



COSMOSTEEL

COSMOSTEEL HOLDINGS LIMITED

Condensed Financial Statements
For the Second Half Year (“2HY2023”) and
Full Year (“FY2023”) Ended 30 September 2023



COSMOSTEEL HOLDINGS LIMITED
Co. Reg. No. 200515540Z

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CONDENSED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2022

A. Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Group					
		2HY2023 \$'000	2HY2022 \$'000	% + / (-)	FY2023 \$'000	FY2022 \$'000	% + / (-)
Revenue	4	31,439	26,026	20.8	83,448	46,083	81.1
Cost of Sales		(26,657)	(19,378)	37.6	(70,260)	(35,035)	100.5
Gross Profit		4,782	6,648	(28.1)	13,188	11,048	19.4
Interest Income		127	4	NM	246	4	NM
Finance Costs		(495)	(185)	167.6	(880)	(335)	162.7
Marketing and Distribution Costs		(1,698)	(1,803)	(5.8)	(3,277)	(3,750)	(12.6)
Administrative Expenses		(2,522)	(2,225)	13.3	(4,603)	(4,080)	12.8
Depreciation of Property, Plant and Equipment		(1,404)	(1,132)	24.0	(2,753)	(2,328)	18.3
Depreciation of Right-of-Use Assets		(140)	(690)	(79.7)	(463)	(1,385)	(66.6)
Other Gains/ (Losses) (Net)		1,696	(497)	(441.2)	1,611	3,196	(49.6)
Profit Before Tax	5	346	120	188.3	3,069	2,370	29.5
Income Tax (Expense)/ Benefit	6	(375)	123	(404.9)	(264)	(91)	190.1
Profit for The Period		(29)	243	(111.9)	2,805	2,279	23.1
<u>Other Comprehensive Income/ (Loss):</u>							
Items That Will Not Be Reclassified To Profit or Loss:							
Gains/ (Losses) on Property Revaluation, Net of Tax		569	598	(4.8)	1,110	(444)	(350.0)
Items That May Be Reclassified Subsequently To Profit or Loss:							
Exchange Differences on Translating Foreign Operations, Net of Tax		(93)	115	(180.9)	(51)	67	(176.1)
Other Comprehensive Income/ (Loss) for The Period, Net of Tax		476	713	(33.2)	1,059	(377)	(380.9)
Total Comprehensive Income for The Period, Net of Tax		447	956	(53.2)	3,864	1,902	103.2
<u>(Loss)/ Earnings Per Share:</u>							
Basic and Diluted (In Cents)	7	(0.01)	0.09		1.07	0.81	

NM: Not meaningful



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B. Condensed Statements of Financial Position

	Notes	Group		Company	
		As at 30 Sep 2023 \$'000	As at 30 Sep 2022 \$'000	As at 30 Sep 2023 \$'000	As at 30 Sep 2022 \$'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	9	22,697	22,463	-	-
Right-of-Use Assets		2,278	2,488	-	-
Investments in Subsidiaries		-	-	60,107	60,107 ¹
Trade and Other Receivables		951	-	-	- ¹
Total Non-Current Assets		25,926	24,951	60,107	60,107
Current Assets					
Inventories		25,647	30,154	-	-
Trade and Other Receivables		30,290	17,170	826	345
Financial Assets	10	154	142	-	-
Other Non-Financial Assets		962	485	30	28
Cash and Cash Equivalents		18,948	24,895	1,173	1,979
Total Current Assets		76,001	72,846	2,029	2,352
Total Assets		101,927	97,797	62,136	62,459
EQUITY AND LIABILITIES					
Equity					
Share Capital	12	56,325	56,325	56,325	56,325
Treasury Shares	12	(4,238)	(4,238)	(4,238)	(4,238)
Retained Earnings		21,595	19,167	9,511	10,084
Other Reserves		6,759	6,630	-	-
Total Equity		80,441	77,884	61,598	62,171
Non-Current Liabilities					
Provisions		719	815	-	-
Deferred Tax Liabilities		195	-	-	- ¹
Loans and Borrowings	11	4,122	5,847	-	-
Lease Liabilities		2,159	2,167	-	-
Total Non-Current Liabilities		7,195	8,829	-	-
Current Liabilities					
Income Tax Payable		159	-	155	-
Trade and Other Payables		5,314	5,601	383	288
Loans and Borrowings	11	8,332	4,767	-	-
Lease Liabilities		253	429	-	-
Other Non-Financial Liabilities		233	287	-	-
Total Current Liabilities		14,291	11,084	538	288
Total Liabilities		21,486	19,913	538	288
Total Equity and Liabilities		101,927	97,797	62,136	62,459



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C. Condensed Consolidated Statement of Cash Flows

