



CFM HOLDINGS LIMITED
(Company Registration No. 200003708R)
(Incorporated in the Republic of Singapore)

PROPOSED DISPOSAL OF THE PROPERTY
AT 3 ANG MO KIO STREET 62, #05-15 AND #05-16, LINK@AMK, SINGAPORE 569139

1. INTRODUCTION

The Board of Directors (the “**Board**”) of CFM Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that a wholly-owned subsidiary of the Company, CFM Infratrade Pte. Ltd. (the “**Vendor**”) had, on 6 June 2025, granted to Kirona LLP (the “**Purchaser**”) two options to purchase (the “**Options**”) in respect of two units of the Vendor’s leasehold interest at Lot MK18-U114198M, known as 3 Ang Mo Kio Street 62, #05-15 and #05-16, LINK@AMK, Singapore 569139 (the “**Property**”) for an aggregate purchase consideration of S\$2,215,000 (excluding any prevailing applicable goods and services tax) (the “**Purchase Consideration**”), on the terms and subject to the conditions of the Options (the “**Proposed Disposal**”).

The sale and purchase of the Property is intended to be a collective sale and purchase of both units, and the Options, if exercised, shall be exercised simultaneously for both units. As at the date of this announcement, the Options have yet to be exercised.

2. INFORMATION ON THE PROPOSED DISPOSAL

2.1 Information on the Vendor and the Property

The Vendor is a wholly-owned subsidiary of the Company and owns the Property as part of its cleanroom business. The Property is a leasehold property with a leasehold tenure of 60 years commencing from 28 June 2011. The Property’s gross floor area is approximately 400 sqm.

As at the date of this announcement, unit #05-15 of the Property is vacant following the Vendor’s relocation of its cleanroom business to 4008 Ang Mo Kio Avenue 10 #04-20-22 (the “**New Location**”), while unit #05-16 of the Property is still being used as the Company’s office. The Company intends to relocate its office to the New Location in the week of 23 June 2025 (“**Change of Registered Address**”). Further announcement(s) will be made by the Company in respect of the Change of Registered Address in due course.

The Company believes that this move will benefit the Company and/or the Vendor as the cleanroom business’ supplies will be consolidated in one location and this will cut down on the need for transport between locations and thus reduce operational costs.

2.2 Information on the Purchaser

The Purchaser is a limited liability partnership incorporated in Singapore on 22 June 2016 with its registered office situated at 3 Ang Mo Kio Street 62, #03-11, LINK@AMK, Singapore 569139. The Purchaser is in the wholesale business of chemicals and chemical products.

The partners of the Purchaser are Kean Tong Yongting and Lim Zi Xi, Sabrina.

The Purchaser and its partners are independent of and are not related to and do not have any connection (including, *inter alia*, financial or business connection) with the Company, its subsidiaries, its directors and its substantial shareholders. For avoidance of doubt, the Purchaser and its partners are not interested persons under Chapter 9 of the Catalyst Rules.

3. TERMS OF THE PROPOSED DISPOSAL

The Purchase Consideration for the Property is S\$2,215,000 (excluding any prevailing applicable goods and services tax). The Purchase Consideration was determined on a willing-buyer, willing-vendor basis, after arm's length negotiations with the Purchaser, and on an "as is where is" basis, where both the Vendor and Purchaser had each acted knowledgeably, prudently and without compulsion. In deriving the Purchase Consideration, the Group had taken into account the following factors:-

- i. The Purchaser's request for the option to be exercised on or after 1 October 2025 but before 14 October 2025;
- ii. The rental income in respect of the new tenancy for unit #05-15 of the Property will accrue to the Vendor for the period from 1 July 2025 to 23 December 2025 (the expected date of completion of the Proposed Disposal) (the "**Completion Date**");
- iii. The Proposed Disposal is a collective sales of both units; and
- iv. The market value of the Property was S\$2,200,000 (details set out below).

The Property is sold with a new tenancy entered into with an independent third party for unit #05-15 of the Property, commencing on 1 July 2025 for a term of thirty-six (36) months. The tenancy will be novated to the Purchaser on the Completion Date.

