



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Company Registration No. 200003708R)

SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF 51% OF THE ISSUED SHARE CAPITAL OF SING-SWE MM BIOTECHNOLOGY PTE. LTD. – LAPSE ON LONG STOP DATE

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of CFM Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements of the Company dated 3 June 2021, 4 June 2021, 16 August 2021, 20 September 2021, 22 September 2021, 22 October 2021 and 1 December 2021 (collectively, the “**Announcements**”).

2. LONG STOP DATE

As set out in the Announcement dated 22 September 2021, the Long Stop Date was extended to 31 December 2021, however, it lapsed on 31 December 2021 due to :-

- i) the delay in legal and financial due diligence (hereinafter referred to as the “Original DD”) on Messrs. Sing-Swe MM Biotechnology Pte. Ltd. (“**the Target**”) (as originally envisaged in the SPA dated 3 June 2021) have been put on hold due to non-payment of professional fees.

Upon completion of the Original DD, the Board may consider extending and/or amending the scope of work of the Original DD, pursuant to the terms of the Notice of Compliance dated 1 December 2021. This includes a proposed extension of the due diligence as described below (subject to entry into a supplemental agreement setting out other terms).

- ii) the Company and the Target are in discussion to extend the financial results to full financial year reporting ending 30 June 2022, instead of the initial agreement of up to 30 September 2021. The extension is to give time to the Target to show sustainability of the profits and a more well-organised business structure of the Target. The Target’s full year management accounts are to be submitted to the Company by mid-August 2022, as per discussion,
- iii) the Long Stop Date in the discussion is scheduled tentatively at end September 2022.

The Proposed Acquisition will remain pending till both the Company and the Target firm up on the agreed dates.

The Company’s financial exposure up-to date in relation to the acquisition was S\$293,000.

The lapse of long stop date of the SPA may have a material adverse impact on the consolidated earnings per share and net tangible assets per share of the Group for the current financial year ending 30 June 2022, due to the expenses incurred up-to-date.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts of the lapsed on Long Stop Date, the Proposed Transactions and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement (including information relating to the Vendors and the Target) has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

4. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company as the Proposed Acquisition is subject to certain conditions. There is no assurance or certainty that the SPA will be completed, being subject to such conditions. In the event of any doubt as to the action they should take, Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors.

The Company will make the necessary announcements as and when there are further material developments on the Proposed Transactions, in compliance with the Catalyst Rules.

BY ORDER OF THE BOARD

Lim Fong Li Janet
Executive Director and Chief Executive Officer
31 December 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.

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