



CFM Holdings Limited

(Incorporated in Singapore under Registration No. 200003708R)

Condensed interim financial statements for the six months ended 31 December 2025

*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance 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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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

The Group			
6 months ended			
	Note	31 Dec 2025	31 Dec 2024
		S\$'000	S\$'000
Revenue	4	10,477	12,576
Cost of sales		(8,960)	(9,879)
Gross profit		1,517	2,697
Other income		418	274
Marketing and distribution expenses		(144)	(143)
Administrative and other expenses		(2,302)	(2,682)
Impairment loss on trade receivables		-	(1)
Finance costs		(39)	(64)
(Loss)/profit before taxation	5	(550)	81
Tax expense	6	(80)	(70)
(Loss)/profit for the financial period, net of tax		(630)	11
Other comprehensive income/(loss)			
<u>Items that are or may be reclassified subsequently to profit or loss:</u>			
Currency translation differences arising on consolidation		652	587
Total comprehensive income for the financial period		22	598
Profit attributable to:			
Equity holders of the Company		(630)	11
Total comprehensive income attributable to:			
Equity holders of the Company		22	598
Earnings per share for the period attributable to equity holder of the Company during the financial period (S\$ in cents)			
a) Basic		(0.313)	0.006
b) Diluted		(0.313)	0.006

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	7	5,607	5,687	-	-
Intangible assets		20	23	-	-
Investment in subsidiaries		-	-	9,515	9,515
Prepayments		-	79	-	-
Total non-current assets		5,627	5,789	9,515	9,515
Current assets					
Inventories	8	3,258	3,602	-	-
Trade receivables	9	4,156	4,514	-	-
Other receivables and prepayments		238	286	24	23
Amounts due from subsidiaries	10	-	-	231	217
Cash and bank balances		13,074	13,434	1,834	3,096
Income tax recoverable		443	319	-	-
Total current assets		21,169	22,155	2,089	3,336
Non-current asset classified as held for sale		-	2,038	-	-
Total assets		26,796	29,982	11,605	12,581
Non-current liabilities					
Provision for reinstatement		30	30	-	-
Borrowings	11	-	442	-	-
Lease liabilities	11	234	304	-	-
Deferred tax liabilities		303	290	-	-
Total non-current liabilities		567	1,066	-	-
Current liabilities					
Trade payables		1,813	2,124	-	-
Contract liabilities		248	143	-	-
Other payables		1,285	2,161	171	719
Amounts due to subsidiaries	10	-	-	78	80
Borrowings	11	287	1,872	-	-
Lease liabilities	11	193	235	-	-
Total current liabilities		3,826	6,535	249	799
Total liabilities		4,393	7,601	249	799
Net Assets	12	22,403	22,381	11,356	12,052

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

	The Group		The Company		
		31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	Note	S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	13	22,963	22,963	22,963	22,963
Accumulated profits/(losses)		(560)	70	(11,607)	(10,911)
Foreign currency translation reserve		*	(652)	-	-
Equity attributable to equity holders of the Company		22,403	22,381	11,356	12,052

*Denotes less than S\$1,000

C. Condensed interim statements of changes in equity

The Group	Note	Share capital	Accumulated profits/(losses)	Foreign currency translation reserve	Total equity
		S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2025		22,963	70	(652)	22,381
Loss for the financial period		-	(630)	-	(630)
<u>Other comprehensive income for the period</u>					
Currency translation differences		-	-	652	652
Total comprehensive income for the period		-			
Balance at 31 December 2025		22,963	(560)	*	22,403
Balance as at 1 July 2024		22,963	397	(1,222)	22,138
Profit for the financial period		-	11	-	11
<u>Other comprehensive loss for the period</u>					
Currency translation differences		-	-	587	587
Total comprehensive income for the period		-	11	587	598
Balance at 31 December 2024		22,963	408	(635)	22,736

* Denotes less than S\$1,000

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 2025		22,963	(10,911)	12,052
Loss and total comprehensive loss for the financial period		-	(696)	(696)
Balance at 31 December 2025		22,963	(11,607)	11,356
Balance at 1 July 2024		22,963	(9,579)	13,384
Profit and total comprehensive income for the financial period		-	(646)	(646)
Balance at 31 December 2024		22,963	(10,225)	12,738

