



COSMOSTEEL HOLDINGS LIMITED

# COSMOSTEEL HOLDINGS LIMITED

**FY2024 INVESTOR UPDATE**

**20 November 2024**



COSMOSTEEL HOLDINGS LIMITED

# OPERATIONS REVIEW

# Business Overview

**One-stop  
Inventory  
Specialist**



**Serving  
Multi-  
industries**



**Safety &  
Quality  
Focused**



- Over 20,000 line items
- Pipes, fittings, flanges, cables & cable management, and structural products
- Approximately 466,000<sup>(1)</sup> sq ft (site area) storage capacity
- International network
- Customisation services
- Project management services
- In-house quality assurance
- Non-destructive testing services

**FY2024 revenue: \$69.6 million**

- Energy: 67%
- Marine: 10%
- Trading: 15%
- Others: 8%

#### **Certifications**

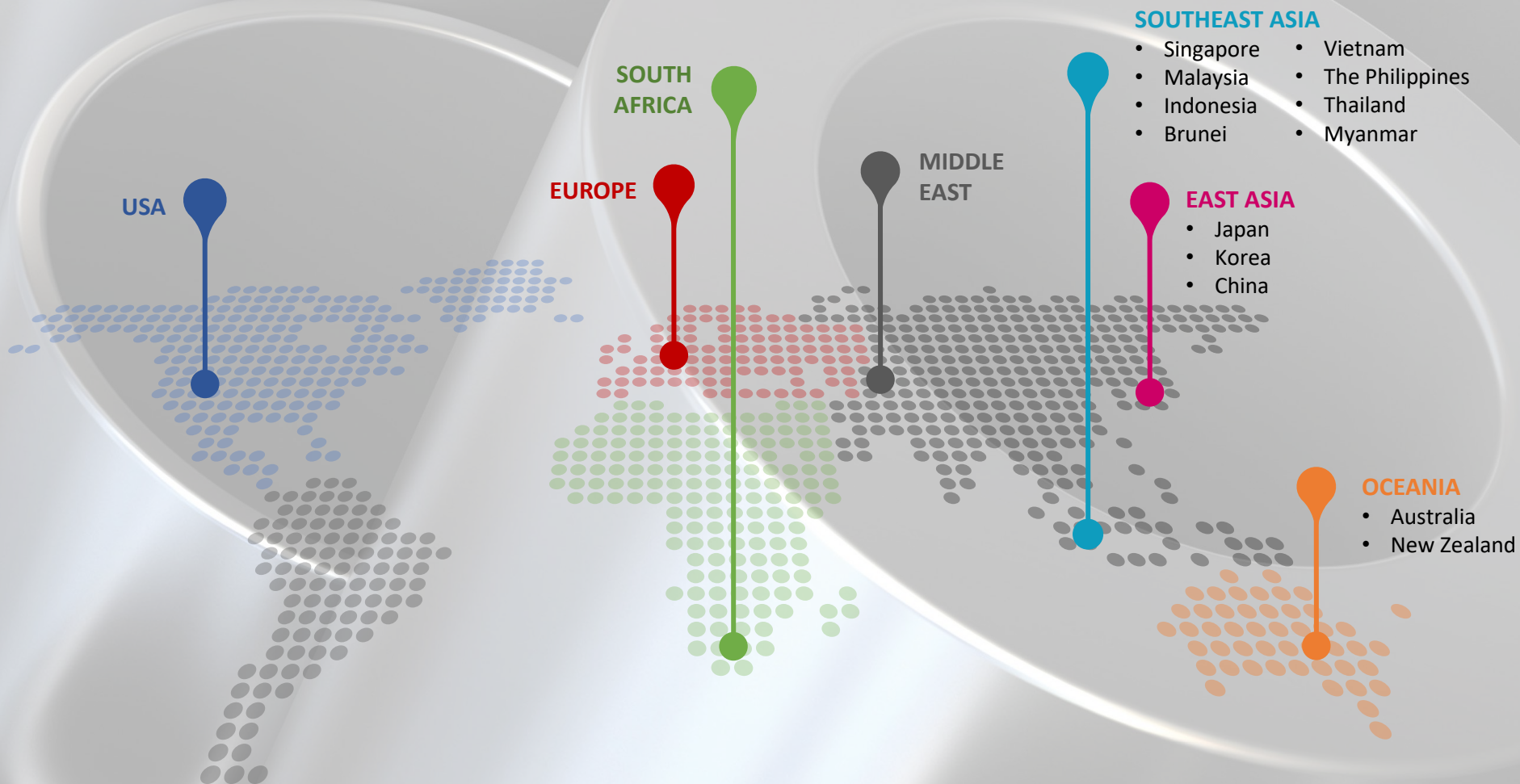
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISO 22301:2019
- BizSAFE STAR

