possession of unpublished material price sensitive information and during the period commencing one month before the announcement for each of its full year and half year financial statements.

**Rule 1207(19)(A)  
of the SGX-ST  
Listing Manual  
and Rule 1207(19)  
(C) of the SGX-ST  
Listing Manual**

Directors and employees are also discouraged from dealing in the Company's securities on short-term considerations.

**Rule 1207(19)(B)  
of the SGX-ST  
Listing Manual**

## MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts of the Company or any of its subsidiaries involving the interests of the Chief Executive Officer or any Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

**Rule 1207(8)  
of the SGX-ST  
Listing Manual**

As announced by the Company on SGXNET on 11 June 2024, 3 September 2024, and 17 September 2024, the Company had granted an option to purchase to a buyer, which was subsequently exercised by the buyer for the purchase of warehouse located at 90 Second Lok Yang Road, Singapore 628166, and the Company will despatch a circular in relation to the proposed disposal in due course.

## INTERESTED PERSON TRANSACTIONS

The Audit Committee reviews, on a quarterly basis, all interested person transactions, including transactions falling under the terms of the Company's general mandate (the "IPT Mandate") authorizing the Group to enter into certain interested person transactions with Hanwa Co., Ltd and its associates (the "Hanwa Group"), to ensure that the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the SGX-ST Listing Manual) are complied with. Interested person transactions which are not within the ambit of the IPT Mandate will be subject to Rules 905 and 906 of the SGX-ST Listing Manual.

**Rule 1207(17)  
of the SGX-ST  
Listing Manual**

The IPT Mandate covers the following categories of interested person transactions:

- (a) the purchase of materials and products by the Group from Hanwa Group;
- (b) the obtaining or engagement of Hanwa Group's services as a procurement agent or as a procurement source to procure materials, products, and services on behalf of the Group; and
- (c) the sale of materials and products by the Group to Hanwa Group.

(collectively, the "Mandated Interested Person Transactions")

An interested person being a director, chief executive officer or controlling shareholder of the listed company or an associate of any such director, chief executive officer or controlling shareholder ("Interested Person").

# Corporate Governance Statement (Continued)

## Guidelines and Review Procedures for the Mandated Interested Person Transactions

### (a) Review Procedures

To ensure that the Mandated Interested Person Transactions are carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Group has put in place the following procedures for the review and approval of interested person transactions under the IPT Mandate:-

- (i) The guiding principle is that all Mandated Interested Person Transactions shall be conducted in accordance with the Group's usual business practices and pricing policies, consistent with the usual profit margins or prices extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms are not more favourable to the Interested Person compared to those extended to or received from unrelated third parties and/or are in accordance with published or prevailing rates/prices or applicable industry norms. The Company will use its reasonable endeavours to make comparisons with at least two other quotes from unrelated third parties, wherever possible for the same or substantially similar type of transactions;
- (ii) in relation to the purchase of materials and products by the Group from an Interested Person:-
  - (aa) subject to and in accordance with Paragraph (a)(i) above, the Company will make comparisons against the quotations obtained from at least two other comparative offers from unrelated third parties that are reasonably contemporaneous in time, to ensure that such purchase price is no less favourable to the Group. Comparisons will be made taking into consideration, *inter alia*, the purchase price, order quantity, product quality, standard of services, experience and expertise, customer requirements, product specifications, delivery schedule, track record, potential for future repeat business, contract duration, credit term and fluctuations in foreign exchange rates; and
  - (bb) in the event where it is impractical or impossible to obtain comparable prices of similar transactions reasonably contemporaneous in time due to the nature of the materials or products to be purchased, such transaction may only be entered into with approval from the Executive Director of the Company with no interest, direct or indirect, in the proposed Mandated Interested Person Transaction. Such Executive Director will, subject to the approval thresholds as set out in Paragraph (b) below, evaluate and weigh the benefits of and rationale for transacting with the Interested Person to ensure that the terms of the transaction are in accordance with applicable industry norms and/or are not prejudicial to the Company, taking into account factors such as, but not limited to, the nature of the materials or products, order quantity, product quality, standard of services, experience and expertise, customer requirements, product specifications, delivery schedule, track record, contract duration, credit terms and fluctuations in foreign exchange rates.

# Corporate Governance Statement (Continued)

- (iii) In relation to the engagement or utilisation of an Interested Person as a procurement source to procure materials, products and services on behalf of the Group:-
- (aa) subject to and in accordance with Paragraph (a)(i) above, the mark-up or fee (where applicable) payable by the Group to the Interested Person shall be determined by the Executive Director of the Company with no interest, direct or indirect, in the proposed Mandated Interested Person Transaction; and
  - (bb) such Executive Director will, subject to the approval thresholds as set out in Paragraph (b) below, evaluate and weigh the benefits of and rationale for transacting with the Interested Person to ensure that the terms of the transaction are in accordance with applicable industry norms and/or are not prejudicial to the Company, taking into account factors such as, but not limited to, the nature of the materials, products or services procured, standard of services, experience and expertise, the price competitiveness of the Group's products and/or services (after incorporating such mark-up or fee), and the Group's profit margin from the transaction;
- (iv) In relation to the sale of materials and products by the Group to the Hanwa Group:-
- (aa) subject to and in accordance with Paragraph (a)(i) above, in the case of the sale of materials and products in the ordinary course of business of the Group, the sale price and/or rates shall be no more favourable to the Interested Person than the usual commercial terms extended by the Group to unrelated third parties and/or in accordance with applicable industry norms, taking into account factors such as, but not limited to, the nature of the materials or products, order quantity, product quality, standard of services, experience and expertise, customer requirements, product specifications, delivery schedule, track record, credit standing, credit terms, potential for future repeat business, contract duration and fluctuations in foreign exchange rates, subject to the Group being able to obtain a positive gross profit margin from the transaction; and
  - (bb) in cases of adverse market conditions when the Group considers it necessary to enter into a transaction which will result in no or a negative gross profit margin, such transaction shall be subject to and in accordance with Paragraph (a)(i) above and may only be entered into with the approval from the Executive Director of the Company with no interest, direct or indirect, in the proposed Mandated Interested Person Transaction. Such Executive Director will, subject to the approval thresholds as set out in Paragraph (b) below, evaluate and weigh the benefits of and rationale for transacting with the Interested Person to ensure that the terms of the transaction are in accordance with applicable industry norms and/or are not prejudicial to the Company, taking into account factors such as, but not limited to, the nature of the materials or products, order quantity, product quality, standard of services, experience and expertise, customer requirements, product specifications, delivery schedule, track record, credit standing, credit terms, potential for future repeat business, contract duration and fluctuations in foreign exchange rates.

The considerations in Paragraphs (a)(i) to (a)(iv) above will allow for variations in prices and terms of the comparative offers or sales so long as the volume of trade, credit-worthiness of the buyer, differences in service, reliability or such other relevant factors justify such variations and so long as such comparative offer or sale incorporates modifications that account for volatility of the market for the goods and services in question.

# Corporate Governance Statement (Continued)

## (b) Approval Threshold

In addition to the review procedures, the Group will review and approve the Mandated Interested Person Transactions as follows:–

- (i) any transactions amounting from S\$100,000 to 3% of the latest audited consolidated net tangible assets of the Company will be reviewed and approved by a Director or the Financial Controller;
- (ii) any transactions amounting from above 3% to 10% of the latest audited consolidated net tangible assets of the Company will be reviewed and approved by the Audit Committee; and
- (iii) any transactions exceeding 10% of the latest audited consolidated net tangible assets of the Company will be reviewed and approved by the Board.

The above approval thresholds are adopted after taking into account, *inter alia*, the nature, volume, recurrent frequency and transaction size as well as the Group's day-to-day operations, administration and businesses. The approval thresholds act as an additional safeguard to supplement the review procedures to be implemented for the Mandated Interested Person Transactions.

Disclosure according to Rule 907 of the SGX-ST Listing Manual in respect of interested person transactions for FY2024 are stated in the following table:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholder's mandate pursuant to Rule 920 of the SGX-ST Listing Manual) S\$'000	Aggregate value of all interested person transactions during the financial year conducted under shareholder's mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than S\$100,000) S\$'000
Hanwa Co., Ltd <sup>1</sup>	Controlling Shareholder	–	1,257

Note:

<sup>1</sup> Hanwa Co., Ltd and its subsidiaries, and (where applicable) its associated companies.

# FINANCIAL CONTENTS

84	Statement by Directors
87	Independent Auditor's Report
91	Consolidated Statement of Profit or Loss and Other Comprehensive Income
92	Statements of Financial Position
93	Statements of Changes in Equity
94	Consolidated Statement of Cash Flows
95	Notes to the Financial Statements

# Statement by Directors

The directors are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 30 September 2024.

## 1. OPINIONS OF THE DIRECTORS

In the opinion of the directors:

- (a) The consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are drawn up so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 September 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the year ended on that date; and
- (b) At the date of the statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

## 2. DIRECTORS

The directors of the company in office at the date of this statement are:

Tan Siok Chin  
Ong Tong Hai  
Yasuhiko Watanabe  
Ong Tiew Siam  
Hor Siew Fu  
Lim Jun Xiong Steven  
Loo Cheng Guan

## 3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 (the "Act") except as follows:

<b>Name of directors and companies in which interests are held</b>	<b>At beginning of the reporting year</b>	<b>At end of the reporting year</b>
<b>CosmoSteel Holdings Limited</b>	<b>Number of shares of no par value</b>	
Ong Tong Hai	35,142,096	37,892,096
Tan Siok Chin	125,000	125,000

The directors' interests as at 21 October 2024 were the same as those at the end of the reporting year.

## Statement by Directors (Continued)

### 4. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

### 5. OPTIONS

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

### 6. INDEPENDENT AUDITOR

RSM SG Assurance LLP has expressed willingness to accept re-appointment. This audit firm was known as RSM Chio Lim LLP before 1 March 2024.

### 7. REPORT OF AUDIT COMMITTEE

The members of the audit committee at the date of this report are as follows:

Ong Tiew Siam (Chairman of audit committee)  
Tan Siok Chin  
Hor Siew Fu

The audit committee performs the functions specified by section 201B (5) of the Act. Among other functions, it reviewed the following, where relevant with management, external auditors and the internal auditors:

- The audit plan of the independent external auditor.
- The independent external auditor's evaluation of the company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the auditor.
- The scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor.
- The financial statements of the group and the company prior to their submission to the directors of the company for adoption.
- The interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

# Statement by Directors (Continued)

## 7. REPORT OF AUDIT COMMITTEE (CONTINUED)

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provide non-audit services.

The audit committee has recommended to the board that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as independent auditor at the next annual general meeting of the company.

## 8. DIRECTORS' OPINION ON THE ADEQUACY OF INTERNAL CONTROLS

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, with the concurrence of the audit committee, is of the opinion that the company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 30 September 2024 to address the risks that the company considers relevant and material to its operations.

## 9. SUBSEQUENT DEVELOPMENTS

Save for the company's announcement dated 29 December 2024 on adjustments to the unaudited financial statements of the group for the reporting year ended 30 September 2024, there are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 20 November 2024, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

**Tan Siok Chin**  
Director

**Ong Tong Hai**  
Director

30 December 2024



# Independent Auditor's Report

to the Members of COSMOSTEEL HOLDINGS LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of CosmoSteel Holdings Limited (the “**company**”) and its subsidiaries (the “**group**”), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 30 September 2024, the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 91 to 132.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “**Act**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 September 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“**SSAs**”). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the Accounting and Corporate Regulatory Authority (“**ACRA**”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“**ACRA Code**”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Assessment of net realisable value of inventories*

Please refer to Note 2A on the relevant material accounting policy information, Note 2B on judgements, assumptions and estimation uncertainties, Note 6 on other gains and (other losses) and Note 17 on inventories.

The group has inventories measured at the lower of cost (weighted average method) and estimated net realisable value. The carrying amount was \$25,054,000, representing 21% of the group's total assets. During the reporting year ended 30 September 2024, the group made a write-down of inventories amounting to \$976,000.

