



CFM Holdings Limited

(Incorporated in Singapore under Registration No. 200003708R)

Condensed interim financial statements for the six months ended 31 December 2023

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group 6 months ended	
		31 Dec 2023	31 Dec 2022
		S\$'000	S\$'000
Revenue	4	14,541	14,120
Cost of sales		<u>(10,108)</u>	<u>(10,268)</u>
Gross profit		4,433	3,852
Other income		238	8,383
Marketing and distribution expenses		(180)	(146)
Administrative and other expenses		(2,928)	(2,429)
Reversal of impairment loss on trade receivables		-	244
Finance costs		(79)	<u>(115)</u>
Profit before taxation	5	1,484	9,789
Tax expense	7	(504)	<u>(392)</u>
Profit for the financial period, net of tax		980	9,397
Other comprehensive loss			
<u>Items that are or may be reclassified subsequently to profit or loss:</u>			
Currency translation differences		<u>(147)</u>	<u>(386)</u>
Total comprehensive income for the financial period		<u>833</u>	<u>9,011</u>
Profit attributable to:			
Equity holders of the Company		<u>980</u>	<u>9,397</u>
Total comprehensive income attributable to:			
Equity holders of the Company		<u>833</u>	<u>9,011</u>
Earnings per share for profit for the period attributable to equity holder of the Company during the financial period (S\$ in cent)			
a) Basic		<u><u>0.49</u></u>	<u><u>4.66</u></u>
b) Diluted		<u><u>0.49</u></u>	<u><u>4.66</u></u>

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 Dec 2023	30 June 2023	31 Dec 2023	30 June 2023
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	11	6,338	6,400	-	-
Investment in subsidiaries		-	-	18,799	18,799
Total non-current assets		6,338	6,400	18,799	18,799
Current assets					
Inventories	12	4,125	3,749	-	-
Trade receivables	13	6,428	6,391	-	-
Other receivables and prepayments		312	275	223	3
Amounts due from subsidiaries	6	-	-	1	1
Cash and cash equivalents		12,595	13,651	313	273
Total current assets		23,460	24,066	537	277
Total assets		29,798	30,466	19,336	19,076
Non-current liabilities					
Borrowings	10	2,070	2,225	-	-
Lease liabilities	10	294	143	-	-
Deferred tax liabilities		188	191	-	-
Total non-current liabilities		2,552	2,559	-	-
Current Liabilities					
Trade payables		2,810	2,428	-	-
Contract liabilities		93	129	-	-
Lease liabilities	10	148	377	-	-
Other payables		1,778	2,088	331	226
Amount due to subsidiaries	6	-	-	3,035	1,781
Borrowings	10	550	418	-	-
Income tax payable		555	488	17	17
Total current liabilities		5,934	5,928	3,383	2,024
Total liabilities		8,486	8,487	3,383	2,024
Net Assets		21,312	21,979	15,953	17,052

**B. Condensed interim statements of financial position
(continued)**

	The Group		The Company		
		31 Dec 2023	30 June 2023	31 Dec 2023	30 June 2023
	Note	S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	15	22,963	22,963	22,963	22,963
Accumulated (losses) / profit		(425)	95	(7,010)	(5,911)
Foreign currency translation reserve		(1,226)	(1,079)	-	-
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Equity attributable to equity holders of the Company		21,312	21,979	15,953	17,052
		<hr/>	<hr/>	<hr/>	<hr/>

C. Condensed interim statements of changes in equity

The Group	Note	Share capital	Accumulated losses	Foreign currency translation reserve	Total equity
		S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2023		22,963	95	(1,079)	21,979
Profit for the financial period		-	980	-	980
<u>Other comprehensive loss for the period</u>					
Currency translation differences		-	-	(147)	(147)
Total comprehensive income / (loss) for the period		-	1,075	(1,226)	(151)
Dividend declared for FY2023	8	-	(1,500)	-	(1,500)
Balance at 31 December 2023		22,963	(425)	(1,226)	21,312
Balance as at 1 July 2022		22,963	(10,253)	(445)	12,265
Profit for the financial period		-	9,397	-	9,397
<u>Other comprehensive loss for the period</u>					
Currency translation differences		-	-	(386)	(386)
Total comprehensive income / (loss) for the period		-	9,397	(386)	9,011
Dividend declared for FY2022		-	(200)	-	(200)
Balance at 31 December 2022		22,963	(1,056)	(831)	21,076

