



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 capitalization 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 Notice 13.2 (Watch-List) as at 31 March 2025.

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 by the Company on 20 March 2025, the disposal by the Company’s wholly-owned subsidiary, Kim Seng Huat Hardware Pte Ltd (“**KSH**”), of its warehouse located at 90 Second Lok Yang Road at a selling price of S\$9,000,000 has been deferred due to an extension of time given for parties to obtain the relevant JTC approvals, with the new expiry date for obtaining such JTC approvals being 16 June 2025. As announced by the Company on 15 May 2025, the Company has received JTC’s Written Consent in respect of the disposal, with JTC’s final approval to be obtained, inter *alia*, after completion of an environmental site assessment of the property. The Company will provide Shareholders with further updates as and when the remaining conditions precedent and other material terms required to be met prior to completion of the disposal are satisfied, and when completion occurs.

As announced by the Company on 28 March 2025, KSH had agreed to make an investment in SRE Holdings Investment and Development Joint Stock Company, a company incorporated in Vietnam (“**SRE HoldCo**”), by subscribing for 488,710 new ordinary shares of par value VND 10,000 each in the charter capital of SRE HoldCo, for a consideration of VND53,676,000,000 (equivalent to US\$2,100,000 based on an exchange rate of US\$1:VND25,560 being the applicable rate as at 24 March 2025), representing approximately 16.2% of its enlarged issued share capital. As announced by the Company on 14 May 2025, the long stop date for the completion of such investment has been extended from 15 May 2025 to 30 May 2025.

As announced by the Company on the same day as the date of this announcement, the Group continued to maintain its profitability for the first half of the financial year ending 30 September 2025 ("1HY2025"), with a profit before tax of S\$2.3 million, after returning to profitability in the first quarter of the financial year ending 30 September 2025. Please refer to the 1HY2025 results announcement for further details of the Company and the Group's financial performance for the relevant period.

The Group hopes to strengthen its sales and expand its markets in Vietnam, particularly in view of the Company's proposed investment in SRE. At the same time, the Company will continue to pursue new markets such as Central Asia and customers and enhance revenue generation, in terms of quantum and stability, *inter alia*, by growing its sources of recurring income, including through offerings of non-steel Product categories.

The Company will provide Shareholders with further updates as and when significant developments unfold in relation any of the foregoing.

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

The Company will not be in a position to satisfy the relevant Exit Criteria to exit the Watch-List by 4 June 2025, *inter alia*, as the Company recorded a loss for FY2024 (based on the audited full year consolidated accounts).

As at 15 May 2025, the Company's average market capitalization over the past 6 months (excluding the treasury shares held by the Company) is approximately S\$29.9 million.

In view of the foregoing, the Company will continue to actively consider and explore various options, including the possibility of obtaining an extension of time for the Company to meet the relevant Exit Criteria to exit the watch list and/or to explore a possible transfer to the Catalist of the Singapore Exchange. The Company 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
15 May 2025