



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a)(i) A consolidated statement of comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	4QFY2017	4QFY2016	%	1-Oct-16	1-Oct-15	%
	S\$'000	S\$'000	+ / (-)	30-Sep-17	30-Sep-16	+ / (-)
Revenue	23,094	13,492	71.2	76,922	68,757	11.9
Cost of sales	(21,072)	(10,915)	93.1	(66,055)	(53,827)	22.7
Gross profit	2,022	2,577	(21.5)	10,867	14,930	(27.2)
Financial income	9	9	-	30	55	(45.5)
Financial expense	(122)	(114)	7.0	(430)	(673)	(36.1)
Distribution costs	(1,242)	(1,411)	(12.0)	(5,394)	(6,137)	(12.1)
Administrative expenses	(1,541)	(1,714)	(10.1)	(6,662)	(7,161)	(7.0)
Depreciation expense	(1,396)	(1,494)	(6.6)	(5,937)	(5,609)	5.8
Other (charges)/ credits	(1,587)	(5,773)	(72.5)	(3,303)	(4,206)	(21.5)
Loss before income tax	(3,857)	(7,920)	(51.3)	(10,829)	(8,801)	23.0
Income tax income	1,450	1,322	9.7	1,450	1,226	18.3
Loss for the period	(2,407)	(6,598)	(63.5)	(9,379)	(7,575)	23.8
Other Comprehensive Income / (Loss):						
Items that will not be reclassified to profit or loss:						
Gains on property revaluation, net of tax	550	1,679	(67.2)	550	1,679	(67.2)
Loss on deemed disposal of property	-	-	NM	(1,267)	-	NM
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets, net of tax	28	(38)	(173.7)	28	(38)	(173.7)
Exchange differences on translating foreign operations, net of tax	(25)	(37)	(32.4)	(60)	(27)	122.2
Other comprehensive income / (loss) for the period, net of tax	553	1,604	(65.5)	(749)	1,614	(146.4)
Total comprehensive loss for the period, net of tax	(1,854)	(4,994)	(62.9)	(10,128)	(5,961)	69.9

NM: Not meaningful

1(a)(ii) The consolidated statement of comprehensive income is arrived after crediting / (charging) the following:

	Group			
	4QFY2017	4QFY2016	1-Oct-16	1-Oct-15
	S\$'000	S\$'000	30-Sep-17	30-Sep-16
Reversal for impairment on trade receivables	9	17	5	5
Allowance for slow-moving inventories and decline in net realisable values	(964)	(5,978)	(2,773)	(4,158)
Bad debts (written off)/ recovered	(4)	(79)	2	(58)
Foreign exchange (loss)/ gain	(464)	246	(446)	56
Gain/ (Loss) on disposal of plant and equipment	4	-	9	(2)
Plant and equipment written off	(30)	-	(30)	-
Interest on borrowings	(122)	(114)	(430)	(673)
Impairment loss on available-for-sale financial assets	(120)	-	(120)	-



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1(b)(i) Statements of financial position together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	<u>As at</u> <u>30/09/17</u> S\$'000	<u>As at</u> <u>30/09/16</u> S\$'000	<u>As at</u> <u>30/09/17</u> S\$'000	<u>As at</u> <u>30/09/16</u> S\$'000
<u>ASSETS</u>				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	24,008	28,361	-	-
Investments in Subsidiaries	-	-	60,107	60,107
Trade and Other Receivables	301	2,139	-	-
Available-For-Sale Financial Assets	-	92	-	-
Total Non-Current Assets	24,309	30,592	60,107	60,107
<u>Current Assets</u>				
Inventories	68,871	78,838	-	-
Trade and Other Receivables	26,803	16,768	1,324	1,156
Income Tax Recoverable	238	-	-	-
Financial Assets at Fair Value Through Profit or Loss	1,574	1,557	-	-
Other Assets	483	411	32	32
Cash and Cash Equivalents	21,326	17,108	269	701
Total Current Assets	119,295	114,682	1,625	1,889
Total Assets	143,604	145,274	61,732	61,996
<u>EQUITY AND LIABILITIES</u>				
<u>Equity</u>				
Share Capital	56,325	56,325	56,325	56,325
Retained Earnings	37,192	44,780	5,224	5,208
Other Reserves	10,124	14,116	-	-
Total Equity	103,641	115,221	61,549	61,533
<u>Non-Current Liabilities</u>				
Deferred Tax Liabilities	1,293	2,859	-	-
Provisions	20	70	-	-
Other Financial Liabilities	1,563	2,750	-	-
Total Non-Current Liabilities	2,876	5,679	-	-
<u>Current Liabilities</u>				
Income Tax Payable	-	32	4	9
Trade and Other Payables	5,204	8,801	179	454
Other Financial Liabilities	30,605	15,433	-	-
Other Non-Financial Liabilities	1,278	108	-	-
Total Current Liabilities	37,087	24,374	183	463
Total Liabilities	39,963	30,053	183	463
Total Equity and Liabilities	143,604	145,274	61,732	61,996



