



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 30 June 2024.

As announced by the Company on 12 June 2024, the Company has obtained an extension of time up to 4 June 2025 to meet the Exit Criteria.

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

Update on Future Direction and Other Material Developments

As announced in the Company’s announcement dated 11 June 2024, its wholly-owned subsidiary, Kim Seng Huat Hardware Pte Ltd (“**KSH Singapore**”) has on 11 June 2024 accepted an offer from Tenda Equipment & Services Pte Ltd (“**Buyer**”) in respect of the proposed purchase of KSH Singapore’s warehouse located at 90 Second Lok Yang Road at a selling price of S\$9,000,000, subject to the terms and conditions of the Letter of Offer (the “**Proposed Disposal**”). KSH Singapore is still in the midst of negotiations with the Buyer on the terms and conditions of the option to purchase (“**OTP**”) to be granted in respect of the Proposed Disposal and will update Shareholders should the OTP be finalised and granted.

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

Update on Efforts for Satisfying Exit Criteria

For purposes of meeting the Exit Criteria, the Company has to record a consolidated pre-tax profit for the financial year ending 30 September 2024 (“FY2024”) (based on audited full year consolidated accounts) and has to have an average daily market capitalisation of S\$40 million or more over the last 6 months prior to 4 June 2025.

As at 19 August 2024, the Company's average market capitalisation over the past 6 months (excluding the treasury shares held by the Company) is approximately S\$27.8 million.

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 affecting the Company and/or its business, including in relation to the Proposed Disposal.

BY ORDER OF THE BOARD

Ong Tong Hai
Chief Executive Officer and Executive Director
20 August 2024