ANNUAL REPORT 2026

CFM HOLDINGS LIMITED
Registration No.: 200003708R

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PROXY FORM

This Annual Report 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 Annual Report, including the correctness of any of the statements or opinions made, or reports contained in this Annual Report.

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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ip Kwok Wing
Executive Chairman

Lim Fong Li Janet
Chief Executive Officer

Lim Chi Yuin Clarence
Lead Independent Director

Raj Kamal s/o Abdul Rasheed
Independent Director

AUDIT COMMITTEE

Lim Chi Yuin Clarence
Raj Kamal s/o Abdul Rasheed

NOMINATING COMMITTEE

Raj Kamal s/o Abdul Rasheed
(Chairman)
Lim Chi Yuin Clarence
Lim Fong Li Janet

REMUNERATION COMMITTEE

Lim Chi Yuin Clarence *(Chairman)*
Raj Kamal s/o Abdul Rasheed

AUDITORS

PKF-CAP LLP
Chartered Accountants of Singapore
6 Shenton Way, #38-01
OUE Downtown 1
Singapore 068809

Partner: Sherley Tang Hui Lin
(appointed since financial year ended 30 June 2026)

COMPANY SECRETARY

Shirley Tan Sey Liy
MSc Mgmt (Hons) (UCD), FCS, FCG

REGISTERED OFFICE

4008 Ang Mo Kio Avenue 10
#04-22 Techplace 1
Singapore 569625
Tel: +65 6481 2888
Email: irc@cfmholdings.com
www.cfmholdings.com

SHARE REGISTRAR

Ascentium Corporate Services Pte. Ltd.
(formerly known as In.Corp Corporate Services Pte. Ltd.)
36 Robinson Road
#20-01 City House
Singapore 068877

PRINCIPAL BANKERS

RHB Bank Singapore
DBS Bank Ltd

CONTINUING SPONSOR

Novus Corporate Finance Pte. Ltd.
7 Temasek Boulevard
#04-02 Suntec Tower 1
Singapore 038987

CORPORATE PROFILE

Established since 1979, CFM Holdings Limited ("**CFM**" or the "**Company**", and together with our subsidiaries, the "**Group**") has evolved into a customer-focused manufacturer providing metal stamping services, design, fabrication and the sale of tool-and-die used for the manufacturing of stamped metal components. Backed by production facilities in Malaysia, the Slovak Republic and People's Republic of China, our Group supports a customer base of multinational corporations ("**MNCs**").

CFM reached an important milestone in our corporate history with the launch of our Initial Public Offering on 16 January 2004.

Since FY2015, the Group has expanded into trading in disposable and wearable for use in pharmaceutical, cleanroom, bio-medical, laboratories and hospitals.

Today, the Group serves customers in the electronics industry as well as customers from the automotive, telecommunication, technology, mechanical and electrical ("**M&E**") industries and pharmaceutical industries.

VISION

CFM envisions being a global business name that delivers quality, performance, integrity, teamwork & innovation to the satisfaction of our customers.

MISSION

CFM aims to deliver high quality components to our customers by implementing stringent process control and delivering at the lowest cost possible. We strive to constantly upgrade our skills and keep abreast with technological advancements to satisfy beyond customers' requirements.

CORPORATE STRUCTURE

CFM HOLDINGS LIMITED

100%

SINGAPORE
CFM Infratrade Pte. Ltd.

100%

MALAYSIA
Johor
Hantong Metal Component Sdn. Bhd.

100%

MALAYSIA
Kedah
Hantong Metal Component (Penang) Sdn. Bhd.

100%

CHINA
Dalian
Dalian CFM Precision Tooling Co., Ltd.

100%

SLOVAK REPUBLIC
Spisska Nova Ves
CFM Slovakia s.r.o.

100%

USA
California
CFM USA Inc.

OUR GLOBAL FOOTPRINT

CFM HOLDINGS LIMITED
4008, Ang Mo Kio Avenue 10,
#04-22 Techplace 1,
Singapore 569625

PRINCIPAL SUBSIDIARIES

SINGAPORE
CFM Infratrade Pte. Ltd.
4008, Ang Mo Kio Avenue 10,
#04-22 Techplace 1,
Singapore 569625

PEOPLE'S REPUBLIC OF CHINA
Dalian CFM Precision Tooling Co., Ltd.
Room 1-1A
No. 99, Huai He Zhong Road,
Dalian Economic Development Zone,
116600, Dalian,
People's Republic of China

SLOVAK REPUBLIC
CFM Slovakia, s.r.o.
Radlinskeho 17, 052 01,
Spisska Nova Ves,
Slovak Republic

MALAYSIA
Hantong Metal Component Sdn. Bhd.
No. 4 Jalan Haji Sa'at,
Sungai Tiram,
81800 Ulu Tiram,
Johor, Malaysia

Hantong Metal Component (Penang) Sdn. Bhd.
Lot 83 & 84, Jalan 1/8 PKNK,
Kawasan Perindustrian Sungai Petani,
08000 Sungai Petani,
Kedah, Malaysia

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am pleased to present the annual report of CFM Holdings Limited (the "**Company**" together with its subsidiaries, the "**Group**"), for the financial year concluded on 30 June 2026 ("**FY2026**").

FY2026 was an exceptionally difficult one, marked by a deeply challenging global operating environment shaped by geopolitical tensions, sustained inflationary pressures, shifting trade policies, and ongoing disruptions to global supply chains. The manufacturing sector has faced a broad-based weakening demand across key markets, leading to more cautious customer spending and intense pricing competition. These external headwinds were significant, and the Group's performance reflects the severity of these conditions. Despite the current challenges, we remain focused on maintaining operational continuity, strengthening essential customer relationships, managing costs, and sustaining our operations.

The Board remains committed to upholding proper standards of corporate governance, regulatory compliance, and effective risk management. We will continue to maintain internal controls and governance practices to operate in line with applicable regulatory requirements.

FINANCIAL PERFORMANCE

The Group reported revenue of S$21.23 million for FY2026, a decrease of 14.11% from S$24.72 million in FY2025. This decline was driven primarily by lower customer order volumes due to weaker market demand and more conservative inventory management.

Gross profit fell to S$2.93 million in FY2026 from S$5.14 million in FY2025, reflecting the impact of lower sales volumes. While we have taken steps to manage costs, gross margins remained under pressure from intense pricing competition and rising operating costs.

The Group recorded a loss after tax of S$1.33 million in FY2026, compared with a loss after tax of S$327,000 in FY2025. The larger loss was driven principally by lower sales volumes, continued pricing pressure, and our limited ability to pass on increasing operating costs to customers.

Our financial performance for FY2026 was below our expectations, reflecting the challenging operating environment. While we recognise there are areas for improvement, we will remain focused on monitoring our position carefully and take appropriate steps to address the challenges facing the Group and strengthen our performance going forward.

OUTLOOK

Structural changes within global manufacturing continue to alter global supply chains and business conditions. Rising labour costs, ongoing tariffs, export controls, together with persistent geopolitical uncertainties, have accelerated shifts in production patterns. In Europe, elevated energy costs and increasingly stringent environmental regulations add further complexity. These factors, combined with cautious customer spending and active inventory management, are expected to continue weighing on manufacturing demand in the near term.

Against this backdrop, the outlook for the Group remains challenging, in light of current market conditions. The metal stamping business is expected to continue facing pressure, with demand from key customers remaining subdued and pricing competition intense. Customers may continue to adopt a cautious approach towards placing new orders and managing inventory levels, which may result in ongoing volatility in order volumes and utilisation rates. The Group will remain focused on improving operational efficiency, managing costs prudently, and strengthening customer relationships while adapting its operations to changing market conditions.

The outlook for the cleanroom segment is also expected to remain subdued in the near term. Based on current business performance and prevailing market conditions, we will continue to monitor developments closely and remain responsive to changes in customer requirements and position the business to capture opportunities.

Overall, macroeconomic uncertainties, geopolitical developments, and the uneven pace of recovery across manufacturing sectors are expected to remain key considerations. While the near-term operating environment is expected to remain challenging, the Group will remain mindful of the uncertainties ahead and will continue to assess the market conditions and adjust our strategies accordingly.

APPRECIATION

On behalf of the Board, I would like to express our sincere appreciation to our shareholders for your continued trust and patience. We are grateful for your ongoing support and understanding as we navigate the current operating environment and work towards strengthening the Group's performance. I would also like to extend our gratitude to our customers, suppliers and professional service providers for your continued engagement and steadfast support.

Finally, I would like to thank our management team and employees for your dedication, hard work, and perseverance throughout the year. Your commitment is deeply valued.

IP KWOK WING
EXECUTIVE CHAIRMAN

BOARD OF DIRECTORS

MR. IP KWOK WING
EXECUTIVE CHAIRMAN

Mr. Ip Kwok Wing ("**Mr. Ip**") is the Executive Chairman of our Group. Together with Mdm. Lim Fong Li Janet ("**Mdm. Lim**"), Mr. Ip was a co-founder of our Group in 1979, and was appointed as Managing Director since the incorporation of our Group. Mr. Ip was first appointed to the Board on 28 April 2000. He was last re-elected on 29 October 2025.

Mr. Ip is responsible for the Group's strategic planning and development of new products and markets. He has been spearheading all the expansion and growth of our Group. He began his career in metal stamping, tool and dies fabrication and has an aggregate of more than 40 years of working experience in the metal stamping and tooling industries.

MDM. LIM FONG LI JANET
CHIEF EXECUTIVE OFFICER

Mdm. Lim is the Chief Executive Officer ("**CEO**") of our Group. Assisted by the Chief Financial Officer, she oversees day-to-day operations, finance and general management of our Group. She was first appointed to the Board on 28 April 2000. She was last re-elected on 26 October 2023.