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1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/09/2017		As at 30/09/2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
30,605	-	15,433	-

Amount repayable after one year

As at 30/09/2017		As at 30/09/2016	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
1,563	-	2,750	-

Details of any collateral

As at 30 September 2017, the Group's borrowings and debt securities consist of bills payable, finance leases and loan for the properties at 90 Second Lok Yang Road Singapore 628166 and 36 Tuas Crescent Singapore 638724.

The borrowings are secured by:

- (a) Legal mortgage on the Group's leasehold properties at 90 Second Lok Yang Road Singapore 628166 and 36 Tuas Crescent Singapore 638724;
- (b) Negative pledge over the assets of the Group;

and covered by corporate guarantees issued by the Company.

The obligations under finance leases are secured by the lessor's charge over the leased assets.



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1(c) A consolidated statement of cash flows together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	<u>4QFY2017</u> S\$'000	<u>4QFY2016</u> S\$'000	<u>1-Oct-16</u> <u>30-Sep-17</u> S\$'000	<u>1-Oct-15</u> <u>30-Sep-16</u> S\$'000
Cash Flows From Operating Activities :				
Loss Before Tax	(3,857)	(7,920)	(10,829)	(8,801)
Adjustments for :				
Interest Income	(9)	(9)	(30)	(55)
Interest Expense	122	114	430	673
Depreciation of Property, Plant and Equipment	1,396	1,494	5,937	5,609
(Gain)/ Loss on Disposal of Plant and Equipment	(4)	-	(9)	2
Plant and Equipment Written Off	30	-	30	-
Impairment Loss on Available-For-Fale Financial Assets	120	-	120	-
Net Effect of Exchange Rate Changes in Consolidating Foreign Operations	(25)	(37)	(60)	(27)
Fair Value Loss / (Gain) on Financial Assets at Fair Value through Profit or Loss	17	(20)	(51)	49
Fair Value Gain on Derivative Financial Instruments	-	(7)	-	-
Operating Cash Flows before Changes in Working Capital	(2,210)	(6,385)	(4,462)	(2,550)
Inventories	1,760	9,038	9,967	15,013
Trade and Other Receivables	(2,538)	677	(8,197)	9,265
Other Assets	(42)	140	(72)	106
Bills Payable	9,454	(5,133)	19,179	(19,230)
Trade and Other Payables	(1,683)	(53)	(3,597)	(3,078)
Other Non-Financial Liabilities	950	(18)	1,170	(12)
Net Cash Flows From/ (Used in) Operations	5,691	(1,734)	13,988	(486)
Income Taxes Paid	(45)	13	(240)	(52)
Net Cash Flows From/ (Used in) Operating Activities	5,646	(1,721)	13,748	(538)
Cash Flows From Investing Activities :				
Purchase of Property, Plant and Equipment	(2,070)	(108)	(2,478)	(700)
Disposal of Property, Plant and Equipment	111	-	172	38
Surrender Payment Received on Keyman Insurance	-	-	34	-
Interest Received	9	9	30	55
Net Cash Flows Used in Investing Activities	(1,950)	(99)	(2,242)	(607)
Cash Flows From Financing Activities :				
Cash Restricted in Use Over 3 Months	(1)	(1)	(1)	(1)
Decrease in Other Financial Liabilities	(1,272)	(925)	(6,253)	(7,574)
Increase from New Borrowings	1,085	3,000	1,085	3,000
Finance Leases Repayments	(92)	(37)	(238)	(69)
Dividends Paid	-	-	(1,452)	(1,452)
Interest Paid	(122)	(114)	(430)	(673)
Net Cash Flows (Used in)/ From Financing Activities	(402)	1,923	(7,289)	(6,769)
Net Increase/ (Decrease) in Cash and Cash Equivalents	3,294	103	4,217	(7,914)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	18,005	16,979	17,082	24,996
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	21,299	17,082	21,299	17,082