D. Condensed interim consolidated statement of cash flows

	The Group 6 months ended	
	31 Dec 2025 S\$'000	31 Dec 2024 S\$'000
Cash flows from operating activities		
Loss/profit before tax	(550)	81
Adjustments for:		
Depreciation of property, plant and equipment	567	472
Gain on disposal of property, plant and equipment	(18)	(1)
Gain on disposal of asset classified as held for sale	(177)	-
Loss on termination of right-of-use assets	-	7
Property, plant and equipment written off	54	1
Interest expense	39	64
Interest income	(132)	(163)
Inventories written back	(71)	(81)
Inventories written down	36	53
Inventories written off	-	10
Impairment loss on trade receivables	-	1
Unrealised exchange (gain)/loss	2	(10)
Operating cash flows before working capital changes	(250)	434
Decrease in inventories	505	57
Decrease in receivables and prepayments	578	1,421
Decrease in trade and other payables and contract liabilities	(1,230)	(551)
Foreign translation differences	(8)	15
Cash (used in)/generated from operations	(405)	1,376
Interest income received	138	163
Income tax paid	(189)	(532)
Net cash (used in)/generated from operating activities	(456)	1,007
Cash flows from investing activities		
Purchase of property, plant and equipment (Note A)	(245)	(1,484)
Proceeds from disposal of property, plant and equipment	46	1
Proceeds from disposal of asset classified as asset held for sale	2,215	-
Withdrawal of fixed deposits	628	1,574
Net cash generated from investing activities	2,644	91

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

	The Group	
	6 months ended	
	31 Dec 2025 S\$'000	31 Dec 2024 S\$'000
Cash flows from financing activities		
Repayment of borrowings	(2,094)	(136)
Proceeds from borrowings	43	-
Payment on lease liabilities	(117)	(119)
Interest paid	(39)	(64)
Increase in fixed deposit-pledged	(11)	-
Decrease in restricted balance in use	36	-
Net cash used in financing activities	(2,182)	(319)
Net increase in cash and cash equivalents	6	779
Cash and cash equivalents at beginning of the financial period	11,200	10,308
Effect of exchange rate changes on cash and cash equivalents	287	225
Cash and cash equivalents at end of the financial period	11,493	11,312
Cash and cash equivalents		
Fixed deposits	9,297	9,652
Cash at bank and in hand	3,777	3,774
	13,074	13,426
Less: Fixed deposits pledged with bank	(181)	(79)
Restricted balance in use	-	(35)
Short-term deposits with maturities of more than three months	(1,400)	(2,000)
Cash and cash equivalents at end of the financial period	11,493	11,312

Note A

During the financial period, the Group acquired property, plant and equipment for an aggregate amount of S\$245,000 (1H2025: S\$1.48 million) in cash.

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 2025 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The registered office and principal place of business of the Company is located at 4008 Ang Mo Kio Street Avenue 10, #04-22, Techplace 1, 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; and
- (c) 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 2025 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 2025.

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 2025, 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 2025.

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:

- Write-down of inventories (Note 8)

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	31 Dec
	2025	2024
	S\$'000	S\$'000
Revenue stream and timing of revenue recognition		
<i>At a point in time</i>		
Sales of metal components	9,633	11,600
Sales of cleanroom products	671	712
Sales of tooling products	173	258
<i>Over time</i>		
Storage services	-	6
	10,477	12,576

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 Group ceased operations in the components and parts business segment in 1H2025.

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

	Metal stamping		Tooling		Components and parts		Cleanroom products		Group	
	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000
Segment revenue										
Sales to external customers	9,633	11,600	173	258	-	6	671	712	10,477	12,576
Interest Income	109	100	-	-	-	45	2	5	111	150
Miscellaneous income	29	67	-	-	-	2	37	35	66	104
Gain on disposal of property, plant and equipment	19	1	-	-	-	-	-	-	19	1
Gain on disposal of assets held for sale	-	-	-	-	-	-	177	-	177	-
Rental Income	1	1	-	-	-	-	21	-	22	1
Unallocated segment	-	-	-	-	-	-	-	-	23	18
Total Other Income	158	169	-	-	-	47	237	40	418	274
Total revenue and other income	9,791	11,769	173	258	-	53	908	752	10,895	12,850
Depreciation	442	374	4	4	-	*	121	94	567	472
Finance costs	-	-	-	-	-	-	-	-	(39)	(64)
Segmental result	300	1,180	57	198	-	43	40	(55)	397	1,366
Unallocated expenses									(947)	(1,285)
Loss/profit before tax									(550)	81
Income tax expense									(80)	(70)
Loss/profit after tax									(630)	11

