COSMOSTEEL HOLDINGS LIMITED

COSMOSTEEL HOLDINGS LIMITED

1HY2025 INVESTOR UPDATE

15 May 2025


COSMOSTEEL
COSMOSTEEL HOLDINGS LIMITED
OPERATIONS REVIEW

Business Overview

COSMOSTEEL HOLDINGS LIMITED

One-stop Inventory Specialist

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

Serving Multi-industries

FY2024 revenue: $71.9 million

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

Safety & Quality Focused

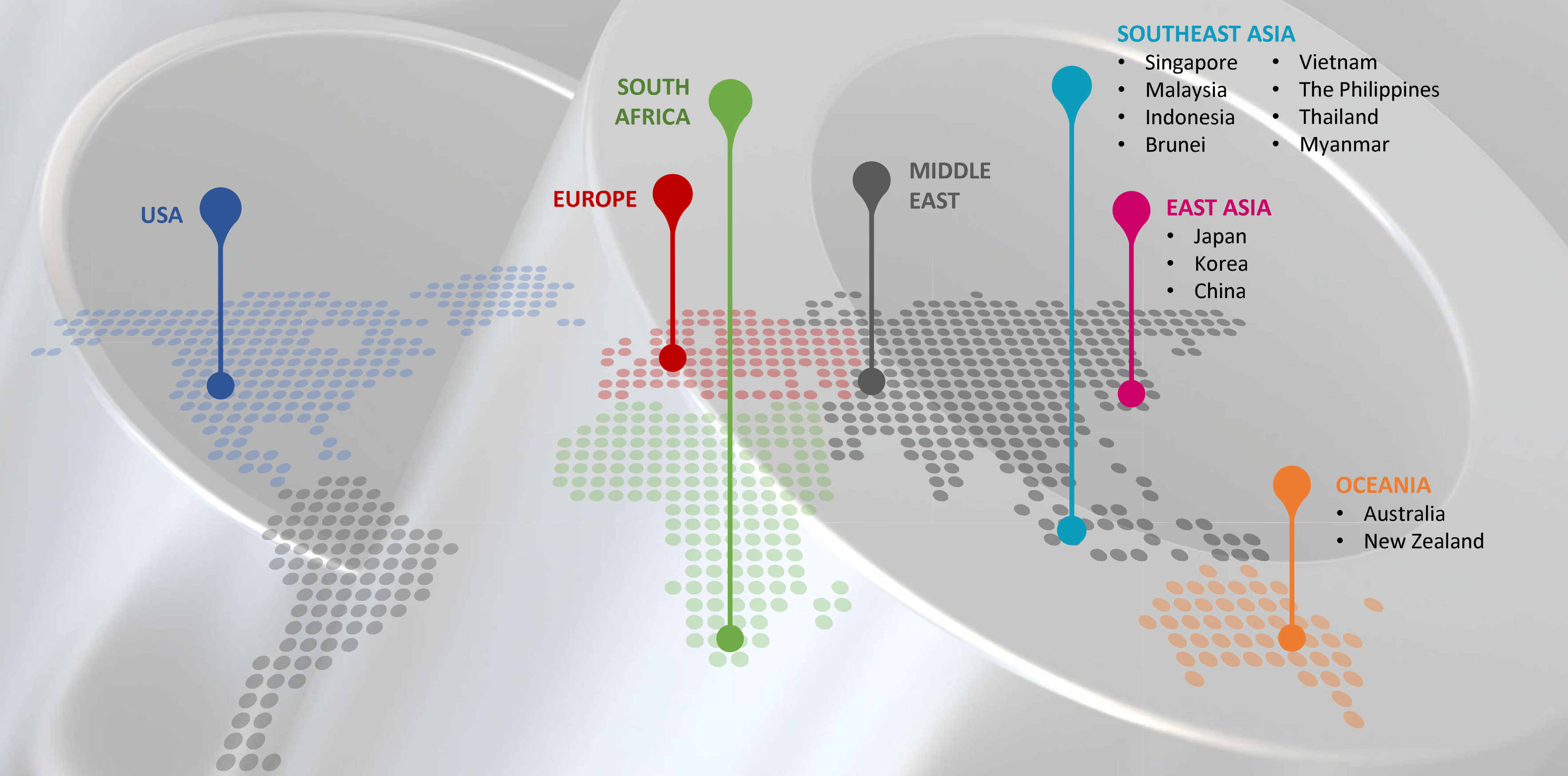
Certifications

- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISO 22301:2019
- BizSAFE STAR
- ISO 37001:2016