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	<u>4QFY2017</u> S\$'000	<u>4QFY2016</u> S\$'000	<u>1-Oct-16</u> <u>30-Sep-17</u> S\$'000	<u>1-Oct-15</u> <u>30-Sep-16</u> S\$'000
Cash and Cash Equivalents	21,326	17,108	21,326	17,108
Cash Restricted in Use Over 3 Months	(27)	(26)	(27)	(26)
Cash and Cash Equivalents for Statement of Cash Flows purposes at end of the period	21,299	17,082	21,299	17,082

Non-cash transactions:

There were acquisitions of certain assets under property, plant and equipment with a total cost of \$212,000 (FY2016: \$441,500) acquired by means of finance leases.

1(d)(i) A statement (for the issuer) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Group</u>	<u>Share Capital</u> S\$'000	<u>Currency Translation Reserve</u> S\$'000	<u>Revaluation Reserve</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Total Equity</u> S\$'000
Balance at 1 October 2015	56,325	281	15,221	50,807	122,634
Total Comprehensive Loss for FY2016	-	(27)	1,641	(7,575)	(5,961)
Dividends Paid	-	-	-	(1,452)	(1,452)
Transfer to Retained Earnings of Difference Between Depreciation on Carrying Revalued Amount and Depreciation Based on Original Cost	-	-	(3,000)	3,000	-
Balance at 30 September 2016	56,325	254	13,862	44,780	115,221
Balance at 1 October 2016	56,325	254	13,862	44,780	115,221
Total Comprehensive Loss for FY2017	-	(60)	(689)	(9,379)	(10,128)
Dividends Paid	-	-	-	(1,452)	(1,452)
Transfer to Retained Earnings of Difference Between Depreciation on Carrying Revalued Amount and Depreciation Based on Original Cost	-	-	(3,243)	3,243	-
Balance at 30 September 2017	56,325	194	9,930	37,192	103,641

<u>Company</u>	<u>Share Capital</u> S\$'000	<u>Retained Earnings</u> S\$'000	<u>Total Equity</u> S\$'000
Balance at 1 October 2015	56,325	6,546	62,871
Total Comprehensive Income for FY2016	-	114	114
Dividends Paid	-	(1,452)	(1,452)
Balance at 30 September 2016	56,325	5,208	61,533
Balance at 1 October 2016	56,325	5,208	61,533
Total Comprehensive Income for FY2017	-	1,468	1,468
Dividends Paid	-	(1,452)	(1,452)
Balance at 30 September 2017	56,325	5,224	61,549



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1(d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company’s share capital since 30 September 2016. There were no outstanding convertibles and treasury shares as at 30 September 2017 and 30 September 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30/09/17	As at 30/09/16
290,399,997	290,399,997

The Company did not have any treasury shares at the end of the current financial period and as at the end of the immediately preceding year.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as in the most recently audited financial statements for the financial year ended 30 September 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There were no changes in the accounting policies and methods of computation.



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6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group			
	4QFY2017	4QFY2016	FY2017	FY2016
Earnings per ordinary share of the Group (in cents):				
(a) Based on weighted average number of ordinary shares in issue	(0.83)	(2.27)	(3.23)	(2.61)
(b) On a fully diluted basis	(0.83)	(2.27)	(3.23)	(2.61)
Weighted average number of ordinary shares in issue	290,399,997	290,399,997	290,399,997	290,399,997

The fully diluted earnings per ordinary share is the same as the basic earnings per ordinary share as there were no options granted or outstanding during the financial period.

7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	As at 30/09/2017	As at 30/09/2016	As at 30/09/2017	As at 30/09/2016
Net asset value per ordinary share based on issued share capital at the end of the financial period (in cents):	35.69	39.68	21.19	21.19
Number of ordinary shares in issue	290,399,997	290,399,997	290,399,997	290,399,997

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**
 (a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Statement of Comprehensive Income Review

Revenue

Revenue increased by \$9.6 million or 71.2% from \$13.5 million in 4QFY2016 to \$23.1 million in 4QFY2017. The increase was mainly due to increase in revenue from customers in the Energy and Trading Sectors. There was an increase in revenue of \$8.1 million or 11.9% from \$68.8 million in FY2016 to \$76.9 million in FY2017 year on year. Revenue from Energy and Trading Sectors had increased by \$17.4 million or 43.2% and \$3.9 million or 44.4% respectively. The increase was offset by a decrease in revenue from Marine Sector. Revenue from Marine Sector had decreased by \$12.7 million or 69.2% from \$18.3 million in FY2016 to \$5.6 million in FY2017.



