



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 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 2022.

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 half of the financial year ending 30 September 2022 (“**FY2022**”).

Amidst the ongoing challenges, including the adverse impact by the COVID-19 pandemic and the ongoing Russian-Ukraine conflict, the Company will continue to improve its competitiveness and explore measures to strengthen its revenue generation, including diversifying into other geographical market and its range of existing products and services.

Since March 2022, the Company has been conducting share buy-backs, pursuant to the share buyback mandate granted by shareholders, as a means to return capital to shareholders.

The Company’s share price has trended upwards from a closing price of approximately S\$0.090 on 2 March 2022, when the Company first started to conduct the share buy backs, to approximately S\$0.140 on 10 May 2022, with trades of sales and purchases of shares being carried out not just through the share buybacks by the Company, but by other shareholders and investors too.

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

As announced by the Company on 21 April 2022, the Company has obtained an extension of time up to 4 June 2023 to meet the Exit Criteria.

For purposes of meeting the Exit Criteria, apart from profitability, which the Company has met for the immediate preceding financial year ended 30 September 2021, the other condition to be met is 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.

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 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
11 May 2022