
RESPONSE TO SGX-ST QUERY ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The Board of Directors of Compact Metal Industries Limited (“the Company”) refers to the query raised by Singapore Exchange Securities Trading Limited (“SGX-ST”) on the Corporate Governance Statement in the Annual Report for the financial year ended 31 December 2013 and wishes to respond as follow:

SGX’s query

Paragraph 9.4 of the Code of Corporate Governance 2012 (the “Code”) states that the Company should disclose details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S\$50,000.

As the Company only indicated that “there were no employees who are immediate family members of a Director of a Company whose remuneration exceeds \$150,000 during the financial year”, please explain the reason(s) for the deviation from the recommendation.

Company’s reply

There was a typographical error on the figure and the sentence should read as:-

“There were no employees who are immediate family members of a Director or the CEO of the Company whose remuneration exceeds \$50,000 during the financial year.”

On behalf of the Board
COMPACT METAL INDUSTRIES LTD

Chng Beng Hua
Chief Executive Officer

29 April 2014