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Geographically, despite being the main contributor at 33.6% of the revenue generated in FY2017, the Singapore market saw the largest decline in revenue of \$14.1 million or 35.3% from \$39.9 million FY2016 to \$25.8 million in FY2017. Revenue had increased in all markets with the exception of Singapore, Malaysia and Brunei.

Gross Profit and Gross Profit Margin

Despite of the increase in revenue, gross profit had decreased by \$0.6 million or 21.5% from \$2.6 million in 4QFY2016 to \$2.0 million in 4QFY2017. Gross profit margin decreased by 10.3 percentage point from 19.1% in 4QFY2016 to 8.8% in 4QFY2017 due to margin pressure from the market. Likewise, year on year, gross profit had decreased by \$4.0 million or 27.2% from \$14.9 million in FY2016 to \$10.9 million in FY2017 while gross profit margin had decreased by 7.6 percentage points from 21.7% in FY2016 to 14.1% in FY2017.

Financial Income and Expense

Financial income remained stable at \$9 thousand in both 4QFY2016 and 4QFY2017. Financial income had decreased by \$25 thousand year on year from lesser interest earned on fixed deposits and an equity-linked structured investment.

Financial expense remained relatively stable at \$0.1 million in both 4QFY2016 and 4QFY2017. Financial expense had decreased by \$0.3 million from \$0.7 million in FY2016 to \$0.4 million in FY2017 mainly due to lower interest paid on reduced borrowings.

Operating Expenses

Distribution costs had decreased by \$0.2 million or 12.0% from \$1.4 million in 4QFY2016 to \$1.2 million in 4QFY2017 mainly from decreases in employee benefits expenses. Year on year, distribution costs had decreased by \$0.7 million or 12.1% from \$6.1 million in FY2016 to \$5.4 million in FY2017 as per the reason contributing to the quarter on quarter decline.

Administrative expenses had decreased by \$0.2 million or 10.1% from \$1.7 million in 4QFY2016 to \$1.5 million in 4QFY2017 mainly from lower employee benefits expenses. Lower employee benefits expenses also accounted for the year on year decrease in administrative costs of \$0.5 million or 7.0% from \$7.2 million in FY2016 to \$6.7 million in FY2017.

Depreciation expense had decreased by \$0.1 million or 6.6% from \$1.5 million in 4QFY2016 to \$1.4 million in 4QFY2017 mainly from the lower upward revaluations of the properties performed in August 2017. Year on year, depreciation expense had increased of \$0.3 million or 5.8% from \$5.6 million in FY2016 to \$5.9 million in FY2017 mainly from higher depreciation on properties.

Other (Charges)/Credits

Other charges had decreased by \$4.2 million or 72.5% from \$5.8 million in 4QFY2016 to \$1.6 million in 4QFY2017 mainly due to lower provision for slow moving inventories, partly offset by foreign exchange loss. Year on year, other charges had decreased by \$0.9 million or 21.5% from \$4.2 million in FY2016 to \$3.3 million in FY2017 as per the reason contributing to the quarter on quarter decline.



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Loss Before Income Tax

Loss before income tax had decreased by \$4.0 million or 51.3% from \$7.9 million in 4QFY016 to \$3.9 million in 4QFY2017. Year on year, loss before income tax had increased by \$2.0 million or 23.0% from \$8.8 million in FY2016 to \$10.8 million in FY2017 due to reasons as aforementioned.

Other Comprehensive Loss

Other comprehensive income had decreased by \$1.0 million or 65.5% from \$1.6 million in 4QFY016 to \$0.6 million in 4QFY2017, mainly due to lower upward revaluations of the properties. Year on year, other comprehensive income had decreased by \$2.3 million or 146.4% from an income of \$1.6 million in FY2016 to a loss of \$0.7 million in FY2017, mainly from the lower upward revaluations of the properties and the loss on deemed disposal of property. The warehouse located at 90 Second Lok Yang Road ("Property") was demolished in May 2017 for the construction and development of a warehouse at the Property.

