



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 September 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 announcements dated 3 September 2024 and 17 September 2024, the Company’s wholly-owned subsidiary, Kim Seng Huat Hardware Pte Ltd (“**KSH Singapore**”) has on 3 September 2024 granted an option to purchase (“**OTP**”) to Tenda Equipment & Services Pte Ltd (“**Buyer**”) in relation to the proposed purchase of KSH Singapore’s warehouse located at 90 Second Lok Yang Road at a selling price of S\$9,000,000 (“**Proposed Disposal**”), and the Buyer has on 17 September 2024 exercised the option to purchase in accordance with the terms of the OTP. The Company will be seeking Shareholders’ approval for the Proposed Disposal at an extraordinary general meeting to be convened and will update Shareholders when dispatching any circular to Shareholders in connection with the Proposed Disposal.

The Company is also exploring potential opportunities for trading as well as investment in foreign markets where there may be demand for the Group’s products and/or services, and the Company will provide Shareholders with further updates as and when significant developments unfold.

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 has recorded a loss for the financial year ending 30 September 2024 (based on the unaudited full year consolidated accounts).

As at 19 November 2024, the Company's average market capitalisation over the past 6 months (excluding the treasury shares held by the Company) is approximately S\$26.5 million.

In view of the foregoing, the Company will continue to actively consider and explore various options and will keep the Shareholders duly informed of any subsequent material developments in relation to efforts to exit the Watch-List, and/or affecting the Company and/or its business.

BY ORDER OF THE BOARD

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