



COSMOSTEEL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number 200515540Z)

CONSTRUCTION AND DEVELOPMENT OF WAREHOUSE AT 90 SECOND LOK YANG ROAD

The Board of Directors of CosmoSteel Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:

- (i) the Company’s announcement of 21 May 2010 on the acquisition of the warehouse located at 90 Second Lok Yang Road, Singapore 628166 (the “**Property**”) by Kim Seng Huat Hardware Pte Ltd (the “**Subsidiary**”), a wholly-owned subsidiary of the Company; and
- (ii) the Company’s announcement of 31 July 2014 on the extension of the term of the Property for a further term of 13 years and 3 months from 16 March 2019.

In connection with the above, the Board of Directors wishes to announce that the Subsidiary intends to commence the construction and development of a warehouse at the Property (“**Project**”) and following completion of a tender process, the Subsidiary has on 10 February 2017 issued a letter of intent to award HPC Builders Pte Ltd the Project for a sum of approximately S\$9.5 million (“**Construction Costs**”).

The Construction Costs will be wholly satisfied in cash and will be funded through a combination of internal resources and bank financing.

By Order of the Board

Ong Chin Sum
Chief Executive Officer and Executive Director

13 February 2017