C. Condensed interim statements of changes in equity (continued)

The Company	Note	Share capital	Accumulated losses	Total equity
		S\$'000	S\$'000	S\$'000
Balance at 1 July 2023		22,963	(5,911)	17,052
Profit and total comprehensive income for the financial period		-	401	401
Dividend declared for FY2023	8	-	(1,500)	(1,500)
Balance at 31 December 2023		22,963	(7,010)	15,953
Balance at 1 July 2022		22,963	(7,217)	15,746
Loss and total comprehensive loss for the financial period		-	(437)	(437)
Dividend declared for FY2022		-	(200)	(200)
Balance at 31 December 2022		22,963	(7,854)	15,109

D. Condensed interim consolidated statement of cash flows

	The Group	
	6 months ended	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Cash flows from operating activities		
Profit before tax	1,484	9,789
Adjustments for:		
Depreciation of property, plant and equipment	376	281
Gain from disposal of non-current asset held for sale	-	(8,132)
Gain on disposal of property, plant and equipment	-	(50)
Property, plant and equipment written off	-	11
Interest expense	79	115
Interest income	(170)	(4)
Inventories written back	(26)	(62)
Inventories written down	71	156
Inventories written off	50	83
Reversal of impairment loss on trade receivables	-	(244)
Provision of liabilities	4	-
Unrealised exchange loss	26	-
Operating cash flows before working capital changes	1,894	1,943
(Increase) / decrease in inventories	(510)	61
Increase in receivables and prepayments	(157)	(1,278)
Increase in trade and other payables and contract liabilities	78	603
Foreign translation differences	(36)	75
Cash generated from operations	1,269	1,404
Interest income received	170	4
Income tax paid	(429)	(510)
Net cash generated from operating activities	1,010	898
Cash flows from investing activities		
Purchase of property, plant and equipment	(344)	(855)
Proceeds from disposal of non-current asset held for sale	-	13,350
Proceeds from disposal of property, plant and equipment	5	50
Maturity of fixed deposits	3,284	-
Net cash generated from investing activities	2,945	12,545

D. Condensed interim consolidated statement of cash flows (continued)

	The Group	
	6 months ended	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Cash flows from financing activities		
Repayment of borrowings	(71)	(4,166)
Proceeds from borrowings	57	-
Payment on lease liabilities	(73)	(147)
Interest paid	(79)	(115)
Dividend paid	(1,500)	-
Decrease in restricted balance in use	35	128
	<hr/>	<hr/>
Net cash used in financing activities	(1,631)	(4,300)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	2,324	9,143
Cash and cash equivalents at beginning of the financial period	6,303	4,003
Effect of exchange rate changes on cash and cash equivalents	(61)	(101)
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial period	8,566	13,045
	<hr/>	<hr/>
Cash and cash equivalents		
Fixed deposits	8,692	8,209
Cash at bank and in hand	3,903	4,919
	<hr/>	<hr/>
	12,595	13,128
Less: Fixed deposits pledged with bank	(76)	(83)
Restricted balance in use	(35)	-
Short-term deposits with maturities of more than three months	(3,918)	-
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial period	8,566	13,045
	<hr/>	<hr/>

Note A

During the financial period, the Group acquired property, plant and equipment with an aggregate amount of S\$0.34 million (1H2023: S\$2.53 million). Cash payment of S\$0.34 million (1H2023: S\$0.85 million).

E. Notes to the condensed interim consolidated financial statement

1. Corporate information

CFM Holdings Limited (the “**Company**”) (Co. Reg. No. 200003708R) is a public limited company incorporated and domiciled in Singapore. The Company is listed on the Catalist Board of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The registered office and principal place of business of the Company is located at 3 Ang Mo Kio Street 62, LINK@AMK, #05-16, Singapore 569139.