Mdm. Lim is a member of the Nominating Committee of our Company.

She holds a Bachelor of Science in Business Administration from the University of Wales and a Master's Degree in Marketing Communication from the University of Canberra.

Mdm. Lim will be standing for re-election in this upcoming Annual General Meeting and her present and past years' directorships can be found in the section titled "Additional Information on Directors Seeking Re-election" in this Annual Report.

MR. LIM CHI YUIN, CLARENCE
LEAD INDEPENDENT DIRECTOR

Mr. Lim Chi Yuin, Clarence ("**Mr. Lim**") is the Lead Independent Director, Chairperson of the Remuneration Committee, and a member of the Nominating Committee and the Audit Committee of our Company. He was last re-elected to the Board on 29 October 2025.

Mr. Lim has more than 10 years' experience as an Operations Director and Executive Director of RGIS Singapore Pte. Ltd., RGIS Malaysia Sdn. Bhd., RGIS Hong Kong Ltd and RGIS Taiwan LLC. He has a strong track record in managing diverse business operations across Southeast Asia and Greater China, navigating varying business and cultural landscapes. His responsibilities span across Sales, Operations, and Administration.

He graduated with a Bachelor of Engineering in Mechanical Engineering (Honours) from Nanyang Technological University.

He will be standing for re-election in the upcoming AGM and his present and past years' directorships can be found in the section titled "Additional Information on Directors Seeking Re-election" in this Annual Report.

BOARD OF DIRECTORS

DR. RAJ KAMAL S/O ABDUL RASHEED
INDEPENDENT DIRECTOR

Dr. Raj Kamal s/o Abdul Rasheed ("**Dr. Raj**") is an Independent Director and the Chairperson of the Nominating Committee and member of the Audit Committee and the Remuneration Committee of our Company. He was re-elected on 29 October 2025.

Currently, he serves as Director, Art Practitioner, and Educator at The Lucid Umbrella Pte. Ltd. He is also an Adjunct Faculty/Lecturer at the Singapore Institute of Technology ("**SIT**"), Kaplan Singapore and the Management Development Institute of Singapore ("**MDIS**"). He teaches Master's-level modules in Organisational Management, Leadership, Sustainable Business Development, and Public Policy. In addition, he teaches Bachelor's-level subjects including Thermal and Fluid Engineering, Manufacturing and Product Design, Mathematical Modelling, Research and Project Management, and Statistics.

Dr. Raj graduated from Nanyang Technological University with a Doctor of Philosophy (Mechanical Engineering) and Bachelor of Engineering (Mechanical Engineering). He is also a member and accredited director of Singapore Institute of Directors.

KEY MANAGEMENT PERSONNEL

MR. KENNETH IP YEW WA
CHIEF OPERATING OFFICER

Mr. Kenneth Ip Yew Wa ("**Kenneth**") joined the Group on 16 June 2010 and is the Chief Operating Officer of the Company. He is also the General Manager of Hantong Metal Component (Penang) Sdn. Bhd. and Executive Officer of CFM Slovakia s.r.o.. Prior to joining the Group, Kenneth was a Marketing Executive in various corporations and a tooling designer in a MNC.

Kenneth obtained his Bachelor's Degree in Mechanical Engineering from Nanyang Technological University.

MS. TAN LAY LEE
CHIEF FINANCIAL OFFICER

Ms. Tan Lay Lee ("**Ms. Tan**") joined the Group on 10 January 2020, assuming the role of Chief Financial Officer. In this capacity, she oversees all key financial matters of the Group.

Ms. Tan brings over 20 years of expertise in regulatory compliance for listed companies, and over 40 years of experience in financial reporting for companies across a range of industries, including post-production, petrochemicals, education, and lifestyles services. She previously held the position of Financial Controller at Mary Chia Holdings Limited and served as the Group Financial Controller at Informatics Education Limited. In these roles, she was responsible for managing all financial and accounting functions, as well as such companies' taxation and compliance activities.

She is a Fellow member ("**FCA**") of Institute of Singapore Chartered Accountants ("**ISCA**").

FY2026 – OPERATIONAL AND FINANCIAL REVIEW

REVENUE

The Group's revenue decreased by approximately S$3.49 million, or 14.11%, from S$24.72 million for FY2025 to approximately S$21.23 million for FY2026. The decrease was mainly attributable to lower revenue from the metal stamping segment, arising mainly from customers overstocking in the previous financial period leading to lower orders from customers in the US and China in the current financial year, end-of-life cycle products, maturing customer contracts and the effects of U.S. tariff policies. This was partially offset by higher revenue from Slovakia and Europe, supported by new projects and additional orders for parts and tools.

GROSS PROFIT

The Group's gross profit decreased by approximately S$2.21 million, or 42.96%, from S$5.14 million in FY2025 to approximately S$2.93 million in FY2026. The decrease was mainly attributable to lower orders from customers in FY2026 as compared to FY2025, which resulted in lower production volumes.

OTHER INCOME

Other income increased by approximately S$129,000 from S$464,000 in FY2025 to S$593,000 in FY2026. The increase was mainly due to higher gains on disposal of property, plant and equipment and assets held for sale (a non-recurring item), as well as higher rental income. This was partially offset by lower government grants and lower interest income as interest rates declined in FY2026 compared to FY2025.

MARKETING AND DISTRIBUTION EXPENSES

Marketing and distribution expenses increased slightly from approximately S$282,000 in FY2025 to approximately S$286,000 in FY2026. The increase was mainly due to higher mandatory contributions and salary adjustments.

ADMINISTRATIVE AND OTHER EXPENSES

Administrative and other expenses decreased by approximately S$821,000 from approximately S$5.12 million in FY2025 to approximately S$4.30 million in FY2026. The decrease was mainly due to lower staff costs, in line with the Group's operational requirements, lower professional fees and lower inventory write-downs. This was partially offset by higher depreciation expenses and lower benefit from inventory write-backs in FY2026 compared to FY2025.

FINANCE COSTS

Finance costs decreased from S$116,000 in FY2025 to approximately S$59,000 in FY2026. The decrease was mainly due to the settlement of mortgage loans.

TAX EXPENSE

The Group's tax expense decreased from approximately S$408,000 in FY2025 to approximately S$206,000 in FY2026. The decrease was mainly due to lower current tax expense arising from lower taxable profits, together with a favourable movement in deferred tax. This was partially offset by the absence of a prior-year tax overprovision recognised in FY2025.

LOSS FOR THE FINANCIAL YEAR

The Group reported a loss after tax of approximately S$1.33 million in FY2026, compared to a loss after tax of approximately S$327,000 in FY2025. The higher loss was mainly attributable to the 14.11% decrease in revenue, which resulted in a 42.96% decrease in gross profit, partially offset by lower administrative expenses, lower finance cost and higher other income and lower tax expenses.

NON-CURRENT ASSETS

Property, plant and equipment and intangible assets decreased from approximately S$5.71 million as at 30 June 2025 to S$5.58 million as at 30 June 2026. The decrease was mainly due to depreciation of property, plant and equipment and amortisation of intangible assets of approximately S$1.18 million during FY2026, partially offset by purchases of property, plant and equipment, and intangible assets of approximately S$295,000.

At the Company level, investment in subsidiaries was S$9.52 million as of 30 June 2025 and remains at S$9.52 million as of 30 June 2026 due to no impairment or reversal of impairment recognised during the year.

The Company reviewed the performance of CFM Infratrade Pte. Ltd. during the year and performed an impairment assessment on its investment in the subsidiary. Based on the assessment performed, no impairment loss or reversal of impairment loss was recognised for the year.

The Company reviewed the performance of Dalian CFM Precision Tooling Co., Ltd. during the year and performed an impairment assessment on its investment in the subsidiary. Based on the assessment performed, no impairment loss or reversal of impairment loss was recognised for the year.

The Company reviewed the performance of Hantong Metal Component Sdn. Bhd. during the year and performed an impairment assessment on its investment in the subsidiary. Based on the assessment performed, no impairment loss or reversal of impairment loss was recognised for the year.

Prepayments of S$79,000 as at 30 June 2025 relate to the partial prepayments for purchases of property, plant & equipment, which were not present as at 30 June 2026.

FY2026 – OPERATIONAL AND FINANCIAL REVIEW

CURRENT ASSETS

Inventories decreased from approximately S$3.60 million as at 30 June 2025 to approximately S$3.34 million as at 30 June 2026, mainly due to lower restocking of inventories attributable to lower volume of finished goods.

Trade receivables increased from approximately S$4.51 million as at 30 June 2025 to approximately S$4.57 million as at 30 June 2026. The increase was due to the timing of billing and collection of accounts during the financial period.

Other receivables and prepayments consist mainly of deposits and prepayments and the increase from approximately S$286,000 as at 30 June 2025 to approximately S$313,000, was due to increase in prepayment, lower deposits and sundry creditors.

CASH AND BANK BALANCES

The cash and bank balances decreased from S$13.43 million as at 30 June 2025 to S$12.27 million as at 30 June 2026. This was mainly due to payment to suppliers, lower revenue and additional fixed deposit of approximately S$17,000.

CURRENT LIABILITIES

Trade payables decreased from approximately S$2.12 million as at 30 June 2025 to approximately S$2.11 million as at 30 June 2026. This was mainly due to prompt payment to vendors.

Contract liabilities remained almost the same, it was reported to be approximately S$143,000 as at 30 June 2025 and approximately S$142,000 as at 30 June 2026, as the Group's remaining performance obligations remained substantially unchanged.

Other payables decreased from approximately S$2.16 million as at 30 June 2025 to approximately S$1.51 million as at 30 June 2026 mainly due to settlement of accrued operating expenses and sundry creditors.