	Group			
	2HY2023	2HY2022	FY2023	FY2022
	\$'000	\$'000	\$'000	\$'000
Cash Flows From Operating Activities :				
Profit Before Tax	346	120	3,069	2,370
Adjustments for :				
Interest Income	(127)	(4)	(246)	(4)
Interest Expense	495	185	880	335
Depreciation of Property, Plant and Equipment	1,404	1,132	2,753	2,328
Depreciation of Right-of-Use Assets	140	690	463	1,385
Loss on Disposal of Property, Plant and Equipment	33	-	33	-
Operating Cash Flows before Changes in Working Capital	2,291	2,123	6,952	6,414
Inventories	278	6,360	4,507	4,132
Trade and Other Receivables	10,085	(5,760)	(14,089)	(8,097)
Financial Assets	(5)	(7)	(12)	(12)
Other Non-Financial Assets	60	(143)	(477)	104
Trade and Other Payables	(7,759)	3,205	(287)	1,701
Other Non-Financial Liabilities	(155)	1	(54)	(133)
Net Cash Flows From/ (Used in) Operations	4,795	5,779	(3,460)	4,109
Income Taxes Paid	(12)	-	(138)	-
Net Cash Flows From/ (Used in) Operating Activities	4,783	5,779	(3,598)	4,109
Cash Flows From Investing Activities :				
Purchase of Property, Plant and Equipment	(868)	(1,303)	(1,723)	(2,873)
Proceeds From Disposal of Property, Plant and Equipment	127	-	127	-
Cash Restricted in Use Over 3 Months	(439)	-	(439)	-
Interest Received	100	4	219	4
Net Cash Flows Used in Investing Activities	(1,080)	(1,299)	(1,816)	(2,869)
Cash Flows From Financing Activities :				
(Decrease)/ Increase in Loan and Borrowings	(7,842)	(871)	1,515	(2,780)
Increase from New Borrowings	-	1,687	325	2,049
Payment of Lease Liabilities (Principal Portion)	(131)	(682)	(443)	(1,358)
Payment of Lease Liabilities (Interest Portion)	(41)	(43)	(79)	(88)
Provisions, Non-Current	-	(78)	(182)	(78)
Purchase of Treasury Shares	-	(3,803)	-	(4,238)
Dividends Paid	-	(702)	(1,307)	(2,154)
Interest Paid	(454)	(142)	(801)	(247)
Net Cash Flows Used in Financing Activities	(8,468)	(4,634)	(972)	(8,894)
Net Decrease in Cash and Cash Equivalents	(4,765)	(154)	(6,386)	(7,654)
Cash and Cash Equivalents at Beginning of The Period	23,274	25,049	24,895	32,549
Cash and Cash Equivalents at End of The Period	18,509	24,895	18,509	24,895



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C. Condensed Consolidated Statement of Cash Flows (cont'd)

	Group			
	As at 30-Sep-23 S\$'000	As at 30-Sep-22 S\$'000	As at 30-Sep-23 \$'000	As at 30-Sep-22 \$'000
Cash and Cash Equivalents	18,948	24,895	18,948	24,895
Cash Restricted in Use Over 3 Months	(439)	-	(439)	-
Cash and Cash Equivalents at End of The Period	18,509	24,895	18,509	24,895

D. Condensed Statements of Changes in Equity

Group	Currency					
	Share Capital \$'000	Treasury Shares \$'000	Translation Reserve \$'000	Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 October 2021	56,325	-	275	7,604	18,170	82,374
Total Comprehensive Income for FY2022	-	-	67	(444)	2,279	1,902
Dividends Paid (Note 8)	-	-	-	-	(2,154)	(2,154)
Purchase of Treasury Shares (Note 12)	-	(4,238)	-	-	-	(4,238)
Transfer to Retained Earnings of Difference Between Depreciation on Carrying Revalued Amount and Depreciation Based on Original Cost	-	-	-	(872)	872	-
Balance at 30 September 2022	56,325	(4,238)	342	6,288	19,167	77,884
Balance at 1 October 2022	56,325	(4,238)	342	6,288	19,167	77,884
Total Comprehensive Income for FY2023	-	-	(51)	1,110	2,805	3,864
Dividends Paid (Note 8)	-	-	-	-	(1,307)	(1,307)
Transfer to Retained Earnings of Difference Between Depreciation on Revalued Carrying Amount and Depreciation Based on Original Cost	-	-	-	(930)	930	-
Balance at 30 September 2023	56,325	(4,238)	291	6,468	21,595	80,441

Company	Share Capital \$'000	Treasury Shares \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 October 2021	56,325	-	7,257	63,582
Total Comprehensive Income for FY2022	-	-	4,981	4,981
Dividends Paid (Note 8)	-	-	(2,154)	(2,154)
Purchase of Treasury Shares (Note 12)	-	(4,238)	-	(4,238)
Balance at 30 September 2022	56,325	(4,238)	10,084	62,171
Balance at 1 October 2022	56,325	(4,238)	10,084	62,171
Total Comprehensive Income for FY2023	-	-	734	734
Dividends Paid (Note 8)	-	-	(1,307)	(1,307)
Balance at 30 September 2023	56,325	(4,238)	9,511	61,598



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E. Notes to the Condensed Consolidated Financial Statements
30 September 2023

1. General

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (referred to as “parent”) and the subsidiaries. The registered office is: 14 Lok Yang Way, Singapore 628633. The company is situated in Singapore.

The board of directors approved and authorised these condensed financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

The company is an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the group are disclosed in Note 3 on segment information.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

The latest audited annual financial statements (“AAFS”) were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

Uncertainties relating to the current economic conditions

The effects of current economic conditions due to rising interest rate and inflation in commodities prices has had, or may have, an impact on the reporting entity based on known information that extends to the nature of the products and services offered, customers, supply chains, staffing and geographic regions in which the reporting entity operates. Other than as addressed in specific notes, there does not currently appear to be either any material impact upon the financial statements or any material uncertainties with respect to events or conditions which may impact the reporting entity unfavourably as at the reporting date or subsequently as a result of the current economic conditions.