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are:

- (a) Manufacturing of metal plates and metal stamping;
- (b) Manufacturing and fabricating engineering tools;
- (c) Warehousing and logistics services; and
- (d) Trading and supplying disposable and wearable for use in cleanrooms, bio-medical, laboratories and hospitals.

The financial information contained in this announcement has neither been audited nor reviewed by the Company's auditors. The latest audited annual financial statements of the Group were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

The ultimate controlling persons of the Group are Ip Kwok Wing, the Executive Chairman and his spouse, Lim Fong Li Janet, the Chief Executive Officer.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2023.

The accounting policies and methods of computation adopted for the unaudited condensed consolidated interim financial statements are consistent with those adopted by the Company in its most recently audited annual financial statements for the year ended 30 June 2023, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting the new accounting standards.

2.2 Use of estimates and judgments

In preparing the condensed interim financial statements, management has made judgments estimates and assumptions that affect the application of accounting policies and the reported

amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving critical judgment in applying accounting policies, or areas where assumptions and estimation uncertainties have a significant risk of resulting in material adjustment within the next financial period are disclosed in the following notes:

- Useful lives of property, plant and equipment (Note 11)
- Write-down of inventories (Note 12)
- Calculation of loss allowance (Note 13)

3. Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

4.1 Disaggregation of Revenue

The following table provides a disaggregation disclosure of the Group's revenue by service lines and timing of revenue recognition.

	The Group	
	6 months ended	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Revenue stream and timing of revenue recognition		
<i>At a point in time</i>		
Sales of metal components	13,569	12,677
Sales of cleanroom products	662	903
Sales of tooling products	291	405
<i>Over time</i>		
Storage services	19	135
	14,541	14,120

4.2 Reportable segments

The Group is organised into four business segments, with each segment representing a strategic business segment that offers different products in the respective markets.

The Group has four reportable operating segments as follows:

- (i) Metal stamping - manufacturing of metal plates and metal stamping;
- (ii) Tooling - manufacturing and fabricating of engineering tools and dies;
- (iii) Components and parts - trading of other components and parts, warehousing and others and service logistics business; and
- (iv) Cleanroom products - trading of disposables and wearables for use in cleanroom, bio-medical, laboratories and hospitals.

The segment information provided to management for the reportable segments is as follows:

	Metal Stamping		Tooling		Components and parts		Cleanroom products		Group	
	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000
Segment revenue										
Sales to external customers	13,569	12,677	291	405	19	135	662	903	14,541	14,120
Interest Income	46	2	-	-	116	2	8	-	170	4
Miscellaneous income	26	18	-	-	1	5	2	4	29	27
Gain on disposal of property, plant and equipment	-	-	-	-	-	8,132	-	-	-	8,132
Rental Income	-	-	-	-	-	220	-	-	-	220
Gain on foreign exchange	-	-	-	-	-	-	-	-	-	-
Unallocated segment	-	-	-	-	-	-	-	-	39	-
Total Other Income	72	20	-	-	117	8,359	10	4	238	8,383
Total revenue and other income	13,641	12,697	291	405	136	8,494	672	907	14,779	22,503
Depreciation	278	234	3	2	1	7	94	38	376	281
Finance costs	-	-	-	-	-	-	-	-	(79)	(115)
Segmental result	2,952	2,038	133	235	143	7,882	(141)	134	3,087	10,289
Unallocated expenses									(1,603)	(500)
Profit before tax									1,484	9,789
Income tax expense									(504)	(392)
Profit after tax									980	9,397

4.2 Reportable segments (continued)

	Metal Stamping		Tooling		Components and parts		Cleanroom products		Group	
	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000
<u>Group assets and liabilities</u>										
Segmental assets	21,519	17,590	64	55	4,279	9,170	3,612	3,405	29,474	30,220
Unallocated assets									324	90
Total assets									29,798	30,310
Expenditure for segment non-current assets										
Additions to PPE	344	379	-	-	-	-	-	2,234	344	2,613
Segmental liabilities	4,991	6,115	-	-	6	-	1,942	2,099	6,939	8,214
Current income tax liabilities									555	327
Deferred income tax liabilities									188	254
Unallocated liabilities									804	439
Total liabilities									8,486	9,234

