



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

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

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 had previously applied for and obtained an extension of time to meet the Exit Criteria (as defined below) from 5 June 2021 to 4 June 2022 (“**Earlier Extension Application**”).

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 December 2021.

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

The Group has continued to be profitable for the first quarter of the financial year ending 30 September 2022 (“**FY2022**”). As announced by the Company on 25 November 2021 in connection with the release of the financial results for the financial year ended 30 September 2021, the Company expects its ability to generate revenue, along with operating profits, from its existing products and services for FY2022 to continue to be adversely affected, *inter alia*, in view of the COVID-19 pandemic and its far-reaching economic impact. The Company will continue to improve its competitiveness in the market and explore measures to strengthen its revenue generation, including an expansion of our product offerings.

Save for the above, as at the 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

The Group has, since the date of the Earlier Extension Application, been focusing its efforts, *inter alia*, on growing and diversifying its revenue by introducing new range(s) of products and services, as well as targeting existing and new markets to penetrate. The Group has made some headway in developing

some new product lines and/or markets, but not others, not for the lack of trying, but due to challenging business and operating conditions and weak economic activity, *inter alia*, due to the ongoing COVID-19 pandemic.

As announced on 25 February 2022, the Company has on 25 February 2022 submitted an application to the SGX-ST (the "**Application**") seeking an extension of time for a further period of 12 months up to 4 June 2023 for the Company to satisfy the Exit Criteria. Please refer to the Announcement for further details of the Application.

The Company would like to remind all shareholders that there is no assurance that the SGX-ST will grant the abovementioned extension. As such, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. Persons who are in doubt, as to the action they should take, should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

The Company will update shareholders of the outcome of the Application (including any other relevant material developments in relation thereto) via further announcements as and when appropriate.

BY ORDER OF THE BOARD

Ong Tong Hai
Chief Executive Officer and Executive Director
25 February 2022