



**CFM Holdings Limited**

(Incorporated in Singapore under Registration No. 200003708R)

**Half Year Financial Statement for the Period Ended  
31 December 2015**

**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 ended 31 December 2015.

- 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 July 2015 to 31 Dec 2015 S\$'000</b>	<b>1 July 2014 to 31 Dec 2014 S\$'000</b>
<b>Revenue</b>	13,285	15,682
Cost of Sales	<u>(11,239)</u>	<u>(13,276)</u>
<b>Gross profit</b>	2,046	2,406
Other income	386	438
Marketing expenses	(381)	(363)
Administrative and other expenses	(3,433)	(2,433)
Finance costs	<u>(98)</u>	<u>(25)</u>
<b>(Loss)/profit before tax</b>	(1,480)	23
Tax expense	<u>(62)</u>	<u>(115)</u>
<b>Loss for the period</b>	(1,542)	(92)
<b>Other comprehensive loss</b>		
Currency translation loss	<u>(462)</u>	<u>(402)</u>
<b>Total comprehensive loss attributable to equity holders of the Company</b>	<u>(2,004)</u>	<u>(494)</u>
<b>Loss attributable to:</b>		
Equity holders of the Company	(1,542)	(92)
Non-controlling interests	<u>-</u>	<u>-</u>
<b>Loss for the period</b>	<u>(1,542)</u>	<u>(92)</u>
<b>Total comprehensive loss attributable to:</b>		
Equity holders of the Company	(2,004)	(494)
Non-controlling interests	<u>-</u>	<u>-</u>
	<u>(2,004)</u>	<u>(494)</u>

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

	<b>The Group</b>	
	<b>1 July 2015 to 31 Dec 2015 S\$'000</b>	<b>1 July 2014 to 31 Dec 2014 S\$'000</b>
Allowance for doubtful trade receivables	608	-
Allowance for doubtful trade receivables no longer required	(1)	-
Amortisation of intangible assets	35	-
Bad trade debts written off	1	83
Depreciation		
- property, plant and equipment	457	595
- investment properties	-	4
Gain on disposal of property, plant and equipment	(21)	(87)
Gain on disposal of investment property	-	(184)
Gain on foreign exchange	(145)	(100)
Interest income	(2)	(4)
Interest on borrowings and finance leases	98	25
Inventories written down	522	-
Inventories written back	(16)	(31)
Inventories written off	9	29
Property, plant and equipment written off	3	-

**1(b)(i) A balance sheet (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 2015 S\$'000	30 June 2015 S\$'000	31 Dec 2015 S\$'000	30 June 2015 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	14,876	15,076	8	10
Intangible assets	629	664	-	-
Available-for-sale financial asset	500	-	500	-
Investments in subsidiaries	-	-	18,364	18,364
	<u>16,005</u>	<u>15,740</u>	<u>18,872</u>	<u>18,374</u>
<b>Current assets</b>				
Inventories	3,247	3,798	-	-
Trade receivables	6,666	8,807	147	169
Other receivables and prepayment	425	826	19	23
Amounts due from subsidiaries	-	-	5,154	5,197
Cash and cash equivalents	6,274	5,500	1,524	1,348
	<u>16,612</u>	<u>18,931</u>	<u>6,844</u>	<u>6,737</u>
<b>Total assets</b>	<u>32,617</u>	<u>34,671</u>	<u>25,716</u>	<u>25,111</u>
<b>Non-current liabilities</b>				
Finance lease liabilities	72	138	-	-
Borrowings	6,902	1,588	-	-
Deferred tax liabilities	580	577	91	91
	<u>7,554</u>	<u>2,303</u>	<u>91</u>	<u>91</u>
<b>Current Liabilities</b>				
Trade payables	3,470	3,789	-	-
Other payables	4,534	4,272	1,984	1,506
Finance lease liabilities	139	148	-	-
Borrowings	1,952	7,144	1,402	1,402
Income tax payable	22	65	11	11
Provision	300	300	-	-
	<u>10,417</u>	<u>15,718</u>	<u>3,397</u>	<u>2,919</u>
<b>Total liabilities</b>	<u>17,971</u>	<u>18,021</u>	<u>3,488</u>	<u>3,010</u>
<b>Net assets</b>	<u>14,646</u>	<u>16,650</u>	<u>22,228</u>	<u>22,101</u>
<b>Equity</b>				
Share capital	21,704	21,704	21,704	21,704
(Accumulated losses)/retained earnings	(4,177)	(2,635)	524	397
Other reserves	(2,881)	(2,419)	-	-
<b>Total equity</b>	<u>14,646</u>	<u>16,650</u>	<u>22,228</u>	<u>22,101</u>