4.2 Reportable segments (continued)

Geographical Information

	Singapore		Malaysia		United States of America		Slovak Republic		Rest of Europe*		Others**		Group	
	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000
Sales to external customers	1,206	1,590	3,693	3,264	3,734	2,976	957	1,182	2,890	3,157	2,061	1,951	14,541	14,120
Non-current assets	2,315	2,199	2,272	1,998	-	-	1,388	1,450	-	-	363	49	6,338	5,696
Other geographical information:														
Capital expenditure	-	2,152	205	138	-	-	3	241	-	-	136	-	344	2,531

*Rest of Europe comprises Austria, Czech Republic, Germany, Hungary, Italy, Netherlands, Poland, Portugal, Romania and Switzerland.

** Others comprise Indonesia, South Korea and The People's Republic of China.

Revenue of approximately S\$6.0 million (1H2023: S\$4.0 million) is derived from two (1H2023: one) major external customers with revenue of more than 10% of the Group's revenue and are attributable to the segments as detailed below:

Attributable segments	GROUP	
	1H2023 S\$'000	1H2023 S\$'000
Customer 1 Metal Stamping and Tooling	4,500	4,000
Customer 2 Metal Stamping and Tooling	1,500	-
	6,000	4,000

5. Profit before tax

The Group's profit before tax is arrived at after charging / (crediting) the following:-

	The Group	
	6 months ended	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Other Income		
Interest Income	(170)	(4)
Miscellaneous Income	(29)	(27)
Rental Income	-	(220)
Gain on disposal of non-current asset held for sale	-	(8,132)
Gain on foreign currency exchange	(39)	(53)
Expenses		
Depreciation on property, plant and equipment	376	281
Gain on disposal of property, plant and equipment	-	(50)
Reversal of impairment loss on trade receivables	-	(244)
Interest on borrowings and lease	79	115
Inventories written off	50	83
Inventories written down	45	94
Lease expense - short-term leases	31	143
Staff costs	4,497	4,197

6. Related Party Transactions - Amounts Due From / (To) Subsidiaries

	The Company	
	31 Dec 2023 S\$'000	30 June 2023 S\$'000
<u>Current Assets</u>		
Receivable due from subsidiaries (non-trade)	1	1
	1	1
<u>Current Liabilities</u>		
Amount due to subsidiaries	(3,035)	(1,781)
	(3,035)	(1,781)

Current Assets

The non-trade receivables amounting to S\$1,000 (2023: S\$1,000) are unsecured, interest-free and repayable on demand.

Current Liabilities

The amount due to subsidiaries S\$3.03 million (2023: S\$ 1.78 million) is non-trade in nature, unsecured, interest-free and payable on demand.

7. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. Major components of income tax expense are as follows:

	6 months ended	
	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000
<i>Current period:</i>		
Current tax	504	392
Deferred tax	-	-
Income tax expense	<u>504</u>	<u>392</u>

8. Dividends

	<u>Group and Company</u>	
	<u>1HY2024</u> S\$'000	<u>1HY2023</u> S\$'000
Final tax-exempt dividend 0.7443 Singapore cents per ordinary share (1HY2023: S\$200,000)	<u>1,500</u>	<u>200</u>
Dividend net of tax	<u>1,500</u>	<u>200</u>

The above final tax-exempt dividend is for the financial year FY2023 as approved by the shareholders at the Annual General Meeting on 26 October 2023.