*(1) Includes 90 Second Lok Yang Road, which is in the process of being disposed. The expected completion of the proposed disposal is approximately one year from the Option Exercise Date of 17 Sep 2024*

# Our Markets



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# Our Business Segments



## Energy

- Offshore rig fabrication: jack-ups and semi-subs
- FPSO/FSO new builds and conversion
- Onshore energy facilities fabrication
- Renewable energy facilities such as wind energy structures



## Marine

- Shipbuilding
- Ship repairs



## Traders

- Sell products to traders who on-sell them to other customers

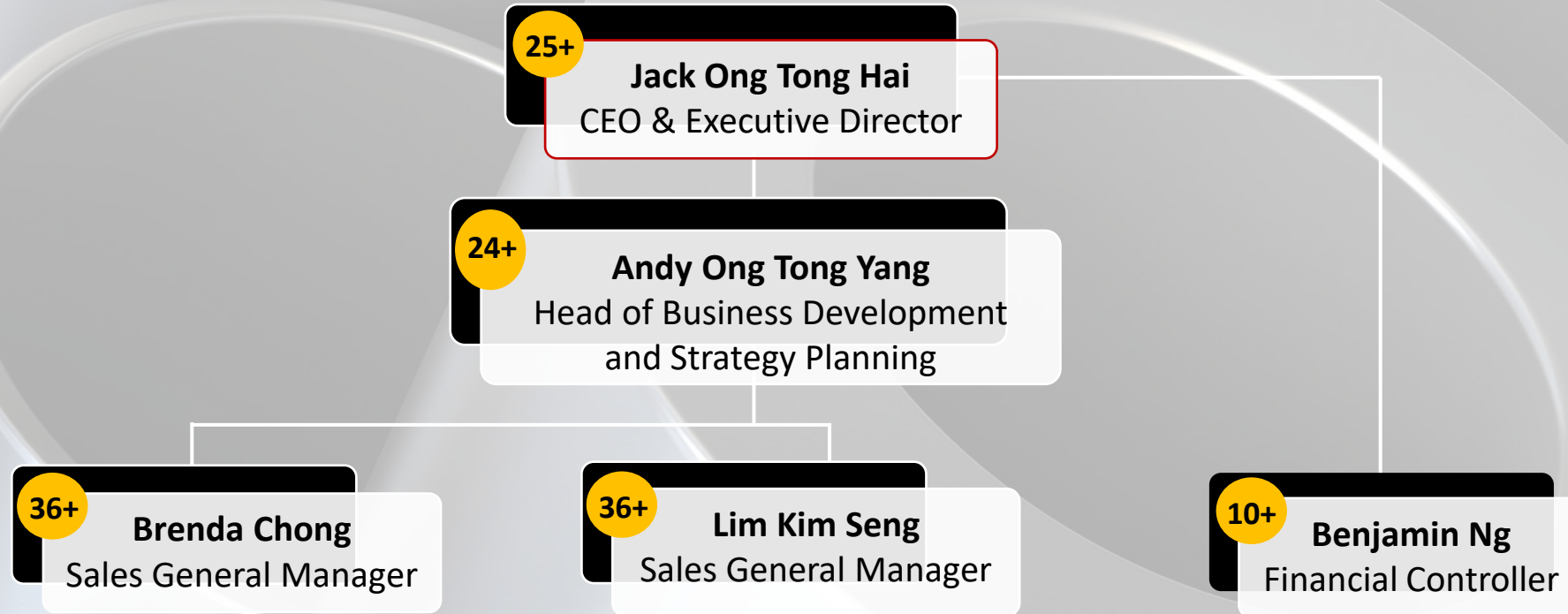


## Others


- Supply to other industries such as manufacturing

**Broad customer base** that uses our products as components mainly to construct piping systems for the conduit of liquids and gases in the production processes of the Energy, Marine and Other industries