*denotes less than \$1,000

4.2 Reportable segments (continued)

	Metal stamping		Tooling		Components and parts		Cleanroom products		Group	
	1H2026	1H2025	1H2026	1H2025	1H2026	1H2025	1H2026	1H2025	1H2026	1H2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group assets and liabilities</u>										
Segmental assets	22,707	23,705	60	63	-	-	2,169	3,503	24,936	27,271
Unallocated assets									1,860	3,437
Total assets									<u>26,796</u>	<u>30,708</u>
Expenditure for segment non-current assets										
Additions to PPE	218	1,482	-	-	-	-	127	2	345	1,484
Segmental liabilities	3,642	5,351	-	-	-	-	721	2,016	4,363	7,367
Current income tax liabilities									-	-
Deferred income tax liabilities									303	467
Unallocated liabilities									(273)	138
Total liabilities									<u>4,393</u>	<u>7,972</u>

4.2 Reportable segments (continued)

Geographical Information

	Singapore		Malaysia		United States of America		Slovak Republic		Rest of Europe*		China		Others**		Group	
	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000	1H2026 S\$'000	1H2025 S\$'000
Sales to external customers	961	858	3,154	3,281	1,924	4,600	954	714	2,209	1,848	1,262	1,256	13	19	10,477	12,576
Non-current assets	457	2,230	3,108	3,332	-	-	1,891	1,914	-	-	171	297	-	-	5,627	7,773
Other geographical information:																
Capital expenditure	27	2	218	822	-	-	-	622	-	-	-	38	-	-	245	1,484

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

** Others comprise South Korea and Japan.

Revenue of approximately S\$3.3 million (1H2025: S\$5.5 million) is derived from one (1H2025: one) major external customer with revenue of more than 10% of the Group's revenue and are attributable to the segments as detailed below:

		Group	
		1H2026 S\$'000	1H2025 S\$'000
<u>Attributable segments</u>			
Customer 1	Metal Stamping and Tooling	3,300	5,500
		<hr/>	<hr/>
		3,300	5,500

5. (Loss)/Profit before tax

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

	The Group	
	6 months ended	
	31 Dec 2025	31 Dec 2024
	S\$'000	S\$'000
Other Income		
Interest Income	(132)	(163)
Miscellaneous Income	(69)	(109)
Rental Income	(22)	(1)
Gain on disposal of property, plant and equipment	(18)	(1)
Gain on disposal of assets held for sale	(177)	-
Expenses		
Depreciation on property, plant and equipment	567	472
Interest in borrowings and lease liabilities	39	64
Inventories written off	-	10
Inventories written down	36	53
Inventories written back	(71)	(81)
Lease expense - short-term leases	34	32
Property, plant and equipment written off	54	1
Loss on foreign currency exchange	81	225
Staff costs	4,349	4,899

6. 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 2025	31 Dec 2024
	S\$'000	S\$'000
<i>Current period:</i>		
Current tax	80	70
Deferred tax	-	-
Income tax expense	<u>80</u>	<u>70</u>

7. Property, plant and equipment

For the six-month period ended 31 December 2025, the Group acquired property, plant and equipment amounting to S\$245,000 (1H2025: S\$1.48 million).

8. 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\$3.30 million (FY2025: S\$3.60 million). During the financial period, the Group recognised inventories write-down of S\$36,000 (FY2025: S\$148,000), whilst inventories written off were Nil (FY2025: S\$9,000) and write-back was S\$71,000 (FY2025: S\$156,000).

9. Trade Receivables

	Group	
	31 Dec 2025	30 June 2025
	S\$'000	S\$'000
Third Parties	4,157	4,515
Less: Allowance of impairment loss	(1)	(1)
	<u>4,156</u>	<u>4,514</u>

10. Related Party Transactions - Amounts Due To Subsidiaries

	The Company	
	31 Dec 2025	30 June 2025
	S\$'000	S\$'000
<u>Current Assets</u>		
Amounts due from subsidiaries	231	217
<u>Current Liabilities</u>		
Amounts due to subsidiaries	<u>(78)</u>	<u>(80)</u>

Current assets / Liabilities

The amounts due to subsidiaries S\$78,000 (2025: S\$80,000) are non-trade in nature, unsecured, interest-free and payable on demand.

11. Borrowings

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

	As at 31 Dec 2025		As at 30 June 2025	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Borrowings	287	-	1,872	-
Lease liabilities	193	-	235	-
	<u>480</u>	<u>-</u>	<u>2,107</u>	<u>-</u>

11. Borrowings (cont'd)

Amount repayable after one year

	As at 31 Dec 2025		As at 30 Jun 2025	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	-	-	442	-
Lease liabilities	234	-	304	-
	234	-	746	-

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

- Charges over the machinery and equipment of certain of our subsidiaries with a total net carrying amount of approximately S\$89,000 as at 31 December 2025 (FY2025: S\$96,000);
- With reference to (a) above, certain of the property, plant & equipment included in lease liabilities are under finance leasing arrangements and are secured by personal guarantee from one of the directors of the Company;
- As at 31 December 2025, fixed deposits and restricted cash balance amounting to S\$91,000 (FY2025: S\$79,000) were pledged with financial institutions as securities for loans and credit facilities granted to the Group; and
- 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 S\$647,000 (FY2025:S\$713,000) and a corporate guarantee.

