



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Registration No. 200003708R)

UPDATE ON THE LITIGATION SUIT

The Board of Directors (the "**Board**") of CFM Holdings Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refers to the Company's announcements ("**Announcement**") dated 4 July 2013, 10 February 2014, 26 August 2014, 4 February 2015, 27 August 2015, 5 February 2016, 26 August 2016, 9 February 2017, 25 August 2017, 9 February 2018, 6 April 2018, 24 August 2018, 1 February 2019, 28 August 2019, 12 February 2020, 2 March 2020 27 August 2020 and 2 October 2020, relating to a claim by T-Net International (H.K.) Co. Limited (formerly known as Showa International (HK) Co., Ltd) ("**Showa**") against Hantong Metal Component (Penang) Sdn. Bhd. ("**HTPG**"), a wholly-owned subsidiary of the Company for the purported cost of producing new tooling due to HTPG purportedly withholding Showa's tooling for outstanding receivables.

As set out in the Company's announcement on 12 February 2020, the Court of Appeal of Malaysia had on 29 January 2020 allowed our appeal and set aside the decision of the High Court.

Showa exercised its right to file an application to the Federal Court for leave to appeal to the Federal Court on the decision of the Court of Appeal on 28 February 2020. The leave to appeal has been approved by the Federal Court of Malaysia.

HTPG has received the Grounds of Judgement from the Court of Appeal. HTPG is currently preparing the defense for the next hearing date. The Court Registrar has now fixed the matter for Hearing on 10/01/2022 via ZOOM Hearing.

The Company will make further announcement to update the public if there is material development on this matter.

In view of the Court Judgement dated 4 April 2018 (FY2018), HTPG had made a provision of \$0.6 million.

The financial impact on the Group's NTA per share and EPS for the current year (including whether there will be a write back of the said provision) cannot be determined at this juncture until the case is finalized by the Federal Court of Malaysia. As of the date of this announcement, the directors have assessed that no additional liabilities need to be accrued.

Shareholders are advised to exercise caution when dealing with their shares and to refrain from taking any action in relation to their shares which may be prejudicial to their interests.

BY ORDER OF THE BOARD

Janet Lim Fong Li
Executive Director & Chief Executive Officer
18 August 2021

This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Foo Quee Yin, at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271