



**CFM Holdings Limited**

(Incorporated in Singapore under Registration No. 200003708R)

**Half Year Financial Statement for the Period Ended  
31 December 2020**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS**

The Board of Directors announces the results of the Group and Company for the financial period 6 months ended 31 December 2020.

**1(a) Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group</b>	
	<b>1 Jul 2020 to 31 Dec 2020 S\$'000</b>	<b>1 Jul 2019 to 31 Dec 2019 S\$'000</b>
<b>Revenue</b>	<b>9,716</b>	8,489
Cost of Sales	<u>(7,662)</u>	<u>(6,271)</u>
<b>Gross profit</b>	<b>2,054</b>	2,218
Other income	<b>395</b>	375
Marketing expenses	<b>(143)</b>	(180)
Administrative and other expenses	<b>(2,111)</b>	(2,136)
Finance costs	<u>(150)</u>	<u>(160)</u>
<b>Profit before tax</b>	<b>45</b>	117
Tax expense	<u>(81)</u>	<u>(141)</u>
<b>Loss for the period</b>	<b>(36)</b>	(24)
<b>Other comprehensive Income / (loss)</b>		
Currency translation gain / (loss)	<u>187</u>	<u>(58)</u>
<b>Total comprehensive Income / (loss) attributable to equity holders of the Company</b>	<u><b>151</b></u>	<u>(82)</u>
<b>Loss attributable to:</b>		
Equity holders of the Company	<u>(36)</u>	<u>(24)</u>
<b>Loss for the period</b>	<u><b>(36)</b></u>	<u>(24)</u>
<b>Total comprehensive Income / (loss) attributable</b>		
Equity holders of the Company	<u><b>151</b></u>	<u>(82)</u>
	<u><b>151</b></u>	<u>(82)</u>

The Group's profit for the financial period is arrived at after charging/(crediting) the following:-

	<b>The Group</b>	
	<b>1 Jul 2020 to 31 Dec 2020 S\$'000</b>	<b>1 Jul 2019 to 31 Dec 2019 S\$'000</b>
Depreciation on property, plant and equipment	<b>553</b>	495
Loss on disposal of property, plant and equipment	-	1
Loss on foreign exchange	<b>26</b>	32
Interest income	<b>(1)</b>	-
Interest on borrowings and leases	<b>150</b>	160
Inventories write off	<b>65</b>	110
Inventories written down	<b>(1)</b>	-
Inventories written back	<b>(10)</b>	-
Allowance for doubtful trade receivables recovered	<b>(4)</b>	(52)

**1(b)(i) A statement of financial position (for the Issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	31 Dec 2020	30 June 2020	31 Dec 2020	30 June 2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	12,502	12,811	-	-
Investments in subsidiaries	-	-	11,356	11,356
Deferred Tax assets	7	7	-	-
	<u>12,509</u>	<u>12,818</u>	<u>11,356</u>	<u>11,356</u>
<b>Current assets</b>				
Inventories	3,052	2,868	-	-
Trade receivables	4,483	3,213	3	3
Other receivables and prepayment	143	387	150	5
Amounts due from subsidiaries	-	-	816	1,026
Cash and cash equivalents	3,257	3,897	109	147
	<u>10,935</u>	<u>10,365</u>	<u>1,078</u>	<u>1,181</u>
<b>Total assets</b>	<u>23,444</u>	<u>23,183</u>	<u>12,434</u>	<u>12,537</u>
<b>Non-current liabilities</b>				
Borrowings	5,364	5,271	-	-
Lease liabilities	2,437	2,509	-	-
Deferred tax liabilities	386	369	46	45
	<u>8,187</u>	<u>8,149</u>	<u>46</u>	<u>45</u>
<b>Current Liabilities</b>				
Trade payables	1,815	1,210	-	-
Contract liabilities	182	353	-	-
Lease liabilities	264	273	-	-
Other payables	1,605	1,501	293	484
Amount due to subsidiaries	-	-	290	4
Borrowings	562	1,067	157	487
Income tax payable	308	260	188	188
	<u>4,736</u>	<u>4,664</u>	<u>928</u>	<u>1,163</u>
<b>Total liabilities</b>	<u>12,923</u>	<u>12,813</u>	<u>974</u>	<u>1,208</u>
<b>Net assets</b>	<u>10,521</u>	<u>10,370</u>	<u>11,460</u>	<u>11,329</u>