12. Net asset value

	<u>Group</u>		<u>Company</u>	
	31 Dec 2025 cents	30 June 2025 cents	31 Dec 2025 cents	30 June 2025 cents
Net Asset Value per ordinary share	11.12	11.11	5.63	5.98
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Total Net Asset Value	22,403	22,381	11,356	12,052
Total number of issued shares	201,535,276	201,535,276	201,535,276	201,535,276

13. Share Capital

	<u>Group and Company</u>	
	31 Dec 2025 S\$'000	30 June 2025 S\$'000
Issued and fully paid capital		
201,535,276 ordinary shares with no par value	22,963	22,963

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.

There was no change in the Company's share capital during the 6 months ended 31 December 2025.

The Company did not hold any treasury shares, subsidiary holdings or other convertibles as at 31 December 2025 and 31 December 2024.

13.1 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 2025	30 June 2025
Total number of issued shares (excluding treasury shares)	<u>201,535,276</u>	<u>201,535,276</u>

13.2 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.

13.3 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.

14. Financial Assets and Financial Liabilities

Set out below are the financial assets and financial liabilities of the Group and Company as at 30 June 2025 and 31 December 2025.

	Group		Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised costs)	<u>17,376</u>	<u>18,158</u>	<u>2,069</u>	<u>3,322</u>
Financial Liabilities				
Trade and other payables, lease liabilities and borrowings (Amortised costs)	<u>3,704</u>	<u>7,032</u>	<u>240</u>	<u>788</u>

15. Subsequent Events

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

Other information as required by Appendix 7C of the Catalyst Rules

16. 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

1H2026 vs. 1H2025

Revenue

The Group recorded a revenue of approximately S\$10.48 million for 1H2026, which was a decrease of approximately S\$2.10 million or 16.69% (1H2025: approximately S\$12.58 million) when compared to 1H2025. The decrease was mainly due to reduced customer orders in the metal stamping and tooling segments, driven by softer demand following the introduction of U.S. tariff policies.

Gross Profit

The Group's gross profit decreased by approximately S\$1.18 million from S\$2.70 million in 1H2025 to approximately S\$1.52 million in 1H2026. The decrease in gross profit was mainly contributed by lower sales volumes in the metal stamping and tooling segments, which reduced production efficiency and economies of scale.

Other Income

Other income increased by approximately S\$144,000 from approximately S\$274,000 in 1H2025 to approximately S\$418,000 in 1H2026. The increase in other income is mainly due to gain in disposal of fixed assets and disposal of asset classified as asset held for sale, as well as higher rental income.

Marketing and distribution expenses

Marketing and distribution expenses stayed constant, with a slight increase of approximately S\$1,000 from approximately S\$143,000 in 1H2025 to approximately S\$144,000 in 1H2026 due to an increase in mandatory contributions, salary adjustments and travelling expenses.

Administrative and other expenses

Administrative and other expenses decreased by approximately S\$380,000 from approximately S\$2.68 million in 1H2025 to approximately S\$2.30 million in 1H2026, primarily due to lower manpower expenses and reduced exchange losses. This was partially offset by higher depreciation, fixed assets written off, bank charges due to the disposal of properties, higher repair and maintenance expenses and transaction taxes.

Finance costs

Finance costs decreased from approximately S\$64,000 in 1H2025 to approximately S\$39,000 in 1H2026 following the redemption of three property loans during the period. Finance costs comprise of interest expenses on borrowings and lease liabilities.

Tax expense

Tax expense increased to approximately S\$80,000 in 1H2026 compared to a tax expense of approximately S\$70,000 in 1H2025. This is due to taxable profits for one of the subsidiaries.

Loss for the period

As a result, the Group is reporting a net loss after tax of approximately S\$630,000 for 1H2026 as compared to the profit after tax of approximately S\$11,000 in 1H2025 which mainly arose from the decrease in revenue.