The assessment of net realisable value of inventories involves a significant degree of management's judgement. Management took into consideration a number of factors, including physical deterioration, functional and economic obsolescence, business environment and market demand. Inventories may be held for long periods of time before utilisation. We have therefore identified inventory valuation as an area requiring particular audit focus.

# Independent Auditor's Report (Continued)

to the Members of COSMOSTEEL HOLDINGS LIMITED

## Key audit matters (continued)

To obtain assurance over the appropriateness of management's assumptions applied in calculating the value of inventory allowances, our audit procedures included, amongst others, the following:

- We evaluated the group's policy for inventories write-down and write back, and performed procedures to understand management's methodology and processes of assessing write-downs and write backs of inventories;
- We performed procedures, including the use of automated tools and techniques (e.g. audit data analytics), to assess management's rationale and to validate the integrity of the allowance model and inputs and ensured that it had used the underlying data correctly and calculated the allowance amounts accurately;
- We tested the reliability of the inventories ageing report which management had used as a basis to identify slow-moving and obsolete items;
- We tested management's computation of the amount of inventories written-down and written-back;
- We compared the carrying value of inventories to recent sales invoices; and
- We assessed the adequacy of disclosures made in the financial statements.

### *Assessment of expected credit losses on trade receivables*

Please refer to Note 2A on the relevant material accounting policy information, Note 2B on judgements, assumptions and estimation uncertainties, and Note 19 on trade and other receivables.

The trade receivables amounted to \$45,503,000 as at 30 September 2024, representing 39% of the group's total assets. The allowance for expected credit losses ("ECL") on trade receivables is estimated by management through the application of judgement and use of subjective assumptions.

The ECL are recognised from initial recognition of the trade receivables. The assessment require management to develop methodologies involving the use of significant judgements. In estimating ECLs, management has considered various factors such as past due balances, recent historical payment patterns, debtors' financial ability to repay, current economic environment and forecast of future macro-economic conditions where the debtors operate, and any other available information concerning the creditworthiness of debtors. For certain material receivables, the ECL allowance is determined by making debtor-specific assessments of ECL allowance which requires significant judgements.

In response to this risk, our audit approach included, amongst others, the following:

- We evaluated the allowance methodologies developed by the group and assessed management's assumptions and estimates, in particular, the historical default rates of trade receivables group based on the shared credit risk characteristics and those relating to forward-looking information (where available);
- We assessed the facts and circumstances surrounding the outstanding material receivables. We also reviewed evidence of collection by way of receipts from debtors after year end;
- We evaluated the reasonableness of management's estimate of the future settlement by the debtors, taking into consideration the debtors' past payment history and the latest available financial position and results of the debtors (from available published information); and
- We assessed the adequacy of the ECL allowance recorded as at end of the reporting year and the disclosures made in the financial statements.

# Independent Auditor's Report (Continued)

to the Members of COSMOSTEEL HOLDINGS LIMITED

## Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Independent Auditor's Report (Continued)

to the Members of COSMOSTEEL HOLDINGS LIMITED

## Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the company and by the subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Poh Chin Beng.

**RSM SG Assurance LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

30 December 2024

Engagement partner – effective from year ended 30 September 2023

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year Ended 30 September 2024

	Note	2024 \$'000	Group 2023 \$'000
<b>Revenue</b>	5	<b>71,985</b>	83,448
Cost of sales		<b>(62,516)</b>	(70,260)
<b>Gross profit</b>		<b>9,469</b>	13,188
Interest income		<b>505</b>	246
Other gains	6	<b>395</b>	2,744
Marketing and distribution costs	8	<b>(3,314)</b>	(3,277)
Administrative expenses	8	<b>(8,044)</b>	(7,819)
Finance costs	9	<b>(986)</b>	(880)
Other losses	6	<b>(3,102)</b>	(1,133)
<b>(Loss)/Profit before tax</b>		<b>(5,077)</b>	3,069
Income tax benefit/(expense)	11	<b>189</b>	(264)
<b>(Loss)/Profit for the year</b>		<b>(4,888)</b>	2,805
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(Losses)/Gains on property revaluation, net of tax	23	<b>(148)</b>	1,110
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations, net of tax	23	<b>188</b>	(51)
<b>Other comprehensive income for the year</b>		<b>40</b>	1,059
<b>Total comprehensive (loss)/income for the year</b>		<b>(4,848)</b>	3,864
<b>(Loss)/Earnings per share</b>			
		<b>Cents</b>	<b>Cents</b>
Basic and diluted	12	<b>(1.87)</b>	1.07

The accompanying notes form an integral part of these financial statements.

# Statements of Financial Position

As at 30 September 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14	17,478	22,697	-	-
Right-of-use assets	26	1,292	2,278	-	-
Investments in subsidiaries	15	-	-	60,107	60,107
Deferred tax assets	11	63	-	-	-
Trade and other receivables	19	4,005	951	-	-
<b>Total non-current assets</b>		<b>22,838</b>	<b>25,926</b>	<b>60,107</b>	<b>60,107</b>
<b>Current assets</b>					
Inventories	17	25,054	25,647	-	-
Financial assets	18	168	154	-	-
Trade and other receivables	19	45,416	30,290	752	826
Other non-financial assets	20	412	962	54	30
Cash and cash equivalents	21	14,403	18,948	234	1,173
		<b>85,453</b>	<b>76,001</b>	<b>1,040</b>	<b>2,029</b>
Assets held for sale	16	9,718	-	-	-
<b>Total current assets</b>		<b>95,171</b>	<b>76,001</b>	<b>1,040</b>	<b>2,029</b>
<b>Total assets</b>		<b>118,009</b>	<b>101,927</b>	<b>61,147</b>	<b>62,136</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	22	56,325	56,325	56,325	56,325
Treasury shares	22	(4,238)	(4,238)	(4,238)	(4,238)
Retained earnings		16,426	21,595	8,774	9,511
Other reserves	23	5,773	6,759	-	-
<b>Total equity</b>		<b>74,286</b>	<b>80,441</b>	<b>60,861</b>	<b>61,598</b>
<b>Non-current liabilities</b>					
Provisions	24	374	719	-	-
Deferred tax liabilities	11	-	195	-	-
Loans and borrowings	25	7,209	4,122	-	-
Lease liabilities	26	1,209	2,159	-	-
<b>Total non-current liabilities</b>		<b>8,792</b>	<b>7,195</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Income tax payable	11	-	159	-	155
Loans and borrowings	25	21,667	8,332	-	-
Lease liabilities	26	186	253	-	-
Trade and other payables	27	12,057	5,314	286	383
Other non-financial liabilities	28	246	233	-	-
		<b>34,156</b>	<b>14,291</b>	<b>286</b>	<b>538</b>
Liabilities directly associated with assets held for sale	16	775	-	-	-
<b>Total current liabilities</b>		<b>34,931</b>	<b>14,291</b>	<b>286</b>	<b>538</b>
<b>Total liabilities</b>		<b>43,723</b>	<b>21,486</b>	<b>286</b>	<b>538</b>
<b>Total equity and liabilities</b>		<b>118,009</b>	<b>101,927</b>	<b>61,147</b>	<b>62,136</b>

The accompanying notes form an integral part of these financial statements.

# Statements of Changes in Equity

Year Ended 30 September 2024

Group	Total equity \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Revaluation reserve \$'000	Translation reserve \$'000
<b>Current year</b>						
At 1 October 2023	80,441	56,325	(4,238)	21,595	6,468	291
<b>Changes in equity</b>						
Total comprehensive loss for the year	(4,848)	-	-	(4,888)	(148)	188
Dividends paid (Note 13)	(1,307)	-	-	(1,307)	-	-
Transfers to retained earnings of difference between depreciation on revalued carrying amount and depreciation based on original cost	-	-	-	1,026	(1,026)	-
<b>At 30 September 2024</b>	<b>74,286</b>	<b>56,325</b>	<b>(4,238)</b>	<b>16,426</b>	<b>5,294</b>	<b>479</b>
<b>Previous year</b>						
At 1 October 2022	77,884	56,325	(4,238)	19,167	6,288	342
<b>Changes in equity</b>						
Total comprehensive income for the year	3,864	-	-	2,805	1,110	(51)
Dividends paid (Note 13)	(1,307)	-	-	(1,307)	-	-
Transfers to retained earnings of difference between depreciation on revalued carrying amount and depreciation based on original cost	-	-	-	930	(930)	-
<b>At 30 September 2023</b>	<b>80,441</b>	<b>56,325</b>	<b>(4,238)</b>	<b>21,595</b>	<b>6,468</b>	<b>291</b>
<b>Company</b>						
			Total equity \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000
<b>Current year</b>						
At 1 October 2023			61,598	56,325	(4,238)	9,511
<b>Changes in equity</b>						
Total comprehensive income for the year			570	-	-	570
Dividends paid (Note 13)			(1,307)	-	-	(1,307)
<b>At 30 September 2024</b>			<b>60,861</b>	<b>56,325</b>	<b>(4,238)</b>	<b>8,774</b>
<b>Previous year</b>						
At 1 October 2022			62,171	56,325	(4,238)	10,084
<b>Changes in equity</b>						
Total comprehensive income for the year			734	-	-	734
Dividends paid (Note 13)			(1,307)	-	-	(1,307)
<b>At 30 September 2023</b>			<b>61,598</b>	<b>56,325</b>	<b>(4,238)</b>	<b>9,511</b>

The accompanying notes form an integral part of these financial statements.

# Consolidated Statement of Cash Flows

Year Ended 30 September 2024

	Group	
	2024	2023
	\$'000	\$'000
<b>Cash flows used in operating activities</b>		
(Loss)/Profit before tax	(5,077)	3,069
Adjustments for:		
Interest income	(505)	(246)
Interest expense	986	880
Depreciation of property, plant and equipment	2,880	2,753
Depreciation of right-of-use assets	282	463
Losses on disposal of property, plant and equipment	173	33
Operating cash flows before changes in working capital	(1,261)	6,952
Inventories	593	4,507
Trade and other receivables	(17,556)	(14,089)
Financial assets	(14)	(12)
Other non-financial assets	550	(477)
Trade and other payables	6,743	(287)
Other non-financial liabilities	13	(54)
Net cash flows used in operations	(10,932)	(3,460)
Income taxes paid	(223)	(138)
Net cash flows used in operating activities	(11,155)	(3,598)
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment	(7,170)	(1,723)
Proceeds from disposal of property, plant and equipment	138	127
Cash restricted in use	439	(439)
Interest received	114	219
Net cash flows used in investing activities	(6,479)	(1,816)
<b>Cash flows from/(used in) financing activities</b>		
Increase in loans and borrowings	16,422	1,840
Repayment of lease liabilities	(256)	(443)
Provisions, non-current	(345)	(182)
Dividends paid	(1,307)	(1,307)
Interest paid	(986)	(880)
Net cash flows from/(used in) financing activities	13,528	(972)
<b>Net decrease in cash and cash equivalents</b>	<b>(4,106)</b>	<b>(6,386)</b>
Cash and cash equivalents at beginning of the year	18,509	24,895
<b>Cash and cash equivalents at end of the year (Note 21A)</b>	<b>14,403</b>	<b>18,509</b>

The accompanying notes form an integral part of these financial statements.



# Notes to the Financial Statements

Year ended 30 September 2024

## 1. GENERAL INFORMATION

CosmoSteel Holdings Limited (the “**company**”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore Dollar and they cover the company and its subsidiaries (the “**group**”). All financial information presented in Singapore Dollars has been rounded to the nearest thousand (\$’000), unless otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The company is an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The principal activities of the subsidiaries are described in notes to the financial statements below.

The registered office is at 14 Lok Yang Way, Singapore 628633. The company is situated in Singapore.

### Macroeconomic conditions related disclosures

The conditions remain challenging with geopolitical instability and affecting domestic and global growth in the current high interest environment.

Management has considered the uncertain and challenging macroeconomic and geopolitical environment that have caused widespread increase in interest rates and a significant rise in inflation, affecting the cost of many of the goods and services for customers and suppliers. Management reviewed the probable impact and plausible downside scenarios. No material uncertainties were identified in connection with the reporting entity’s ability to continue in operational existence for the near future.

### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and the related Interpretations to SFRS(I) (“**SFRS (I) INT**”) as issued by the Accounting Standards Committee under ACRA (“**ASC**”). They comply with the provisions of the Companies Act 1967 and with the IFRS Accounting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”).

### Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

### Basis of presentation and principles of consolidated financial statements

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as equity investments financial asset in accordance with the financial reporting standard on financial instruments.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

### 2A. Material accounting policy information

#### Revenue and income recognition

General – Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

#### Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

#### Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

#### Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such a reporting entity for incorporation in the combined financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (continued)

#### Income tax

Tax expense (tax benefit) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

#### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

After recognition as an asset, an item of property, plant and equipment (such as land, property, buildings, etc.) whose fair value can be measured reliably is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be measured using fair value at the end of the reporting year and the entire class of property, plant and equipment to which that asset belongs is revalued.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

#### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

#### Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded (or included in property, plant and equipment). Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (continued)

#### Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. The investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

#### Assets held for sale

Identifiable assets and liabilities are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted in certain circumstances by the financial reporting standard on non-current assets held for sale. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statements of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

#### Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed. Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use.

#### Financial instruments

##### Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statements of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (continued)

#### Financial instruments (continued)

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### Financial instruments

##### Categories of financial assets and financial liabilities

The financial reporting standard on financial instruments four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL, that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial liabilities are categorised as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

#### Cash and cash equivalents

For the consolidated statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Other financial assets and financial liabilities at FVTPL are presented within the section on operating activities as part of changes in working capital in the statement of cash flows.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

#### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The company's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 2A. Material accounting policy information (continued)

#### Fair value measurement (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting year during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

#### Other specific material accounting policy information and other explanatory information

These are disclosed at the relevant notes to the financial statements.

### 2B. Judgements, assumptions and estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next reporting year are discussed below or in the in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

- 1) Assessment of net realisable value of inventories – See Note 17.
- 2) Assessment of ECL on trade receivables – See Note 19.
- 3) Fair value of leasehold properties – See Note 14.

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party disclosures requires the company to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 3A. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

#### Material related party transactions

In addition to the information disclosed elsewhere in the notes to the financial statements, other related party transactions include the following:

	Group	
	2024	2023
	\$'000	\$'000
<u>Other related parties</u>		
Revenue from sales of goods to controlling shareholder and its subsidiaries <sup>(a)</sup>	79 <sup>(b)</sup>	(2,629)
Purchases of goods and services from controlling shareholder and its subsidiaries <sup>(a)</sup>	1,441	2,715
Revenue from sale of goods	–	(73)
Purchases of goods and services	96	96
Legal expenses	228	179

<sup>(a)</sup> Hanwa Co., Ltd is a controlling shareholder of the company and has significant influence over the company.

<sup>(b)</sup> The total revenue was \$19,000, netting of credit note of \$98,000.

### 3B. Key management compensation

	Group	
	2024	2023
	\$'000	\$'000
<u>Salaries and other short-term employee benefits</u>	1,897	2,013

The above amounts are included under employee benefits expense. Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Other fees to key management:

	Group	
	2024	2023
	\$'000	\$'000
Remuneration of directors of the company	464	583
Fees to directors of the company	339	330
Fees to director of the company from a subsidiary	5	5

Further information about the remuneration of individual directors is provided in the report on corporate governance.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

### 3C. Other receivables from and other payables to related parties

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

### 4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 *Operating Segments*. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

Revenue generated is derived from the sale, supply and machining of flanges, steel fittings, tubing and pipes for the following main industries which form the basis on which the group reports its primary segment information.

The main industries of the customers are as follows:

Energy	–	Oil and gas, engineering and construction, petrochemical and power
Marine	–	Shipbuilding and repair
Trading	–	Traders that purchase goods and on-sell to end-user customers
Others	–	Other industries such as the manufacturing and pharmaceutical sectors

Unallocated items comprise cash and cash equivalents, trade and other receivables, financial assets, other non-financial assets, property, plant and equipment, right-of-use assets, other financial liabilities, trade and other payables, other non-financial liabilities, current tax payable, deferred tax liabilities, interest income, depreciation expenses, marketing and distribution costs, administrative expenses, finance costs, other gains (losses) and income tax expense. It is not meaningful to allocate these amounts by business segments.



# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

### 4B. Profit or loss from continuing operations and reconciliations

	Energy \$'000	Marine \$'000	Trading \$'000	Others \$'000	Group \$'000
<b>2024</b>					
<b>Revenue by segment</b>					
Total revenue	48,323	6,979	10,967	5,716	71,985
Segment results	6,305	1,441	1,069	654	9,469
Unallocated expenses					(11,358)
Loss from operations					(1,889)
Interest income					505
Finance costs					(986)
Other losses (net)					(2,707)
Loss before tax					(5,077)
Income tax benefit					189
<b>Loss for the year</b>					<b>(4,888)</b>
<b>2023</b>					
<b>Revenue by segment</b>					
Total revenue	66,839	2,877	11,978	1,754	83,448
Segment results	10,180	865	1,772	371	13,188
Unallocated expenses					(11,096)
Profit from operations					2,092
Interest income					246
Finance costs					(880)
Other gains (net)					1,611
Profit before tax					3,069
Income tax expense					(264)
<b>Profit for the year</b>					<b>2,805</b>

### 4C. Assets, liabilities and reconciliations

It is impracticable to allocate assets and liabilities of the group to the respective segments.

### 4D. Other material items and reconciliation

	Group	
	2024 \$'000	2023 \$'000
Expenditures for non-current assets	(7,170)	(1,723)
Allowance on trade receivables – reversal/(loss) (Note 19)	36	(279)
Bad debts recovered on trade receivables (net)	-	35
Losses on disposal of plant and equipment	(173)	(33)
Allowance for impairment of inventories – (loss)/reversal (Note 17)	(976)	2,697

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

### 4E. Geographical information

The following table provides an analysis of revenue and non-current assets by geographical market, irrespective of origin of the goods/services:

	Revenue		Non-current assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	36,501	59,759	15,400	25,750
Vietnam	20,239	7,862	-	-
Brunei	7,308	6,478	-	-
Other countries	7,937	9,349	7,438	176
	<b>71,985</b>	<b>83,448</b>	<b>22,838</b>	<b>25,926</b>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located.

The group has not identified profit before tax by industries or by geographical markets as the allocation of costs cannot be allocated in a similar manner with reasonable accuracy. This is because the operating expenses and administrative expenses incurred for industries or geographical markets such as marketing expenses, remuneration and facilities-related costs are general costs which are accounted for on a group-wide basis. It is not meaningful to track operating costs and administrative expenses by industries or geographical markets.

### 4F. Information about major customers

Revenue from the group's top three largest customers in each of 2023 and 2024 are as follows:

	Group	
	2024 \$'000	2023 \$'000
Top 1 customer in Energy segment (2023: Energy)	20,290	33,756
Top 2 customer in Energy segment (2023: Energy)	11,051	7,739
Top 3 customer in Trading segment (2023: Energy)	8,880	6,115

## 5. REVENUE

	Group	
	2024 \$'000	2023 \$'000
Sale of goods	71,871	83,330
Other	114	118
	<b>71,985</b>	<b>83,448</b>

The revenue is primarily from sale of goods, which is recognised based on point in time. The customers are mainly from the energy and trading sectors with a large portion from Singapore. See Note 4.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 6. OTHER GAINS AND (OTHER LOSSES)

	Group	
	2024	2023
	\$'000	\$'000
Allowance on trade receivables – reversal/(loss) (Note 19)	36	(279)
Bad debts recovered on trade receivables (net)	–	35
Fair value gain on financial assets at FVTPL (Note 30C)	14	12
Foreign exchange transaction and translation loss	(1,953)	(821)
Loss on disposal of property, plant and equipment	(173)	(33)
Allowance for impairment of inventories – (loss)/reversal (Note 17)	(976)	2,697
Other liabilities – reversal	345	–
	<b>(2,707)</b>	<b>1,611</b>
Presented in profit or loss as:		
Other gains	395	2,744
Other losses	(3,102)	(1,133)
	<b>(2,707)</b>	<b>1,611</b>

## 7. ITEMS IN PROFIT OR LOSS

In addition to the profit and loss line items disclosed elsewhere in the notes to the financial statements, this item includes the following expenses:

	Group	
	2024	2023
	\$'000	\$'000
Audit fees to independent auditor of the company	146	141
Audit fees to the other independent auditors – non-network firms	10	10
Non-audit-related services (“ARS”) fees to independent auditor of the company	11	69
Non-ARS fees to other independent auditors – non-network firms	5	8

## 8. MARKETING AND DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

Major components and other selected components include the following:

	Group	
	2024	2023
	\$'000	\$'000
<u>Marketing and distribution costs</u>		
Employee benefits expense (Note 10)	2,890	2,890
<u>Administrative expenses</u>		
Depreciation of property, plant and equipment	2,880	2,753
Employee benefits expense (Note 10)	2,407	2,242

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 9. FINANCE COSTS

	Group	
	2024	2023
	\$'000	\$'000
Interest expense	901	801
Interest on lease liabilities	85	79
	<b>986</b>	<b>880</b>

## 10. EMPLOYEE BENEFITS EXPENSE

	Group	
	2024	2023
	\$'000	\$'000
Short term employee benefits expense	4,873	4,712
Contributions to defined contribution plan	356	353
Other benefits	68	67
	<b>5,297</b>	<b>5,132</b>
Employee benefits expense is charged as follows:		
Marketing and distribution costs (Note 8)	2,890	2,890
Administrative expenses (Note 8)	2,407	2,242
	<b>5,297</b>	<b>5,132</b>

## 11. INCOME TAX BENEFIT/(EXPENSE)

### 11A. Components of tax benefit/(expense) recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
<u>Current tax</u>		
Current tax expense	10	171
Under adjustments to tax in respect of prior years	11	125
	<b>21</b>	<b>296</b>
<u>Deferred tax</u>		
Deferred tax benefit	(226)	(127)
Under adjustments to tax in respect of prior years	16	95
	<b>(210)</b>	<b>(32)</b>
	<b>(189)</b>	<b>264</b>

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 11. INCOME TAX BENEFIT/(EXPENSE) (CONTINUED)

### 11A. Components of tax benefit/(expense) recognised in profit or loss (continued)

The income tax benefit/(expense) in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit or loss before tax as a result of the following differences:

	Group	
	2024	2023
	\$'000	\$'000
<b>(Loss)/Profit before tax</b>	<b>(5,077)</b>	3,069
Income tax benefit/(expense) at the above rate	(863)	522
Expenses not deductible for tax purposes	482	313
Tax exemptions	(17)	(17)
Previously unrecognised deferred tax assets recognised this year	-	(813)
Under adjustments to tax in respect of prior years	27	220
Deferred tax assets not recognised	204	-
Effect of different tax rates in different countries	(24)	(1)
Translation differences	2	40
	<b>(189)</b>	264

There are no income tax consequences of dividends to owners of the company.

### 11B. Deferred tax recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
Excess of tax value over net book value of plant and equipment	(100)	(11)
Depreciation on revalued properties	(211)	(190)
Donations carried forward	1	10
Tax losses carried forward	(241)	1,068
Unrecognised deferred tax assets recognised this year	-	(813)
Other temporary differences	4	(96)
Deferred tax assets not recognised	337	-
	<b>(210)</b>	(32)

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 11. INCOME TAX BENEFIT/(EXPENSE) (CONTINUED)

### 11C. Tax expense in other comprehensive income

	Group	
	2024	2023
	\$'000	\$'000
(Losses)/Gains on properties revaluation	(48)	227

### 11D. Deferred tax in statements of financial position

	Group	
	2024	2023
	\$'000	\$'000
<u>Deferred tax liabilities</u>		
Amount on revalued depreciable assets	(4,758)	(4,806)
Depreciation on revalued properties	3,181	2,970
	<b>(1,577)</b>	<b>(1,836)</b>
<u>Deferred tax assets</u>		
Excess of tax value over net book value of plant and equipment	424	324
Productivity and innovation credit carried forward	166	166
Donations carried forward	8	9
Tax losses carried forward	1,330	1,089
Other temporary differences	616	620
Deferred tax assets not recognised	(904)	(567)
	<b>1,640</b>	<b>1,641</b>
	<b>63</b>	<b>(195)</b>

The deferred tax assets for the unused tax losses have not been recognised for the above balance as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax loss carried forward and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

It is impracticable to estimate the amount expected to be settled or used within one reporting year.