# Experienced Management



Highly experienced executive and senior management team with **extensive and relevant industry experience**;  
Strong sales and marketing team with **established contacts and in-depth industry knowledge**

 Number of years of relevant industry experience

# Our Warehouses

Location	Site area (sq ft)	Use	Tenure
• 14 Lok Yang Way	111,363	Office & Warehouse	Until 15 June 2032
• 90 Second Lok Yang Road <sup>(1)</sup>	69,998	Dormitory & Warehouse	Until 15 June 2032
• Johor, Malaysia <sup>(2)</sup>	285,566	Warehouse	Freehold

**Solidifying operational security with extensive warehousing totalling 466,927 sq ft (site area) and inventory management process supported by an integrated computerised ERP system**

*(1) Proposed disposal of the property expected to be completed approximately one year from the Option Exercise Date of 17 Sep 2024*

*(2) The acquisition of the warehouse facility in Johor, Malaysia was completed on 15 February 2024*



# Corporate Governance

**Well-organised and transparent committee structure to uphold the best practices in Corporate Governance**

## Board of Directors

### Chairman and Non-Executive Non-Independent Director

Tan Siok Chin<sup>(1)</sup>

### Executive Directors

Jack Ong Tong Hai (CEO)

### Non-Executive Non-Independent Director

Yasuhiko Watanabe<sup>(2)(3)</sup>

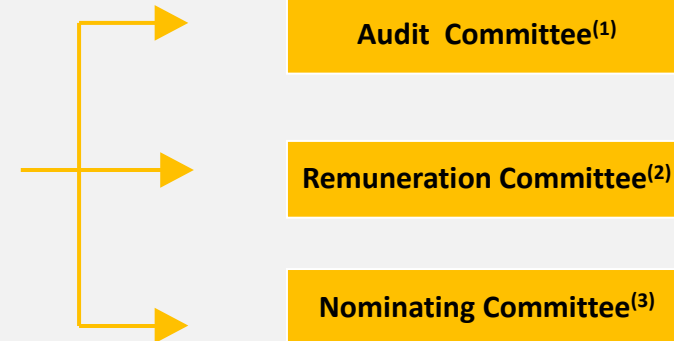
### Independent Directors

Ong Tiew Siam<sup>(1)(3)</sup>

Hor Siew Fu<sup>(1)</sup>

Lim Jun Xiong Steven<sup>(2)(3)</sup>

Loo Cheng Guan<sup>(2)</sup>



- Ranked 151<sup>st</sup> out of 477 companies on the SGTI in 2024 (SGTI 2023: Ranked 61<sup>st</sup> out of 474 companies)
- Experienced independent directors with varied experience in finance and accounting professions
- Board composition: 7-member board; 4 are independent





