



COSMOSTEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200515540Z)

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- (A) **PROPOSED ISSUANCE OF 26,400,000 NEW ORDINARY SHARES IN THE CAPITAL OF COSMOSTEEL HOLDINGS LIMITED (THE “COMPANY”) TO HANWA CO., LTD. (“HANWA”)**
- (B) **PROPOSED STRATEGIC ALLIANCE BETWEEN THE COMPANY AND HANWA**
- **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)**
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Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meanings ascribed to them in the Company’s announcement made on 1 December 2014.

1. INTRODUCTION

The Board of Directors of the Company (the “**Directors**”) refers to the Company’s announcement made on 1 December 2014 in relation to the Proposed Subscription, the Proposed Strategic Alliance and the Proposed Adoption of the IPT Mandate (the “**Announcement**”).

2. RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST FOR THE PROPOSED SUBSCRIPTION

2.1 The Directors are pleased to announce that the Company has on 5 February 2015 received the approval in-principle (“**Approval In-Principle**”) from the SGX-ST for the listing of and quotation for 26,400,000 Subscription Shares on the Main Board of the SGX-ST.

2.2 The Approval In-Principle of the SGX-ST for the dealing in, listing of and quotation for the Subscription Shares is subject to the following conditions:-

- (a) Compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval being obtained for the Proposed Subscription;
- (c) Submission of the following documents:-
 - (i) A written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the listing manual of the SGX-ST (the “**Listing Manual**”) in relation to the use of the proceeds from the Proposed Subscription and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (ii) A written undertaking from the Company that it will comply with Rule 803 of the Listing Manual; and

- (iii) A written confirmation from the Company that it will not issue the Subscription Shares to persons prohibited under Rule 812(1) of the Listing Manual.

2.3 The Approval In-Principle, being one of the conditions to which the Proposed Subscription is subject, as disclosed in the Announcement, has hence been satisfied.

2.4 The Approval In-Principle is not to be taken as an indication of the merits of the Proposed Subscription, the Subscription Shares, the Company and/or its subsidiaries.

3. DISPATCH OF CIRCULAR

The circular, together with a notice of EGM to be convened, for the purpose of obtaining Shareholders' approval for, *inter alia*, the Proposed Subscription, the Proposed Strategic Alliance and the Proposed Adoption of the IPT Mandate will be despatched to Shareholders in due course.

4. FURTHER ANNOUNCEMENTS

The Company will make further announcements relating to the Proposed Subscription, the Proposed Strategic Alliance and the Proposed Adoption of the IPT Mandate in due course.

By Order of the Board of Directors

Ong Chin Sum
Chief Executive Officer and Executive Director
6 February 2015