9. Net asset value

	<u>Group</u>		<u>Company</u>	
	31 Dec 2023 cents	30 June 2023 cents	31 Dec 2023 cents	30 June 2023 cents
Net Asset Value per ordinary shares	10.57	10.91	7.92	8.46
Total Net Asset Value	<u>S\$'000</u> 21,312	<u>S\$'000</u> 21,979	<u>S\$'000</u> 15,953	<u>S\$'000</u> 17,052
Total number of issued shares	201,535,276	201,535,276	201,535,276	201,535,276

10. Borrowings

Amount repayable within one year or less, or on-demand

	As at 31 Dec 2023		As at 30 June 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	550	-	418	-
Lease liabilities	148	-	377	-
	<u>698</u>	<u>-</u>	<u>795</u>	<u>-</u>

Amount repayable after one year

	As at 31 Dec 2023		As at 30 Jun 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	2,070	-	2,225	-
Lease liabilities	294	-	143	-
	<u>2,364</u>	<u>-</u>	<u>2,368</u>	<u>-</u>

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

- a) Legal mortgage over leasehold land and buildings and the fixed and floating charge on all present and future assets and joint and several guarantees from directors of a subsidiary with a combined net carrying value of approximately S\$0.9 million as at 31 December 2023 (FY2023: S\$1.0 million);
- b) Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net carrying value of approximately S\$48,000 as at 31 December 2023 (FY2023: S\$47,000);
- c) With reference to (b) above, certain of the property, plant & equipment included in lease liabilities are under finance leasing arrangements and are secured by guarantees from two of the directors of the Company;
- d) As at 31 December 2023, fixed deposits and restricted cash balance amounting to S\$111,000 (FY2023: S\$146,000) were pledged with financial institutions as securities for loans and credit facilities granted to the Group;
- e) Bank facility for the purchase of two (2) units at LINK@AMK is secured by a charge on all present assets, joint and several guarantees from directors of a subsidiary and debt servicing reserve account. As at 31 December 2023, the net carrying amount of the leasehold units is approximately S\$1.62 million (FY2023: 2.09 million).
- f) Banker's acceptances are secured by a first and legal charge over a subsidiary's freehold land and building with a net carrying value of approximately \$595,000 (FY2023:708,000) and corporate guarantee.

11. Property, plant and equipment

For the six-month period ended 31 December 2023, the Group acquired property, plant and equipment amounting to S\$0.34 million (1H2023: S\$2.53 million).

The Group reviews the useful lives and residual values of property, plant and equipment at each reporting date. The estimation of the useful lives and residual values involves assumptions concerning the future and estimations of the assets' common life expectancies and expected level of usage. The net carrying amount of property, plant and equipment at 31 December 2023 is S\$6.34 million (FY2023: S\$6.40 million). The depreciation charge of the abovementioned for the financial period ended 31 December 2023 is S\$0.38 million (1H2023: S\$0.65 million).

Any changes in the expected useful lives of these assets will affect the net carrying amount of property, plant and equipment and right-of-use assets, and the depreciation charge for the financial period.

12. Write-down of inventories

Management reviews the inventory listing on a periodic basis. This review involves a comparison of the carrying amount of the aged inventory items with the respective net realisable value. The purpose is to estimate the net realisable value and to determine any write-down is to be made in the financial statements for slow-moving items. Management is satisfied that the inventories have been written down adequately in the financial statements.

The carrying amount of inventories of the Group after the write-down is approximately S\$4.13 million (FY2023: S\$3.75 million). During the financial period, the Group recognised inventories write-down of S\$71,000 (FY2023: S\$84,000), whilst inventories written off were S\$50,000 (FY2023: S\$143,000) and write-back was S\$26,000 (FY2023: S\$129,000)

13. Calculation of loss allowance

When measuring Estimated Credit Losses (“ECL”), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables. The carrying amount of trade receivables of the Group is approximately S\$6.43 million (FY2023: S\$6.39 million). During the financial period, the Group recovered trade allowance of S\$NIL (1H2023: S\$0.24 million).

14. Financial Assets and Financial Liabilities

Set out below are the financial assets and financial liabilities of the Group as at 30 June 2023 and 31 December 2023.

	Group		Company	
	31 Dec 2023	30 June 2023	31 Dec 2023	30 June 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised costs)	19,196	20,215	531	276
Financial Liabilities				
Trade and other payables, lease liabilities and borrowings (Amortised costs)	7,658	7,566	3,351	1,998

15. Share Capital

Group and Company	
31 Dec 2023	30 June 2023
\$'000	\$'000

Issued and fully paid capital

201,535,276 ordinary shares with no par value	22,963	22,963
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The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restrictions.