(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

COSMOSTEEL HOLDINGS LIMITED



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

- 26+ **Jack Ong Tong Hai**
  CEO & Executive Director
  - 25+ **Andy Ong Tong Yang**
    Head of Business Development and Strategy Planning
    - 37+ **Brenda Chong**
      Sales General Manager
    - 37+ **Lim Kim Seng**
      Sales General Manager
  - 11+ **Benjamin Ng**
    Financial Controller

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

COSMOSTEEL HOLDINGS LIMITED

Location	Site area (sq ft)	Use	Tenure
• 14 Lok Yang Way	111,363	Office & Warehouse	Until 15 June 2032
• 90 Second Lok Yang Road	69,998	Dormitory & Warehouse	Until 15 June 2032
• Johor, Malaysia	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

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

Corporate Governance

COSMOSTEEL HOLDINGS LIMITED

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[1]

Executive Directors
Jack Ong Tong Hai (CEO)

Non-Executive Non-Independent Director
Yasuhiko Watanabe[2][3]

Independent Directors
Ong Tiew Siam[1][3]
Hor Siew Fu[1]
Lim Jun Xiong Steven[2][3]
Loo Cheng Guan[2]

Audit Committee[1]

Remuneration Committee[2]

Nominating Committee[3]

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


COSMOSTEEL
COSMOSTEEL HOLDINGS LIMITED
CORPORATE UPDATE

Share Subscription Agreement

COSMOSTEEL HOLDINGS LIMITED

Subscription

- Kim Seng Huat Hardware Pte. Ltd. (KSH) entered into an agreement to subscribe for 488,710 new ordinary shares in SRE Holdings Investment and Development Joint Stock Company (SRE HoldCo) and its shareholders

Consideration

- VND53,676,000,000 (~US$2,100,100[(1)]) in cash from Group's internal resources
- Approximately 16.2% ownership in SRE HoldCo

Rationale

- SRE is the only certified heavy structural steel manufacturer in Vietnam; helmed by strong and experienced management team
- Avenue to diversify sales channel into the wind energy industries in Vietnam, an emerging market in the wind energy industries
- Supports the Group's long-term strategy to diversify supply sources and reduce geopolitical risks

(1) *Based on an exchange rate of US$1:VND25,560 being the applicable rate as at 24 March 2025*


COSMOSTEEL
COSMOSTEEL HOLDINGS LIMITED
FINANCIAL HIGHLIGHTS
1HY2025
(6 months ended 31 March 2025)