Temporary differences arising in connection with interests in subsidiaries are insignificant.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 12. (LOSS)/EARNINGS PER SHARE

Earnings per share is calculated by dividing the group's profit attributable to shareholders by the weighted number of shares of no par value in issue during the reporting year.

	Group	
	2024 \$'000	2023 \$'000
<u>(Loss)/profit for the year attributable to equity holders of the company</u>	<u>(4,888)</u>	<u>2,805</u>
<u>Weighted average number of ordinary shares</u>	<u>261,360,097</u>	<u>261,360,097</u>
<u>(Loss)/Earnings per share (cents)</u>	<u>(1.87)</u>	<u>1.07</u>

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting year.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. It is after the neutralisation by the treasury shares.

The fully diluted earnings per ordinary share is the same as basic earnings per ordinary share as there were no options granted or outstanding during the reporting year.

## 13. DIVIDENDS

	Group and Company	
	Rate per share – cents 2024	2024 \$'000
<u>FY2023 Final tax exempt (1-tier) dividend paid</u>	<u>0.50</u>	<u>1,307</u>

	Group and Company	
	Rate per share – cents 2023	2023 \$'000
<u>FY2022 Final tax exempt (1-tier) dividend paid</u>	<u>0.50</u>	<u>1,307</u>

There is no proposed dividend for the reporting year ended 30 September 2024.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 14. PROPERTY, PLANT AND EQUIPMENT

Group	Land and building \$'000	Plant and equipment \$'000	Total \$'000
<u>Cost or valuation</u>			
At 1 October 2022			
Cost	1,859	7,811	9,670
Valuation	20,500	–	20,500
	22,359	7,811	30,170
Foreign exchange adjustments	–	(6)	(6)
Additions	720	1,003	1,723
Disposals	(306)	(1,403)	(1,709)
Adjustment to provision (Note 23)	86	–	86
Revaluation	(800)	–	(800)
At 30 September 2023			
Cost	2,359	7,405	9,764
Valuation	19,700	–	19,700
	22,059	7,405	29,464
Additions	6,884	286	7,170
Disposals	(350)	(141)	(491)
Revaluation	(2,480)	–	(2,480)
Transfer to assets held for sale	(9,000)	–	(9,000)
<b>At 30 September 2024</b>	<b>17,113</b>	<b>7,550</b>	<b>24,663</b>
<u>Represented by</u>			
Cost	2,024	7,550	9,574
Valuation	15,089	–	15,089
	<b>17,113</b>	<b>7,550</b>	<b>24,663</b>
<u>Accumulated depreciation and impairment losses</u>			
At 1 October 2022			
Foreign exchange adjustments	–	(6)	(6)
Depreciation for the year	2,305	448	2,753
Disposals	(306)	(1,243)	(1,549)
Elimination of depreciation on revaluation	(2,138)	–	(2,138)
At 30 September 2023			
Foreign exchange adjustments	995	5,772	6,767
Depreciation for the year	2	–	2
Depreciation for the year	2,437	443	2,880
Disposals	(152)	(28)	(180)
Elimination of depreciation on revaluation	(2,284)	–	(2,284)
<b>At 30 September 2024</b>	<b>998</b>	<b>6,187</b>	<b>7,185</b>
<u>Carrying value</u>			
At 1 October 2022			
	21,225	1,238	22,463
At 30 September 2023			
	21,064	1,633	22,697
<b>At 30 September 2024</b>	<b>16,115</b>	<b>1,363</b>	<b>17,478</b>



# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The annual rates of depreciation are as follows:

Freehold property	–	2%
Leasehold properties	–	Over the terms of lease of 13 years
Leasehold improvements	–	7.3% to 20%
Plant and equipment	–	5% to 33.3%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 24 on non-current provisions.

After recognition as an asset, an item of property, plant and equipment (such as land, property, buildings, etc.) whose fair value can be measured reliably is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be measured using fair value at the end of the reporting year and the entire class of property, plant and equipment to which that asset belongs is revalued.

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of asset revaluation reserve except that the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. When an asset's carrying amount is decreased, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the asset revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of asset revaluation reserve. The revaluation surplus included in equity is transferred directly to retained earnings when the asset is derecognised.

However, some of the surplus is realised as the asset is used as the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost and these transfers from asset revaluation reserve to retained earnings are not made through the other comprehensive income.

When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount of the asset. At the date of the revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

For each revalued class of property, plant and equipment, the carrying amounts that would have been recognised had the assets been carried under the cost model are as follows:

	Group	
	2024	2023
	\$'000	\$'000
<hr/>		
<u>Leasehold and freehold properties and improvements</u>		
Cost	13,539	18,146
Net book value	10,586	10,400

One of the leasehold properties and a freehold property are mortgaged as security for the bank facilities. See Note 25.

There are provisions for dismantling as disclosed in Note 24 for the leasehold properties and improvements at 14 Lok Yang Way.

The entity carries its leasehold properties at fair value, with changes in fair value being recognised in other comprehensive income and accumulated in equity under the heading of asset revaluation reserve.

The fair values of properties located in Singapore and Malaysia were measured in September 2024 and 2023 based on the highest and best use method to reflect the actual market state and circumstances as of end of reporting year. The fair values were based on full valuations made by Jones Lang LaSalle Property Consultants Pte Ltd and JLL Appraisal & Property Services Sdn Bhd, firms of independent valuers, on a systematic basis. The desktop valuations and full valuations will be done half yearly on an alternate basis respectively. If there are material changes to the property or market conditions, a full valuation will be performed.

The independent valuers hold recognised and relevant professional qualifications with sufficient recent experience in the location and category of the investment properties being valued. There has been no change to the valuation techniques during the reporting year. Management determined that the highest and best use of the asset is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

The fair value measurements for the properties are categorised within Level 2 of the fair value hierarchy. The valuation was based on the comparison method that considers the sales or rental income of similar properties that have been transacted in the open market with adjustment made for differences in factors that affect value.

The deficit net of applicable deferred income tax on revaluation of \$148,000 (FY2023: surplus of \$1,110,000) has been debited to asset revaluation reserve in other comprehensive income.

### Valuation procedures

Management engaged external valuation experts to perform the valuation. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS (I) 13: Fair Value Measurement.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

For fair value measurements categorised within Level 2 of the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

<b>Asset</b>	<b>Leasehold property at 14 Lok Yang Way</b>
Fair value and fair value hierarchy – Level	\$8,000,000 (2023: \$9,100,000). Level 2 (2023: Level 2).
Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range	Price per square metre. \$842 – \$989 (2023: \$1,071 – \$2,400).
Relationship of unobservable inputs to fair value	NA
Sensitivity on management’s estimates – 10% variation from estimate	Impact – lower by \$800,000; higher by \$800,000.
<b>Asset</b>	<b>Freehold property at Senai, Malaysia</b>
Fair value and fair value hierarchy – Level	\$7,089,000. Level 2.
Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range	Price per square metre. \$688 – \$827.
Relationship of unobservable inputs to fair value	NA
Sensitivity on management’s estimates – 10% variation from estimate	Impact – lower by \$708,900; higher by \$708,900.
<b>Asset</b>	<b>Leasehold property at 90 Second Lok Yang Road</b>
Fair value and fair value hierarchy – Level	NA (2023: \$10,600,000). Level 2. (2023: Level 2).
Valuation technique for recurring fair value measurements	2023: Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range	Price per square metre. 2023: \$1,071 – \$2,400.
Relationship of unobservable inputs to fair value	NA
Sensitivity on management’s estimates – 10% variation from estimate	NA

There were no transfers between Levels 1 and 2 during the year.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 15. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 \$'000	2023 \$'000
Unquoted equity shares at cost	58,789	58,789
Less allowance for impairment	(1,422)	(1,422)
Capitalised income from fair value of corporate guarantee	2,740	2,740
	<b>60,107</b>	60,107
Net book value of subsidiaries	<b>71,844</b>	77,543

The listing of and information on the subsidiaries are given below:

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditor)	Cost		Effective percentage of equity held by group	
	2024	2023	2024	2023
	\$'000	\$'000	%	%

### Held by the company

Kim Seng Huat Hardware Pte Ltd <sup>(a)</sup>

Singapore

Sales, supply and machining of flanges, steel fittings, tubing and pipes for the shipbuilding and repairing industry, manufacturing, petrochemical industry and power plants

60,107	60,107	100	100
--------	--------	-----	-----

CosmoSteel (Australia) Pty Ltd <sup>(b)</sup>

Australia

Sales, supply and machining of flanges, steel fittings, tubing and pipes for the shipbuilding and repairing industry, manufacturing, petrochemical industry and power plants (PKF Perth)

1,422	1,422	100	100
-------	-------	-----	-----

### Held by Kim Seng Huat Hardware Pte Ltd

Kim Seng Huat (Malaysia) Sdn. Bhd. <sup>(b)</sup>

Malaysia

Sales, supply and machining of flanges, steel fittings, tubing and pipes for the shipbuilding and repairing industry, manufacturing, petrochemical industry and power plants (YYC & CO PLT)

4,532	4,532	100	100
-------	-------	-----	-----

<sup>(a)</sup> Audited by RSM SG Assurance LLP in Singapore.

<sup>(b)</sup> Other independent auditor. Audited by firms of accountants other than member firms of RSM International of which RSM SG Assurance LLP in Singapore is a member. Their names are indicated above.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 16. ASSETS AND LIABILITIES OF ASSETS HELD FOR SALE

On 3 September 2024, the Group granted an option to a third-party buyer to purchase its leasehold property at 90 Second Lok Yang Road for a consideration of \$9,000,000. The buyer exercised the option on 17 September 2024 and the sale is expected to complete within one year, subject to approval by shareholders at an upcoming general meeting.

At the end of the reporting year, the assets held for sale comprise the following assets and liabilities:

	Group	
	2024	2023
	\$'000	\$'000
<u>Assets held for sale</u>		
Transfer from property, plant and equipment	9,000	–
Transfer from the net carrying amount of right-of-use assets	718	–
	<u>9,718</u>	<u>–</u>
<u>Liabilities directly associated with assets held for sale</u>		
Transfer from lease liabilities	775	–

## 17. INVENTORIES

	Group	
	2024	2023
	\$'000	\$'000
Goods for resale	25,054	25,647
Inventories are stated after allowance. Movements in allowance are as follows:		
Balance at beginning of the year	29,095	31,808
Charge/(reversed) to profit or loss included in other losses/(gains) (Note 6)	976	(2,697)
Foreign exchange adjustments	(1)	(16)
Balance at end of the year	<u>30,070</u>	<u>29,095</u>
Amount of inventories included in cost of sales	<u>61,461</u>	<u>69,108</u>

The inventories write-down represent write-down (impairment allowance) in the book value of inventories only and they are not meant to indicate that the inventories have been scrapped or written-off.

In the previous reporting year, the reversal of the allowance for goods was mainly due to inventories sold and an estimated increase in net realisable value as a result of the prevailing market conditions.

A review is made for excess inventories and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. The review requires judgement by management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 18. FINANCIAL ASSETS

	Group	
	2024	2023
	\$'000	\$'000
Key men insurance	168	154

The fair value of the financial assets is not based on observable market data (Level 3). Also see Note 30C.