BORROWINGS AND LEASES

Total borrowings and lease liabilities for the Group decreased from S$2.85 million as at 30 June 2025 to S$965,000 as at 30 June 2026. This was mainly due to repayment of loan and redemption of mortgage loan and higher leases due to renewal of leases.

REVIEW OF CONSOLIDATED STATEMENT OF CASH FLOWS

FY2026 VS. FY2025

Operating profit before working capital changes decreased from approximately S$851,000 in FY2025 to an operating loss before working capital changes of S$253,000 in FY2026. The decrease was mainly due to the Group recording a loss before tax of S$1.12 million in FY2026, compared with a profit before tax of S$81,000 in FY2025. The operating result was adjusted for non-cash items including depreciation, amortisation, gains on disposal of property, plant and equipment and assets held for sale, inventory write-downs and write-backs, interest income and other items.

Cash generated from operations decreased from approximately S$1.93 million in FY2025 to a cash outflow of S$677,000 in FY2026. The decrease was mainly due to the lower operating profit before working capital changes and a decrease in payables and contract liabilities of approximately S$795,000 in FY2026, which resulted in a cash outflow. This was partially offset by favourable movements in inventories of approximately S$411,000.

The Group recorded net cash used in operating activities of approximately S$964,000 in FY2026, compared with net cash generated from operating activities of approximately S$1.21 million in FY2025. This was after interest income received of approximately S$233,000 and income tax paid of approximately S$520,000 during FY2026.

The Group generated net cash from investing activities of approximately S$1.18 million in FY2026, compared with approximately S$121,000 in FY2025. The increase was mainly due to proceeds of approximately S$807,000 from the disposal of an asset held for sale, an approximately S$618,000 from matured fixed deposits, and proceeds from disposal of property, plant and equipment of S$49,000. This was partially offset by purchases of property, plant and equipment, and intangible assets of approximately S$295,000.

The Group recorded net cash used in financing activities of approximately S$993,000 in FY2026, compared with approximately S$671,000 in FY2025. The higher net cash outflow was mainly attributable to the repayment of borrowings of approximately S$599,000, compared with S$215,000 in FY2025, and repayment of lease liabilities of approximately S$404,000, compared with S$247,000 in FY2025.

As a result of the above, the Group recorded a net decrease in cash and cash equivalents of approximately S$778,000 in FY2026, compared with a net increase of approximately S$655,000 in FY2025. Cash and bank balances at the beginning of FY2026 amounted to approximately S$11.20 million, and after taking into account the positive effect of currency translation of approximately S$249,000, cash and bank balances stood at approximately S$10.67 million as at 30 June 2026.

SUSTAINABILITY REPORT

1. BOARD STATEMENT

The Board of Directors (the "**Board**") of CFM Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to publish our sustainability report for the financial year ended 30 June 2026 ("**FY2026**" or "**Reporting Period**"). This report integrates environmental, social and governance ("**ESG**") principles across the Group's operations, strengthening the Company's oversight of integration of sustainability-related risks and opportunities into the Group's governance, enterprise risk management ("**ERM**") and strategic planning processes. This report also considers their potential impact on the Group's financial performance, position, and resilience, supporting long-term value creation.

The Board exercises active oversight through the Group's Sustainability Reporting Committee ("**SRC**"), which reports material sustainability-related matters to the Board for review and decision-making. This ensures that sustainability considerations are appropriately integrated into the Group's business operations and strategic decision-making processes.

The Board also ensures that material sustainability-related investments are evaluated as part of the Group's capital allocation framework when shaping the Group's business strategy and are approved in accordance with applicable authority limits with due consideration given to material ESG factors.

In addition, we will continue to consistently improve the abilities of our staff and management team while staying current with technology advances in order to meet the needs of our stakeholders. The Group reviews the businesses regularly to increase its competitiveness and operational efficiencies. During FY2026, the Board continued to adapt and develop its sustainability practices by embedding ESG considerations across the Group's operations. As part of its ongoing efforts, the Board reviewed the Group's exposure to energy price fluctuations including renewable electricity sourcing and fleet electrification initiatives. In FY2026, the Group continued the solar panel installation project carried forward from the previous financial year, and has progressed with the leasing of electric vehicles in accordance with the applicable authority limits.

PERFORMANCE MANAGEMENT AND REMUNERATION

The Board oversees the development of sustainability-related metrics and targets and their alignment with the Group's strategic objectives.

Looking ahead, the Group intends to progressively incorporate relevant sustainability indicators into senior management performance and remuneration frameworks with implementation targeted by FY2032, subject to improvements in data quality and internal controls. These efforts are intended to support the Group in enhancing its operations in a sustainable manner while contributing positively to the community and environment.

ASSURANCE AND FORWARD-LOOKING STATEMENTS

This Sustainability Report outlines the Group's policies, practices, and performance concerning each material ESG factor for the financial year from 1 July 2025 to 30 June 2026. This report has been prepared in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the guidelines outlined in SGX-ST's Practice Note 7F Sustainability Reporting Guide and SGX-ST's Core ESG Metrics.

The Board confirms that, to the best of its knowledge, this Sustainability Report addresses material sustainability-related risks and opportunities that may affect the Group's financial performance, position, and future prospects.

This report may contain forward-looking statements, including sustainability targets, plans, and initiatives which are subject to uncertainties that may cause actual outcomes to differ.

SUSTAINABILITY REPORT

FINANCIAL STATEMENT CONNECTIVITY

In preparing the FY2026 financial statements, the Group has considered the potential effects of sustainability-related and climate-related risks and opportunities on key accounting estimates and judgements, including assets' useful lives, impairment assessments, expected future cash flows, and provisions.

No material adjustments to the carrying amounts of assets and liabilities were required as at 30 June 2026. These considerations have been incorporated into the Group's forward-looking assumptions and will continue to be monitored in future reporting periods.

FY2026 KEY SUSTAINABILITY ACTIONS AND OUTCOMES

During FY2026, the Group continued implementing sustainability initiatives approved by the Board. Key sustainability performance for FY2026 is disclosed under Sections 6, 7 and 8 of this Sustainability Report.

KEY RISKS AND FINANCIAL EXPOSURE

The Group's principal climate-related risks comprise energy price volatility, carbon pricing exposure and physical climate risks affecting manufacturing operations. These risks are discussed further in Sections 5.2 and 5.5.

For further information on financial performance, please refer to the FY2026 Annual Report.

Board of Directors

8 October 2026

SUSTAINABILITY REPORT

2. ABOUT THIS REPORT

2.1 CORPORATE PROFILE AND REPORTING SCOPE IFRS S1

This Sustainability Report covers FY2026 and forms part of the Group's general-purpose financial reporting. It should be read in conjunction with the Group's FY2026 Annual Report.

The report includes all operating entities under the Group's operational control. The reporting boundary is consistent with the financial consolidation approach, and there are no material exclusions.

2.2 REPORTING FRAMEWORKS AND STANDARDS

This report has been prepared with reference to the Global Reporting Initiative ("**GRI**") standards. The Group has selected GRI Standards as it is a globally recognised sustainability reporting standard and is widely adopted internationally. The Group applies the GRI Standards as the foundational framework for its sustainability reporting, with a focus on the GRI General Disclosures and topic-specific standards most relevant to its operations. These include disclosures related to environmental impacts, social practices, and governance structures. The Group adopts a materiality-based approach in line with GRI principles, reporting on topics that are considered material to stakeholders and the business.

In addition, the Group has incorporated the elements of the IFRS Sustainability Disclosure Standards ("**IFRS SDS**") issued by International Sustainability Standards Board ("**ISSB**"), namely: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("**IFRS S1**") and IFRS S2 Climate-related Disclosures ("**IFRS S2**"). While it is currently not mandatory to adopt these two standards, the Group is disclosing this on a voluntary basis as the climate-related disclosure requirement is mainly in IFRS S2.

This blended application of GRI and IFRS standards enables the Group to ensure both stakeholder relevance and financial materiality, in view of the evolving sustainability reporting landscape.

Climate-related disclosures are structured across the four core pillars of governance, strategy, risk management, and metrics and targets.

2.3 REPORTING ENTITIES AND BOUNDARY IFRS S1.72; IFRS S1.20; IFRS S1.B38

The entities included within the reporting boundary are set out below:

ENTITY	COUNTRY	PRINCIPAL ACTIVITY	INCLUSION RATIONALE
CFM Holdings Limited (Listco)	Singapore	Investment holding company	Included (full operational control)
CFM Infratrade Pte. Ltd.	Singapore	Cleanroom and biomedical products	Included
Hantong Metal Component Sdn. Bhd.	Malaysia	Metal Stamping and Tooling	Included
Hantong Metal Component (Penang) Sdn. Bhd.	Malaysia	Metal Stamping and Tooling	Included
CFM Slovakia s.r.o.	Slovakia	Metal Stamping and Tooling	Included
Dalian CFM Precision Tooling Co., Ltd.	China	Metal Stamping and Tooling	Included

The four business segments of the Group are metal stamping, tooling, components and parts, and cleanroom and biomedical products with its head office anchored in Singapore. IFRS S1.32

SUSTAINABILITY REPORT

2.4 VALUE CHAIN AND REPORTING BOUNDARY

The Group's sustainability reporting considers not only its internal operations but also relevant activities across its value chain that may materially affect the Group's sustainability-related risks and opportunities.

Where relevant and practicable, the Group considers upstream activities, including the procurement of goods and services, suppliers, contractors, outsourced activities, freight and logistics providers, and other business partners. The Group also considers downstream activities, including the distribution and delivery of products, customer use, product quality and safety, product defect response, returns, and other processes that may affect customers and other stakeholders.