Basis of presentation

These condensed consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. They are also in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the provisions of the SGX Mainboard Listing Rules.



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1. General (cont'd)

Basis of presentation (cont'd)

The accounting policies and methods of computation applied in these condensed consolidated financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 30 September 2022. However, the typical notes and information included in the latest audited annual financial statements are not included in these financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position the group since the latest audited annual financial statements.

New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclose with further details in the relevant Notes to these condensed consolidated financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2022.

2. Seasonality of operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

3. Financial information by operating segments

3A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

Revenue generated is derived from the sale, supply and machining of flanges, steel fittings, tubings and pipes for the following main industries which form the basis on which the group reports its primary segment information.



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3. Financial information by operating segments (cont'd)

3A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

The main industries of the customers are as follows:

- Energy – Oil and gas, engineering and construction, petrochemical and power.
- Marine – Shipbuilding and repair.
- Trading – Traders that purchase goods and on-sell to end-user customers.
- Others – Other industries such as the manufacturing and pharmaceutical sectors.

Unallocated items comprise cash and cash equivalents, trade and other receivables, financial assets, other non-financial assets, property, plant and equipment, right-of-use assets, other financial liabilities, trade and other payables, other non-financial liabilities, current tax recoverable (payable), deferred tax liabilities, interest income, depreciation expenses, marketing and distribution costs, administrative expenses, finance costs, other gains (losses) and income tax benefit (expense). It is not meaningful to allocate these amounts by business segments.

3B. Profit or loss from continuing operations and reconciliations

	<u>Energy</u> \$'000	<u>Marine</u> \$'000	<u>Trading</u> \$'000	<u>Others</u> \$'000	<u>Group</u> \$'000
<u>FY2023</u>					
Revenue by segment					
Total revenue	<u>66,839</u>	<u>2,877</u>	<u>11,978</u>	<u>1,754</u>	<u>83,448</u>
Segment results	<u>10,180</u>	<u>865</u>	<u>1,772</u>	<u>371</u>	13,188
Unallocated expenses					(11,096)
Profit from operations					2,092
Interest income					246
Finance costs					(880)
Other gains (net)					1,611
Profit before tax					3,069
Income tax expense					(264)
Profit from continuing operations					<u>2,805</u>
<u>FY2022</u>					
Revenue by segment					
Total revenue	<u>26,136</u>	<u>2,526</u>	<u>16,458</u>	<u>963</u>	<u>46,083</u>
Segment results	<u>6,555</u>	<u>694</u>	<u>3,957</u>	<u>(158)</u>	11,048
Unallocated expenses					(11,543)
Loss from operations					(495)
Interest income					4
Finance costs					(335)
Other gains (net)					3,196
Profit before tax					2,370
Income tax expense					(91)
Profit from continuing operations					<u>2,279</u>



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3. Financial information by operating segments (cont'd)

3B. Profit or loss from continuing operations and reconciliations (cont'd)

	<u>Energy</u> \$'000	<u>Marine</u> \$'000	<u>Trading</u> \$'000	<u>Others</u> \$'000	<u>Group</u> \$'000
2HY2023					
Revenue by segment					
Total revenue	24,525	695	5,133	1,086	31,439
Segment results	4,718	240	(392)	216	4,782
Unallocated expenses					(5,764)
Loss from operations					(982)
Interest income					127
Finance costs					(495)
Other gains (net)					1,696
Profit before tax					346
Income tax expense					(375)
Profit from continuing operations					(29)
2HY2022					
Revenue by segment					
Total revenue	12,470	1,732	11,412	412	26,026
Segment results	3,307	453	2,732	156	6,648
Unallocated expenses					(5,850)
Profit from operations					798
Interest income					4
Finance costs					(185)
Other gains (net)					(497)
Profit before tax					120
Income tax benefit					123
Profit from continuing operations					243

3C. Assets, liabilities and reconciliations

Assets and liabilities of the group are considered impracticable to allocate to segments.

3D. Other material items and reconciliations

	<u>2HY2023</u> \$'000	<u>2HY2022</u> \$'000	<u>Group</u> <u>FY2023</u> \$'000	<u>FY2022</u> \$'000
Expenditures for non-current assets	(868)	(1,303)	(1,723)	(2,873)
Allowance for impairment of trade receivables – loss	(16)	(404)	(279)	(404)
Bad debts recovered on trade receivables (net)	1	2	35	113
Losses on disposal of plant and equipment	(33)	–	(33)	–
Allowance for impairment allowance on inventories – reversal/ (loss)	1,122	(612)	2,697	2,788



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3. Financial information by operating segments (cont'd)

3E. Geographical information

The following table provides an analysis of the revenue and non-current assets by geographical market, irrespective of the origin of the goods/services:

	<u>Revenue</u>				<u>Non-current assets</u>	
	<u>2HY2023</u>	<u>2HY2022</u>	<u>FY2023</u>	<u>FY2022</u>	<u>30 Sep 23</u>	<u>30 Sep 22</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	17,696	13,286	59,759	24,597	25,750	24,919
Brunei	4,462	3,015	6,478	5,926	–	–
Japan	52	5,361	2,714	8,727	–	–
Other countries	9,229	4,364	14,497	6,833	176	32
	<u>31,439</u>	<u>26,026</u>	<u>83,448</u>	<u>46,083</u>	<u>25,926</u>	<u>24,951</u>

Other than Singapore (FY2022: Singapore, Brunei and Japan), no single country accounted for 10% or more of the Group's revenue.

