



**COSMOSTEEL HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200515540Z)  
(the “**Company**”)

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**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL  
OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

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**Background**

CosmoSteel Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the financial entry criteria (“**Watch-list**”) pursuant to Rule 1311 of the Listing Manual on 5 June 2018 as it recorded pre-tax losses for the then three (3) most recently completed consecutive financial years (based on the audited full year consolidated accounts of the Company) and an average daily market capitalisation of less than S\$40 million over the last 6 months prior to 1 June 2018.

The Company remains on the Watch-list as at the date of this announcement as the Company did not meet the exit criteria pursuant to Rule 1314 of the Listing Manual (the “**Exit Criteria**”) read with Practice Note 13.2 (Watch-List) as at 31 March 2024.

As announced by the Company on 7 June 2023, the Company has obtained an extension of time up to 4 June 2024 to meet the Exit Criteria.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide an update on its efforts and the progress made in meeting the Exit Criteria.

**Update on Future Direction and Other Material Developments**

As announced in its profit guidance announcement dated 13 April 2024 and the financial results announcement dated 13 May 2024 for the six months ended 31 March 2024 (“**1HY2024**”), the Group reported a loss after tax for 1HY2024 of approximately S\$1.3 million, *inter alia*, due to delays in the fulfilment of certain confirmed sales orders (although it is expected that such confirmed sales orders will be delivered by the end of this financial year), and profit margin pressure is expected to continue as competition intensifies amid a slowing market.

Save for the above, as at date of this announcement, there is no material development or update on the Group’s business or future plans or directions that may have a significant impact on the financial results, financial position of the Company and/or the movement of the Company’s share price that would affect its position on the Watch-list.

**Update on Efforts for Satisfying Exit Criteria**

For purposes of meeting the Exit Criteria, the Group was profitable for the financial year ended 30 September 2023 (“**FY2023**”), but did not meet the requisite market capitalisation of S\$40 million, which

is calculated based on the average daily market capitalisation for the period of 6 months prior to applicable date for review of the Company's satisfaction of the conditions for the Exit Criteria.

As at 13 May 2024, the Company's average market capitalisation over the past 6 months (excluding the treasury shares held by the Company) is approximately S\$30.1 million.

As announced by the Company on SGXNet on 22 April 2024, the Company has on 22 April 2024 submitted an application to the Exchange for a further extension of the deadline to meet the Exit Criteria (the "**Application**"). The Company will keep Shareholders duly informed of any subsequent material developments in relation to the Application.

The Company would like to reassure the Shareholders that it is continuing to actively explore and consider various options to meet the Exit Criteria pursuant to Rule 1314 of the Listing Manual, including to explore the possibility of applying for a further extension of the deadline to meet the Exit Criteria and will keep the Shareholders duly informed of any subsequent material developments in relation to the foregoing, and/or affecting the Company and/or its business.

#### **BY ORDER OF THE BOARD**

Ong Tong Hai  
Chief Executive Officer and Executive Director  
13 May 2024