The Group engages relevant suppliers, service providers and business partners, where appropriate, to understand and manage sustainability-related impacts, risks and opportunities arising from its value chain. The extent and depth of such engagement depend on the nature, scale and significance of the activity and the availability of reliable information.

Where value-chain data is not available or is subject to estimation, the Group will seek to improve data collection and reporting processes over time. Any material assumptions, estimates, limitations or exclusions are disclosed in the relevant sections of this Report.

2.5 MATERIALITY AND REPORTING APPROACH

The Group applies a financial materiality approach in identifying sustainability-related matters. Topics are considered material where they may affect the Group's financial performance, position, or future prospects.

The materiality assessment considers:

- Regulatory requirements;
- Financial impact;
- Stakeholder expectations;
- Industry developments; and
- Enterprise value implications.

Further details on the materiality assessment methodology are provided in Section 3.

2.6 DATA AND ASSURANCE

Sustainability data is derived from internal systems and operational records, supported by defined methodologies and review processes.

The Group plans to enhance its sustainability reporting framework by improving data quality, measurement methodologies, internal controls and reporting systems. These enhancements are expected to strengthen the accuracy, reliability and decision-usefulness of future disclosures and support the progressive implementation of external assurance. External assurance has not been obtained for FY2026.

The Sustainability Report was subject to an internal review performed by the Group's outsourced internal audit service provider, One Finnacle Governance Sdn. Bhd. The review covered consistency of disclosures, alignment with IFRS S1 and IFRS S2, and the reliability of underlying data and methodologies. This review does not constitute independent external assurance.

The Group is committed to enhancing the quality and scope of its sustainability disclosures. The Group aims to secure external assurance in the near term, in preparation for the mandatory external assurance requirements for Scope 1 and Scope 2 emissions reporting, which will take effect for financial years beginning on or after 1 January 2029, as announced by the Accounting and Corporate Regulatory Authority ("**ACRA**") and Singapore Exchange Regulation ("**SGX RegCo**").

2.7 CONSISTENCY AND COMPARABILITY

The Group has applied consistent reporting methodologies across the reporting period where practicable. This Sustainability Report was prepared in accordance with GRI standards, IFRS S1 and IFRS S2, while recognising that certain disclosures and methodologies may continue to evolve. Any material changes to reporting methodologies or presentation will be disclosed in future reporting periods to support comparability.

2.8 FEEDBACK

The Group values stakeholder feedback as an important mechanism to strengthen its sustainability practices, systems, and performance.

You are welcome to provide comments, suggestions, or enquiries regarding this Sustainability Report or the Group's sustainability initiatives by emailing us at: irc@cfmholdings.com.

3. MATERIALITY ASSESSMENT

Based on the reporting approach described in Section 2, the Group performed a financial materiality assessment to identify sustainability-related matters that may affect its financial performance and enterprise value.

Materiality is assessed across the following time horizons:

- Short-term: 0–3 years
- Medium-term: 3–10 years
- Long-term: beyond 10 years

The materiality assessment considers:

- Likelihood and potential impact;
- Financial implications (including revenue, costs and capital expenditure);
- Regulatory and market developments; and
- Relevance to the Group's operations.

The results of the materiality assessment are reviewed by management and validated by the Board.

3.1 STAKEHOLDER ENGAGEMENT

The Group identified six key stakeholder groups through an internal stakeholder mapping process, including those potentially affected by its operations. These engagements with these stakeholder groups are prioritised because of their major impact on the Group's business operating environments and sustainability initiatives. The Group engages key stakeholders, including shareholders, customers, suppliers, employees, and regulators, and local communities, through formal and informal communication channels.

As the Group strives to manage our business more sustainably, it is critical to engage our stakeholders and consider their interests in our decision-making processes. We will continually engage and consider stakeholder feedback as an input into the identification and prioritisation of material sustainability topics through the following channels and activities:

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KEY STAKEHOLDERS	KEY MATERIALITY	STAKEHOLDERS ENGAGEMENTS	FREQUENCY
Shareholders & Investors	• Profitability • ESG integration in business decisions • Business strategy • Timely release of results • Corporate governance	• Annual general meeting • Annual report • Results announcements via SGXNet • Announcements via SGXNet	• Annually • Semi annually • As and when required
Customers	• Product quality and service reliability • Competitive Pricing • GRI/TCFD/EU CBAM* compliance	• Customers' Feedback • Face to face meetings with key customers • Informal dialogues • Discussions via calls and emails	• Ongoing
Suppliers	• Product quality and service reliability • Competitive Pricing • GRI/TCFD/EU CBAM* compliance	• Face to face meetings with all suppliers • Discussions via calls and emails	• Ongoing
Local Communities	• Environmental impact • Corporate transparency	• Company's website • Public disclosures	• Ongoing • Annually
Employees	• Career development • Employees' health and safety • Employee welfare and benefits • Timely delivery of products	• Annual appraisals • Annual compliance audit • Daily maintenance schedule for manufacturing sites • Internal feedback channels • Continuing education and training • Occupational health and safety • Periodic emergency drills	• Annually • Ongoing • Periodic
Government and Regulators	• Timely reporting obligations and regulatory compliance • Keep current with new policies, guidelines and regulatory compliance	• Filings • Industry engagements • Regulatory updates • Participation in conferences, seminars and workshops for updates in policies and regulations	• As and when required

Note: ***EU CBAM** – EU Carbon Border Adjustment Mechanism

3.2 MATERIAL ESG FACTORS

The Group has identified the following material sustainability-related factors based on their potential impact on the Group's business activities, business model, strategy, financial planning, operations, value chain and key stakeholders.

The assessment considers the potential significance of each ESG factor, including its actual or potential impacts, sustainability-related risks and opportunities, and its potential influence on the Group's financial performance, financial position, cash flows, access to finance, cost of capital and long-term enterprise value.

The Group considers input from relevant internal and external stakeholders, including employees, customers, suppliers, business partners, regulators, investors and other stakeholders, where relevant. The identified material ESG factors are reviewed periodically to ensure that they remain relevant to the Group's business activities, operating environment and stakeholder expectations.

The material ESG factors identified for FY2026 are set out below. The Group will continue to monitor developments and may revise its material ESG factors where there are significant changes to its business, operations, value chain, regulatory requirements or stakeholder expectations.

The materiality matrix identifies topics such as energy consumption, greenhouse gas ("**GHG**") emissions, climate-related risks, product quality, employee health and safety, corporate governance and regulatory compliance as material. It also identifies topics such as business travel, employee commuting and biodiversity.

Environmental

The Group recognises that environmental matters may affect its operations, costs, regulatory obligations, business continuity and long-term resilience. The Group therefore monitors and manages environmental factors that are relevant to its business activities and value chain, while seeking to improve its environmental performance through appropriate operational controls, compliance with applicable environmental requirements, responsible use of resources, monitoring of relevant environmental data and continual improvement of its business practices.

- Energy consumption and efficiency, which directly affect operating expenses and exposure to energy price volatility;
- GHG emissions, which may result in increased costs under carbon pricing mechanisms;
- Climate-related risks, including physical and transition risks that may impact operations and asset values;
- Water consumption, which is monitored to support efficient use of water resources and effective environmental management;
- Waste management, which supports regulatory compliance and improves operational efficiency, while reducing the risk of non-compliance, environmental incidents, penalties and associated remediation costs through identification, segregation, handling, storing, transportation, and disposal of waste;
- Business travel, which is to monitor the indirect GHG emissions arising from employee transportation for business-related activities; and
- Employee commuting, which involves monitoring indirect GHG emissions from employees' commuting patterns and associated emissions, improving the completeness and reliability of commuting data over time and considering practical measures to reduce related emissions.

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Social

- Product quality, which affects customer retention, revenue stability, and warranty-related costs;
- Employee health and safety, which influences operational continuity and potential liabilities;
- Workforce management, which impacts productivity, labour costs, and talent retention;
- Employee training and development, which support operational efficiency and long-term capability building;
- Diversity, equity and inclusion, which promote equal opportunities, support workforce engagement and employee well-being, while preventing discrimination and supporting talent attraction and retention;
- Anti-corruption and ethical business practices, which support zero tolerance for bribery, fraud, corruption and unethical behaviour; and
- Responsible engagement with suppliers, contractors and business partners, which promotes regulatory compliance, responsible sourcing, supply-chain resilience and the management of sustainability-related risks.

Governance

The Group is committed to conducting its business ethically, responsibly and in compliance with applicable laws and regulations. Employees and relevant business partners are expected to act with integrity and to comply with the Group's policies, procedures and applicable legal requirements. The Group promotes ethical conduct through appropriate communication, training, management oversight and reporting channels.

The Group will continue to review and strengthen its internal controls and procedures to identify, prevent and address potential incidents of unethical conduct, bribery, corruption or other misconduct.

Where applicable, suspected misconduct may be reported through the Group's established reporting or whistleblowing channels. Reports are handled in accordance with the Group's relevant procedures and applicable requirements.

- Corporate governance, which underpins investor confidence and access to capital;
- Regulatory compliance, which mitigates financial and legal risks;
- Risk management, which supports resilience and financial stability;
- Data transparency, which enhances stakeholder trust and reporting reliability; and
- Enhanced sustainability reporting obligations, which strengthen board accountability, improve transparency of sustainability-related risks and performance, and support informed stakeholder decision-making.