## 19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
<u>Trade receivables</u>				
Outside parties (Note 19A)	4,005	951	-	-
	<b>4,005</b>	951	-	-
<u>Current</u>				
<u>Trade receivables</u>				
Outside parties	42,145	28,319	47	-
Less allowance for impairment	(647)	(683)	-	-
Contract assets	-	5	-	-
Other related parties (Note 3)	-	19	-	-
Subsidiaries (Note 3)	-	-	705	826
	<b>41,498</b>	27,660	<b>752</b>	826
<u>Other receivables</u>				
Advances to suppliers	3,830	2,530	-	-
Other receivables	88	100	-	-
	<b>3,918</b>	2,630	-	-
<b>Subtotal trade and other receivables – current</b>	<b>45,416</b>	30,290	<b>752</b>	826
<b>Total trade and other receivables</b>	<b>49,421</b>	31,241	<b>752</b>	826
The non-current portion is receivable as follows:				
Due within 2 to 5 years	4,005	951	-	-
<u>Movements in above allowance</u>				
Balance at beginning of the year	683	404	-	-
(Reversed)/charge to profit or loss included in (other credit)/losses (Note 6)	(36)	279	-	-
Balance at end of the year	647	683	-	-

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ECL on the above trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets except for non-current trade receivables with a material financial component which uses the general approach. The reporting entity also has a few customers with material balances and which can be credit risk graded individually and these are recorded at inception net of any expected lifetime ECL. For these material balances judgement is required for the assessment of the credit risk graded individually. For any material increase or decrease in credit risk an adjustment is made to the loss allowance for the material balances. The credit risk grade assessed is based on predictive nature of the risk of loss (such as the use of internal and external ratings, financial statements, management accounts and available published information about debtors that is available without undue cost or effort) and applying experienced credit judgement.

For the non-current trade receivables with a material financial component, ECL are recorded net of any expected 12 month expected credit losses at inception. At the end of the reporting year a loss allowance is recognised if there has been a material increase in credit risk since initial recognition. For any material increase or decrease in credit risk an adjustment is made to the loss allowance for the material balances. The credit risk grade assessed is based on predictive nature of the risk of loss (such as the use of internal and external ratings, audited financial statements, management accounts and available published information about customers about debtors that is available without undue cost or effort) and applying experienced credit judgement.

The assessment of ECL requires a degree of estimation and judgement. In measuring the ECL, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

The exposure to credit risk for trade receivables and contract assets is as follows:

Group	2024		2023	
	Gross amount \$'000	Loss allowance \$'000	Gross amount \$'000	Loss allowance \$'000
Current	35,381	-	10,838	-
1 to 30 days past due	5,643	-	3,241	-
31 to 60 days past due	977	-	2,613	-
61 to 90 days past due	2,461	-	3,065	-
Over 90 days past due	1,688	(647)	9,537	(683)
	<b>46,150</b>	<b>(647)</b>	<b>29,294</b>	<b>(683)</b>

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There is no collateral held as security and other credit enhancements for the trade receivables.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is between 30 to 300 days (2023: 30 to 120 days). However, certain customers may take a longer period to settle the amounts.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Concentration of trade receivable customers at end of reporting year:

	Group	
	2024	2023
	\$'000	\$'000
Top 1 customer	18,527	13,594
Top 2 customers	29,738	17,414
Top 3 customers	39,183	20,047

The other receivables shown above are also subject to the ECL model under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of expected 12-month credit losses. At each reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition. Adjustment to the loss allowance is made for any increase or decrease in credit risk. No loss allowance was necessary.

### 19A. Non-current portion of trade receivables

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	951	–
Additions at cost	6,499	1,548
Initial recognition of notional interest income	(977)	(233)
Settled	(1,156)	(70)
Reclassified as current	(1,312)	(294)
At end of the year	4,005	951

The trade receivables are interest free and repayable by equal monthly instalments over 4 years from July 2023, March 2023 and March 2024. The fair value is measured using the cash flows method at an estimated current lending rate of 8.6% for 4 years. The fair value is \$5,611,000 (2023: \$1,245,000) (Level 3). The amount was not past due.

## 20. OTHER NON-FINANCIAL ASSETS

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Deposits to secure services	205	764	–	–
Prepayments	207	198	54	30
	412	962	54	30



# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 21. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash restricted for use over 3 months	-	439	-	-
Not restricted in use	14,403	18,509	234	1,173
	<b>14,403</b>	<b>18,948</b>	<b>234</b>	<b>1,173</b>

The rates of interest for the cash on interest earning balances are not material.

### 21A. Cash and cash equivalents in the consolidated statement of cash flows

	Group	
	2024 \$'000	2023 \$'000
Amount as shown above	14,403	18,948
Cash restricted for use over 3 months	-	(439)
	<b>14,403</b>	<b>18,509</b>

### 21B. Reconciliation of liabilities arising from financing activities

Group	2023 \$'000	Cash flows \$'000	Non-cash changes \$'000	2024 \$'000
Loans and borrowings, current	8,332	16,422	(3,087) <sup>(b)</sup>	21,667
Loans and borrowings, non-current	4,122	-	3,087 <sup>(b)</sup>	7,209
Lease liabilities, current	253	(256)	189 <sup>(a)</sup>	186
Lease liabilities, non-current	2,159	-	(950) <sup>(b)</sup>	1,209
Liabilities directly associated with assets held for sale	-	-	775 <sup>(b)</sup>	775
	<b>14,866</b>	<b>16,166</b>	<b>14</b>	<b>31,046</b>

Group	2022 \$'000	Cash flows \$'000	Non-cash changes \$'000	2023 \$'000
Loans and borrowings, current	4,767	1,840	1,725 <sup>(b)</sup>	8,332
Loans and borrowings, non-current	5,847	-	(1,725) <sup>(b)</sup>	4,122
Lease liabilities, current	429	(443)	267 <sup>(a)</sup>	253
Lease liabilities, non-current	2,167	-	(8) <sup>(b)</sup>	2,159
	<b>13,210</b>	<b>1,397</b>	<b>259</b>	<b>14,866</b>

<sup>(a)</sup> Acquisition and reclassification from non-current to current and accretion of interest.

<sup>(b)</sup> Reclassification from non-current to current.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 22. SHARE CAPITAL

	Number of shares issued	Group and Company		Total \$'000
		Share capital \$'000	Treasury shares \$'000	
<b>Balance at 1 October 2022, 30 September 2023 and 2024</b>	<b>261,360,097</b>	<b>56,325</b>	<b>(4,238)</b>	<b>52,087</b>

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have at least a free float of 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the year. Management receives a monthly report from the registrars on substantial share interests showing the non-free float and it demonstrated continuing compliance with the 10% limit throughout the reporting year.

### Capital management

The objectives when managing capital are to safeguard the group's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group	
	2024 \$'000	2023 \$'000
<u>Net debt</u>		
All current and non-current borrowings including finance leases	31,046	14,866
Less cash and cash equivalents	(14,403)	(18,948)
	<b>16,643</b>	<b>(4,082)</b>
<u>Adjusted capital</u>		
Equity	74,286	80,441
	<b>74,286</b>	<b>80,441</b>
<b>Debt-to-adjusted capital ratio</b>	<b>0.22</b>	<b>*</b>

\* There were more cash than borrowings. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

There are material borrowings but a relatively small net capital base. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 23. OTHER RESERVES

The revaluation reserve arises from the annual revaluation of properties held under property, plant and equipment net of deferred tax (Note 14).

The translation reserve accumulates all foreign exchange differences.

All the reserves classified on the face of the statements of financial position as retained earnings represent past accumulated earnings and are distributable as cash dividends. The other reserves, including revaluation reserve and translation reserves are not available for cash dividends unless realised.

## 24. PROVISIONS

	Group	
	2024	2023
	\$'000	\$'000
Provision for dismantling, removing items and restoring sites relating to leased properties	374	719
<u>Movements in above provision</u>		
Balance at beginning of the year	719	815
Additions (Note 14)	-	86
Utilised	(345)	(182)
Balance at end of the year	374	719

The provision is based on the present value of costs to be incurred to remove the leasehold improvements from the leased property. The estimate is based on quotations from external contractors. The unexpired term is 8 years.

### Estimates for provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 25. LOANS AND BORROWINGS

	Group	
	2024 \$'000	2023 \$'000
<b>Non-current</b>		
<u>Financial instruments with floating interest rates</u>		
Bank loans (secured)	7,209	4,122
	<b>7,209</b>	<b>4,122</b>
<b>Current</b>		
<u>Financial instruments with floating interest rates</u>		
Bank loans (secured)	1,546	1,164
<u>Financial instruments with fixed interest rates</u>		
Bank loans (secured)	–	584
Trust receipts and bills payable to banks (secured)	20,121	6,584
	<b>21,667</b>	<b>8,332</b>
	<b>28,876</b>	<b>12,454</b>
The non-current portion is payable as follows:		
Due within 2 to 5 years	4,627	4,122
After 5 years	2,582	–
	<b>7,209</b>	<b>4,122</b>

	Group	
	2024 % p.a.	2023 % p.a.
The range of floating interest rates paid were as follows:		
Bank loans (secured)	5.11 – 5.22	5.16 – 5.28
The range of fixed interest rates paid were as follows:		
Bank loans (secured)	2.25	2.25
Trust receipts and bills payable to banks (secured)	4.24 – 6.87	5.14 – 5.43

All borrowings are interest bearing.

The trust receipts and bills payable to banks are for purchases of inventories. The group has reverse factoring programs with banks used to benefit the group by extending payment deadlines. If it is for extending payment deadlines, and if the reverse factoring contract includes an unconditional commitment by the reporting entity to pay the amount initially due to the supplier to the financial institution that is a party to the contract, the liability amounts concerned are reclassified as financial liabilities. In the consolidated statement of cash flows these are regarded as cash flows from financing activities because the related liability is not a trade payable. The liability represents borrowings of the group and therefore the cash outflows to settle the liability is stated as arising from financing activities in the consolidated statement of cash flows.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 25. LOANS AND BORROWINGS (CONTINUED)

The bank agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

1. Legal mortgage on a leasehold property in Singapore and a freehold property in Malaysia;
2. Corporate guarantee from the company and subsidiary; and
3. Negative pledge over the assets of the group.

## 26. LEASE LIABILITIES AND RIGHT-OF-USE ASSETS

<b>Group</b>	<b>2024 \$'000</b>	<b>2023 \$'000</b>
Lease liabilities, current	<b>186</b>	253
Lease liabilities, non-current	<b>1,209</b>	2,159
	<b>1,395</b>	2,412

The reporting entity has a few leases relating to the land of leasehold properties, warehouse, dormitory and some equipment. The leases are for terms between 1 year to 13 years (2023: 3 years to 13 years). Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Other information about the leasing activities are summarised as follows: remaining term is ranged from 0.8 to 7.8 years (2023: 2.8 to 8.8 years); there are no variable payments linked to an index.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The cash outflow for the leases for the year ended 30 September 2024 are shown in the consolidated statement of cash flows.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 26. LEASE LIABILITIES AND RIGHT-OF-USE ASSETS (CONTINUED)

A summary of the maturity analysis of lease liabilities is disclosed in Note 30E. Total cash outflows from leases are shown in the consolidated statement of cash flows.

The right-of-use assets in the statements of financial position are as follows:

Group	Leasehold land and building \$'000	Plant and equipment \$'000	Total \$'000
<u>Cost</u>			
At 1 October 2022	3,375	97	3,472
Foreign exchange adjustments	(9)	-	(9)
Additions	190	-	190
Remeasurements	69	-	69
Disposals	(397)	(97)	(494)
At 30 September 2023	3,228	-	3,228
Additions	14	-	14
Transfer to assets held for sale	(1,175)	-	(1,175)
<b>At 30 September 2024</b>	<b>2,067</b>	<b>-</b>	<b>2,067</b>
<u>Accumulated depreciation</u>			
At 1 October 2022	889	95	984
Foreign exchange adjustments	(3)	-	(3)
Depreciation for the year	461	2	463
Disposals	(397)	(97)	(494)
At 30 September 2023	950	-	950
Depreciation for the year	282	-	282
Transfer to assets held for sale	(457)	-	(457)
<b>At 30 September 2024</b>	<b>775</b>	<b>-</b>	<b>775</b>
<u>Carrying value</u>			
At 1 October 2022	2,486	2	2,488
At 30 September 2023	2,278	-	2,278
<b>At 30 September 2024</b>	<b>1,292</b>	<b>-</b>	<b>1,292</b>

At reporting year date there were no commitments on leases which had not commenced.

