



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

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## **ACQUISITION OF WAREHOUSE**

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The Board of Directors of Cosmosteel Holdings Limited (the “**Company**”) wishes to announce that Kim Seng Huat Hardware Pte Ltd, a wholly-owned subsidiary of the Company, has on 21 May 2010 (the “**Exercise Date**”) exercised an option to acquire a warehouse located at 90 Second Lok Yang Road, Singapore 628166 (the “**Property**”) for the purposes of the business operations of the Group.

The Property is a Jurong Town Corporation leasehold property. The consideration for the Property (the “**Consideration**”), being S\$1.71 million and payable in cash, will be funded from the Group’s internal resources and bank financing.

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into account the valuation conducted by Realty International Associates Pte Ltd (“**RIA**”). According to RIA’s report dated 25 March 2010, RIA ascribed an open market value of S\$1.80 million for the Property as at 18 March 2010.

Completion of the acquisition of the Property will take place by the end of 10 weeks from the Exercise Date subject to, *inter alia*, satisfactory replies to legal requisitions being received and all approvals and consent being obtained from the relevant government authorities.

The Consideration falls below 5% of the relevant thresholds set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited. The said acquisition is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 30 September 2010.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in said acquisition.

### **By Order of the Board**

Ong Chin Sum  
Chief Executive Officer and Executive Director  
Date: 21 May 2010