3.3 MATERIALITY ASSESSMENT PROCESS

The Group's materiality assessment applies a structured process to identify and present the relevant material sustainability topics in this Sustainability Report:

Identification

- Review global sustainability trends, regulatory developments, and stakeholder expectations
- Assessment of operational impacts across all facilities
- Alignment with IFRS S1, IFRS S2, GRI standards, and SGX-ST Core ESG Metrics and relevant frameworks

Assessment

- Evaluation based on likelihood, magnitude of impact, financial implications, and time horizon
- Consideration of impacts on revenue, costs, capital expenditure, supply chain continuity, and reputation

Materiality Scoring Framework

Each sustainability topic was assessed using a structured scoring methodology considering:

- Financial impact
- Likelihood of occurrence
- Stakeholder concern
- Regulatory relevance

Materiality Matrix

ENVIRONMENTAL	IMPACT	LIKELIHOOD	RESULT
Energy consumption and efficiency	High	High	Material
GHG emissions	High	Medium	Material
Climate-related risks	High	High	Material
Water consumption	Medium	Medium	Material
Waste management	High	Medium	Material
Business travel	Medium	Medium	Material
Employee Commuting	Medium	Medium	Material

SOCIAL	IMPACT	LIKELIHOOD	RESULT
Product quality	High	High	Material
Employee health and safety	High	High	Material
Workforce management	Medium-High	Medium	Material
Employee training and development	Medium	High	Material
Diversity, equity and inclusion	Medium	Low	Material

GOVERNANCE	IMPACT	LIKELIHOOD	RESULT
Corporate governance	High	High	Material
Regulatory compliance	High	High	Material
Risk management	High	High	Material
Data transparency	Medium-High	High	Material
Enhanced sustainability reporting obligations	High	High	Material
Anti-corruption and ethical business practices	High	High	Material
Sustainable supply chain	High	High	Material

Prioritisation

- Ranking of topics using a structured scoring methodology
- Assessment of climate-related risks based on physical and transition risk categories under IFRS S2

Validation

- Review by the SRC
- Final validation and approval by the Board

3.4 ENTERPRISE VALUE CONSIDERATION IFRS S1

The material sustainability-related matters identified through the Group's materiality assessment are integrated into strategy, enterprise risk management and capital allocation because they may affect the Group's enterprise value through impacts on revenue, operating costs, capital expenditure and asset values over the short, medium and long term.

The Board confirms that no material sustainability-related risks or opportunities that may affect the Group's financial performance, position, or future prospects have been identified as omitted based on the Group's assessment.

These material sustainability-related matters form the basis of the governance, strategy, risk management, and metrics and targets disclosures presented in Sections 4 to 7.

SUSTAINABILITY REPORT

4. GOVERNANCE IFRS S1 & IFRS S2

Management monitors sustainability and climate-related matters and reports material developments to the Board through the SRC.

4.1 ENVIRONMENTAL GOVERNANCE

The Board oversees the Group's environmental strategy, environmental-related risks, performance targets and disclosures. The Sustainability Reporting Committee supports the Board by reviewing environmental matters identified as material through the materiality assessment.

Management is responsible for implementing environmental initiatives and monitoring performance relating to energy consumption, energy efficiency, GHG emissions, climate-related risks, water consumption, waste management and resource use.

Relevant business units and departmental heads are responsible for implementing environmental procedures, collecting supporting data and monitoring operational performance. Designated data owners are responsible for maintaining records, applying approved measurement methodologies and identifying data gaps, assumptions or estimation limitations.

Environmental matters that may have a significant effect on operating costs, capital expenditure, manufacturing continuity, regulatory compliance or enterprise value are escalated to management and, where appropriate, to the Sustainability Reporting Committee and Board.

4.2 SOCIAL GOVERNANCE

The Board oversees the Group's social-related risks, workforce matters, product quality, employee health and safety, social performance and related disclosures. The Sustainability Reporting Committee supports the Board in reviewing the Group's progress against relevant social objectives, targets and performance indicators.

Management is responsible for implementing policies and procedures relating to product quality, employee health and safety, workforce management, employee training and development, employee welfare and other relevant social matters.

Business unit leaders, departmental heads and relevant functional personnel are responsible for implementing social-related controls, monitoring performance, maintaining supporting records and reporting significant incidents or concerns.

Matters such as serious health and safety incidents, significant product quality issues, material employee concerns, regulatory breaches or risks to workforce capability are escalated through management and the Sustainability Reporting Committee to the Board, where appropriate.

The Group will continue to strengthen employee engagement, training, health and safety monitoring, product quality controls and social performance reporting.

SUSTAINABILITY REPORT

4.3 GOVERNANCE AND ETHICAL CONDUCT OVERSIGHT

The Board retains overall responsibility for corporate governance, regulatory compliance, risk management, data transparency, sustainability reporting, anti-corruption and ethical business practices.

The Sustainability Reporting Committee supports the Board by reviewing governance-related risks and opportunities, the quality and completeness of sustainability disclosures, progress against reporting requirements and the effectiveness of relevant management responses.

Management is responsible for implementing governance policies, maintaining appropriate internal controls, monitoring regulatory developments, ensuring reliable sustainability information and escalating significant governance matters.

Relevant business units and departments are responsible for complying with applicable policies and procedures, maintaining accurate records, supporting data validation and reporting potential control weaknesses or compliance concerns.

Significant matters involving regulatory non-compliance, suspected misconduct, data reliability, conflicts of interest, corruption, fraud or material reporting deficiencies are escalated through the appropriate management and governance channels.

4.4 GOVERNANCE STRUCTURE

LEVEL	COMPOSITION	KEY RESPONSIBILITIES
Board of Directors ("**Board**")	Executive Chairman, Executive Director & CEO, Independent Directors	Overall oversight of sustainability strategy; risk management; and disclosures
Sustainability Reporting Committee ("**SRC**")	COO, CFO, General Managers and Managers	Identification and monitoring of sustainability risks and opportunities; oversight of reporting and initiatives

BOARD COMPOSITION AND COMPETENCIES

The Board has overall responsibility for the Group's sustainability issues and effects. The Board is appropriately trained on sustainability matters, with all members having completed the mandatory SGX sustainability training, and comprises a mix of executive and independent directors with relevant experience in finance, operations, governance, and industry sectors.

The Group is enhancing the Board's capabilities in sustainability and climate-related areas through ongoing training and development.

FY2026 Board Composition

CATEGORY	HEADCOUNT	%
Male	3	60%
Female	2	40%
Independent Directors	3	60%
Executive Directors	2	40%
Total Directors	**5**	**100%**

SUSTAINABILITY REPORT

4.5 SUSTAINABILITY REPORTING COMMITTEE ("SRC")

The SRC supports the Board in the oversight of sustainability-related risks and opportunities and manages the impacts associated with the relevant material topics. The SRC is responsible for:

- Supporting the identification and assessment of sustainability-related risks and opportunities;
- Review key material topics and monitor sustainability performance metrics and targets;
- Overseeing approved sustainability initiatives; and
- Reviewing the quality and completeness of risk management strategies and disclosures.

4.6 BUSINESS UNITS AND DEPARTMENTS

Business unit leaders and departmental heads support the SRC in the implementation of sustainability initiatives and overseeing sustainability data collection and reporting processes.

4.7 MANAGEMENT RESPONSIBILITY

Management is responsible for implementing sustainability initiatives, monitoring performance, maintaining data quality, and integrating sustainability considerations into operational planning, budgeting and investment decision-making. Management also supports the identification and assessment of sustainability-related risks and opportunities.

4.8 INTERNAL CONTROLS AND REPORTING

The Group maintains internal controls over sustainability reporting to support the reliability and integrity of disclosed information. These include clearly defined roles and responsibilities, data validation procedures, and management review processes.

4.9 ANTI-CORRUPTION AND ETHICS

The Group adopts a zero-tolerance approach to corruption and unethical conduct to mitigate financial, legal, and reputational risk to achieve long-term commercial sustainability. The Group is dedicated to adhering to the Code of Corporate Governance 2018 and the Catalist Rules, and its policies will be revised as needed.

The interests of our valued stakeholders are considered in the Group's corporate governance, which encompasses all management areas from performance assessment to corporate disclosures, establishing a framework for attaining our Group's goals. The Group is committed to excellent corporate governance and has a zero tolerance policy for unethical behaviour and lack of professionalism.

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Policies and controls include:

- Segregation of duties and defined approval limits to reduce the risk of unauthorised transactions, conflicts of interests and fraudulent activities
- Whistleblowing channels to facilitate confidential reporting of suspected misconduct, bribery or other unethical conduct
- Periodic internal reviews to assess the adequacy and effectiveness of internal controls and identify areas for improvement
- Personal Data Protection policy and controls to protect the stakeholders' data integrity and privacy of gathered personal data, preventing unauthorised access, use or disclosure of personal data
- Relevant policies and procedures to reinforce expectations relating to ethical conduct, integrity and compliance across the Group

Performance (FY2026)

- Zero corruption incidents – target maintained
- Zero whistleblowing or bribery cases – target maintained
- Zero regulatory fines

Effective anti-corruption and ethic controls help reduce legal, regulatory and reputational risks and support stakeholder confidence in the Group's commitment to responsible and ethical business practices.

Targets

- Maintain zero instances of corruption
- Maintain zero incidents of regulatory fines and whistleblowing cases
- Achieve 100% employee compliance training by FY2027

These factors are monitored as part of the Group's broader risk management framework.

SUSTAINABILITY REPORT

5. STRATEGY IFRS S1 & S2

5.1 BUSINESS CONTEXT

Building on the governance framework described above, the Group integrates sustainability-related risks and opportunities into its financial and operational strategy.

The Group operates in customer-focused manufacturing for metal stamping and cleanroom supply. Sustainability considerations are integrated into operational planning, cost management, and capital allocation, particularly in relation to energy consumption, operational efficiency, and supply chain resilience.

The Group also recognises that workforce capability, product quality and governance are important enablers of long-term enterprise value and operational resilience.

5.2 CLIMATE-RELATED RISKS

The Group has identified key climate-related risks that may affect its financial performance, position, and cash flows across the short, medium, and long term.

Energy price volatility represents a key transition risk due to the Group's electricity-intensive manufacturing operations.