Statement of Financial Position Review

Non-Current Assets

Non-current assets had decreased by \$6.3 million or 20.5% from \$30.6 million as at 30 September 2016 to \$24.3 million as at 30 September 2017 mainly due to the demolition of warehouse located at 90 Second Lok Yang Road, depreciation charged in the current financial year and decrease in non-current portion of trade and other receivables.

Current Assets

Current assets had increased by \$4.6 million or 4.0% from \$114.7 million as at 30 September 2016 to \$119.3 million as at 30 September 2017. The increase was mainly due to the increase in trade and other receivables and cash and cash equivalents, partly offset by the decrease in inventories. Trade and other receivables increased by \$10.0 million or 59.9% from \$16.8 million as at 30 September 2016 to \$26.8 million as at 30 September 2017. Cash and cash equivalents had increased by \$4.2 million or 24.7% from \$17.1 million as at 30 September 2016 to \$21.3 million as at 30 September 2017. Conversely, inventories had decreased by \$9.9 million or 12.6% from \$78.8 million as at 30 September 2016 to \$68.9 million as at 30 September 2017.

Non-Current Liabilities

Non-current liabilities had decreased by \$2.8 million or 49.4% from \$5.7 million as at 30 September 2016 to \$2.9 million as at 30 September 2017 from repayment of bank borrowings and realisation of deferred tax liabilities.

Current Liabilities

Current liabilities had increased by \$12.7 million or 52.2% from \$24.4 million as at 30 September 2016 to \$37.1 million as at 30 September 2017 mainly from the increase in other financial liabilities, partly offset by the decrease in trade and other payables. Other financial liabilities, which consist of short-term borrowings and current portion of long-term borrowings and finance leases, had increased by \$15.2 million or 98.3% from \$15.4 million as at 30 September 2016 to \$30.6 million as at 30 September 2017. Trade and other payables had decreased by \$3.6 million or 40.9% from \$8.8 million as at 30 September 2016 to \$5.2 million as at 30 September 2017.



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Equity

Total equity decreased by \$11.6 million or 10.1% from \$115.2 million as at 30 September 2016 to \$103.6 million as at 30 September 2017 mainly from the loss incurred in the year ended 30 September 2017, dividends paid of \$1.5 million and loss on deemed disposal of warehouse located at 90 Second Lok Yang Road.

Statement of Cash Flows Review

Cash Flows From/(Used in) Operating Activities

Cash from operating activities had increased by \$7.3 million from an outflow of \$1.7 million in 4QFY2016 to an inflow of \$5.6 million in 4QFY2017 mainly from the lower operating loss and the working capital changes. Year on year, cash from operating activities had increased by \$14.2 million from an outflow of \$0.5 million in FY2016 to an inflow of \$13.7 million in FY2017 mainly from the working capital changes.

Cash Flows Used In Investing Activities

Cash used in investing activities had increased by \$1.9 million from \$99 thousand in 4QFY2016 to \$2.0 million in 4QFY2017 mainly due to higher capital expenditure in current financial period. Year on year, cash used in investing activities had increased by \$1.6 million from \$0.6 million in FY2016 to \$2.2 million in FY2017 as per the reason contributing to the quarter on quarter increase.

Cash Flows (Used In)/From Financing Activities

Cash used in financing activities had increased by \$2.3 million from an inflow of \$1.9 million in 4QFY2016 to an outflow of \$0.4 million in 4QFY2017 mainly due to higher repayments for bank borrowings. Year on year, cash used in financing activities had increased by \$0.5 million from \$6.8 million in FY2016 to \$7.3 million in FY2017 mainly from lower new bank borrowings.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously disclosed.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

We expect revenue and margin generation to continue to be impacted by the market conditions, and our 1QFY2018 financial performance may be adversely affected accordingly.

We will continue to manage our cost effectively and actively identify new potential markets and suitable opportunities for growth.



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11. Dividend

(a) Current Financial Period Reported On

No dividend is declared by the Company for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

A dividend of \$0.005 per share was declared by the Company for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended.