<b>Equity</b>				
Share capital	<b>22,963</b>	22,963	<b>22,963</b>	22,963
Accumulated losses	<b>(12,594)</b>	(12,558)	<b>(11,503)</b>	(11,634)
Other reserves	<b>152</b>	(35)	<b>-</b>	-
<b>Equity attributable to equity holders of the Company</b>	<b>10,521</b>	10,370	<b>11,460</b>	11,329
<b>Total Equity</b>	<b>10,521</b>	10,370	<b>11,460</b>	11,329

## 1(b)(ii) Aggregate amount of Group's borrowing and debt securities.

### Amount repayable in one year or less, or on demand

	As at 31 Dec 2020		As at 30 Jun 2020	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	562	-	1,067	-
Lease Liabilities	264	-	273	-
	<b>826</b>	<b>-</b>	<b>1,340</b>	<b>-</b>

### Amount repayable after one year

	As at 31 Dec 2020		As at 30 Jun 2020	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	5,364	-	5,271	-
Lease Liabilities	2,437	-	2,509	-
	<b>7,801</b>	<b>-</b>	<b>7,780</b>	<b>-</b>

### Details of the collaterals for the Group's borrowings are as follows:

- a) Legal mortgage over freehold lands and buildings of a subsidiary with a combined net carrying value of approximately S\$695k as at 31 December 2020 (FY2020: S\$691k);
- b) Legal mortgage over leasehold lands and buildings and the fixed and floating charge on all present and future assets and joint and several guarantee from Directors of a subsidiary with a combined net carrying value of approximately S\$1.10 million as at 31 December 2020 (FY2020: S\$1.34 million);
- c) Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net carrying value of approximately S\$74k on as at 31 December 2020 (FY2020: S\$117k);
- d) With reference to (c) above, certain of the property, plant & equipment which are under finance leasing arrangements and bank facilities are secured by guarantee from two of the directors;
- e) As at 31 December 2020, fixed deposits amounting to S\$84k (FY2020: S\$82k) were pledged with financial institutions as securities for loans and credit facilities granted to the Group;
- f) The bank facility for this building is secured by the fixed and floating charge on all present and future property at the premise and undertakings in connection with the operations of the property as approved by Housing Development Board. In addition, two of the directors have placed their personal property as collateral to the bank to secure the banking loan. As at 31 December 2020, the net carrying amount of the leasehold lands and buildings are approximately S\$5.86 million (FY2020: S\$6.06 million); and Corporate guarantees issued by the Company.

1(c) **Statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group</b>	
	<b>1 Jul 2020 to 31 Dec 2020 S\$'000</b>	<b>1 Jul 2019 to 31 Dec 2019 S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	45	117
Adjustments for:		
Depreciation of property, plant and equipment	553	495
Loss on disposal of property, plant and equipment	-	(1)
Interest expenses	150	160
Interest income	(1)	(4)
Inventories written down	(1)	-
Inventories written back	(10)	-
Inventories written off	65	110
Allowance for doubtful trade receivables recovered	(4)	(52)
<b>Operating cash flows before working capital changes</b>	797	825
Increase in inventories	(190)	(267)
(Increase) / decrease in receivables	(955)	772
Increase / (decrease) in payables	319	(773)
Increase in contract liabilities	170	72
Foreign translation adjustment of subsidiaries	177	(14)
<b>Cash generated from operations</b>	318	615
Interest income received	1	4
Income tax paid	(173)	(96)
<b>Net cash generated from operating activities</b>	146	523
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(137)	(179)
Proceeds from disposal of property, plant and equipment	3	1
<b>Net cash used in investing activities</b>	(134)	(178)