Regulatory developments, including carbon pricing mechanisms and enhanced disclosure requirements, may increase operating expenses and capital expenditure requirements.

Physical climate risks affecting the Group's manufacturing operations are assessed through location-specific risk assessments and scenario analysis, as described below and in Section 5.3.

Climate-Related Opportunities

Energy efficiency improvements may reduce electricity consumption and operating expenses over the medium to long term.

Adoption of renewable electricity may reduce exposure to energy price volatility and carbon-related costs.

Physical Risk Assessment

Manufacturing Locations Assessed

LOCATION	MAIN RISK
Penang	Flooding
Johor	Extreme rainfall and flooding
Slovakia	Heat stress
China	Flooding and storms

Exposure Assessment

Based on management's assessment, no manufacturing site is located within a high-risk flood zone requiring material near-term relocation or asset impairment.

Asset Exposure

Manufacturing facilities and equipment represent approximately 96% of total non-current assets. Climate-related disruptions may affect asset utilisation, maintenance costs and operational continuity.

Supply Chain Risk

Key raw materials including steel, aluminum and copper may be exposed to transition-related cost increases arising from carbon pricing and decarbonisation requirements within supplier industries.

Carbon Pricing Considerations

The Group currently does not apply an internal carbon price in its financial planning or investment appraisal.

However, external carbon pricing developments are monitored and considered in scenario analysis and financial planning. The adoption of internal carbon pricing will be evaluated as regulatory frameworks evolve.

Financial Exposure Summary

Energy costs represent approximately 2.65% of current production costs. A 10%–20% increase in electricity tariffs would increase total production costs by approximately 0.18%–0.43%.

Based on the Group's current emissions levels of 1,225 tCO_2e for FY2026, carbon pricing may result in estimated annual costs of S$55,125 - S$98,000[1] from 2027 to 2030, depending on regulatory developments.

(1) Source: https://www.nccs.gov.sg/singapores-climate-action/mitigation-efforts/carbontax/

5.3 SCENARIO ANALYSIS AND RESILIENCE ASSESSMENT

The Group has conducted climate scenario analysis to assess strategic resilience under different climate pathways.

Time Horizons

The Group assesses climate-related risks and opportunities across the following time horizons:

- Short term: 0–3 years
- Medium term: 3–10 years
- Long term: beyond 10 years

Scenarios Considered

The analysis considers three scenarios:

- Orderly transition (1.5°C–2°C): early policy action and gradual transition
- Delayed transition (2.4°C–2.6°C): limited near-term action followed by more abrupt policy changes
- High emissions (3.0°C–4.4°C): limited transition measures with increasing physical risks

Methodology

Climate scenario analysis is based on currently available operational data, publicly available climate scenarios developed by the IEA and IPCC, and management assumptions regarding future energy prices, carbon pricing and regulatory developments. The assessment covered the Group's principal manufacturing and operating locations in Singapore, Malaysia, the Slovak Republic and the People's Republic of China, representing substantially all operational activities and energy consumption. Key assumptions include projected increases in electricity tariffs, the introduction of carbon pricing mechanisms and evolving regulatory requirements across the jurisdictions in which the Group operates. The analysis is intended to support strategic planning and resilience assessment rather than predict future financial performance. The methodologies and assumptions applied will continue to evolve as data quality, modelling techniques and regulatory guidance develop.

Financial impacts were estimated based on historical energy consumption, current operating cost structures, greenhouse gas emissions, projected capital expenditure requirements and management's assessment of mitigation measures described in the Group's transition plan.

The scenario analysis is intended to support strategic decision-making and does not represent forecasts of future financial performance.

Assumptions Table

DRIVER	ASSUMPTION
Electricity price increase	10%–20%
Carbon price	S$45–S$80/tCO_2e
Energy efficiency savings	Assume 5%–15%
Renewable electricity penetration	Up to 20%
Analysis period	**FY2027–FY2035**

Illustrative Quantification of Assumptions

Based on the assumptions above, management estimated the potential order of magnitude of climate-related financial impacts over the analysis period:

- Electricity costs: A 10%–20% increase in electricity prices could increase annual energy expenditure by approximately 0.18%–0.43%, before accounting for energy efficiency initiatives.
- Carbon costs: At a carbon price of S$45–S$80/tCO_2e, carbon-related compliance costs are estimated to increase operating expenses by approximately 3%–8% of annual energy-related expenses, depending on emissions levels and regulatory requirements.
- Energy efficiency initiatives: Efficiency improvements of 5%–15% are expected to partially offset higher electricity prices and carbon costs, reducing net energy expenditure over time.
- Capital investment: Additional investments in energy-efficient equipment, renewable energy, and decarbonisation initiatives are estimated at approximately 2%–4% of annual capital expenditure, depending on the transition pathway adopted.

Key Impacts by Scenario

Transition Scenarios (1.5°C–2.0°C)

- Energy cost increases of 10%–20% under the transition scenarios.
- Carbon-related cost increases of approximately 3%–8% of annual energy-related expenses.
- Additional capital expenditure equivalent to approximately 2%–4% of annual capital expenditure to support decarbonisation initiatives.

Delayed Transition (2.4°C–2.6°C)

- Lower short-term compliance costs due to slower policy implementation.
- Increased risk of abrupt regulatory changes resulting in significant increases in operating expenses and accelerated capital investment requirements in later years.

High Emissions Scenario (3.0°C–4.4°C)

- Greater exposure to physical climate risks, including higher cooling demand, supply chain disruptions, and potential operational interruptions, as discussed in the interpretation of scenario outcomes below.

These assumptions and quantified impacts are management estimates prepared solely for climate scenario analysis and strategic planning purposes. They represent plausible outcomes under the selected scenarios and should not be interpreted as forecasts, projections, or financial guidance.

Resilience Assessment

Management considers the Group's business strategy to be reasonably resilient under the transition scenarios assessed. The Group will continue implementing energy efficiency initiatives, renewable energy adoption and operational resilience measures while periodically reviewing assumptions as climate-related risks and regulatory requirements evolve.

Financial Impact Table

SCENARIO	REVENUE IMPACT	ESTIMATED COST IMPACT	ESTIMATED CAPITAL EXPENDITURE IMPACT
Orderly transition (1.5°C–2.0°C)	Limited direct impact; potential upside from customer preference	+5% to +12% increase in operating expenses	+2% to +4% of annual capital expenditure based on turnover
Delayed transition (2.4°C–2.6°C)	Potential volatility due to abrupt policy changes	+8% to +15% cost increase in later years	Higher short-term capital expenditure spike
High emissions (3.0°C–4.4°C)	Potential revenue disruption in affected regions	+2% to +5% cost increase from physical risks	Incremental adaptation capital expenditure required

Transition scenarios primarily increase near-term operating costs through higher energy prices and carbon pricing, while higher-emissions scenarios increase long-term exposure to physical climate risks, including operational disruption, asset damage and supply chain instability.

These physical risks are inherently uncertain and may result in non-linear financial impacts that are not fully captured in the current quantitative estimates.

The insights derived from the scenario analysis have informed the Group's climate-related targets (Section 6.2) and transition initiatives (Section 6.3). These targets are designed to enhance the Group's resilience to identified transition and physical risks across different climate pathways.

Energy costs represent 2.65% of production costs base, translating scenario impacts into estimated margin pressure of 3%.

The estimated impacts represent indicative ranges derived from management assumptions and scenario analysis. They are intended to support strategic planning and should not be interpreted as forecasts or financial guidance.

5.4 FINANCIAL EFFECTS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

The financial implications of the climate-related risks and opportunities described in Sections 5.2 and 5.3 have been incorporated into the Group's financial planning process. The principal financial impacts relate to operating expenditure, capital investment requirements and long-term revenue resilience.

Alignment with customer ESG requirements supports revenue stability and competitive positioning.

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5.5 RISK MANAGEMENT IFRS SDS

The Group integrates sustainability-related and climate-related risks into its ERM framework.

Risk Identification through

- Periodic assessments across business units and departments;
- Monitoring of concerns related to physical climate changes, regulatory developments and industry transitions; and
- Analysis of industry trends and stakeholder feedback.

Risk Assessment

Risks are evaluated based on likelihood, financial impact, and time horizon and categorised into physical and transition risks. Both quantitative and qualitative factors were considered in evaluating the nature, likelihood, and extent of these risks.

Risk Management and Monitoring

Material sustainability-related and climate-related risks are integrated into the Group's ERM framework. Risk owners are responsible for implementing mitigation measures, monitoring key risk indicators and reporting significant developments to the SRC. The SRC reviews risk assessments and mitigation progress periodically and reports material matters to the Board, which provides overall oversight of the Group's sustainability and climate-related risk management.

RISK	RATING
Energy Price Fluctuations	High
Carbon Pricing	Medium
Physical Risk	Low-Medium

Actual outcomes may differ depending on future regulatory developments, market conditions, technology adoption and the effectiveness of mitigation measures.

SUSTAINABILITY REPORT

6. METRICS AND TARGETS

6.1 CLIMATE METRICS

In alignment with IFRS S2 and the SGX-ST's Practice Note 7F Sustainability Reporting Guide, the Group discloses the climate-related metrics and targets used to monitor and manage climate-related risks and opportunities. The following metrics and targets support the measurement and monitoring of the strategy described in Section 5.

The Group measures GHG emissions in accordance with the GHG Protocol.

The following GHG emissions scopes are reported:

- Scope 1: Direct GHG emissions from owned or controlled sources
- Scope 2: Indirect GHG emissions from purchased electricity
- Scope 3: Selected indirect GHG emissions across the value chain

Scope 3 emissions include selected categories based on relevance and data availability, including waste, business travel and employee commuting. Coverage will be progressively expanded as data quality and measurement methodologies improve, with priority given to the most material emission categories.

