



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Registration No. 200003708R)

EXEMPTION FROM SUSPENSION OF BUSINESS ACTIVITIES IN SINGAPORE

The Board of Directors (the "**Board**") of CFM Holdings Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to announce that the Government of Singapore has on 3 April 2020 announced heightened safe-distancing measures (the "**directive**"), to minimise the spread of COVID-19. The directive addressed all workplaces, except for those providing Essential Services and those able to operate remotely, will be suspended from 7 Apr 2020 to 4 May 2020.

The Company and its Singapore subsidiaries Cheong Fatt Holdings Pte Ltd ("**CFH**") and CFM Infratrade Pte Ltd ("**CFMI**") had applied to the Ministry of Trade and Industry ("**MTI**") under the Essential Services - Manufacturing and Distribution category for exemption from suspension of business activities 7 Apr 2020 to 4 May 2020. The MTI had given written approval to both subsidiaries, whilst the Company had obtained verbal approval from MTI, to continue its operation and are required to comply with the prevailing advisories issued by the various Government agencies to mitigate the spread of COVID-19. In particular, the Company is to ensure the following:

- a. Functions that can be performed remotely must be done from home.
- b. Implement safe distancing measures to reduce physical interactions by:
 - Reducing the need for and duration of physical interactions;
 - Staggering working hours;
 - Postponing all group events; and
 - Implementing shift work and/or split team arrangements.

At present, we are still unable to assess the impact of this directive that may have on the Group's earnings per share and net asset value per share of the Group for the current financial year ending 30 June 2020, but we note that the revenue contribution from Singapore was approximately 22% of total revenue for the financial year ended 30 June 2019 and 16% for half-year ended 31 December 2019. However, we wish to add that the Covid-19 pandemic and its effects on the global and domestic economy may potentially impair the Group's earnings capacity and profitability and ability to secure new sales in the next 12 months. The Group's earnings per share and net asset value per share for the current financial year ending 30 June 2020 might be negatively impacted arising from the directive as non-essential services are non-operative.

In the meantime, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

BY ORDER OF THE BOARD

Janet Lim Fong Li
Executive Director & Chief Executive Officer
9 April 2020

*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**"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**Exchange**") Listing Manual Section B: Rules of Catalyst for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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