**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 2015		As at 30 Jun 2015	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Finance lease liabilities	139	-	148	-
Borrowings	1,952	-	7,144	-
	<u>2,091</u>	<u>-</u>	<u>7,292</u>	<u>-</u>

**Amount repayable after one year**

	As at 31 Dec 2015		As at 30 Jun 2015	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Finance lease liabilities	72	-	138	-
Borrowings	6,902	-	1,588	-
	<u>6,974</u>	<u>-</u>	<u>1,726</u>	<u>-</u>

**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\$0.93 million as at 31 December 2015 (FY2015: S\$1.02 million);
- b. Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net carrying value of approximately S\$0.48 million as at 31 December 2015 (FY2015: S\$0.59 million);
- c. Certain of the property, plant & equipment which are under finance lease and bank facilities are secured by guarantee from two of the directors;
- d. As at 30 June 2015, fixed deposits amounting to S\$1.72 million (FY2015: S\$1.73 million) were pledged with financial institutions as securities for loans and credit facilities granted to the Group;
- e. Construction loan pertaining to the Singapore factory has been drawn down to S\$4.94 million (FY2015: S\$4.94 million) as at 31 December 2015 and has been converted into mortgage loan on 1 January 2016. 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; and
- f. 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 July 2015 to 31 Dec 2015 S\$'000</b>	<b>1 July 2014 to 31 Dec 2014 S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(1,480)	23
Adjustments for:		
Allowance for doubtful trade receivables	608	-
Allowance for doubtful trade receivables no longer required	(1)	-
Amortisation of intangible assets	35	-
Bad debts written off	1	83
Depreciation of:		
- property, plant and equipment	457	595
- investment properties	-	4
Gain on disposal of property, plant and equipment	(21)	(87)
Gain on disposal of investment property	-	(184)
Interest expenses	98	25
Interest income	(2)	(4)
Inventories written down	522	-
Inventories written back	(16)	(31)
Inventories written off	9	29
Property, plant and equipment written off	3	-
<b>Operating cash flows before working capital changes</b>	213	453
Decrease in inventories	36	432
Decrease in receivables	1,866	594
Decrease in payables	(57)	(2,382)
Foreign translation adjustment of subsidiaries	(109)	(60)
<b>Cash generated from operations</b>	1,949	(963)
Interest income received	2	4
Income tax paid	(30)	(271)
<b>Net cash used in operating activities</b>	1,921	(1,230)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(532)	(272)
Proceeds from disposal of property, plant and equipment	21	132
Available-for-sale financial asset	(500)	-
<b>Net cash used in investing activities</b>	(1,011)	(140)

	<b>The Group</b>	
	<b>1 July 2015 to 31 Dec 2015 S\$'000</b>	<b>1 July 2014 to 31 Dec 2014 S\$'000</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(410)	(511)
Proceeds from banks	662	2,405
Interest paid	(98)	(25)
Net repayment of finance lease liabilities	(142)	(170)
Fixed deposits pledged with financial institutions	8	15
<b>Net cash from in financing activities</b>	<b>20</b>	<b>1,714</b>
Net increase in cash and cash equivalents	930	344
Cash and cash equivalents at beginning of the financial year	3,774	4,175
Effect of exchange rate changes on cash and cash equivalents	(149)	(85)
<b>Cash and cash equivalents at end of the financial period</b>	<b>4,555</b>	<b>4,434</b>
<b>Cash and cash equivalents</b>		
Fixed deposits	1,719	1,798
Cash at bank and in hand	4,555	4,267
	6,274	6,065
Less: Fixed deposits pledged with bank	(1,719)	(1,631)
<b>Cash and cash equivalents at end of the financial period</b>	<b>4,555</b>	<b>4,434</b>

#### **Note A**

During the financial period, the Group acquired property, plant and equipment with an aggregate cost of S\$0.60 million (HY2015: S\$0.59 million) of which S\$0.07 million (HY2015: S\$0.13 million) was financed by means of finance lease. Cash payment of S\$0.53 million (HY2015: S\$0.27 million) was made to purchase property, plant and equipment. In HY2015, interest-free instalment payments approved by creditors for the purchase of property, plant and equipment was S\$0.19 million.

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.