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located.

The group has not identified profit before tax by industries or by geographical markets as the allocation of costs cannot be allocated in a similar manner with reasonable accuracy. This is because the operating expenses and administrative expenses incurred for industries or geographical markets such as marketing expenses, remuneration and facilities-related costs are general costs which are accounted for on a group-wide basis. It is not meaningful to track operating costs and administrative expenses by industries or geographical markets.

4. Disaggregation of revenue

	<u>Group</u>			
	<u>2HY2023</u>	<u>2HY2022</u>	<u>FY2023</u>	<u>FY2022</u>
	\$'000	\$'000	\$'000	\$'000
Sale of goods	31,335	26,001	83,330	46,037
Other	104	25	118	46
Total revenue	<u>31,439</u>	<u>26,026</u>	<u>83,448</u>	<u>46,083</u>

The revenue is primarily from sale of goods, which is recognised based on point in time. The customers are mainly from the energy sector with a large portion from Singapore.



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5. Profit before tax is arrived after crediting/ (charging) the following:

	<u>2HY2023</u> \$'000	<u>2HY2022</u> \$'000	<u>Group</u> <u>FY2023</u> \$'000	<u>FY2022</u> \$'000
<u>Finance costs</u>				
Interest on borrowings	(454)	(142)	(801)	(247)
<u>Marketing and distribution costs</u>				
Employee benefit expense	(1,532)	(1,616)	(2,890)	(3,330)
<u>Administrative expenses</u>				
Employee benefit expense	(1,317)	(1,189)	(2,242)	(1,888)
<u>Other gains and (other losses)</u>				
Allowance for impairment of trade receivables – loss	(16)	(404)	(279)	(404)
Bad debts recovered on trade receivables (net)	1	2	35	113
Fair value gains on financial assets at FVTPL	5	7	12	12
Foreign exchange gains/ (losses)	617	510	(821)	687
Losses on disposal of plant and equipment	(33)	–	(33)	–
Allowance for impairment allowance on inventories – reversal/ (loss)	1,122	(612)	2,697	2,788

6. Income tax

Components of tax expense (benefit) recognised in profit or loss include:

	<u>2HY23</u> \$'000	<u>2HY2022</u> \$'000	<u>Group</u> <u>FY2023</u> \$'000	<u>FY2022</u> \$'000
<u>Current tax income</u>				
Current tax expense	171	–	171	–
Under adjustments in respect of prior periods	125	–	125	–
Subtotal	296	–	296	–
<u>Deferred tax</u>				
Deferred tax expense/ (benefit)	79	(123)	(32)	91
Subtotal	79	(123)	(32)	91
Total income tax expense/ (benefit)	375	(123)	264	91



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7. (Loss)/ Earnings per share

The (loss)/ earnings per share is calculated by dividing the group's (loss)/ profit attributable to shareholders by the weighted number of shares of no par value in issue during the reporting period.

	<u>2HY2023</u> \$'000	<u>2HY2022</u> \$'000	<u>Group</u> <u>FY2023</u> \$'000	<u>FY2022</u> \$'000
The calculation of the earnings per share is based on the following: (Loss)/ Profit for the year attributable to the equity holders of the company for the purposes of basic and diluted earnings per share	<u>(29)</u>	<u>243</u>	<u>2,805</u>	<u>2,279</u>
<u>Number of shares</u> Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<u>261,360,097</u>	<u>271,261,661</u>	<u>261,360,097</u>	<u>280,653,987</u>
(Loss)/ Profit figures are calculated as follows: (Loss)/ Earnings per share – cents	<u>(0.01)</u>	<u>0.09</u>	<u>1.07</u>	<u>0.81</u>

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period. It is after the neutralisation by the treasury shares.

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

8. Dividends on equity shares

	<u>Group</u>		<u>FY2023</u> \$'000	<u>FY2022</u> \$'000
	<u>Rate per share – cents</u> <u>FY2023</u>	<u>FY2022</u>		
Interim tax exempt (1-1.tier) dividend paid	–	0.25	–	702
Final tax exempt (1-1.tier) dividend paid	<u>0.50</u>	<u>0.50</u>	<u>1,307</u>	<u>1,452</u>
Total dividends paid in the year	<u>0.50</u>	<u>0.75</u>	<u>1,307</u>	<u>2,154</u>

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9. Property, plant and equipment