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# FINANCIAL HIGHLIGHTS

**FY2024**

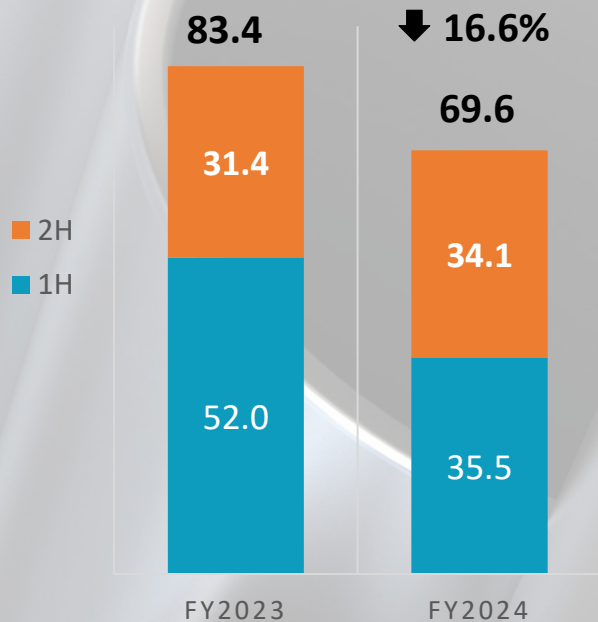
**(12 months ended 30 September 2024)**

# Financial Snapshot

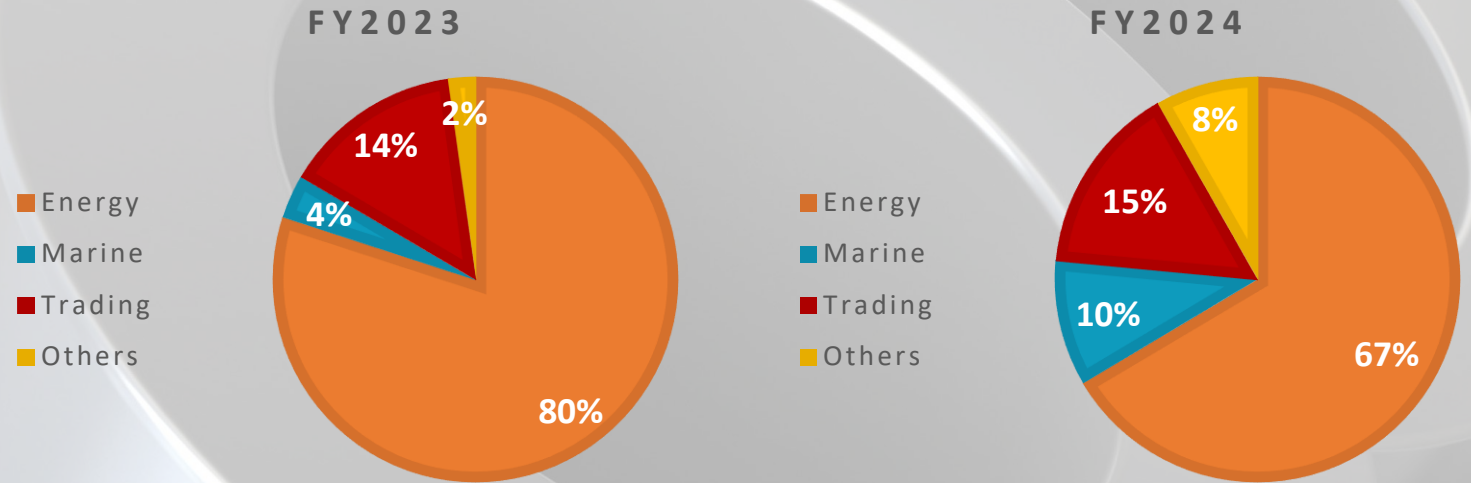
S\$'Million	FY2022	FY2023	FY2024
Revenue	46.1	83.4	69.6
Gross profit	11.0	13.2	9.3
Net profit/(loss) after tax	2.3	2.8	(5.0)
Earnings/(Loss) per share (cents)	0.81	1.07	(1.92)
Net asset value per share (cents)	29.80	30.78	28.37

# Revenue

Total Revenue (S\$m)



Revenue by Customer Type (%)



**FY2024 Revenue by Customer Type**

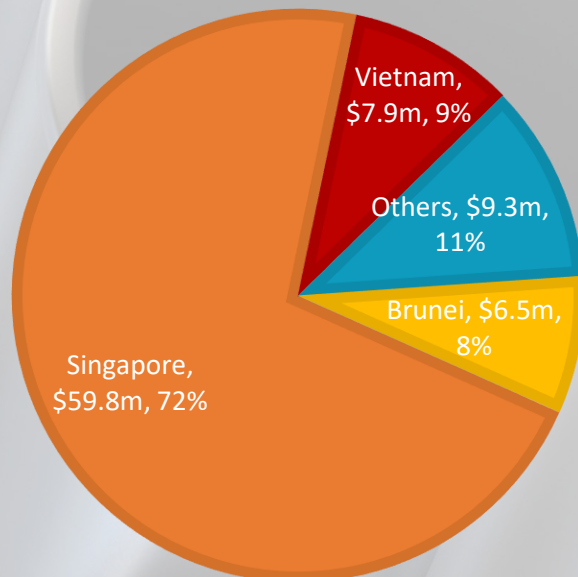
- Energy Sector: ↓ 30.8% to \$46.3m, from \$66.8m
- Marine Sector: ↑ 142.6% to \$7.0m, from \$2.9m
- Trading Sector: ↓ 11.1% to \$10.6m, from \$12.0m
- Others Sector: ↑ 225.9% to \$5.7m, from \$1.8m