	Equity, total S\$'000	Share capital S\$'000	Accumulated losses S\$'000	Foreign currency translation reserve S\$'000
<b>The Group</b>				
<b>Balance at 1 July 2015</b>	16,650	21,704	(2,635)	(2,419)
Loss for the period	(1,542)	-	(1,542)	-
<u>Other comprehensive loss for the period:</u>				
Currency translation differences	(462)	-	-	(462)
Total comprehensive loss for the period	(2,004)	-	(1,542)	(462)
<b>Balance at 31 December 2015</b>	14,646	21,704	(4,177)	(2,881)



	Attributable to equity holders of the Company					
	Equity, total S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Share capital S\$'000	Accumulate d losses S\$'000	Foreign currency translation reserve S\$'000	Non- controlling interests S\$'000
<b>The Group</b>						
<b>Balance at 1 July 2014</b>	18,283	18,282	21,704	(2,053)	(1,369)	1
Loss for the period	(92)	(92)	-	(92)	-	-
<u>Other comprehensive loss for the period:</u>						
Currency translation differences	(402)	(402)	-	-	(402)	-
Total comprehensive loss for the period	(494)	(494)	-	(92)	(402)	-
<b>Balance at 31 December 2014</b>	17,789	17,788	21,704	(2,145)	(1,771)	1

	Equity, total S\$'000	Share capital S\$'000	Retained earnings S\$'000
<b>The Company</b>			
<b>Balance at 1 July 2015</b>	22,101	21,704	397
Profit for the period	127	-	127
Total comprehensive income for the Period	127	-	127
<b>Balance at 31 December 2015</b>	22,228	21,704	524

	Equity, total S\$'000	Share capital S\$'000	Accumulated losses S\$'000
<b>The Company</b>			
<b>Balance at 1 July 2014</b>	14,715	21,704	(6,989)
Profit for the period	50	-	50
Total comprehensive income for the period	50	-	50
<b>Balance at 31 December 2014</b>	14,765	21,704	(6,939)

**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.**

The Company did not issue any new capital during the six months financial period ended 31 December 2015.

**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.**

	31 Dec 2015	30 Jun 2015
Total number of issued shares (excluding treasury shares)	108,518,995	108,518,995

The Company did not hold any treasury shares as at 31 December 2015 and 30 June 2015.

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

Not Applicable. There are no treasury shares as at 31 December 2015.

**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.

**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 same accounting policies and methods of computation have been adopted for the current financial period ended 31 December 2015 as compared with the audited consolidated financial statements for the financial year ended 30 June 2015.

**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>1 Jul 2015 to 31 Dec 2015</b>	<b>1 Jul 2014 to 31 Dec 2014</b>
<b>Loss attributable to equity holders of the Company (S\$'000)</b>	<u>(1,542)</u>	<u>(92)</u>
<b>Earnings per share (in cents)</b>		
a) Based on weighted average number of ordinary shares in issue	<u>(1.42)</u>	<u>(0.09)</u>
b) On a fully diluted basis	<u>(1.42)</u>	<u>(0.09)</u>

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

	<b>31 Dec 2015</b>	<b>30 Jun 2015</b>
<b>The Group</b>		
Net asset value per ordinary share (in cents)	13.50	15.34
<b>The Company</b>		
Net asset value per ordinary share (in cents)	20.48	20.37

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 cashflow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of Consolidated Profit and Loss Statement (HY2016 vs. HY2015)**

**Revenue**

For the financial period ended 31 December 2015 ("HY2016"), the Group registered a revenue of S\$13.29 million which was a decrease of S\$2.40 million from the previous corresponding financial period. The decrease was mainly due to decreased contributions from operations in China, Indonesia, Malaysia and Slovakia by S\$2.67 million but offset partially by increased contributions in Singapore by CFM Infratrade Pte Ltd, acquired in January 2015.

**Gross Profit**

Although our gross profit decreased from S\$2.41 million in HY2015 to S\$2.05 million in HY2016, the gross profit margin remains relatively the same at 15.3% and 15.4% respectively. Included in the current period of Cost of Sales was a provision for obsolete stocks amounting to S\$0.52 million (HY2015: Nil). The provision for obsolete stock was due to certain products are no longer in production and the materials are not usable for other existing productions.

**Other Income**

Other Income in HY2016 consists of gain from foreign exchange (S\$0.15 million), rental income (S\$0.10 million), HDB Assignment fee (S\$0.05 million), service income earned (S\$0.03 million), gain on sale of property, plant & equipment (S\$0.02 million) and other miscellaneous income (S\$0.04 million). Other Income has decreased by S\$0.05 million from S\$0.44 million in HY2015 mainly due to:

- a. One time disposal of investment property in HY2015; and
- b. Lesser disposals of property, plant & equipment in HY2016 as compared to HY2015.