The Company did not issue any new capital during the 6 months ended 31 December 2023.

The Company did not hold any treasury shares, subsidiary holdings or other convertibles as at 31 December 2023 and 31 December 2022.

15.1 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

	31 Dec 2023	30 June 2023
Total number of issued shares (excluding treasury shares)	201,535,276	201,535,276

15.2 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.

15.3 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.

16. Subsequent Events

There are no known subsequent events which require adjustments to this set of interim financial statements.

Other requirements as required by Appendix 7C of the Catalist Rules

17. 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 profit or loss and other comprehensive income

1H2024 vs. 1H2023

Revenue

The Group recorded a revenue of approximately S\$14.54 million for 1H2024, which was an increase of approximately S\$0.42 million or 2.98% (1H2023: approximately S\$14.12 million). The higher revenue was contributed by the metal stamping segment due to orders from new customers and increased orders from existing customers. This was offset by lower revenue from the tooling, cleanroom products, components and parts segments.

Gross Profit

The Group's gross profit increased by approximately S\$0.58 million from S\$3.85 million in 1H2023 to approximately S\$4.43 million in 1H2024. The increase in gross profit was mainly contributed by higher revenue from the metal stamping segment. Gross profit margin improved from 27.28% in 1H2023 to 30.49% in 1H2024.

Other Income

Other income decreased by approximately S\$8.14 million from approximately S\$8.38 million in 1H2023 to approximately S\$0.24 million in 1H2024. The decrease in other income is mainly due to the absence of the disposal of non-current asset classified as held for sale which was an extraordinary item in 1H2023.

Marketing and distribution expenses

Marketing and distribution expenses increased by approximately S\$34,000 from approximately S\$146,000 in 1H2023 to approximately S\$180,000 in 1H2024 due to an increase in headcount, bonuses and mandatory contributions.

Administrative and other expenses

Administrative and other expenses increased by approximately S\$0.5 million from approximately S\$2.43 million in 1H2023 to approximately S\$2.93 million in 1H2024. This was mainly due to higher payout of special bonuses and staff bonuses, increase in depreciation expenses, increase in entertainment and was offset by lower professional fees, repair and maintenance for factory and building and lower lease rental.

Impairment recovered / (allowance)

During the reporting period, there was no impairment allowance or recovery of trade receivables compared to impairment recovered for trade receivables amounting to S\$244,000 in 1H2023.

Finance costs

Finance costs decreased slightly from approximately S\$115,000 in 1H2023 to approximately S\$79,000 in 1H2024 due to lower principal amount owed. The finance costs relate to borrowings and lease liabilities.

Tax expense

Tax expense increased to approximately S\$0.50 million in 1H2024 compared to a tax expense of approximately S\$0.39 million in 1H2023. This is due to a higher taxable profit.

Profit / (loss) for the period

As a result of higher overall revenue generated and improved gross profit, the Group recorded a profit after tax of approximately S\$0.98 million for 1H2024 as compared to the profit after tax of approximately S\$9.40 million in 1H2023 which was mainly due to the one off disposal of non-current asset classified as held for sale.

Review of statement of financial position (31 December 2023 vs. 30 June 2023)**Non-current assets**

The decrease in property, plant and equipment was mainly due to a higher depreciation charge of approximately S\$0.38 million and foreign translation differences offset by purchase of property, plant & equipment of approximately S\$0.34 million.

Current assets

Inventories increased from approximately S\$3.75 million as at 30 June 2023 to approximately S\$4.13 million as at 31 December 2023, due to an increase in stock to meet sales orders.

Trade receivables increased from approximately S\$6.39 million as at 30 June 2023 to approximately S\$6.43 million as at 31 December 2023. The increase was due to an increase in sales recognised.