The Vendor had commissioned an independent valuation of the Property by TEHO Property Consultants Pte Ltd, to determine the market value of the Property (the "**Valuation**"), taking into account the prevailing economic conditions. Based on the valuation reports dated 5 June 2025 (the "**Valuation Reports**"), the market value of the Property as at 5 June 2025 was S\$2,200,000.

The valuation has been prepared in accordance with the International Valuation Standards Council ("**IVSC**") (2017 Edition) definition of market value and adopted by Singapore Institute of Surveyors and Valuers ("**SISV**"). The methodology used for the Valuation is the comparable sale method, where comparison is made with recent transactions of similar properties, preferably in the vicinity, making appropriate adjustments for differences in location, floor level, floor area, age, condition, floor loading, ceiling, height, tenure, design and layout, dates of transaction and the prevailing economic conditions affecting the property market, among others.

- 3.1 The Purchase Consideration shall be satisfied by the Purchaser in cash in three tranches and is payable as follows:
 - 3.1.1 the first payment of S\$22,150 (the "**First Payment**"), being one (1) per cent of the Purchase Consideration, to be paid by the Purchaser in consideration for the granting of the Options by the Vendor to the Purchaser;
 - 3.1.2 the second payment of S\$88,600 being five (5) per cent of the Purchase Consideration less the First Payment is to be paid by the Purchaser upon its exercise of the Options (the "**Second Payment**"); and

- 3.1.3 the third payment, being the remaining amount of the Purchase Consideration together with the goods and services tax thereon, is to be paid by the Purchaser on the Date of Completion (or on such date as may be agreed by the Vendor and the Purchaser).

As at the date of this announcement, the Vendor has received the First Payment.

- 3.2 The Options may be accepted by the Purchaser by signing and delivering the Options and paying the Second Payment to the Company before the expiry of the Options. The Purchaser can only exercise the options on or after 1 October 2025. The Options expire at 4:00 p.m. on 14 October 2025. If the Options are not exercised by the Purchaser in the manner stipulated in the Options or within the prescribed period, it shall be deemed null and void, and the Purchaser shall not have any claim or demand against the Vendor for damages, costs or otherwise whatsoever in the matter.
- 3.3 Upon the Purchaser's acceptance of the Options, a binding contract for the sale and purchase of the Property on the terms set out in the Options will be deemed entered into by the Vendor and the Purchaser.
- 3.4 Unit #05-16 of the Property will be sold (i) with vacant possession and (ii) in its present state and condition while unit #05-15 of the Property will be sold with existing tenancy. The Purchaser shall be deemed to have inspected the Property with full notice of the actual state and condition thereof as regards to access, repair, light, air, drainage and all other respects, and shall take the Property on an "as is where is" basis.

4. RATIONALE FOR THE PROPOSED DISPOSAL

4.1 Rationale

The Company believes that the Proposed Disposal is in the best interest of the Company and its shareholders as it will allow the Vendor to (a) realise the value of the Property and improve liquidity to its operations, and (b) consolidate its cleanroom business' supplies in one location, thereby reducing transportation and operational costs.

4.2 Use of Proceeds

The Vendor expects to receive net cash proceeds of approximately S\$627,000 after repayment of borrowings of S\$1,506,000 related to the Property. The net proceeds will be utilised for general working capital by the Vendor.

5. VALUE OF THE PROPERTY

Based on the latest announced unaudited consolidated financial statements of the Group for the six-month period ended 31 December 2024 ("**1HFY2025 Results**"):

- 5.1 the book value of the Property as at 31 December 2024 is S\$2,060,000; and
- 5.2 the proceeds arising from the Proposed Disposal represent an excess of S\$155,000 over the book value of the Property, and the gain on disposal attributable to the Proposed Disposal is approximately S\$73,000.