## **Marketing Expenses**

Marketing expenses increased slightly from S\$0.36 million in HY2015 to S\$0.38 million in HY2016 due to sales commission paid by a subsidiary which was showing higher turnover in HY2016 as compared to HY2015.

## **Administrative and Other Expenses**

Administrative expenses in HY2016 consist mainly of directors' remuneration and salary expenses (S\$1.46 million), allowance for doubtful debts (S\$0.61 million), professional fees (S\$0.50 million), depreciation charge (S\$0.12 million), land lease, office rental and property tax for Singapore factory (S\$0.18 million), office repairs and maintenance (S\$0.15 million), and other miscellaneous expenses (S\$0.41 million). It has increased from S\$2.43 million in HY2015 to S\$3.43 million in HY2016 mainly due to increase in provision for doubtful debts and professional fees. Doubtful debts related to long outstanding receivables which certain customers having difficulties to make payments. Professional fees mainly related to the engagement of consultants and legal advisors for the Temporary Occupation Permit ("TOP") issue relating to the Singapore Building.

## **Finance Costs**

Finance costs increased from S\$0.03 million in HY2015 to S\$0.10 million in HY2016. The finance costs mainly related to finance leases for new machines and equipment and interest charge from borrowings.

## **Income Tax Expense**

The Group tax expense decreased from S\$0.12 million in HY2015 to S\$0.06 million in HY2016. Lower tax expense in HY2016 was mainly due to lower profit generated by the profitable subsidiaries.

## **Loss for the Period**

Overall, the Group recorded a higher net loss after tax of S\$1.54 million again in HY2016 as compared to the previous corresponding financial period of S\$0.09 million.

## **Review of Consolidated Balance Sheet (HY2016 vs. FY2015)**

### **Non-Current Assets**

Property, plant and equipment decreased from S\$15.08 million as at 30 June 2015 ("FY2015") to S\$14.88 million as at 31 December 2015. This is mainly due to depreciation charge of S\$0.46 million for the financial period and the disposal of property, plant & equipment but offset by purchase of new property, plant & equipment of S\$0.60 million. A 10% investment of Midsouth Camca S.A. De C.V. was acquired for S\$0.50 million on 1 July 2015.

### **Current Assets**

Inventories decreased by approximately S\$0.55 million as at 31 December 2015 after net of inventories written down.

Trade receivables decreased from S\$8.81 million as at 30 June 2015 to S\$6.67 million as at 31 December 2015 due to lower revenue generated after net of doubtful debts provided.

Other receivables for HY2016 consist mainly of deposits and prepayments (S\$0.34 million), tax recoverable mainly from Malaysian tax authority (S\$0.02 million) and other receivables (S\$0.07 million). It has decreased from S\$0.83 million as at 30 June 2015 to S\$0.43 million as at 31 December 2015. The decrease was mainly due to the refund of deposits and reclassification of costs to property, plant & equipment.

### **Current Liabilities**

Trade payables decreased from S\$3.79 million as at 30 June 2015 to S\$3.47 million as at 31 December 2015. This is mainly due to less purchases made caused by lower demands from customers.

Other payables increased from S\$4.27 million as at 30 June 2015 to S\$4.53 million as at 31 December 2015 was mainly due to accrual of construction related costs for the new Singapore building. The other payables as at 31 December 2015 comprised mainly:

- a. accrued expenses of S\$2.10 million (mainly consideration payable for the acquisition of CFM Infratrade Pte Ltd of S\$1.00 million, accrued employee related expenses of S\$0.66 million, other non-trade related expenses of S\$0.1 million and others);
- b. Other creditors of approximately S\$1.20 million (mainly construction cost of S\$0.90 million);
- c. Amount due to a director of approximately S\$0.80 million, which is unsecured, no interest bearing, and with no fixed terms of repayment. The amount due to a director was used for temporary cash management purpose of the Company and it does not affect the going concern of the Group;
- d. Medical benefits of approximately S\$0.29 million related to a medical claim payable to a director; and
- e. Others of approximately S\$0.20 million consisting of provision of withholding tax, provision for directors' fees and rental and deposit received.

### **Finance Lease and Borrowings**

Total borrowings for the Group increased from S\$9.02 million as at 30 June 2015 to S\$9.07 million as at 31 December 2015. This was mainly due to the capitalization of finance charge prior to obtaining TOP for the Singapore building and offset by repayment of finance lease.