13. If the Group has obtained a general mandate from shareholders for IPTS, the aggregate value of such transactions as required under Rule 920(1)(a)(ii), If no IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the IPT Mandate)	Aggregate value of all interested person transactions conducted under the IPT Mandate (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
Hanwa Group *	-	5,752

* Hanwa Co., Ltd and its subsidiaries, and (where applicable) its associated companies.

14. Confirmation pursuant to Rule 720 (1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.



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PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer’s most recently audited annual financial statement, with comparative information for the immediately preceding year.**

By Customer Types

Financial year ended 30 September 2017

	<u>Energy</u>	<u>Marine</u>	<u>Trading</u>	<u>Others</u>	<u>Group</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
REVENUE					
Total Revenue	57,522	5,619	12,745	1,036	76,922
Segment Results	8,386	986	1,774	(279)	10,867
Unallocated corporate expenses					(17,993)
Loss from operations					(7,126)
Financial income					30
Financial expense					(430)
Other charges					(3,303)
Loss before income tax					(10,829)
Income tax income					1,450
Loss for the year					(9,379)

Balance Sheet

As at 30 September 2017

ASSETS

Unallocated corporate assets 143,604

LIABILITIES

Unallocated corporate liabilities 39,963



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

Financial year ended 30 September 2016

	<u>Energy</u>	<u>Marine</u>	<u>Trading</u>	<u>Others</u>	<u>Group</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
REVENUE					
Total Revenue	40,172	18,266	8,826	1,493	<u>68,757</u>
Segment Results	<u>8,031</u>	<u>3,844</u>	<u>2,854</u>	<u>201</u>	14,930
Unallocated corporate expenses					<u>(18,907)</u>
Loss from operations					(3,977)
Financial income					55
Financial expense					(673)
Other charges					<u>(4,206)</u>
Loss before income tax					(8,801)
Income tax income					<u>1,226</u>
Loss for the year					<u>(7,575)</u>

Balance Sheet
As at 30 September 2016

ASSETS

Unallocated corporate assets	<u>145,274</u>
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LIABILITIES

Unallocated corporate liabilities	<u>30,053</u>
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Others include customers in other industries such as manufacturing sector.



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

By Geographical Segments

Sales revenue by geographical market
Financial year ended 30 September

	FY2017 S\$'000	FY2016 S\$'000
Brunei	2,602	3,067
Europe	2,718	2,283
Indonesia	1,509	488
Japan	23,675	5,248
Malaysia	1,948	3,750
Middle East	2,462	119
Singapore	25,808	39,883
Thailand	825	57
Vietnam	11,326	8,357
Others	4,049	5,505
	76,922	68,757

Others include customers in Australia, China and the Philippines.

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

17. **A breakdown of sales.**

	FY2017	FY2016	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Sales reported for first half year	28,244	38,768	(27.1)
(b) Operating loss after tax before deducting minority interest reported for first half year	(4,691)	(350)	1,240.3
(c) Sales reported for second half year	48,678	29,989	62.3
(d) Operating loss after tax before deducting minority interest reported for second half year	(4,688)	(7,225)	(35.1)



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year.

	FY2017 \$'000	FY2016 \$'000
Ordinary	-	1,452

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to confirm that the persons occupying managerial positions of the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company as at 30 September 2017 are as follows:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any during the year
Teoh Bee Choo	66	Spouse of Mr Ong Chin Sum, Chief Executive Officer and Executive Director Mother of Mr Ong Tong Hai and Mr Ong Tong Yang, Executive Directors	Human Resource Manager, position first held in 2005	Nil



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

20. Disclosure of proceeds from placement

Use of Proceeds	In circular		Actual	
	Estimated percentage allocation of net proceeds as set out in the Circular	Allocation of net proceeds	Proceeds utilised as at the date of this announcement	Balance of the proceeds as at the date of this announcement
	%	S\$'000	S\$'000	S\$'000
Financing the construction of a new building and acquisition of machinery and equipment at 90 Second Lok Yang Road	24.0%	3,400	2,212	1,188
Acquisition of machinery and equipment at 36 Tuas Crescent	8.0%	1,100	318	782
Repayment of short term loans	35.0%	5,000	5,000	-
General working capital purposes	33.0%	4,800	4,800	-
Total	100.0%	14,300	12,330	1,970

By order of the Board

Ong Chin Sum
 Chief Executive Officer

Ong Tong Hai
 Director

15 November 2017