The annual rates of depreciation are as follows:

Leasehold land and buildings	-	Over the terms of lease ranging from 1 year to 13 years
Plant and equipment	-	32.4%

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 27. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Trade payables</u>				
Outside parties and accrued liabilities	11,431	3,903	286	383
Other related parties (Note 3)	149	1,059	-	-
	<b>11,580</b>	<b>4,962</b>	<b>286</b>	<b>383</b>
<u>Other payables</u>				
Outside parties	477	352	-	-
	<b>477</b>	<b>352</b>	<b>-</b>	<b>-</b>
	<b>12,057</b>	<b>5,314</b>	<b>286</b>	<b>383</b>

## 28. OTHER NON-FINANCIAL LIABILITIES

	Group	
	2024 \$'000	2023 \$'000
Advance billings	246	233

## 29. CAPITAL COMMITMENTS

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2024 \$'000	2023 \$'000
Commitments to purchase property, plant and equipment	335	5,504

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION

### 30A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at end of reporting year:

	Group	
	2024 \$'000	2023 \$'000
<b>Financial assets</b>		
Financial assets at amortised cost	59,949	47,659
Financial assets at fair value through profit or loss	168	154
	<b>60,117</b>	<b>47,813</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	42,328	20,180
	<b>42,328</b>	<b>20,180</b>
	<b>Company</b>	
	2024 \$'000	2023 \$'000
<b>Financial assets</b>		
Financial assets at amortised cost	939	1,999
	<b>939</b>	<b>1,999</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	286	383
	<b>286</b>	<b>383</b>

Further quantitative disclosures are included throughout these financial statements.

### 30B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the group's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and foreign currency risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed:

- All financial risk management activities are carried out and monitored by senior management staff.
- All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposure to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.



# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30C. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statements of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

	Group Level 3	
	2024	2023
	\$'000	\$'000
Financial assets at fair value through profit or loss	168	154

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy

	Group	
	2024	2023
	\$'000	\$'000
Balance at beginning of the year	154	142
Gains recognised in profit or loss under other gains (Note 6)	14	12
Balance at end of the year	168	154

The fair value of the financial assets is not based on observable market data (Level 3) (Note 18).

Analysis of effect of changing inputs on fair value measurements in Level 3 of fair value hierarchy

The following table shows the effect of the changes of the inputs to reasonably possible alternative assumptions:

Group	Carrying amount \$'000	Favourable change \$'000	Unfavourable change \$'000
<b>2024</b>			
Unquoted other investment reflected in profit or loss. 10% change	168	17	(17)
<b>2023</b>			
Unquoted other investment reflected in profit or loss. 10% change	154	15	(15)

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure the ECL allowance. On initial recognition, a day-one loss is recorded equal to the 12-month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 21 discloses the cash balances. There was no identified impairment loss.

### 30E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity within twelve months after at the end of the reporting year. The average credit period taken to settle trade payables is approximately 30 to 120 days (2023: 30 to 120 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statements of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	Less than 1 year \$'000	1 – 5 years \$'000	Over 5 years \$'000	Total \$'000
<b>2024</b>				
Trade and other payables	12,057	–	–	12,057
Gross loans and borrowings	22,213	5,495	2,902	30,610
Gross lease liabilities	237	854	492	1,583
	<b>34,507</b>	<b>6,349</b>	<b>3,394</b>	<b>44,250</b>
<b>2023</b>				
Trade and other payables	5,314	–	–	5,314
Gross loans and borrowings	8,643	4,496	–	13,139
Gross lease liabilities	337	1,352	1,094	2,783
	14,294	5,848	1,094	21,236

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30E. Liquidity risk – financial liabilities maturity analysis (continued)

Company	Less than 1 year \$'000	Total \$'000
<b>2024</b>		
Trade and other payables	286	286
	<b>286</b>	<b>286</b>
<b>2023</b>		
Trade and other payables	383	383
	<b>383</b>	<b>383</b>

#### Financial guarantee contracts

For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called, i.e. majority within one year. At the end of the reporting year no claims on the financial guarantees are expected to be payable.

The following table shows the analysis of the contingent liabilities from financial guarantees:

	Company	
	2024 \$'000	2023 \$'000
Corporate guarantee in favour of subsidiary	36,192	11,695

#### Bank facilities

	Group	
	2024 \$'000	2023 \$'000
Used performance guarantees	452	314
Undrawn borrowing facilities	3,917	27,389

The above facilities are covered by a corporate guarantee of the company.

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided to management regularly to assist them in monitoring the liquidity risk.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statements of financial position and on some financial instruments not recognised in the statements of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2024	2023
	\$'000	\$'000
<u>Financial liabilities with interest</u>		
Fixed rates	21,516	9,580
Floating rates	8,755	5,286
	<b>30,271</b>	14,866

The interest rates are disclosed in the respective notes.

#### Sensitivity analysis

	Group	
	2024	2023
	\$'000	\$'000
Financial liabilities		
A hypothetical variation in floating interest rates at the end of reporting year by 100 basis points with all other variables held constant, would have an increase/decrease in pre-tax profit for the year by the following amounts:	88	53

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs). The impact of a change in interest rates on fixed interest rate financial instruments has not been assessed in terms of changing of their fair value.

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments:

Analysis of amounts denominated in non-functional currencies:

Group	USD \$'000	Others# \$'000	Total \$'000
<b>2024</b>			
<u>Financial assets</u>			
Cash	8,515	232	8,747
Trade and other receivables	41,774	238	42,012
Total financial assets	50,289	470	50,759
<u>Financial liabilities</u>			
Trade and other payables	8,476	128	8,604
Total financial liabilities	8,476	128	8,604
	41,813	342	42,155
<b>2023</b>			
<u>Financial assets</u>			
Cash	7,263	666	7,929
Trade and other receivables	24,675	–	24,675
Total financial assets	31,938	666	32,604
<u>Financial liabilities</u>			
Trade and other payables	2,569	183	2,752
Total financial liabilities	2,569	183	2,752
	29,369	483	29,852

# Others – These are immaterial non-functional currency individually.

There is exposure to foreign currency risk as part of its normal business.

#### Sensitivity analysis

	Group	
	2024 \$'000	2023 \$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency \$ against all non-functional currencies with all other variables held constant would have an adverse effect on pre-tax profit of the following amounts:		
Against USD	(3,801)	(2,670)
Against other currencies	(31)	(44)

# Notes to the Financial Statements (Continued)

Year ended 30 September 2024

## 30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

### 30G. Foreign currency risks (continued)

The above table shows sensitivity to a hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out without taking into consideration hedged transactions.

## 31. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year, the ASC issued amendment to SFRS(I) 1 and Practice Statement 2 on disclosures of material accounting policy and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc.). In addition, the ASC issued certain new or revised financial reporting standards. None had material impact on the reporting entity. Those applicable to the group are listed below.

SFRS(I) No.	Title
SFRS(I) 1-8	Definition of Accounting Estimates – Amendments to
SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to

## 32. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

For the future reporting years, the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the group for future reporting years are listed below.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 1-1	<i>Presentation of Financial Statements</i> – amendment relating to <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
SFRS(I) 1- 1	<i>Presentation of Financial Statements</i> – amendment relating to <i>Non-current Liabilities with Covenants</i>	1 January 2024
SFRS(I) 1-21	The Effects of Changes in Foreign Exchange Rates (amendment) Lack of Exchangeability	1 January 2025

# Shareholders' Information

As at 11 December 2024

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Number of issued shares	:	290,399,997
Number of issued shares (excluding treasury shares)	:	261,360,097
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
Number and percentage of subsidiary holdings held	:	Nil

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	36	3.08	1,627	0.00
100 – 1,000	118	10.09	57,397	0.02
1,001 – 10,000	357	30.54	1,667,548	0.64
10,001 – 1,000,000	637	54.49	53,820,841	20.59
1,000,001 AND ABOVE	21	1.80	205,812,684	78.75
<b>TOTAL</b>	<b>1,169</b>	<b>100.00</b>	<b>261,360,097</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	% <sup>1</sup>
1	Hanwa Co., Ltd <sup>2</sup>	82,617,982	31.61
2	Ong Tong Hai (Weng Donghai)	37,892,096	14.50
3	Ong Tong Yang (Weng Dongyang)	19,954,396	7.63
4	Phillip Securities Pte Ltd	10,863,498	4.16
5	Goh Guan Siong (Wu Yuanxiang)	9,576,500	3.66
6	Ho Su Chin	6,502,041	2.49
7	Chow Kok Kee	6,124,991	2.34
8	Ong Chin Sum	6,064,000	2.32
9	DBS Nominees (Private) Limited	5,746,900	2.20
10	Teo Ching Ching (Zhao Qianqian)	4,080,698	1.56
11	ABN AMRO Clearing Bank N.V.	2,777,962	1.06
12	Chan Hock Lye	2,529,700	0.97
13	Raffles Nominees (Pte.) Limited	1,839,168	0.70
14	Lau Kin Hong	1,682,000	0.64
15	iFAST Financial Pte. Ltd.	1,414,150	0.54
16	Est of Teo Chin Whatt, Dec'd	1,411,502	0.54
17	Ng Beng Thong	1,315,400	0.50
18	See Beng Lian Janice	1,223,100	0.47
19	Lim Kah Kee	1,142,000	0.44
20	Joey Chua	1,054,600	0.40
<b>TOTAL</b>		<b>205,812,684</b>	<b>78.73</b>

### Notes:

<sup>1</sup> The shareholding percentage is calculated based on the number of issued ordinary shares of the Company excluding treasury shares.

<sup>2</sup> Held through Daiwa Capital Markets Singapore Limited.

# Shareholders' Information (Continued)

As at 11 December 2024

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

NO.	Name of Shareholders	Number of Shares	Direct Interest %	Deemed Interest %
1	Hanwa Co., Ltd <sup>1</sup>	82,617,982	31.61	–
2	Ong Tong Hai (Weng Donghai) <sup>2</sup>	37,892,096	14.50	–
3	Ong Tong Yang (Weng Dongyang) <sup>3</sup>	19,954,396	7.63	–

### Notes:

<sup>1</sup> Held through Daiwa Capital Markets Singapore Limited.

<sup>2</sup> Mr Ong Tong Hai is the brother of Mr Ong Tong Yang, a substantial shareholder of the Company.

<sup>3</sup> Mr Ong Tong Yang is the brother of Mr Ong Tong Hai, the CEO and Executive Director of the Company and the Director of Kim Seng Huat Hardware Pte Ltd, the Company's principal subsidiary.

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 11 December 2024, approximately 46% of the Company's shares were held by the public. Accordingly, the Company is in compliance with Rule 723 of the SGX-ST Listing Manual.

## TREASURY SHARES

As at 11 December 2024, the total number of ordinary shares held in treasury is 29,039,900, representing 10% of the total issued shares of the Company.



# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of CosmoSteel Holdings Limited (the “**Company**”) will be held at Raffles Marina, 10 Tuas West Drive, Singapore 638404, on Friday, 24 January 2025 at 9.30 a.m. to transact the following business: –

## ORDINARY BUSINESS

### AS ORDINARY RESOLUTIONS

1. To receive and adopt the Statement By Directors, the Independent Auditors’ Report and the Audited Financial Statements of the Company for the financial year ended 30 September 2024. **(Resolution 1)**
2. To approve the payment of S\$330,000 as Directors’ Fees for the financial year ending 30 September 2025. **(Resolution 2)**
3. To re-elect Mr Hor Siew Fu, the Director retiring by rotation pursuant to Article 117 of the Constitution of the Company. **(Resolution 3)**
4. To re-elect Mr Ong Tiew Siam, the Director retiring by rotation pursuant to Article 117 of the Constitution of the Company. **(Resolution 4)**
5. To re-elect Mr Lim Jun Xiong Steven, the Director retiring pursuant to Article 117 of the Constitution of the Company. **(Resolution 5)**
6. To re-appoint RSM SG Assurance LLP (formerly known as RSM Chio Lim LLP) as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

## SPECIAL BUSINESS

### AS ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without modifications: –

#### 7. Authority to issue and allot shares pursuant to Share Issue Mandate

That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST, authority be and is hereby given to the directors of the Company (“**Directors**”) (the “**Share Issue Mandate**”) to:

- (A) (i) issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities or other instruments convertible into Shares; and/or
  - (iii) notwithstanding that such authority conferred by this Resolution may have ceased to be in force at the time the Instruments are to be issued, issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (B) issue Shares in pursuance of any Instrument made or granted by the Directors pursuant to (A)(ii) and/or (A)(iii) above, notwithstanding that such authority may have ceased to be in force at the time the Shares are to be issued,

# Notice of Annual General Meeting (Continued)

provided that:

- (I) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (II) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (II) below);
- (II) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (I) above, the percentage of issued Shares shall be based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (III) in exercising such authority, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (IV) unless revoked or varied by the Company in general meeting by ordinary resolution, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Companies Act, Chapter 50, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest.