### **Review of Consolidated Statement of Cash Flows (HY2016 vs. HY2015)**

For the half year ended 31 December 2015, the Group had generated a net cash inflow of S\$1.94 million from its operating activities as compared to cash outflow of S\$1.23 million in HY2015. The increase in net cash inflow was due to:

- a. Higher receipt from receivables of S\$1.87 million;
- b. Lower inventory holding of S\$0.04 million; and
- c. Non-cash expense items like depreciation charge of S\$0.46 million, allowance for doubtful trade receivables of S\$0.61 million and Inventories written down of S\$0.52 million; but offset by
- d. Payment to suppliers of S\$0.06 million.

Net cash flows used in investing activities amounted to S\$1.03 million in HY2016 and S\$0.14 million in HY2015. HY2016 net cash flow used was mainly for the purchase of property, plant & equipment of S\$0.53 million and an investment in available for sale financial asset of S\$0.5 million.

Net cash generated from financing activities of approximately S\$0.02 million in HY2016 was mainly attributed by:

- a. proceeds from bank borrowings of approximately S\$0.66 million; but offset by
- b. repayment of bank loans of S\$0.41 million;
- c. net repayment of finance lease liabilities of approximately S\$0.14 million; and
- d. Interest payment of S\$0.10 million.

The Group's cash and cash equivalent increased from S\$4.43 million as at HY2015 to S\$4.56 million as at HY2016.

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

This announcement is in line with the profit guidance announced on 22 January 2016.

**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.**

During this financial period, the Group continues to diversify its current business risks by taking up a 10% stake in Midsouth Camca SA De C.V., which is in the business of assembly of standard parts of home appliances.

As for its core business on metal stamping and fabrication, the outlook continues to be challenging. Therefore, the management will continue to monitor and tighten cost control over its operations and to constantly improve productivity. In addition, the Group will continue to evaluate business opportunities locally and overseas.

As for CFM Infratrade Pte Ltd, the management has been developing strategic plans to expand its businesses especially the garments for cleanroom environment. A team for this garment business has been created to spearhead this initiative.

**A. Issues relating to the Group's New Factory**

On 2 December 2015, Cheong Fatt Holdings Pte Ltd ("CFH"), a Singapore subsidiary has received the full "Temporary Occupation Permit" ("TOP") for its new building as announced on the same date. Please refer to separate update announcement released on 4 February 2016.

**B. Litigation Cases**

Reports on the current litigation cases:-

i) Showa International (HK) Co. Ltd ("Showa")

Subsequent to the announcement dated 4 February 2015, the Malaysian Court has on 19 January 2016 fixed the case to commence on 4 April 2016 to 6 April 2016. Shareholders should note that the date is subjected to change and the Company will make the announcement once the definitive trial date has been decided by the Malaysian Court.

The Board of Directors has assessed the information available to them as at the date of this announcement pertaining to the Claims. They are of the opinion that based on the information including, *inter alia*, the Claims amount of approximately RM 1.1 million and the advice from its solicitor, the said Claim (in the event it materialises) will have a significant adverse financial impact on the Group's financial performance and financial position. However, the shareholders should note that the outcome of the Trial is still uncertain as at the date of this announcement. The

Company will keep the shareholders informed of the progress of the Claims and will make further announcements, when appropriate.

ii) Seng Foo Building Construction Pte Ltd ("SFBC")

With reference to the announcement made on 1 July 2015, CFH factory's main Contractor, SFBC has obtained an interim injunction to restrain CFH from calling on its insurance guarantee. CFH had on 30 July 2015 filed its defence and counterclaim against SFBC and will be taking steps to discharge the interim injunction.

This case is scheduled for a Pre-Trial Conference on 10 February 2016. Shareholders should note that the date is subjected to change and the Company will make the announcement once the definitive trial date has been decided by the Singapore Court. The outcome of the Trial is still uncertain as at the date of this announcement. The Company will keep the shareholders informed of the progress of the action and will make further announcements, when appropriate.

**11. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared during the current financial period reported on?**

Nil.

**(b) Corresponding period of the immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Nil.

**(c) Date Payable.**

Not Applicable.

**(d) Book closure date.**

Not Applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared/recommended for the six months financial period ended 31 December 2015.

**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 interest person transactions.

**14. Interested person transactions**

There were no interested party transactions exceeding S\$0.10 million conducted during the financial period under review.



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

We, Ip Kwok Wing and Janet Lim Fong Li, 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 financial results for the half year ended 31 December 2015 set out above to be false or misleading in any material aspect.

For and on behalf of the Board

Ip Kwok Wing  
Executive Chairman

Janet Lim Fong Li  
Chief Executive Officer

### **BY ORDER OF THE BOARD**

**Janet Lim Fong Li**  
**Chief Executive Officer**  
**05 February 2016**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**Exchange**”). The 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.  
Telephone number: 6221 0271