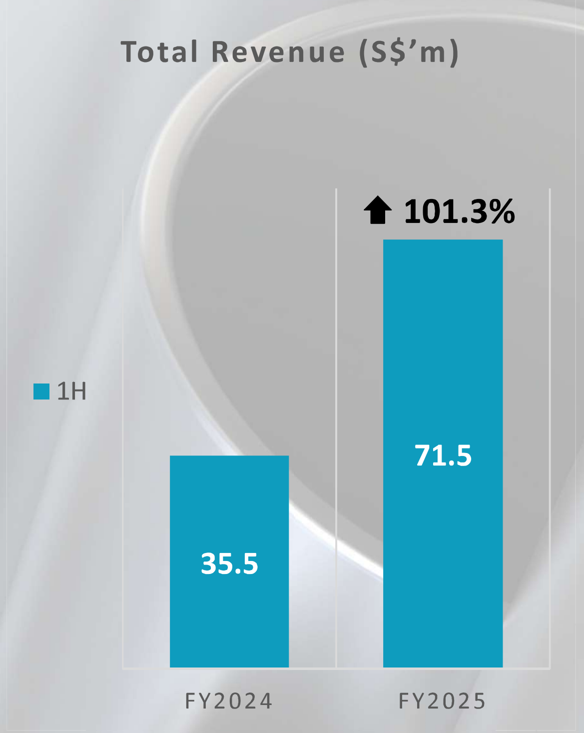
Financial Snapshot

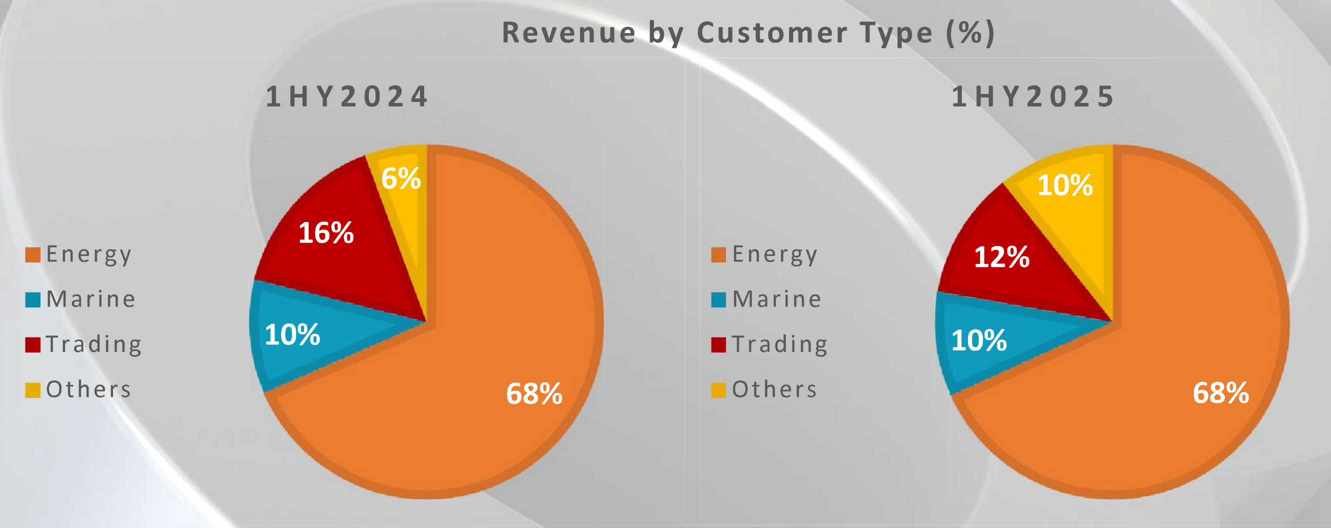
COSMOSTEEL HOLDINGS LIMITED

S$'Million	FY2023	FY2024	1HY2024	1HY2025
Revenue	83.4	71.9	35.5	**71.5**
Gross profit	13.2	9.5	4.9	**6.8**
Net profit/(loss) after tax	2.8	(4.9)	(1.3)	**2.3**
Earnings/(Loss) per share (cents)	1.07	(1.87)	(0.51)	**0.87**
Net asset value per share (cents)	30.78	28.42	29.74	**29.31**