	<b>The Group</b>	
	<b>1 Jul 2020 to 31 Dec 2020 S\$'000</b>	<b>1 Jul 2019 to 31 Dec 2019 S\$'000</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings (net)	(457)	(190)
Payment on lease liabilities	(51)	(45)
Interest paid	(105)	(123)
Interest on lease liabilities	(45)	(38)
<b>Net cash used in financing activities</b>	<u>(658)</u>	<u>(396)</u>
Net decrease in cash and cash equivalents	(646)	(51)
Cash and cash equivalents at beginning of the financial period	3,813	3,525
Effect of exchange rate changes on cash and cash equivalents	6	5
<b>Cash and cash equivalents at end of the financial period</b>	<u>3,173</u>	<u>3,479</u>
<b>Cash and cash equivalents</b>		
Fixed deposits	84	82
Cash at bank and in hand	3,173	3,479
	<u>3,257</u>	<u>3,561</u>
Less: Fixed deposits pledged with bank	(84)	(82)
<b>Cash and cash equivalents at end of the financial period</b>	<u>3,173</u>	<u>3,479</u>

#### **Note A**

During the financial period, the Group acquired property, plant and equipment with an aggregate cost of S\$0.14 million (HY2020: S\$0.18 million), on cash payment of S\$0.14 million (HY2020: S\$0.18 million) for plant, machinery and equipment.



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Accumulated losses	Foreign currency translation reserve	Equity total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group</b>				
<b>Opening balance as at 1 July 2020</b>	<b>22,963</b>	<b>(12,558)</b>	<b>(35)</b>	<b>10,370</b>
Loss for the period	-	(36)	-	(36)
Other comprehensive income for the period				
Currency translation differences	-	-	187	187
Total comprehensive (loss) / income for the period	-	(36)	187	151
<b>Balance at 31 December 2020</b>	<b>22,963</b>	<b>(12,594)</b>	<b>152</b>	<b>10,521</b>
<b>Opening balance as at 1 July 2019</b>	<b>22,963</b>	<b>(11,855)</b>	<b>(78)</b>	<b>11,030</b>
Loss for the period	-	(24)	-	(24)
Other comprehensive loss for the period				
Currency translation differences	-	-	(58)	(58)
Total comprehensive loss for the period	-	(24)	(58)	(82)
<b>Balance at 31 December 2019</b>	<b>22,963</b>	<b>(11,879)</b>	<b>(136)</b>	<b>10,948</b>

	<b>Share capital S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Equity, total S\$'000</b>
<b>The Company</b>			
<b>Balance at 1 July 2020</b>	22,963	(11,634)	11,329
Total comprehensive income for the period	-	131	131
<b>Balance at 31 December 2020</b>	<u>22,963</u>	<u>(11,503)</u>	<u>11,460</u>
<b>Balance at 1 July 2019</b>	22,963	(9,673)	13,290
Total comprehensive loss for the period	-	(326)	(326)
<b>Balance at 31 December 2019</b>	<u>22,963</u>	<u>(9,999)</u>	<u>12,964</u>

**1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The Company did not issue any new capital during the six months financial period ended 31 December 2020.

The Company did not hold any treasury shares, subsidiary holdings or other convertibles as at 31 December 2020 and 31 December 2019.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>31 Dec 2020</b>	<b>30 June 2020</b>
Total number of issued shares (excluding treasury shares)	<u>201,535,276</u>	<u>201,535,276</u>

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not hold any treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 30 June 2020.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for the effect of change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>The Group</b>	
	<b>6-months period ended 31 Dec 2020</b>	<b>6-months period ended 31 Dec 2019</b>
<b>Loss attributable to equity holders of the Company (S\$'000)</b>	<u>(36)</u>	<u>(24)</u>
<b>Weighted average ordinary share ('000) for calculation of:</b>		
a) Basic earnings per share	<u>201,535</u>	<u>201,535</u>
b) Diluted earnings per share	<u>201,535</u>	<u>201,535</u>
<b>Earnings per share (in cents)</b>		
a) Based on weighted average number of ordinary	<u>(0.02)</u>	<u>(0.01)</u>
b) On a fully diluted basis (detailing any adjustments made to the earnings)	<u>(0.02)</u>	<u>(0.01)</u>

7. **Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the:-**  
 (a) current financial period reported on; and  
 (b) immediately preceding financial year.

	<b>31 Dec 2020</b>	<b>30 Jun 2020</b>
<b>The Group</b>		
Net asset value per ordinary share (in cents)	<u>5.22</u>	<u>5.15</u>

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**The Company**

Net asset value per ordinary share (in cents)

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5.69

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5.62

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of Consolidated Statement of comprehensive income (HY2021 vs. HY2020)****Revenue**

For the financial period ended 31 December 2020 (“HY2021”), the Group registered a revenue of S\$9.7 million which was an increase of approximately S\$1.2 million from the previous corresponding financial period. The increase was contributed by the metal stamping and tooling operations due to increased sales orders.