Based on the Valuation Reports, the market value of the Property as at 5 June 2025 was S\$2,200,000.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

6.1 General

6.1.1 For illustrative purposes only, the proforma financial effects of the Proposed Disposal as set out below are prepared based on the Group's audited financial results for the financial year ended 30 June 2024 ("FY2024") and subject to the following key assumptions:

- (i) the effect of the Proposed Disposal on the Group's net tangible assets ("NTA") per share is based on the assumption that the Proposed Disposal had been effected at the end of the FY2024;
- (ii) the effect of the Proposed Disposal on the Group's earnings per share ("EPS") is based on the assumption that the Proposed Disposal had been effected at the beginning of FY2024;
- (iii) the gain on disposal of the Proposed Disposal is approximately S\$73,000;
- (iv) estimated expenses of approximately S\$82,000 is to be incurred in relation the Proposed Disposal; and

6.1.2 The financial effects as set out below are strictly for illustrative purposes only and are therefore not necessarily indicative of the future financial position and earnings of the Group.

6.2 NTA

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$'000)	22,138	22,211
Number of Shares (excluding treasury shares)('000) ⁽¹⁾	201,535	201,535
NTA per Share (cents)	10.98	11.02

Note:

(1) Calculated based on 201,535,276 Shares as at the date of this announcement (excluding treasury shares and subsidiary holdings).

6.3 EPS

	Before the Proposed Disposal	After the Proposed Disposal
Profit after taxation attributable to shareholders of the Company (S\$'000)	1,802	1,875
Weighted average number of Shares (excluding treasury shares) ('000) ⁽¹⁾	201,535	201,535
EPS (cents)	0.89	0.93

Note:

(1) Calculated based on 201,535,276 Shares as at the date of this announcement (excluding treasury shares and subsidiary holdings).

7. RELATIVE FIGURES UNDER RULE 1006

Based on the Group's 1HFY2025 Results, the relative figures in relation to the Proposed Disposal computed on the bases as set out in Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (the "**Catalist Rules**") are as follows:

Rule 1006	Bases	Relative Figures
(a)	Net asset value of the Property to be disposed of, compared with net asset value of the Group ⁽¹⁾	9.1%
(b)	Net profits attributable to the Property to be disposed of, compared with net profits of the Group ⁽²⁾	Not applicable
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation based on the total number of shares (excluding treasury shares) ⁽³⁾	14.5%
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue ⁽⁴⁾	Not applicable
(e)	Aggregate volume or amount of proved or probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount ⁽⁵⁾	Not applicable

Notes:

- (1) Computed based on the net asset value of the Property is S\$2,060,000 as at 31 December 2024, compared to the net asset value of the Group of approximately S\$22,736,000 as at 31 December 2024.
- (2) As at the date of this announcement, the Property does not generate any income.
- (3) Computed based on the Purchase Consideration of S\$2,215,000 and the Company's market capitalisation of approximately S\$15,316,681, based on its total number of issued ordinary shares ("**Shares**") of 201,535,276 and the weighted average price of S\$0.076 per Share, being the volume weighted average price as at 29 May 2025, the last market day prior to the date of the Options in which Shares were traded.
- (4) The Proposed Disposal is not an acquisition of assets.
- (5) The Company is not a mineral, oil and gas company.

As the relative figures computed under Rule 1006 of the Catalyst Rules exceeds 5% but does not exceed 50%, the Proposed Disposal constitutes a "discloseable transaction" as defined under Chapter 10 of the Catalyst Rules. Accordingly, the approval of shareholders of the Company is not required for the Proposed Disposal.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, controlling shareholders or their associates have any interest, direct or indirect in the Proposed Disposal (other than through their respective shareholdings in the Company).

9. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

11. DOCUMENTS FOR INSPECTION

A copy of the Options and the Valuation Reports (collectively the "**Documents**") will be made available for inspection during normal business hours at the Company's registered office, 3 Ang Mo Kio Street 62, #05-16, LINK@AMK, Singapore 569139, for three (3) months from the date of this announcement.

Following the Change of Registered Address to be announced by the Company in due course, the Documents will be made available for inspection at the New Location.

12. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company. There is no certainty or assurance that the Proposed Disposal will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Proposed Disposal. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lim Fong Li Janet
Executive Director and Chief Executive Officer
6 June 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.*

The contact person for the Sponsor is Ms. Lin Huiying, Head of Continuing Sponsorship, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.