Revenue

COSMOSTEEL HOLDINGS LIMITED



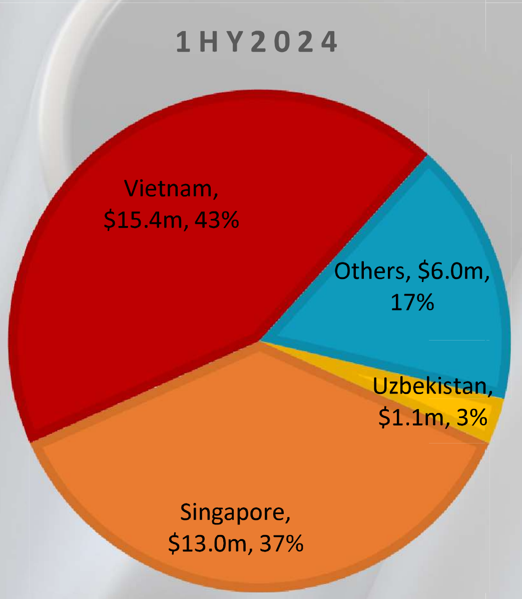


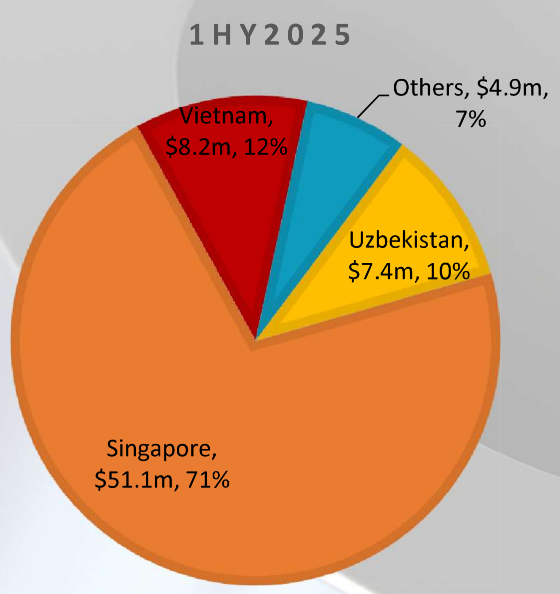
1HY2025 Revenue by Customer Type

- Energy Sector: ⬆ 101.5% to $48.9m, from $24.3m
- Marine Sector: ⬆ 83.5% to $6.8m, from $3.7m
- Trading Sector: ⬆ 50.0% to $8.3m, from $5.5m
- Others Sector: ⬆ 270.2% to $7.6m, from $2.0m

Revenue by Geographical Market

COSMOSTEEL HOLDINGS LIMITED



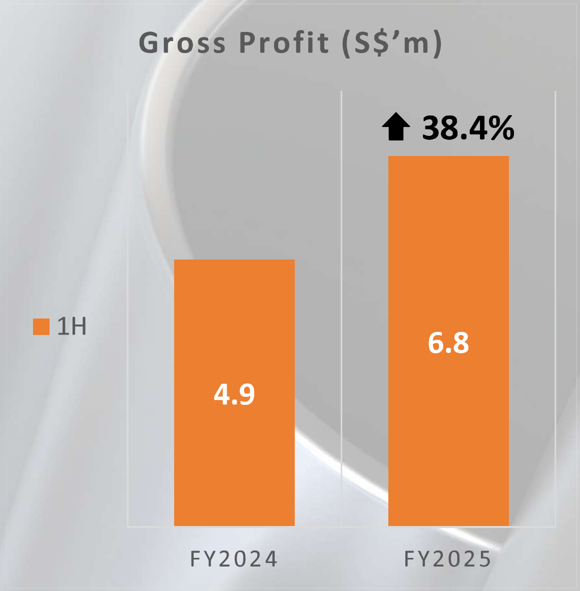


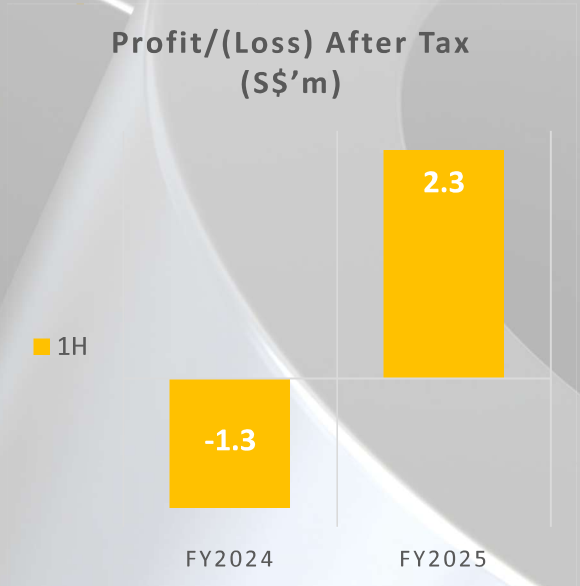
1HY2025 Revenue by Geographical Market

- Singapore: ⬆ 292.1% to $51.1m
- Vietnam: ⬇ 47.0% to $8.2m
- Uzbekistan: ⬆ 602.5% to $7.4m
- Other countries: ⬇ 19.1% to $4.9m

Profit & Loss

COSMOSTEEL HOLDINGS LIMITED





Gross profit

- GP margin ⬇ 4.4 percentage points to 9.5%

Profit after tax

- Other operating expenses ⬇ 12.2% to $4.9m mainly due to the property at 90 Second Lok Yang Road being reclassified under assets held for sale and no longer being depreciated
- Finance costs ⬆ 182.9% to $1.2m mainly due to increase in trust receipts financing
- Other gains (net) of $1.4m (1HY2024: Other losses (net) of $0.6m) due to foreign exchange transaction and translation gains