# Revenue by Geographical Market

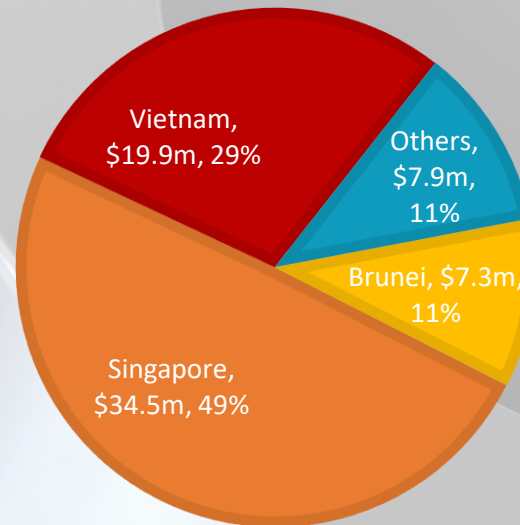


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FY2023



FY2024



## FY2024 Revenue by Geographical Market

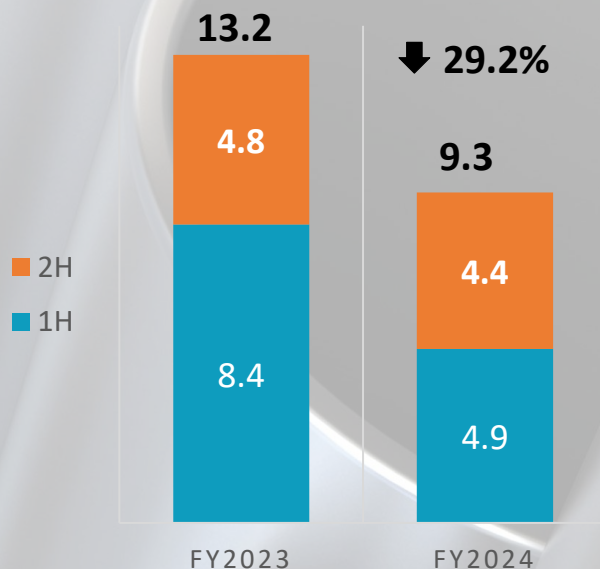
- Singapore: ↓ 42.3% to \$34.5m
- Vietnam: ↑ 153.4% to \$19.9m
- Brunei: ↑ 12.8% to \$7.3m
- Other countries: ↓ 15.1% to \$7.9m

# Profit & Loss

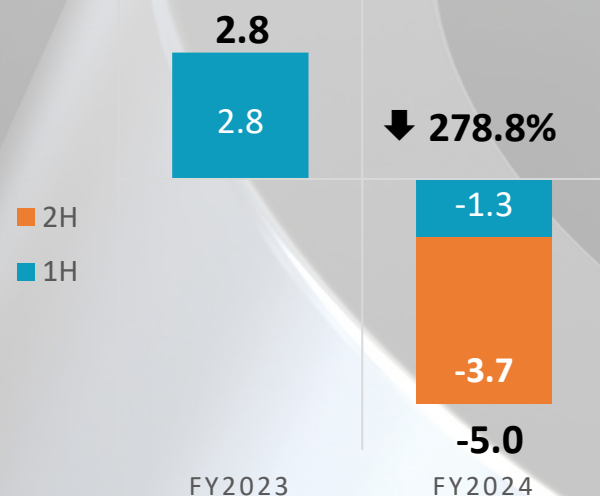


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Gross Profit (S\$'m)



Profit/(Loss) After Tax (S\$'m)



### Gross profit

- GP margin ↓ 2.4 percentage points to 13.4%

### Profit after tax

- Other operating expenses ↑ 2.4% to \$11.4m mainly due to higher employee benefits expense, repair and maintenance expense and increase in depreciation of building
- Finance costs ↑ 12.0% to \$1.0m
- Other losses (net) ↓ 268.1% to \$2.7m due to decrease in reversal of write-down of inventories and increase in foreign exchange transaction and translation losses