**Gross Profit**

The Group's Gross Profit decreased by approximately S\$0.2 million from S\$2.2 million in HY2020 to S\$2.0 million in HY2021. The lower gross profit was due to increase in cost of sales due to minimum order requirements for material purchases, tooling and tooling material purchases, higher direct labour costs and sub-contract services for the metal stamping operations.

**Other Income**

Other income in HY2021 consists mainly of rental income and government grants. The slight increase came from government grant to support businesses due to the Covid-19 pandemic; and higher other income.

**Marketing Expenses**

Marketing expenses decreased from S\$0.18 million in HY2020 to S\$0.14 million in HY2021 due to lower manpower cost, travelling and entertainment expenses.

**Administrative and Other Expenses**

Administrative expenses in HY2021 decreased by approximately S\$0.02 million due to amongst others lower obsolete stock write off offset by higher manpower costs, higher printing costs, higher professional fee, higher utilities, lower recruitment cost, lower doubtful debts recovered, lower exchange losses and lower obsolete stock write back.

**Finance Expenses**

Finance expenses decreased from S\$0.16 million in HY2020 to S\$0.15 million in HY2021. The finance costs relate to borrowings and lease liabilities.

**Tax Expense**

The Group recorded a tax expense in HY2021 of S\$0.08 million compared to a tax expense of S\$0.14 million in HY2020. The tax expense came mainly from the Penang and Europe operations.

### **Loss for the Period**

Overall, the Group recorded a loss after tax of S\$0.04 million in HY2021 as compared to a loss after tax of S\$0.02 million in the previous corresponding financial period.

### **Review of Consolidated Statement of financial position (HY2021 vs. FY2020)**

#### **Non-Current Assets**

Property, plant and equipment decreased from S\$12.81 million as at 30 June 2020 (“FY2020”) to S\$12.50 million as at 31 December 2020. The decrease was mainly due to depreciation charge of S\$0.55 million for the financial period and offset by new purchase of property, plant & equipment of S\$0.14 million and foreign currency adjustments S\$0.10 million.

#### **Current Assets**

Trade receivables increased from S\$3.21 million as at 30 June 2020 to S\$4.48 million as at 31 December 2020. The increase was mainly due to increase in sales revenue.

Other receivables as at 31 December 2020 consist mainly of deposits, prepayments and advance payments. The decrease from S\$0.39 million as at 30 June 2020 to S\$0.14 million as at 30 December 2020 was mainly due to the reduction in prepayments.

#### **Current Liabilities**

Trade payables increased from S\$1.21 million as at 30 June 2020 to S\$1.82 million as at 31 December 2020. This was mainly due to increase in purchase of inventories.

Other payables increased from S\$1.50 million to \$1.60 million as at 31 December 2020, mainly due to higher sundry creditors S\$0.14 million, higher accruals S\$0.18 million, higher accruals for manpower costs \$0.05 million offset by absence of amount owing to director of \$0.26 million comprised.

Other payables consist mainly of:-

- a. Accrued expenses of S\$1.09 million mainly consist of accrued employee related and operating expenses
- b. Sundry creditors of S\$0.32 million
- c. Provision for directors’ fees S\$0.09 million
- d. Rental deposits and others S\$0.10 million

#### **Borrowings and Leases**

Total borrowings (excluding Lease Liabilities) for the Group decreased from S\$6.34 million as at 30 June 2020 to S\$5.93 million as at 31 December 2020. This was mainly due to the repayment of bank borrowing during the financial period.

Lease Liabilities decreased from \$2.78 million as at 30 June 2020 to S\$2.70 million as at 31 December 2020 due to repayment.

### **Review of Consolidated Statement of Cash Flows (HY2021 vs. HY2020)**

For the financial year ended 31 December 2020, the Group generated a net cash inflow of S\$0.15 million from its operating activities as compared to net cash inflow of S\$0.52

million for HY2020. This decrease came mainly from higher tax paid of S\$0.08 million, higher trade receivables \$1.73 million offset by increase in payables S\$1.09 million and contract liabilities S\$0.10 million

The operating cash flow before working capital changes decreased from S\$0.83 million (HY2020) to S\$0.80 million in HY 2021, which was mainly due to lower net profit before tax and lower inventories written off offset by higher depreciation of PPE.