<u>Group</u>	<u>Leasehold properties and improvements</u> \$'000	<u>Plant and equipment</u> \$'000	<u>Work in progress</u> \$'000	<u>Total</u> \$'000
<u>Cost or valuation:</u>				
At 1 October 2021	21,849	7,298	391	29,538
Foreign exchange adjustments	–	(5)	–	(5)
Additions	–	343	2,530	2,873
Transfer from/ (to)	2,746	175	(2,921)	–
Adjustment to provision	110	–	–	110
Revaluation	(2,346)	–	–	(2,346)
At 30 September 2022	22,359	7,811	–	30,170
Foreign exchange adjustments	–	(6)	–	(6)
Additions	720	1,003	–	1,723
Disposals	(306)	(1,403)	–	(1,709)
Adjustment to provision	86	–	–	86
Revaluation	(800)	–	–	(800)
At 30 September 2023	22,059	7,405	–	29,464
<u>Represented by:</u>				
Cost	–	7,405	–	7,405
Valuation	22,059	–	–	22,059
Total	22,059	7,405	–	29,464
<u>Accumulated depreciation and impairment losses:</u>				
At 30 September 2021	996	6,199	–	7,195
Foreign exchange adjustments	–	(4)	–	(4)
Depreciation for the year	1,950	378	–	2,328
Elimination of depreciation on revaluation	(1,812)	–	–	(1,812)
At 30 September 2022	1,134	6,573	–	7,707
Foreign exchange adjustments	–	(6)	–	(6)
Depreciation for the year	2,305	448	–	2,753
Disposals	(306)	(1,243)	–	(1,549)
Elimination of depreciation on revaluation	(2,138)	–	–	(2,138)
At 30 September 2023	995	5,772	–	6,767
<u>Carrying value:</u>				
At 1 October 2021	20,853	1,099	391	22,343
At 30 September 2022	21,225	1,238	–	22,463
At 30 September 2023	21,064	1,633	–	22,697



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9. Property, plant and equipment (cont'd)

9.1 Valuation

The fair value of leasehold properties and improvements located at 14 Lok Yang Way and 90 Second Lok Yang Road were measured in September 2023 based on the highest and best use method to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on full valuations made by Jones Lang LaSalle Property Consultants Pte Ltd, a firm of independent valuers on a systematic basis. The desktop valuations and full valuations will be done half yearly on an alternate basis respectively. If there are material changes to the property or market conditions, a full valuation will be performed.

The independent valuers hold recognised and relevant professional qualifications with sufficient recent experience in the location and category of the investment properties being valued. There has been no change to the valuation techniques during the year. Management determined that the highest and best use of the asset is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

The fair value measurements for the properties are categorised within Level 2 of the fair value hierarchy. The valuation was based on the comparison method that considers the sales or rental income of similar properties that have been transacted in the open market with adjustment made for differences in factors that affect value.

The surplus net of applicable deferred income tax on revaluation of \$1,110,000 (FY2021: deficit of \$444,000) has been credited to asset revaluation reserve in other comprehensive income.

Valuation policies and procedures:

It is the group's policy to engage external valuation experts to perform the valuation. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13: Fair Value Measurement.

10. Financial assets

	<u>30 Sep 23</u> \$'000	<u>Group</u> <u>30 Sep 22</u> \$'000
Key men insurance	<u>154</u>	<u>142</u>

The fair value of the financial assets is not based on observable market data (Level 3). Also see Note 13A.



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11. Aggregate amount of the Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 Sep 23		As at 30 Sep 22	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
8,332	–	4,767	–

Amount repayable after one year

As at 30 Sep 23		As at 30 Sep 22	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
4,122	–	5,847	–

Details of any collateral

As at 30 September 2023, the Group's borrowings and debt securities consist of bills payable, bridging loan, term loan and loan for the properties at 14 Lok Yang Way Singapore 628633 and 90 Second Lok Yang Road Singapore 628166.

The borrowings are secured by:

- (a) Legal mortgage on the Group's leasehold property at 90 Second Lok Yang Road Singapore 628166;
- (b) Negative pledge over the assets of the Group;

and covered by corporate guarantees issued by the Company.

12. Share capital

	Number of shares <u>issued</u>	<u>Group and Company</u>		<u>Total</u> \$'000
		<u>Share capital</u> \$'000	<u>Treasury shares</u> \$'000	
Ordinary shares of no par value:				
Balance at 1 October 2021	290,399,997	56,325	–	56,325
Treasury shares purchased ^(a)	<u>(29,039,900)</u>	<u>–</u>	<u>(4,238)</u>	<u>(4,238)</u>
Balance at end of the year 30 September 2022 and 2023	<u>261,360,097</u>	<u>56,325</u>	<u>(4,238)</u>	<u>52,087</u>

- ^(a) Under the mandate approved at the last annual general meeting on 28 January 2022, 29,039,900 ordinary shares were acquired during the reporting year ended 30 September 2022 on the Singapore Stock Exchange for a consideration of \$4,238,000 and held as treasury shares.



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12. Share capital (cont'd)

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2023 and 30 September 2022.

13. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>Group</u>	
	<u>30 Sep 23</u>	<u>30 Sep 22</u>
	\$'000	\$'000
<u>Financial assets:</u>		
Financial assets at amortised cost	47,659	40,831
Financial assets at fair value through profit or loss	154	142
At end of the year	<u>47,813</u>	<u>40,973</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	20,180	18,811
At end of the year	<u>20,180</u>	<u>18,811</u>
	<u>Company</u>	
	<u>30 Sep 23</u>	<u>30 Sep 22</u>
	\$'000	\$'000
<u>Financial assets:</u>		
Financial assets at amortised cost	1,999	2,324
At end of the year	<u>1,999</u>	<u>2,324</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	383	288
At end of the year	<u>383</u>	<u>288</u>

13A. Fair value of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

	<u>Group</u>	
	<u>Level 3</u>	
	<u>30 Sep 23</u>	<u>30 Sep 22</u>
	\$'000	\$'000
Financial assets at fair value through profit or loss	<u>154</u>	<u>142</u>



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13A. Fair value of financial instruments (cont'd)

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy

	<u>Group</u>	
	<u>30 Sep 23</u>	<u>30 Sep 22</u>
	\$'000	\$'000
Balance at beginning of the year	142	130
Gains recognised in profit or loss under other gains (Note 5)	12	12
Balance at end of the year	<u>154</u>	<u>142</u>

The fair value of the financial assets is not based on observable market data (Level 3) (Note 10).