**(Resolution 7)**

## 8. Renewal of IPT Mandate

That:

- (a) authority be and is hereby given for the Company, its subsidiaries and associated companies (if any) which fall within the definition of "entities at risk" under Chapter 9 of the Listing Manual of the SGX-ST or any of them to enter into any transaction falling within the categories of interested person transactions set out in the addendum to this notice of annual general meeting ("**Addendum**"), with any party who is of the class or classes of interested persons described in the Addendum, provided that such transaction is made on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders, and is entered into in accordance with the review procedures for interested person transactions as set out in the Addendum (such shareholders' general mandate hereinafter called the "**IPT Mandate**");
- (b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier;
- (c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the procedures and/or modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST, which may be prescribed by the SGX-ST from time to time; and

# Notice of Annual General Meeting (Continued)

- (d) the directors of the Company and each of them be and are hereby authorised, empowered to complete and do and execute all such things and acts as they or he may consider necessary or appropriate to give effect to these resolutions and the IPT Mandate, with such modifications thereto (if any) as they or he may think fit in the interests of the Company.

(Resolution 8)

## 9. Renewal of Share Buyback Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchases (each a “**Market Purchase**”) on the SGX-ST transacted through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
  - (ii) off-market purchases (each an “**Off-Market Purchase**”) otherwise than on a securities exchange, in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual of the SGX-ST,

on the terms set out in the Addendum, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earlier of:
- (i) the conclusion of the next annual general meeting of the Company or the date on which such annual general meeting of the Company is required by law to be held; or
  - (ii) the date on which the share buy-backs have been carried out to the full extent of the Share Buyback Mandate;
- (c) in this resolution:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five day period; and

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

“**Maximum Percentage**” means that number of issued Shares representing ten percent (10%) of the total number of issued Shares as at the date of the passing of this resolution (excluding any treasury shares and subsidiary holdings as at that date); and

# Notice of Annual General Meeting (Continued)

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase: 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase: 105% of the Average Closing Price of the Shares; and
- (d) the Directors and each of them be and is hereby authorised to do such acts and things (including without limitation, executing such documents as may be required, approving any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient to give effect to the transactions contemplated and/or authorised by this resolution.

**(Resolution 9)**

10. To transact any other ordinary business of an Annual General Meeting.

## BY ORDER OF THE BOARD

Lee Pih Peng  
Company Secretary  
9 January 2025  
Singapore

## EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESSES TO BE TRANSACTED:–

### Ordinary Business

- (i) Ordinary Resolution 2, if passed, will allow the Company to pay Directors’ Fees to Directors (on a quarterly basis in arrears) as services are rendered by Directors for the financial year ending 30 September 2025. This will facilitate Directors’ compensation for services rendered in a timely manner. In the event of unforeseen circumstances, such as the appointment of an additional Director, additional unscheduled Board and Board Committee meetings and the formation of additional Board Committees, resulting in the amount proposed being insufficient, approval will be sought at the next Annual General Meeting for payments to meet the shortfall.
- (ii) Ordinary Resolution 3, if passed, will re-appoint Mr Hor Siew Fu as Director of the Company. Mr Hor Siew Fu is an Independent Director of the Company and member of the Audit Committee. Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, further information on Mr Hor Siew Fu is set out in pages 142 to 149 of the Company’s annual report.
- (iii) Ordinary Resolution 4, if passed, will re-appoint Mr Ong Tiew Siam as Director of the Company. Mr Ong Tiew Siam is the Lead Independent Director of the Company, Chairman of the Audit Committee, and member of the Nominating Committee. Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, further information on Mr Ong Tiew Siam is set out in pages 142 to 149 of the Company’s annual report.
- (iv) Ordinary Resolution 5, if passed, will re-appoint Mr Lim Jun Xiong Steven as Director of the Company. Mr Lim Jun Xiong Steven is an Independent Director of the Company, Chairman of the Nominating Committee, and member of the Remuneration Committee. Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, further information on Mr Lim Jun Xiong Steven is set out in pages 142 to 149 of the Company’s annual report.

# Notice of Annual General Meeting (Continued)

## Special Business

- (v) Ordinary Resolution 7, if passed, will empower the Directors of the Company to, from the date of the above Annual General Meeting of the Company until the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Companies Act 1967, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest, allot and issue Shares, to make or grant Instruments, and to issue Shares in pursuance of such Instruments for such purposes as they consider in the interests of the Company.

The aggregate number of Shares that the Directors may allot and issue under this Resolution (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of Shares to be issued other than on a pro rata basis shall not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution), to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

- (1) new Shares arising from the conversion or exercise of any convertible securities;
  - (2) new Shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
  - (3) any subsequent bonus issue, consolidation or sub-division of Shares.
- (vi) Ordinary Resolution 8, if passed, will renew the IPT Mandate first given by the Shareholders at the Company's extraordinary general meeting held on 3 March 2015 ("EGM") to allow the Company, and its subsidiaries and associated companies or any of them to enter into interested person transactions (details of which are set out in the Addendum).

The Company's Audit Committee has confirmed (pursuant to Rule 920(1) of the Listing Manual of the SGX-ST) that the methods or review procedures set out in the Addendum for determining the transaction prices in respect of the interested person transactions have not changed since the Shareholders' approval at the EGM.

- (vii) Ordinary Resolution 9, if passed, will empower the Company to purchase or otherwise acquire issued Shares by way of Market Purchases or Off-Market Purchases, in accordance with the terms and conditions set out in the Addendum.

Please refer to the Addendum for additional information in relation to the proposed renewal of the Share Buyback Mandate.

## **NOTE:-**

1. The Annual General Meeting ("AGM") will be held at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on Friday, 24 January 2025 at 9.30 a.m. **There will be no option for Shareholders to participate virtually.**
2. The Annual Report for the financial year ended 30 September 2024 (the "Annual Report 2024"), Addendum, Notice of AGM, the accompanying proxy form ("Proxy Form") and a request form (to request for a printed copy of the Annual Report 2024 and Addendum) ("Request Form") will be made available on the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view these documents. Printed copies of this Notice of AGM, the Proxy Form and the Request Form will be sent to members via post. Printed copies of the Annual Report 2024 and Addendum will NOT be sent to members. Members who wish to obtain a printed copy of the Annual Report 2024 and Addendum should complete the Request Form and return it to the Company's registered address at 14 Lok Yang Way, Singapore 628633 or via email to [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg) no later than 9:30 a.m. on 16 January 2025.

# Notice of Annual General Meeting (Continued)

3. **A Shareholder (whether individual or corporate) may vote live at the AGM or may appoint a proxy, including the Chairman of the AGM, to attend, speak and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM.** Where a Shareholder (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of proxy for that resolution will be treated as invalid. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM or at any adjournment thereof.

Only Shareholders of the Company or their appointed proxy(ies) who have been successfully verified will be entitled to attend the AGM.

4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
5. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Forms should be used.
6. **"Relevant intermediary"** has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
7. CPF/SRS investors who wish to exercise their votes should approach the CPF Agent Bank or SRS Agent Bank (as the case may be) to submit their votes at least seven (7) working days before the AGM (i.e. by 5.00 p.m. on 15 January 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a Proxy Form to vote on their behalf by the cut-off date.
8. Shareholders or their appointed proxy (other than the Chairman of the AGM) of the Company may speak and raise questions at the AGM. Shareholders of the Company may also submit questions relating to the resolutions tabled for approval at the AGM, together with their full name (as per CDP/CPF/SRS/Scrip-based records), identification number (e.g. NRIC/Passport/Company Registration Number), shareholding type (e.g. CDP/CPF/SRS/Scrip-based), email address and contact number to enable the Company (or its agents or service providers) to authenticate their status as Shareholders of the Company, in the following manner:
- (a) if sent personally or by post, be received at the Company's registered address at 14 Lok Yang Way, Singapore 628633; or
  - (b) if submitted by email, be sent as a clearly readable image via email to the Company at [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg),
- in either case, by 9.30 a.m. (Singapore Time), on 16 January 2025.
9. The Company will endeavour to address all substantial and relevant questions received from shareholders and will upload the responses on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) by 9.30 a.m. (Singapore Time), on 19 January 2025 (that is, at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms). Where substantial and relevant questions are unable to be answered prior to the AGM, the Company will address them at the AGM.
10. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) and the minutes will include the responses to the substantial and relevant questions raised during the AGM.
11. A proxy, including the Chairman of the AGM, need not be a Shareholder of the Company.

# Notice of Annual General Meeting (Continued)

12. The Proxy Form must be submitted to the Company in the following manner:
- (a) if sent personally or by post, be received at the Company's registered address at 14 Lok Yang Way, Singapore 628633; or
  - (b) if submitted by email, be sent as a clearly readable image via email to the Company at [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg),

in any case, by 9.30 a.m. on 21 January 2025 at (that is, not less than 72 hours before the time fixed for holding the AGM). A Shareholder who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means.** The submission of the Proxy Form by such Shareholder will not prevent him from attending and voting at the AGM in person if he so wishes.

13. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised or in such manner as appropriate under the applicable laws. A copy of the power of attorney or such other authority must be submitted together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
14. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time fixed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend, speak and vote at the AGM unless his name appears on the Depository Register seventy-two (72) hours before the time fixed for holding the AGM.

## PERSONAL DATA PRIVACY:

By attending the AGM (including any adjournment thereof) and/or submitting any question prior to the AGM in accordance with this Notice and/or submitting the Proxy Form appointing proxy/proxies and/or representative(s) to attend, speak and vote at the AGM (including any adjournment thereof), a Member of the Company consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing, administration and analysis by the Company (or its agents or service providers) of the appointment of proxy/proxies for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);
- (ii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (iii) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

In addition, the personal data of a Member (such as name, presence at the AGM and any questions raised or motions proposed/seconded) may be recorded by the Company during sounds and/or video recordings of the AGM which may be made by the Company for record keeping and to ensure the accuracy of the minutes of the AGM and a Member of the Company consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for such purpose.