Review of consolidated statement of financial position (31 December 2025 vs. 30 June 2025)**Non-current assets**

The decrease in non-current assets of approximately S\$0.16 million, stemmed from the decrease in property, plant and equipment from approximately S\$5.69 million as at 30 June 2025 to approximately S\$5.61 million as at 31 December 2025. This decrease was due mainly to a depreciation charge of approximately S\$567,000 and foreign translation differences offset by purchase of property, plant & equipment of approximately S\$245,000.

Intangible assets were approximately S\$23,000 as at 30 June 2025 and decreased to approximately S\$20,000 as at 31 December 2025, due to amortisation of approximately S\$3,000.

Current assets

Inventories decreased from approximately S\$3.60 million as at 30 June 2025 to approximately S\$3.26 million as at 31 December 2025, due to inventories released for production and lower sales orders.

Trade receivables decreased from approximately S\$4.51 million as at 30 June 2025 to approximately S\$4.16 million as at 31 December 2025. The decrease was mainly due to lower sales receivables, timing of billing and collection of accounts during the financial period.

Other receivables consist mainly of deposits and prepayments. Other receivables and prepayments decreased by approximately S\$48,000 from approximately S\$286,000 as at 30 June 2025 to approximately S\$238,000 as at 31 December 2025, mainly due to lower deposit receivables, lower interest receivables and other debtors.

Current liabilities

Trade payables decreased from approximately S\$2.12 million as at 30 June 2025 to approximately S\$1.81 million as at 31 December 2025. This was mainly due to fewer purchases of materials for production resulting from lower sales and payments to suppliers.

Contract liabilities increased from approximately S\$143,000 as at 30 June 2025 to approximately S\$248,000 as at 31 December 2025 as a result of services not yet performed.

Other payables decreased from approximately S\$2.16 million as at 30 June 2025 to approximately S\$1.29 million as at 31 December 2025. This was mainly due to payment to other creditors, accruals and utilization of provisions.

Borrowings and lease liabilities

Total borrowings and total lease liabilities decreased from S\$2.85 million as at 30 June 2025 to S\$714,000 as at 31 December 2025. The decrease was mainly due to full settlement of loan arising from the disposal of properties during the period and payment of lease liabilities.

Review of Consolidated Statement of Cash Flows

1H2026 vs. 1H2025

For the six months ended 31 December 2025, the Group's net cash used in operating activities was approximately S\$456,000, while 1H2025 net cash generated from operating activities was approximately S\$1.01 million.

The operating cash flow before working capital changes decreased from approximately S\$434,000 in 1H2025 to approximately (S\$250,000) in 1H2026, contributed by lower revenue resulting in net loss before tax of approximately S\$550,000, after depreciation charge, interest expenses, inventories written down, which was offset by interest income and inventories written back.

Higher trade payables, contract liabilities and other payables and foreign translation differences offset by lower inventories, lower trade receivables and prepayments have resulted in a decrease in the cash generated from operations of approximately S\$1.38 million in 1H2025 to cash used in operations of approximately S\$405,000 in 1H2026.

Net cash generated from investing activities amounted to approximately S\$2.64 million in 1H2026 as compared to approximately S\$91,000 in 1H2025. The net cash flow generated in 1H2026 was mainly due to the proceeds from disposal of property, plant and equipment, and disposal of asset classified as asset held for sale. This was offset by the acquisition of new property, plant and equipment amounting to S\$245,000.

Net cash used in financing activities was approximately S\$2.18 million in 1H2026. This was mainly attributed to:

- a. repayment of borrowings of approximately S\$2.10 million
- b. payment on lease liabilities of approximately S\$117,000
- c. interest payment of approximately S\$39,000
- d. Proceeds from borrowings of approximately S\$43,000
- e. Increase in fixed deposit – pledged of approximately S\$11,000
- f. Decrease in restricted balance in use of approximately S\$36,000

As a result of the above, the Group's cash and cash equivalents increased from approximately S\$11.31 million as at 31 December 2024 to approximately S\$11.49 million as at 31 December 2025.

17. 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.

18. 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 past six months have been characterised by prolonged uncertainty, particularly relating to U.S. tariff policies, which have adversely affected global business conditions. These developments have resulted in increased costs, supply chain disruptions, and a contraction in global trade, further exacerbated by the ongoing Russia–Ukraine conflict. These effects have applied downward pressure on the profit margins.

This prolonged uncertainty has negatively impacted the Group's sales performance, as reflected in this report. While a significant recovery is not anticipated in the near half year, the Group expects an improvement in performance in the later months.

19. 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 1HY2026.

- (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.

20. 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 2025 as the Company is in a loss-making position.

21. 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 shareholders for interested person transactions.

22. 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.

23. NEGATIVE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE CATALIST RULES

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 2025 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

10 February 2026