14. Net assets value

	<u>Group</u>		<u>Company</u>	
	<u>30 Sep 23</u>	<u>30 Sep 22</u>	<u>30 Sep 23</u>	<u>30 Sep 22</u>
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period (in cents)	30.78	29.80	23.57	23.79
Total number of issued shares excluding treasury shares	<u>261,360,097</u>	<u>261,360,097</u>	<u>261,360,097</u>	<u>261,360,097</u>



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15. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	<u>2HY2023</u>	<u>2HY2022</u>	<u>Group</u>	<u>FY2023</u>	<u>FY2022</u>
	\$'000	\$'000		\$'000	\$'000
<u>Other related parties</u>					
Revenue from sales of goods to a controlling shareholder and its subsidiaries ^(a)	(37)	(5,338)		(2,629)	(8,604)
Purchases of goods and services from a controlling shareholder and its subsidiaries ^(a)	1,534	563		2,715	973
Revenue from sale of goods	–	(163)		(73)	(585)
Purchases of goods and services	48	48		96	462
Legal expenses	95	84		179	229
	<u>95</u>	<u>84</u>		<u>179</u>	<u>229</u>

^(a) Hanwa Co., Ltd is a controlling shareholder of the company. It has significant influence over the company.

16. Capital commitments

Estimated amounts committed at the end of the financial year for future capital expenditure but not recognised in the condensed unaudited financial statements are as follows:

	<u>30 Sep 23</u>	<u>Group</u>	<u>30 Sep 22</u>
	\$'000		\$'000
Commitments to purchase property, plant and equipment	<u>5,504</u>		<u>424</u>

17. Events after the end of the reporting period

There are no known subsequent events which have led to adjustments to this set of condensed unaudited financial statements.



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18. Changes and adoption of financial reporting standards

The same accounting policies and methods of computation used in the latest audited annual financial statements have been applied.

F. Other Information Required By Listing Rule Appendix 7.2

- 1. Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2022. There were no outstanding convertibles as at 30 September 2023 and 30 September 2022.

	As at 30 Sep 23	As at 30 Sep 22
Treasury shares	29,039,900	29,039,900
% of treasury shares of the total number of issued ordinary shares	10.00%	10.00%

There were no subsidiary holdings held as at 30 September 2023 and 30 September 2022.

- 2. 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 Sep 23	As at 30 Sep 22
261,360,097	261,360,097

- 3. 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.



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4. **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

5. **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.

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

Not applicable.

- 6A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) **Updates on the efforts taken to resolve each outstanding audit issue.**
(b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

7. **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 2022.

8. **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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9. 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 Profit or Loss and Other Comprehensive Income Review

Revenue

Revenue had increased by \$5.4 million or 20.8% from \$26.0 million in 2HY2022 to \$31.4 million in 2HY2023. The increase was mainly from the increase in revenue in Energy and Other Sectors. Revenue from Energy Sector had increased by \$12.0 million or 96.7% from \$12.5 million in 2HY2022 to \$24.5 million in 2HY2023. Revenue from Other Sector had increased by \$0.7 million or 163.3% from \$0.4 million in 2HY2022 to \$1.1 million in 2HY2023. This was partially offset by decrease in revenue from Marine and Trading Sectors. Revenue from Marine Sector had decreased by \$1.0 million or 59.9% from \$1.7 million in 2HY2022 to \$0.7 million in 2HY2023. Revenue from Trading Sector had decreased by \$6.3 million or 55.0% from \$11.4 million in 2HY2022 to \$5.1 million in 2HY2023. Year on year, revenue had increased by \$37.3 million or 81.1% from \$46.1 million in FY2022 to \$83.4 million in FY2023 from the revenue in Energy, Marine and Other Sectors. Revenue from Energy Sector had increased by \$40.7 million or 155.7% from \$26.1 million in FY2022 to \$66.8 million in FY2023. Revenue from Marine Sector had increased by \$0.4 million or 13.9% from \$2.5 million in FY2022 to \$2.9 million in FY2023. Likewise, revenue from Other Sector had increased by \$0.8 million or 82.1% from \$1.0 million in FY2022 to \$1.8 million in FY2023. The increase was partially offset by the decrease in revenue from Trading Sector. Revenue from Trading Sector had decreased by \$4.5 million or 27.2% from \$16.5 million in FY2022 to \$12.0 million in FY2023.

Geographically, Singapore market was the main contributor at 71.6% of the revenue generated in FY2023. The revenue from Singapore market had increased by \$35.2 million or 143.0% from \$24.6 million in FY2022 to \$59.8 million in FY2023.

Gross Profit and Gross Profit Margin

Gross profit margin had decreased by 10.3 percentage point from 25.5% in 2HY2022 to 15.2% in 2HY2023. Gross profit decreased by \$1.8 million or 28.1% from \$6.6 million in 2HY2022 to \$4.8 million in 2HY2023. In tandem to the increase in revenue, gross profit had increased by \$2.2 million or 19.4% from \$11.0 million in FY2022 to \$13.2 million in FY2023 while gross profit margin had decreased by 8.2 percentage points from 24.0% in FY2022 to 15.8% in FY2023.