Key Metrics (FY2026)

Total electricity consumption:	2,287 MWh
Scope 1 GHG emissions:	127 tCO_2e
Scope 2 GHG emissions:	1,098 tCO_2e
Total Scope 1 & 2 GHG emissions:	1,225 tCO_2e
Energy intensity:	0.11 MWh / $'000 revenue
Scope 3 GHG emissions:	6,535 tCO_2e

6.2 TARGETS

The Group has established the following targets:

- Maintain emissions at or below the FY2025 baseline, which were met in FY2026
- Reduce Scope 1 and Scope 2 emissions by 45%–60% by FY2030
- Reduce Scope 1 and Scope 2 emissions by 60%–70% by FY2035
- Increase renewable electricity usage and electrification of vehicles and equipment
- Achieve net zero emissions by FY2050

Initiative Contribution

INITIATIVE	EXPECTED CONTRIBUTION
Solar PV	35%–45% reduction
Energy-efficient machinery	4%–5% reduction
EV adoption	3%–5% reduction
Process optimisation	3%–5% reduction

Basis of Targets

The Group's climate-related targets are based on historical emissions performance, current operational characteristics, planned energy efficiency and renewable energy initiatives, and management's assessment of future regulatory developments and customer expectations. Target ranges reflect uncertainties relating to implementation, technology adoption and evolving regulatory requirements.

Interim Targets and Monitoring

The Group has established interim emissions reduction milestones of 45% to 60% by 2030 and 60 to 70% by FY2035, relative to the FY2025 baseline. Progress against these targets is monitored annually and reviewed by management and the Board as part of the Group's performance monitoring and risk management processes. Where material variances from planned milestones are identified, appropriate corrective actions and adjustments to implementation plans will be considered. The Group will continue to refine its targets, transition pathway and measurement methodologies as data quality, emissions coverage and transition planning capabilities mature.

6.3 CLIMATE TRANSITION PLAN

The Group's transition initiatives are prioritised based on financial impact, implementation feasibility, and alignment with long-term decarbonisation objectives.

Short-term (0–3 years):

- Improve energy efficiency across manufacturing facilities
- Increase sourcing of renewable electricity where commercially viable

Medium-term (3–10 years):

- Invest in energy-efficient machinery and process optimisation
- Expand Scope 3 data coverage and monitoring
- Increase in the sourcing of decarbonised supplies

Long-term (beyond 10 years):

- Evaluate adoption of low-carbon technologies
- Align supply chain practices with decarbonisation objectives

The transition initiatives described above are designed to support the assumptions applied in the climate scenario analysis presented in Section 5.3. In particular, the planned increase in renewable electricity sourcing supports the scenario assumption of renewable electricity penetration of up to 20% over the analysis period (FY2027–FY2035), subject to commercial viability, operational requirements and the availability of renewable electricity in the jurisdictions where the Group operates.

Capital Allocation

Capital expenditure for transition initiatives (including energy efficiency, renewable energy, and electrification) is expected to increase progressively and is currently estimated at approximately 2%–4% of annual capital expenditure under transition scenarios.

6.4 MATERIAL USED IN PRODUCTION

The Group's manufacturing operations utilise metal-based raw materials, including steel, aluminum, brass and copper.

Materials are sourced from suppliers that meet the Group's quality and operational standards, with ongoing supplier engagement to improve sustainability practices, including discussions on the use of non-carbon steel materials.

KEY MATERIALS	USAGE
Steel sheets	Metal stamping and fabrication
Tooling steel	Tooling manufacturing
Aluminum	Metal components
Brass	Component manufacturing
Copper	Component manufacturing
Cold rolled steel	Metal stamping

Performance against these metrics and targets is reviewed through the governance framework described in Section 4 and the ERM process described in Section 5.5.

7. SOCIAL AND OTHER MATERIAL TOPICS IFRS S1

In addition to environmental matters, the Group manages material social and governance-related topics that support operational resilience, workforce capability, product quality, regulatory compliance and long-term enterprise value. These matters are integrated into the Group's risk management and operational processes and are monitored through appropriate performance indicators and targets.

7.1 PRODUCT QUALITY

The Group is committed to meeting customers' expectations for premium goods at affordable prices, by maintaining quality management systems to ensure product reliability, minimise defects, and support revenue stability.

The intrinsic value of quality management standards lies in the confirmed assurance that there is quality in our products and our manufacturing systems. As part of our quality management practices, the Group engaged certified external experts to perform precision calibrations of our measurement instruments. To increase operational effectiveness, reduce waste, and limit our impact on the environment, we are always improving our manufacturing processes. These quality management systems contribute directly to financial performance by reducing rework costs, warranty claims, and potential revenue loss from customer dissatisfaction.

SUSTAINABILITY REPORT

We support ethical sourcing methods. To make sure we only purchase raw materials from approved vendors, we evaluate our sources in the following manner: We trace our sources for metal raw material all the way to the mine where the ore is mined. We choose suppliers based on their certification from RBA or Ecovadis that shows us that they do not allow malpractice, including but not limited to workplace safety, worker welfare, ethical sourcing, among many others, to happen in their supply chains.

Through recurring International Automotive Task Force ("**IATF**") and International Organisation for Standardisation ("**ISO**") certification audits, the Group seeks to comply with the IATF and ISO requirements and continuously improves to meet the needs of its clients.

Performance FY2026

- Defect rates maintained below the Approved Quality Limit ("**AQL**") of 0.05%, achieving the defect rate target set for FY2026.
- No material customer returns or quality-related financial losses recorded.

Financial Relevance:

Maintaining low defect rates supports revenue stability and avoids potential costs associated with rework, product recalls, and customer penalties.

Targets FY2027

- Maintain AQL below 0.05% annually
- Achieve 100% renewal of all ISO and IATF certifications

Certifications are subject to periodic external audits to ensure continued compliance with industry standards.

Key Certifications FY2026

CERTIFICATES	EXPIRY	LOCATION
IATF 16949:2016	22 February 2027	Penang
IATF 16949:2016	23 May 2027	China
IATF 16949:2016	30 January 2028	Slovakia
ISO 9001:2015	12 November 2027	Singapore
ISO 9001:2015	20 February 2027	Johor Bahru
ISO 9001:2016	20 May 2027	Slovakia
ISO 14001:2015	11 November 2026	Penang
ISO 14001:2015	20 February 2027	Johor Bahru
ISO 14001:2016	20 May 2027	Slovakia
ISO 14001:2015	1 June 2029	China
ISO 45001:2019	22 July 2028	Slovakia

7.2 OCCUPATIONAL HEALTH AND SAFETY

The Group maintains workplace health and safety standards to minimise operational disruptions, regulatory risks, and potential financial liabilities. An Emergency Response Plan ("**ERP**"), established in accordance with the relevant authority, is installed at visible locations within the workplace premises. The ERP contains precise methods and operational procedures for reducing danger and property damage in emergency scenarios. The Group's employees are familiarised with the relevant emergency response procedures to ensure preparedness in the event of an emergency.

Designated fire safety managers at subsidiaries conduct monthly inspections to assess the effectiveness of the manufacturing plant's fire protection system, conducting annual emergency exercises to assess evacuation protocols and report any weaknesses in the protocols for management review. All subsidiaries' manufacturing facilities have Fire Certificates, as needed by local requirements in their respective areas.

The Group has established defined daily and monthly preventive maintenance schedules for workplace equipment and machinery to support safe and efficient operations and minimise the risk of equipment-related incidents and operational disruptions.

Where required, external assurance will be engaged to support periodic maintenance, review and audit activities, including annual or scheduled maintenance, to ensure that workplace facilities, equipment and machinery are maintained in accordance with applicable safety and operational standards. These activities support the ongoing identification and management of potential workplace health and safety risks.

Performance (FY2026)

- Zero fatalities, high-consequence injuries, or occupational illnesses were reported in FY2026, achieving the zero fatalities target set for FY2026.
- Zero regulatory breaches or shutdowns.

Effective health and safety management supports business continuity and workforce productivity by reducing operational disruptions, regulatory exposure and workplace incidents.

Targets (FY2027)

- Maintain zero incidents
- Achieve 100% internal and external safety training coverage across all employees

Health and Safety Metrics

MATERIAL TOPIC	FY2025 ACTUAL	FY2026 ACTUAL	FY2027 TARGET
Number of incidents of non-compliance with labour standards	Zero	Zero	Zero
Number of incidents of fatalities from work-related injuries	Zero	Zero	Zero
Number of high-consequence work-related injuries	Zero	Zero	Zero
Number of recordable work-related injuries	Zero	Zero	Zero
Number of occupational illness	Zero	Zero	Zero

SUSTAINABILITY REPORT

7.3 WORKFORCE AND TRAINING

The Group workforce supports its manufacturing and operational activities across multiple jurisdictions. Workforce management affects labour costs, productivity, and operational efficiency.

Equal Opportunity and Diversity

The Group promotes a merit-based and inclusive workforce to support talent retention and operational effectiveness. This approach emphasises fair employment practices to foster inclusivity and respectful workplace environment, ensuring that the Group attracts talented individuals with the necessary skills and expertise to continue to drive our success.

The Group takes pride in the diversity of our workforce, which includes people from a wide range of backgrounds and experiences. To support this diversity and retain our employees, we are dedicated to providing a positive, harmonious, and supportive work atmosphere where everyone feels valued and empowered to contribute. Regular activities are conducted including team building, bonding sessions, celebrations of events, annual dinners. The Group also believes strongly in meritocracy and fosters a culture where race, gender or religion plays no part in personal success within the company. The Group promotes an inclusive and diverse workplace, where employees are treated equally and valued based on their skills, capabilities and work ethics, regardless of their ethnic backgrounds.