# Key Financial Indicators

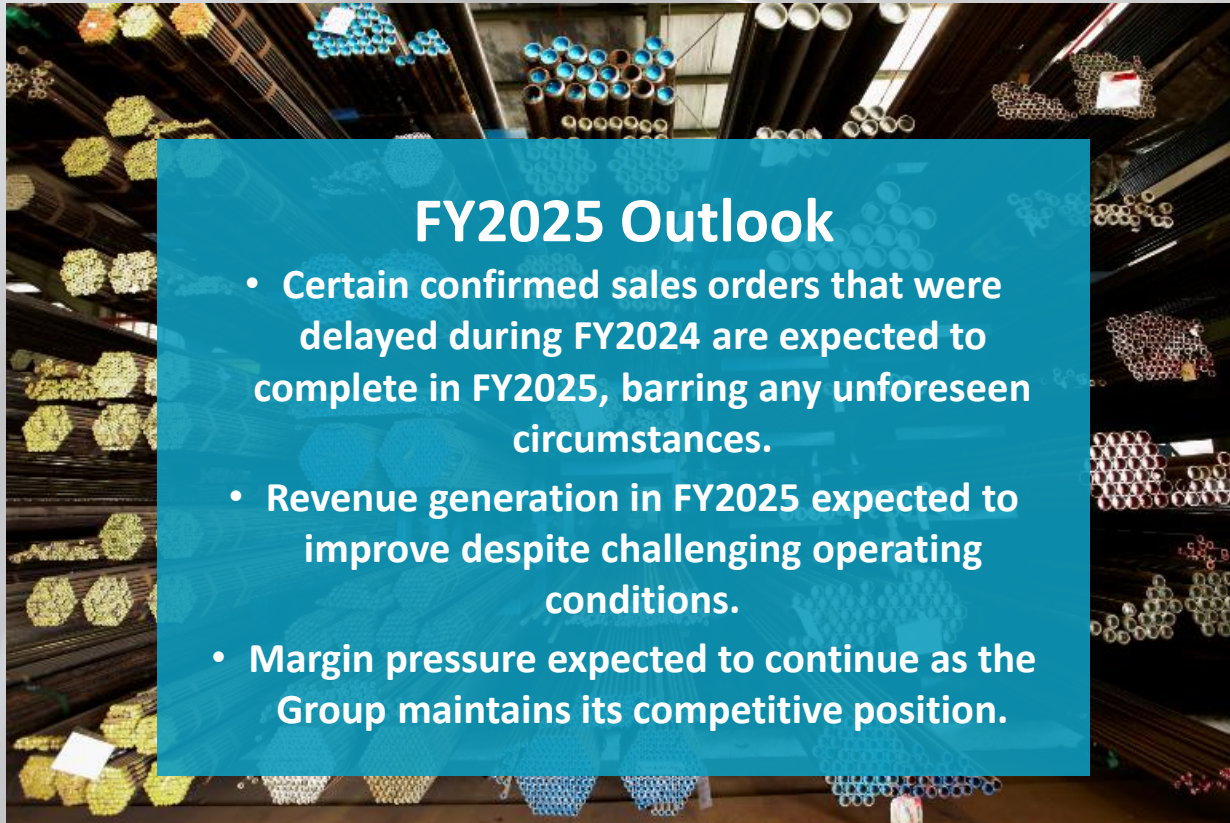
<b>Profitability Ratios (%)</b>	<b>FY2023</b>	<b>FY2024</b>
Return on Total Assets	4.0	-3.9
Return on Equity	3.5	-6.5
<b>Efficiency Ratios (Days)</b>	<b>FY2023</b>	<b>FY2024</b>
Trade Receivables Turnover	97	188
Trade Payables Turnover	18	38
Inventory Turnover	147	160
<b>Liquidity Ratios (Times)</b>	<b>FY2023</b>	<b>FY2024</b>
Current Ratio	5.32	2.77
Debt-to-Equity Ratio	0.27	0.58



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# OUTLOOK & STRATEGY

# Business Outlook & Strategy



## STRATEGY FOCUS

### 1. Strengthen revenue generation

- Actively seek new markets, customers and growth opportunities

### 2. Improve market competitiveness

- Uphold prudent cost management





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# THANK YOU

For more information, please contact:

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