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9. 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. (cont'd)

Statement of Profit or Loss and Other Comprehensive Income Review (cont'd)

Interest Income and Finance Costs

Interest income had increased by \$0.1 million from \$4 thousand in 2HY2022 to \$0.1 million in 2HY2023 mainly from the interest earned on the fixed deposit account. Year on year, interest income had increased by \$0.2 million from \$4 thousand in FY2022 to \$0.2 million in FY2023 as per the reason contributing to 2HY2023 increase.

Finance costs had increased by \$0.3 million or 167.6% from \$0.2 million in 2HY2022 to \$0.5 million in 2HY2023 mainly from the increase in bank borrowings and higher interest rates. Year on year, finance costs had increased by \$0.6 million or 162.7% from \$0.3 million in FY2022 to \$0.9 million in FY2023 as per the reason contributing to 2HY2023 increase.

Operating Expenses

Marketing and distribution costs had decreased by \$0.1 million or 5.8% from \$1.8 million in 2HY2022 to \$1.7 million in 2HY2023 mainly from lower employee benefits expense. Year on year, marketing and distribution costs had decreased by \$0.5 million or 12.6% from \$3.8 million in FY2022 to \$3.3 million in FY2023 as per the reason contributing to 2HY2023 decrease.

Administrative expenses had increased by \$0.3 million or 13.3% from \$2.2 million in 2HY2022 to \$2.5 million in 2HY2023 mainly from higher employee benefits expenses and increase in legal and professional fees. Year on year, administrative expenses had increased by \$0.5 million or 12.8% from \$4.1 million in FY2022 to \$4.6 million in FY2023 as per the reason contributing to 2HY2023 increase.

Depreciation expense of property, plant and equipment had increased by \$0.3 million or 24.0% from \$1.1 million in 2HY2022 to \$1.4 million in 2HY2023 mainly from increase in depreciation of leasehold properties. Year on year, depreciation expense of property, plant and equipment had increased by \$0.5 million or 18.3% from \$2.3 million in FY2022 to \$2.8 million in FY2023 as per the reason contributing to 2HY2023 increase.

Depreciation expense of right-of-use assets had decreased by \$0.6 million or 79.7% from \$0.7 million in 2HY2022 to \$0.1 million in 2HY2023 as the lease at 21A Neythal Road was expired on 30 November 2022. Year on year, depreciation expense of right-of-use assets had decreased by \$0.9 million or 66.6% from \$1.4 million in FY2022 to \$0.5 million in FY2023 as per the reason contributing to 2HY2023 decrease.



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9. 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. (cont'd)

Statement of Profit or Loss and Other Comprehensive Income Review (cont'd)

Other Gains/ (Losses) (Net)

Other losses had decreased by \$2.2 million or 441.2% from other losses of \$0.5 million in 2HY2022 to other gains of \$1.7 million in 2HY2023 mainly from the reversal of allowance for impairment on inventories and lower allowance for impairment on trade receivables in 2HY2023. Year on year, other gains had decreased by \$1.6 million or 49.6% from \$3.2 million in FY2022 to \$1.6 million in FY2023 mainly due to foreign exchange losses in FY2023.

Profit Before Income Tax

Profit before income tax had increased by \$0.2 million or 188.3% from \$0.1 million in 2HY2022 to \$0.3 million in 2HY2023. Year on year, profit before income tax had increased by \$0.7 million or 29.5% from \$2.4 million in FY2022 to \$3.1 million in FY2023 due to the aforementioned reasons.

Other Comprehensive Income/ (Loss)

Other comprehensive income had decreased by \$0.2 million or 33.2% from \$0.7 million in 2HY2022 to \$0.5 million in 2HY2023 mainly from the exchange differences on translating foreign operations. Year on year, other comprehensive loss had decreased by \$1.5 million or 380.9% from a loss of \$0.4 million in FY2022 to an income of \$1.1 million in FY2023 mainly from the exchange differences on translating foreign operations and surplus on revaluation of the properties.

Statement of Financial Position Review

Non-Current Assets

Non-current assets had increased by \$0.9 million or 3.9% from \$25.0 million as at 30 September 2022 to \$25.9 million as at 30 September 2023 mainly from the revaluations of the leasehold properties, the purchase of plant and equipment and non-current portion of trade and other receivables, partly offset by the depreciation charged in the current financial year.



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9. 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. (cont'd)

Statement of Financial Position Review (cont'd)

Current Assets

Current assets had increased by \$3.2 million or 4.3% from \$72.8 million as at 30 September 2022 to \$76.0 million as at 30 September 2023. The increase was mainly due to increase in trade and other receivables, partly offset by decrease in inventories and cash and cash equivalents. Trade and other receivables had increased by \$13.1 million or 76.4% from \$17.2 million as at 30 September 2022 to \$30.3 million as at 30 September 2023. On the other hand, inventories had decreased by \$4.6 million or 14.9% from \$30.2 million as at 30 September 2022 to \$25.6 million as at 30 September 2023. Cash and cash equivalents had decreased by \$6.0 million or 23.9% from \$24.9 million as at 30 September 2022 to \$18.9 million as at 30 September 2023.