Net cash used in investing activities amounted to S\$0.13 million in HY2021 (HY2020: S\$0.18 million). The net cash flow used was mainly due to purchase of property, plant & equipment.

Net cash used in financing activities was S\$0.66 million in HY2021 this was mainly attributed by:

- a. repayment of borrowings of S\$0.46 million
- b. payment on lease liabilities S\$0.05 million
- c. interest payment of S\$0.11 million
- d. interest on lease liabilities S\$0.05 million

As a result of the above, the Group's cash and cash equivalent decreased from S\$3.48 million as at HY2020 to S\$3.17 million as at HY2021.

#### **Litigation**

i) T-Net International (H.K.) Co, Limited (formerly known as Showa International (HK) Co. Ltd ("Showa"))

As disclosed during the financial year ended 30 June 2013, an ex-parte injunction (the "Injunction") has been granted by the High Court of Malaya on 30 June 2013 and served on Hantong Metal Component (Penang) Sdn. Bhd., ("HTPG") a wholly-owned subsidiary of the Company on 2 July 2013.

The legal suit was concluded on 4 April 2018 and was in favour of T-Net International (H.K.) Co. Limited (formerly known as Showa International (HK) Co. Limited ("Showa")). In 2018, the Group has recognised liabilities amounted to \$599,000. On 11 July 2018, the amount has been paid to Showa's solicitor which was placed in an interest-bearing fixed deposit account.

On 4 April 2018, HTPG applied to the Court of Appeal and on 29 January 2020, the Court of Appeal set aside the decision of the High Court. Showa proceeded to file application at Federal Court to seek leave to appeal to Federal Court. Should the matter proceed to the Federal Court, the company will make necessary announcements.

At the date of this announcement, there is no further update. The last update was on 2 October 2020.

Shareholders should note that the date is subject to change and the Company will make necessary announcements as and when there are material developments on this matter.

**9. Where a forecast or a prospect statement, has been previously disclosed to the shareholders, any variance between it and the actual results.**

This set of results for HY2021 are in line with the profit guidance announced on 2 February 2021

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known**

**factors or events that may affect the group in the next reporting period and the next 12 months.**

The Covid-19 pandemic have affected the global economies in an unprecedented manner for the past one year, disrupting businesses and lives.

Though the Group's sales improved over the reporting period, the Group will continue to practice the safety measures to keep the Covid-19 at bay in all the Group's locations for operations to remain stable to fulfill customers orders.

For the group's China and Slovak operations, the respective government's current direction is not to shut down economic activity. As for Malaysia, though the shutdown of economic activity was discussed, the government has given reassurances on the local news against such a decision. However, due to the fluid situation, shareholders are advised to exercise caution and keep up to date with the respective countries news for updates. Where these changes adversely and materially affect the performance of the Company's business in these key locations, the Company will provide the necessary guidance through SGXnet announcements to the shareholders.

The Group will continue to evaluate its operations needs to remain competitive.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (Final) ordinary dividend has been declared (recommended); and**

No.

**(b) (i) Amount per share (cents)**

Not applicable.

**(b) (ii) Previous corresponding period (cents)**

Not applicable.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated)**

Not applicable.

**(d) The date the dividend is payable**

Not applicable.

**(e) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommendeded for the six-months financial period ended 31 December 2020 in view of the operating results.



13. **If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from the shareholders for interested person transactions.

14. **Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.**

We, Ip Kwok Wing and Lim Fong Li Janet, being two Directors of CFM Holdings Limited (“Company”), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results for the half year ended 31 December 2020 set out above to be false or misleading in any material aspect.

For and on behalf of the Board

Ip Kwok Wing  
Director

Lim Fong Li Janet  
Director

- 15 **Confirmation Pursuant to Rule 720(1) of the Catalist Rules**

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Rules.

**BY ORDER OF THE BOARD**

**Lim Fong Li Janet**  
**Chief Executive Officer**  
**09 February 2021**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's (“Sponsor”), Asian Corporate Advisors Pte. Ltd., in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (“Exchange”) Listing Manual Section B: Rules of Catalist for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by 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.  
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