# Additional Information

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO RULE 720(6) OF THE LISTING MANUAL OF THE SGX-ST

Mr Hor Siew Fu, Mr Ong Tiew Siam and Mr Lim Jun Xiong Steven are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 24 January 2025 (“AGM”) under Ordinary Resolutions 3, 4 and 5 as set out in the Notice of AGM dated 9 January 2025 (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(6) of the SGX Listing Rules, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the SGX Listing Rules is set out below:

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
Date of Appointment	26 October 2018	1 December 2022	1 December 2022
Date of Last Re-Appointment	31 January 2023	31 January 2023	31 January 2023
Age	73	71	68
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	N.A.	N.A.	N.A.
Whether appointment is executive, and if so, the area of responsibility	No	No	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director Audit Committee Member	Lead Independent Director Audit Committee Chairman Nominating Committee Member	Independent Director Nominating Committee Chairman Remuneration Committee Member
Working experience and occupation(s) during the past 10 years	2014 – 2016: Chief Financial Officer of Albedo Limited  2016 – Present: Independent Director of Edition Limited (Appointed Non-Executive Chairman in 2024)  2018 – Present: Independent Director of Cosmosteel Holdings Limited  2019 – 2022: Lead Independent Director of Plastoform Holdings Limited	2004 – 2014: Independent Director of Ace Achieve Infocom Limited  2004 – 2017: Independent Director of Fung Choi Media Group Ltd  2005 – 2015: Independent Director of Lizhong Wheel Group Ltd.  2007 – 2019: Independent Director of Design Studio Group Ltd  2009 – 2012: Non-Independent Director of Tat Hong Holdings Ltd	2009 – 2021: Independent Director of Mirach Energy Limited  2012 – 2024: Lead Independent Director and Audit Committee Chairman of Bund Center Investment Ltd  2010 – 2014: Chief Executive Officer of Societe Generale Private Banking, SG Trust (Asia) Ltd  2011 – 2021: Lead Independent Director and Audit Committee Chairman of Keong Hong Holdings Limited



# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
<b>Working experience and occupation(s) during the past 10 years (continued)</b>	<p>2019 – Present: Independent Director of Memiontec Holdings Ltd. (Appointed Non-Executive Chairman in 2024)</p> <p>2023 – 2024: Lead Independent Director of Datapulse Technology Limited</p> <p>2024 – Present: Independent Director and Non-Executive Chairman of Assurance Healthcare Limited (formerly known as Revez Corporation Ltd)</p>	<p>2012 – 2018: Independent Director of Tat Hong Holdings Ltd</p> <p>2014 – 2022: Independent Director of Valuetronics Limited</p> <p>2018 – Present: Independent Director of CSC Holdings Limited</p> <p>2022 – Present: Lead Independent Director of Cosmosteel Holdings Limited</p>	<p>2013 – 2017: Non-Executive and Independent Chairman of Sapphire Corporation Limited</p> <p>2014 – 2023: Audit and Risk Management Committee Chairman of Hong Fok Corporation Limited</p> <p>2015 – 2017: Non-Executive Director of Ranken Holding Company Limited (formerly known as Ranken Infrastructure Limited)</p> <p>2016 – 2017: Non-Executive Director of Mancala Holdings Limited</p> <p>2016 – 2017: Non-Executive Director of Mancala Pty Ltd</p> <p>2018 – 2021: Audit Committee Chairman of Emerging Towns &amp; Cities Ltd</p> <p>2020 – Present: Lead Independent Director, Audit Committee Chairman and Remuneration Committee Chairman of Sinarmas Land Limited</p> <p>2021 – Present: Nominating Committee Chairman of Livingstone Health Holdings Limited</p> <p>2021 – Present: Lead Independent Director and Audit Committee Chairman Riverstone Holdings Limited</p> <p>2022 – Present: Nominating Committee Chairman of Cosmosteel Holdings Limited</p> <p>2023 – Present: Independent and Non-Executive Chairman and Audit and Risk Committee Chairman of Baker Technology Limited</p>

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
<b>Shareholding interest in the listed issuer and its subsidiaries</b>	Nil	Nil	Nil
<b>Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	Nil	Nil	Nil
<b>Conflict of interest (including any competing business)</b>	Nil	Nil	Nil
<b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer</b>	Yes	Yes	Yes
<b>Past Directorships or Principal Commitments (for the last 5 years)</b>	<p>Lead Independent Director of Datapulse Technology Limited</p> <p>Lead Independent Director of Plastoform Holdings Limited</p>	<p>Independent Director of Design Studio Group Ltd</p> <p>Independent Director of Valuetronics Holdings Limited</p>	<p>Independent Director of Mirach Energy Limited</p> <p>Independent Director of Bund Center Investment Ltd</p> <p>Independent Director of Keong Hong Holdings Limited</p> <p>Independent Director of Hong Fok Corporation Limited</p> <p>Independent Director of Emerging Towns &amp; Cities Ltd</p>
<b>Present Directorships or Principal Commitments</b>	<p>Independent Director of Cosmosteel Holdings Limited</p> <p>Independent Director and Non-Executive Chairman of Edition Limited</p> <p>Independent Director and Non-Executive Chairman of Assurance Healthcare Limited (formerly known as Revez Corporation Ltd)</p> <p>Independent Director and Non-Executive Chairman of Memiontec Holdings Ltd.</p>	<p>Independent Director of CSC Holdings Limited</p> <p>Lead Independent Director of Cosmosteel Holdings Limited</p>	<p>Independent Director of Sinarmas Land Limited</p> <p>Independent Director of Livingstone Health Holdings Limited</p> <p>Independent Director of Riverstone Holdings Limited</p> <p>Independent Director of Cosmosteel Holdings Limited</p> <p>Independent and Non-Executive Chairman of Baker Technology Limited</p>

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Mr Ong was an Independent Non-Executive Director of Fung Choi Media Group Limited (“FCM”), a Bermuda incorporated company which was previously listed on the mainboard of the SGX-ST. He was not in-charge of the day-to-day operations of FCM. On 20 March 2015, a winding up petition on the grounds of insolvency was made by BCA Best Business Service Limited (the “Bondholder”) with the Supreme Court of Bermuda (“Bermuda Court”) in relation to an outstanding debt of US\$43,939,101 due from FCM to the Bondholder. On 25 November 2015, the Bermuda Court heard the winding up petition and made an offer for FCM to be wound up and accordingly, FCM delisted from the mainboard of the SGX-ST on 24 July 2017.	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
<b>(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?</b>	No	No	No
<b>(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?</b>	No	No	No
<b>(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?</b>	No	No	No
<b>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</b>	No	No	No
<b>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</b>	No	No	No

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
<b>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</b>	No	No	No
<b>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</b>	No	No	No
<b>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere</b>	No	No	No

# Additional Information (Continued)

Name of Director	Hor Siew Fu	Ong Tiew Siam	Lim Jun Xiong Steven
<b>Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the Nominating Committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</b>	Yes	Yes	Yes
	Cosmosteel Holdings Limited	Cosmosteel Holdings Limited	Cosmosteel Holdings Limited
	Plastoform Holdings Limited	Valuetronics Holdings Limited	Bund Center Investment Limited
	Edition Limited	CSC Holdings Limited	Hong Fok Corporation Limited
	Assurance Healthcare Limited (formerly known as Revez Corporation Ltd)	Design Studio Group Ltd Lizhong Wheel Group Ltd.	Sinarmas Land Limited
	Memiontec Holdings Ltd.	Tat Hong Holdings Ltd	Livingstone Health Holdings Limited
	Datapulse Technology Limited	China Flexible Packaging Limited Fung Choi Media Group Ltd	Riverstone Holdings Limited Emerging Towns & Cities Ltd
		Ace Achieve Infocom Limited	Keong Hong Holdings Limited
			Mirach Energy Limited
			Sapphire Holdings Limited
			Passion Holdings Limited
			MAP Technology Holdings Limited
			Baker Technology Limited

This page has been intentionally left blank.



## Annual General Meeting Proxy Form

(Please see notes overleaf before completing this Form)

This proxy form has been made available on SGXNET and the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com). A printed copy of this proxy form will be despatched to members.

### IMPORTANT

This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act) including CPF/SRS Investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS Investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS Investors should approach their respective CPF Agent Bank or SRS Agent Bank (as the case may be) at least 7 working days before the Meeting (i.e by 5.00 p.m. on 15 January 2025) to specify voting instructions.

I/We, \_\_\_\_\_ NRIC/Passport/Company Registration No. \_\_\_\_\_  
of \_\_\_\_\_ (Address)  
being a member/members of COSMOSTEEL HOLDINGS LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy to attend and to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on 24 January 2025 at 9.30 a.m. and at any adjournment thereof.

Please note that where the Chairman of the Meeting is appointed as proxy, the proxy form appointing the Chairman of the Meeting must be directed, i.e., the member must indicate for each resolution whether the Chairman of the Meeting is directed to vote "for" or "against" or "abstain" from voting. If no specific direction as to voting is given, the appointment of the Chairman of the Meeting as proxy for the resolution will be treated as invalid at the Meeting and at any adjournment thereof. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy/proxies will vote or abstain from voting at his/their\* discretion, as he/they\* will on any other matter arising at the Meeting and at any adjournment thereof.

The Ordinary Resolutions put to the vote at the Meeting shall be decided by way of poll.

No.	Ordinary Resolution	For	Against	Abstain
1	To receive and adopt the Statement By Directors, the Independent Auditors' Report and the Audited Financial Statements of the Company for the financial year ended 30 September 2024.			
2	To approve the payment of S\$330,000 as Directors' Fees for the financial year ending 30 September 2025.			
3	To re-elect Mr Hor Siew Fu, the Director retiring by rotation pursuant to Article 117 of the Constitution of the Company.			
4	To re-elect Mr Ong Tiew Siam, the Director retiring by rotation pursuant to Article 117 of the Constitution of the Company.			
5	To re-elect Mr Lim Jun Xiong Steven, the Director retiring pursuant to Article 117 of the Constitution of the Company.			
6	To re-appoint RSM SG Assurance LLP (formerly known as RSM Chio Lim LLP) as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7	To authorise the Directors to allot and issue shares pursuant to Share Issue Mandate.			
8	To authorise the Directors to enter into interested person transactions pursuant to the Interested Person Transactions Mandate.			
9	To authorise the Directors to buy back ordinary shares in the capital of the Company pursuant to the Share Buyback Mandate.			

If you wish to exercise all your votes "For", "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

\* Delete where inapplicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares in	Number of Shares
CDP Register	

\_\_\_\_\_  
Signature(s) of Member(s) /  
Common Seal of Corporate shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

## Notes

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
2. A Shareholder (whether individual or corporate) may vote live at the AGM or may appoint a proxy, including the Chairman of the AGM, to attend, speak and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM. The Proxy Form for the AGM may be accessed at the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) and is also available on SGXNET at <https://www.sgx.com/securities/company-announcements>. Where a Shareholder (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of proxy for that resolution will be treated as invalid. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM or at any adjournment thereof.  
Only Shareholders of the Company or their appointed proxy(ies) who have been successfully verified will be entitled to attend the AGM.
3. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
4. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Forms should be used.
5. "**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
6. CPF/SRS investors who wish to exercise their votes should approach the CPF Agent Bank or SRS Agent Bank (as the case may be) to submit their votes at least seven (7) working days before the AGM (i.e. by 5.00 p.m. on 15 January 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a Proxy Form to vote on their behalf by the cut-off date.
7. Shareholders or their appointed proxy (other than the Chairman of the AGM) of the Company may speak and raise questions at the AGM. Shareholders of the Company may also submit questions relating to the resolutions tabled for approval at the AGM, together with their full name (as per CDP/CPF/SRS/Scrip-based records), identification number (e.g. NRIC/Passport/Company Registration Number), shareholding type (e.g. CDP/CPF/SRS/Scrip-based), email address and contact number to enable the Company (or its agents or service providers) to authenticate their status as Shareholders of the Company, in the following manner:
  - (a) if sent personally or by post, be received at the Company's registered address at 14 Lok Yang Way, Singapore 628633; or
  - (b) if submitted by email, be sent as a clearly readable image via email to the Company at [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg), in either case, by 9.30 a.m. (Singapore Time), on 16 January 2025.
8. The Company will endeavour to address all substantial and relevant questions received from shareholders and will upload the responses on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) by 9.30 a.m. (Singapore Time), on 19 January 2025 (that is, at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms). Where substantial and relevant questions are unable to be answered prior to the AGM, the Company will address them at the AGM.
9. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at [www.cosmosteel.com](http://www.cosmosteel.com) and the minutes will include the responses to the substantial and relevant questions raised during the AGM.
10. A proxy, including the Chairman of the AGM, need not be a Shareholder of the Company.
11. The Proxy Form must be submitted to the Company in the following manner:
  - (a) if sent personally or by post, be received at the Company's registered address at 14 Lok Yang Way, Singapore 628633; or
  - (b) if submitted by email, be sent as a clearly readable image via email to the Company at [ir@cosmosteel.com.sg](mailto:ir@cosmosteel.com.sg), in any case, by 9.30 a.m. on 21 January 2025 at (that is, not less than 72 hours before the time fixed for holding the AGM). A Shareholder who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means.** The submission of the Proxy Form by such Shareholder will not prevent him from attending and voting at the AGM in person if he so wishes.
12. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised or in such manner as appropriate under the applicable laws. A copy of the power of attorney or such other authority must be submitted together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
13. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time fixed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend, speak and vote at the AGM unless his name appears on the Depository Register seventy-two (72) hours before the time fixed for holding the AGM.

## Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



**COSMOSTEEL**

**COSMOSTEEL HOLDINGS LIMITED**

14 Lok Yang Way Singapore 628633  
Tel: (65) 6863 1828  
Fax: (65) 6861 2191  
email: [general@cosmosteel.com.sg](mailto:general@cosmosteel.com.sg)  
[www.cosmosteel.com](http://www.cosmosteel.com)