

COMPACT METAL INDUSTRIES LTD
(Incorporated in Singapore)
(Company Registration No. 197500009H)

**APPLICATION FOR EXTENSION OF TIME TO MEET THE REQUIREMENTS UNDER
RULE 1314 OF THE LISTING MANUAL (THE “LISTING MANUAL”) OF THE SINGAPORE
EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”) TO EXIT FROM THE
SGX-ST WATCH-LIST (THE “WATCH-LIST”)**

On 4 March 2015, Compact Metal Industries Ltd (the “**Company**”) was placed on the Watch-List under the financial entry criteria. Under the Listing Manual, the Company is given twenty-four (24) months from the date it was placed on the Watch-List under the financial entry criteria (the “**Cure Period**”) to apply for its removal from the Watch-List, failing which the SGX-ST may either remove the Company from the Official List or suspend trading of the Company’s listed securities with a view to removing the Company from the Official List. Unless extended, the Cure Period will expire at the end of 3 March 2017.

Under Practice Note 13.2 of the Listing Manual, the Company may apply for an extension of the Cure Period if it is in a healthy cash flow position and fulfils one of the following criteria:

- (a) a consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts); and
- (b) an average daily market capitalisation of S\$40 million or more over the last 6 months.

An application for an extension of the Cure Period must be lodged with the SGX-ST 1 month before last day of the Cure Period. However, the audited consolidated full year results of the Compact Group for the latest financial year of the Company ended 31 December 2016 will only be announced around 15 April 2017.

In the meantime, the unaudited consolidated full year results of the Company for the financial year ended 31 December 2016 have just been announced. As the unaudited consolidated full year results of the Company show a pre-tax profit, the Company has submitted an application for an extension of the Cure Period (the “**Application**”). The Board will update shareholders if there is any material development in relation to the Application.

The Company would like to remind shareholders that there is no assurance that the SGX-ST will grant the abovementioned extension. As such, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

BY ORDER OF THE BOARD

Zhang Zengtao
Managing Director
Director

17 February 2017