Other receivables consist mainly of deposits and prepayments. Other receivables and prepayments increased by approximately S\$37,000 from approximately S\$275,000 as at 30 June 2023 to approximately S\$312,000 million as at 31 December 2023, mainly due to prepayment of insurance, consultancy fee, and prepayment for machinery and tools and was offset by the absence of prepaid property tax.

Current liabilities

Trade payables increased from approximately S\$2.43 million as at 30 June 2023 to approximately S\$2.81 million as at 31 December 2023. This was mainly due to an increase in purchases to fulfill increased sales orders.

Contract liabilities decreased from approximately S\$129,000 as at 30 June 2023 to approximately S\$93,000 as at 31 December 2023 as a result of billings being recognised as sales during the financial period.

Other payables decreased from approximately S\$2.09 million as at 30 June 2023 to approximately S\$1.78 million as at 31 December 2023. This was mainly due to payment to other creditors and accruals.

Borrowings

Total borrowings for the Group decreased from S\$3.16 million as at 30 June 2023 to S\$3.06 million as at 31 December 2023, mainly due to payment of loan and lease liabilities.

Review of Consolidated Statement of Cash Flows

1H2024 vs. 1H2023

For the financial period ended 31 December 2023, the Group generated a net cash inflow of approximately S\$1.01 million from operating activities as compared to net cash generated from operating activities of approximately S\$0.90 million in 1H2023.

The operating cash flow before working capital changes decreased from approximately S\$1.94 million in 1H2023 to approximately S\$1.89 million in 1H2024, contributed by lower profit before tax of approximately S\$1.48 million, depreciation charge, interest expenses, inventories written down and written off, which was offset by interest income and inventories written back.

Higher trade payables and other payables offset by higher inventories, higher trade receivables and prepayments and foreign translation differences have resulted in a decrease in the cash generated from operations from approximately S\$1.40 million to approximately S\$1.27 million.

Net cash generated from investing activities amounted to approximately S\$2.95 million in 1H2024 (1H2023: S\$12.55 million). The net cash flow generated in 1H2024 was mainly due to the uplift of fixed deposits upon maturity. This was offset by the acquisition of new property, plant and equipment amounting to S\$0.34 million.

Net cash used in financing activities was approximately S\$1.63 million in 1H2024. This was mainly attributed to:

- a. repayment of borrowings of approximately S\$71,000
- b. proceeds from bank borrowings of S\$57,000
- c. payment on lease liabilities of approximately S\$73,000
- d. interest payment of approximately S\$79,000
- e. payment of dividend of S\$1.5 million
- f. decrease in restricted balance in use of S\$35,000

As a result of the above, the Group's cash and cash equivalents decreased from approximately S\$13.05 million as at 31 December 2022 to approximately S\$8.57 million as at 31 December 2023.

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

Not applicable as no forecast or prospect statement has been previously disclosed.

19. 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 Russia and Ukraine war continues to be a threat to global businesses and remains unresolved. In addition, new tensions in the Middle East, coupled with an increase in operational costs, rising interest rates, inflation, uncertain weather in various parts of the world, pose challenges to our businesses as customers' shipment or orders may be delayed, postponed or cancelled as affected economies will take time to recover from the aftermath.

The Group will exercise caution and monitor external factors that may affect its operations in the various countries that it has operations in.

20. If a decision regarding dividend has been made:

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

No.

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

Not applicable.

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

No dividend was declared for 1HY2023.

- (b) 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.

- (c) The date the dividend is payable**

Not applicable.

- (d) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

21. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared / recommended for the six months ended 31 December 2023 so as to conserve cash to cater for uncertainties during this period.

22. 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.

23. 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 7H under Rule 720(1) of the Catalist Rules.

24. NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, Ip Kwok Wing and Lim Fong Li Janet, being two Directors of CFM Holdings Limited, hereby confirm 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 statements for the half-year ended 31 December 2023 to be false or misleading in any material aspect.

For and on behalf of the Board

Ip Kwok Wing
Executive Chairman

Lim Fong Li Janet
Chief Executive Officer

1 February 2024

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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. Lin Huiying, Head of Continuing Sponsorship, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.