Non-Current Liabilities

Non-current liabilities had decreased by \$1.6 million or 18.5% from \$8.8 million as at 30 September 2022 to \$7.2 million as at 30 September 2023 mainly from the repayment of loan and borrowings.

Current Liabilities

Current liabilities had increased by \$3.2 million or 28.9% from \$11.1 million as at 30 September 2022 to \$14.3 million as at 30 September 2023. The increase was mainly due to increase in loans and borrowings. Loan and borrowings had increased by \$3.5 million or 74.8% from \$4.8 million as at 30 September 2022 to \$8.3 million as at 30 September 2023.

Equity

Total equity had increased by \$2.5 million or 3.3% from \$77.9 million as at 30 September 2022 to \$80.4 million as at 30 September 2023 mainly from the profit generated in FY2023 and surplus on revaluation of the properties, partly offset by the dividend paid.



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9. 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. (cont'd)

Statement of Cash Flows Review

Cash Flows From/ (Used in) Operating Activities

Cash from operating activities had decreased by \$1.0 million from \$5.8 million in 2HY2022 to \$4.8 million in 2HY2023 mainly from the working capital changes. Year on year, cash from operating activities had decreased by \$7.7 million from an inflow of \$4.1 million in FY2022 to an outflow of \$3.6 million in FY2023 as per the reason contributing to 2HY2023 increase.

Cash Flows Used in Investing Activities

Cash used in investing activities had decreased by \$0.2 million from \$1.3 million in 2HY2022 to \$1.1 million in 2HY2023 mainly due to less capital expenditure, proceeds from disposal of property, plant and equipment and interest income, partly offset by cash restricted in use in 2HY2023. Year on year, cash used in investing activities had decreased by \$1.1 million from \$2.9 million in FY2022 to \$1.8 million in FY2023 as per the reason contributing to 2HY2023 decrease.

Cash Flows Used in Financing Activities

Cash used in financing activities had decreased by \$3.9 million from \$4.6 million in 2HY2022 to \$8.5 million in 2HY2023 mainly from mainly from higher repayment of loan and borrowings, no purchase of treasury shares and no payment of dividend in 2HY2023. Year on year, cash used in financing activities had decreased by \$7.9 million from \$8.9 million in FY2022 to \$1.0 million in FY2023 mainly from increase in loan and borrowings, no purchase of treasury shares and less payment of dividend and lease liabilities.

10. **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.



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- 11. 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.**

The Group will continue to work on maintaining our revenue generation and identifying suitable opportunities for growth although the Group expects to face significant challenges due, inter alia, to the high interest rate environment, inflationary pressures, and ongoing global geopolitical and economic uncertainties.

As announced by the Company on SGXNet on 23 October 2023, the Shareholders have approved the proposed acquisition of a warehouse in Malaysia. The acquisition is expected to be completed in February 2024 and the Company will be commencing the relocation of part of its inventories to the warehouse in Malaysia in 3QFY2024.

12. Dividend

(a) Current Financial Period Reported On

As a gesture of appreciation to shareholders for their support, the Board of Directors has proposed a final tax exempt dividend of \$0.005 per ordinary share in respect of the financial year ended 30 September 2023 as stated below:

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share	\$0.005

The dividend amount per share is computed based on 261,360,097 ordinary shares in issue (excluding treasury shares as at 30 September 2023). Such dividend is not taxable in the hands of shareholders.

(b) Corresponding Period of the Immediately Preceding Financial Year

An interim dividend of \$0.0025 per share and a final dividend of \$0.005 per share was declared by the Company for the corresponding period of the immediately preceding financial year.

(c) Date payable

To be advised.

(d) Books closure date

To be advised.



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13. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

See paragraph above.

14. 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	Nature of relationship	2HY2023		FY2023	
		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) \$'000	Aggregate value of all interested person transactions conducted under the IPT Mandate (excluding transactions less than S\$100,000) \$'000	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) \$'000	Aggregate value of all interested person transactions conducted under the IPT Mandate (excluding transactions less than S\$100,000) \$'000
Hanwa Group *	Controlling Shareholder	–	1,535	–	4,713

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

15. **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.

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 9.



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17. A breakdown of sales.

		FY2023	FY2022	Increase/ (Decrease)
		\$'000	\$'000	%
(a)	Sales reported for first half year	52,009	20,057	159.3
(b)	Operating profit after tax before deducting minority interest reported for first half year	2,834	2,036	39.2
(c)	Sales reported for second half year	31,439	26,026	20.8
(d)	Operating (loss)/ profit after tax before deducting minority interest reported for second half year	(29)	243	(111.9)

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

	FY2023	FY2022
	\$'000	\$'000
Ordinary	1,307	2,009

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 during the year ended 30 September 2023 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
Mr Ong Tong Yang	48	Brother of Mr Ong Tong Hai, Chief Executive Officer and Executive Director	Head of Business Development and Strategy Planning, position first held in 2022	Nil



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20. Disclosures on Acquisition and Realisation of Shares pursuant to Rule 706A of the Listing Manual

Save as disclosed in the financial statements' announcement for the first half year ended 31 March 2023 on 11 May 2023, there are no further disclosures for the acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual.

By order of the Board

Tan Siok Chin
Chairman

Ong Tong Hai
Chief Executive Officer

20 November 2023