Key Financial Indicators

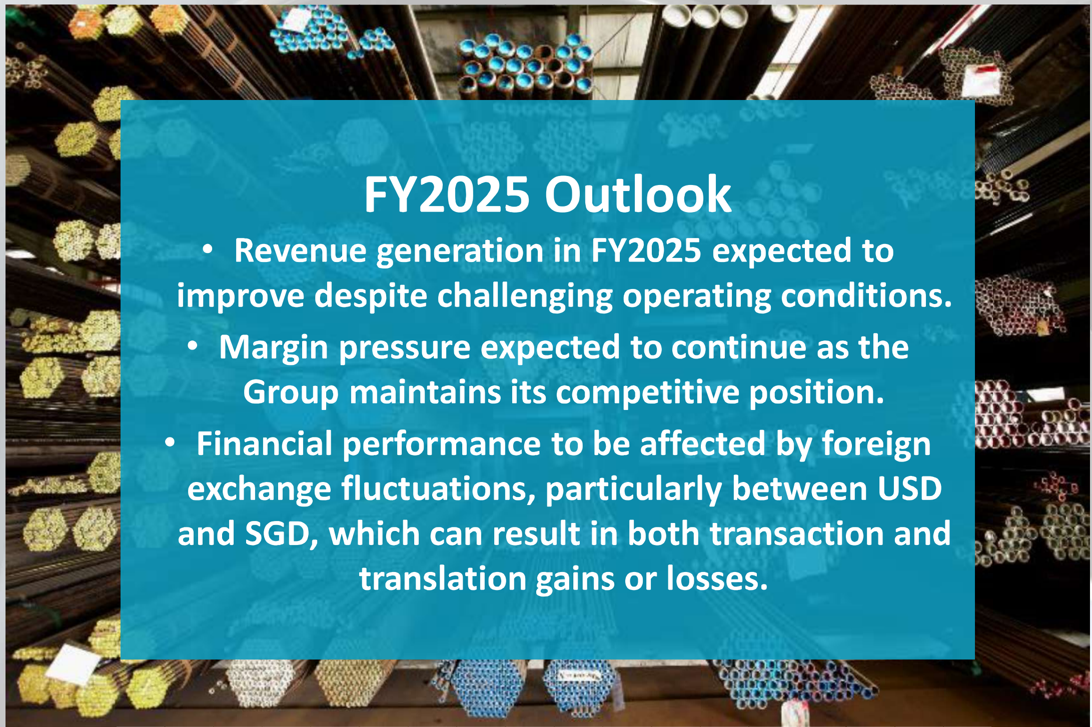
COSMOSTEEL HOLDINGS LIMITED

Profitability Ratios (%)	1HY2024	1HY2025
Return on Total Assets	-2.0	**5.6**
Return on Equity	-3.4	**6.0**
Efficiency Ratios (Days)	**1HY2024**	**1HY2025**
Trade Receivables Turnover	162	**150**
Trade Payables Turnover	28	**24**
Inventory Turnover	154	**68**
Liquidity Ratios (Times)	**1HY2024**	**1HY2025**
Current Ratio	4.13	**2.36**
Debt-to-Equity Ratio	0.35	**0.73**


COSMOSTEEL HOLDINGS LIMITED
OUTLOOK & STRATEGY

Business Outlook & Strategy

COSMOSTEEL HOLDINGS LIMITED



FY2025 Outlook

- Revenue generation in FY2025 expected to improve despite challenging operating conditions.
- Margin pressure expected to continue as the Group maintains its competitive position.
- Financial performance to be affected by foreign exchange fluctuations, particularly between USD and SGD, which can result in both transaction and translation gains or losses.

STRATEGY FOCUS

1. **Strengthen revenue generation**
   - Actively seek new markets, customers and growth opportunities
2. **Improve market competitiveness**
   - Uphold prudent cost management


COSMOSTEEL
COSMOSTEEL HOLDINGS LIMITED
THANK YOU
For more information, please contact:
August Consulting | Silvia Heng | silviaheng@august.com.sg | Tel: 6733 8873