The Group promotes gender diversity and supports the advancement of female employees through:

- Transparent promotion processes
- Leadership development programs
- Training and mentorship initiatives
- Flexible work arrangements and inclusive practices are implemented where appropriate to support workforce participation

Workforce composition metrics for FY2026 are presented below:

Gender Distribution

	GENDER			
FINANCIAL YEAR	**MALE**	**%**	**FEMALE**	**%**
2025	264	61	172	39
2026	**226**	**61**	**147**	**39**

The reduction in headcount from 436 in FY2025 to 373 in FY2026 reflects workforce streamlining efforts in response to lower business activity. Notwithstanding the reduction in overall headcount, the Group maintained a stable gender balance, with female employees accounting for 39% of the workforce in both FY2025 and FY2026. This reflects the Group's continued commitment to fostering an inclusive workplace and providing equal opportunities for employees regardless of gender.

Financial Impact:

- Workforce optimisation improved cost alignment with business activity without materially affecting operational performance.

Age Distribution

	AGE GROUP					
FINANCIAL YEAR	**< 30 YEARS OLD**	**%**	**30–50 YEARS OLD**	**%**	**> 50 YEARS OLD**	**%**
2025	123	28	234	54	79	18
2026	**87**	**23**	**208**	**56**	**78**	**21**

Nationality

NATIONALITY	**FY2025**	**%**	**FY2026**	**%**
Singapore	8	2	10	3
Malaysia	190	44	147	40
China	31	7	29	8
Slovakia	72	17	72	19
Bangladesh	51	12	46	12
Nepal	31	7	29	8
Indonesia	1	0	1	0
Myanmar	47	11	35	9
India	5	1	4	1
Total	**436**	**100**	**373**	**100**

New hires and staff turnover

	NEW HIRES				STAFF TURNOVER			
GENDER	**FY2025**	**%**	**FY2026**	**%**	**FY2025**	**%**	**FY2026**	**%**
Male	29	88	9	50	98	70	54	59
Female	4	12	9	50	42	30	37	41
Total	**33**	**100**	**18**	**100**	**140**	**100**	**91**	**100**
Age								
< 30 years old	7	21	5	28	41	29	25	28
30–50 years old	21	64	10	56	72	51	52	57
> 50 years old	5	15	3	16	27	20	14	15
Total	**33**	**100**	**18**	**100**	**140**	**100**	**91**	**100**

SUSTAINABILITY REPORT

Employee Development and Training

Employee development is a key component of the Group's sustainability strategy. The Group views training and performance evaluations as key tools for corporate development. Continuous education training supplements performance evaluations by fostering active contact between employees and management.

The Group maintains a comprehensive training map that includes well-defined objectives that help to close our employees' knowledge and skills gaps. The Group understands the simultaneous synergy of the development tools and intends to design a training plan to keep personnel up to date on industry changes.

The Group will continue to examine its employees' training needs on an as-needed basis in order to improve their capabilities, knowledge and confidence in performing their roles.

Approach

- Annual performance and development reviews to periodically assess employees' performance, identify development needs and support individual development objectives. For incoming employees, an initial appraisal is conducted after three (3) months of employment.
- Ongoing training includes periodic assessments to identify knowledge and skill gaps and determine appropriate development opportunities based on employees' roles and responsibilities.
- Internal trainings and knowledge-sharing programs facilitate the sharing of organisational knowledge, technical expertise and best practices among employees.
- External training and professional certifications to provide employees with opportunities to develop role-specific competencies and obtain relevant professional qualifications.

Key Training Areas

- Technical skills
- Health, safety, and environmental ("**HSE**") standards
- Leadership development
- Digital systems and process improvement

Training Performance FY2026

- Total training hours: 3,131 hours
- Average training hours per employee: 8.39
- Training hours are monitored by gender to support transparency and assess equal access to opportunities

Training Hours

GENDER	2025 (IN HOURS) ACTUAL	%	2026 (IN HOURS) ACTUAL	%	2027 (IN HOURS) TARGET	%
Male	1,550	75	1,539	51	1,808	61
Female	507	25	1,592	49	1,176	39
Total	**2,057**	**100**	**3,131**	**100**	**2,984**	**100**

Average Training Hours

GENDER	2025 (IN HOURS) ACTUAL	2026 (IN HOURS) ACTUAL	2027 (IN HOURS) TARGET
Male	5.87	6.81	8.00
Female	2.95	10.83	8.00
Per Employee	4.72	8.39	8.00

There was an increase in training hours for the Group's employees, from 4.72 average training hours per employee in FY2025 to 8.39 average training hours per employee in FY2026, primarily attributed by changes to regulatory policy, upgrade of software training and refresher courses, which allowed the Group to meet its target average training hour of 8.0 average training hours per employee for FY2026. The Group will continue to train its staff to keep them abreast and continuously upskill them to enhance operational efficiency, with a target of 8.0 training hours per employee in FY2027, and for the medium and long term basis, with a year-to-year review for any exceptions.

Board Diversity

The Group recognises that Board diversity is important in supporting effective decision-making, constructive discussion and the achievement of the Group's strategic objectives. The Board seeks to maintain an appropriate balance of skills, knowledge, experience and other relevant aspects of diversity to support the Group's current operations and future business plans.

As at 30 June 2026, the Board comprised of five (5) Directors, of whom two (2) are Executive Directors and three (3) are Non-Executive Independent Directors, with Independent Directors comprising 60% of the Board. The Board comprised three (3) male Directors and two (2) female Directors, representing 60% and 40% of the total Board respectively.

The Board considers that its current composition provides an appropriate mix of gender, independence, professional skills, professional and industry experience, business and management experience, strategic planning, customer and market experience and perspectives to support the Group's business activities, operational requirements and strategic direction. The combined experience of the Directors enables the Board to provide oversight of the Group's operations, financial matters, risk management, corporate governance, business development and sustainability-related matters. For more information on our Board Diversity Policy and objectives, please see the Corporate Governance ("**CG**") section of this Annual Report.

In the short, medium and long term, the Group will endeavour to appoint suitable candidates with relevant knowledge while ensuring that age and tenure diversity, and to ensure that there is at least one (1) female director on the Board.

SUSTAINABILITY REPORT

8. SUSTAINABILITY PERFORMANCE DATA IFRS SDS METRICS

DATA RESTATEMENT AND COMPARABILITY NOTE

The table below summarises the Group's performance for the reporting period and provides comparative data where available.

The Group will refine its data collection processes to enhance year-on-year comparability and transparency.

ESG INDICATORS	UNIT OF MEASURE	2026	2025	2024
Environment				
Purchased electricity				
Electricity consumption	**MWh[1]**			
Manufacturing	MWh[1]	2,259	2,836	3,413
Cleanroom and office	MWh[1]	28	9	30
Renewable energy				
Manufacturing	MWh[1]	599	1,183	–
Total Electricity consumption	**MWh[1]**	**2,287**	**2,845**	**3,443**
GHG emissions				
Total Scope 1 GHG emissions	**tCO_2e**	**127**	**93**	**137**
Total Scope 2 GHG emissions	**tCO_2e**	**1,098**	**1,928**	**2,339**
Manufacturing	tCO_2e	1,087	1,924	2,335
Cleanroom and office	tCO_2e	11	4	4
Total Scope 1 & Scope 2 GHG emissions[2]	**tCO_2e**	**1,225**	**2,021**	**2,479**
Manufacturing	tCO_2e	6,530	2,970	–
Cleanroom and office	tCO_2e	5	3.53	–
Scope 3 GHG emissions[3]	**tCO_2e**	**6,535**	**2,973**	**–**
Water consumption				
Total water consumption	**m^3**	**17,949**	**23,937**	**31,400**
Waste generated				
Total waste generated	**kg**	**753,412**	**404,047**	**2,584**
Waste to disposal (incineration)	kg	1	2	1
Waste recycled (excluding e-waste)	kg	752,150	404,045	2,583
E-waste collected for recycling	kg	1,261	–	–
Food waste collected	kg	–	–	–
Intensity				
Energy intensity	MWh/$'000	0.11	0.12	0.12
Electricity intensity	MWh/$'000	0.11	0.12	0.12
Scope 1 & Scope 2 GHG emissions intensity[4]	tCO_2e/$'000	0.06	0.08	0.08
Scope 2 GHG emissions intensity	tCO_2e/$'000	0.05	0.08	0.08
Water intensity	m^3/$'000	0.85	0.97	1.06

ESG INDICATORS	UNIT OF MEASURE	2026	2025	2024
Social				
Workplace health and safety				
Incidents involving public, tenants, visitors' safety	Number	Zero	Zero	Zero
Employees	Headcount			
Full-Time employees	Headcount	373	436	514
Part-time employees	Headcount	0	1	1
Permanent employees (with letter of employment)	Headcount	373	436	514
New hires	Headcount	18	33	207
Average training hours per employee	Hours	6.81	4.72	8.29
Average training hours per female employee	Hours	10.83	2.95	9.18
Annual employee turnover rate	%	0.04	0.07	0.43

Notes

1. Electricity is reported in MWh (not '000 MWh as previously disclosed in FY2025).
2. Total Scope 1 and Scope 2 GHG emissions are 1,225 tCO_2e in FY2026 (FY2025: 2,021 tCO_2e). The reduction primarily reflects lower electricity consumption during FY2026, in spite of a change in the emission factors for FY2026.
3. Scope 3 GHG emissions are reported on a gross basis. No carbon offsets or removals were applied in FY2026.
4. FY2025 reported the consumption intensity not GHG emission intensity, now amended.

9. INDUSTRY-BASED METRICS

The following industry-based metrics are aligned with IFRS SDS guidance and reflect those most relevant to the Group's operations and financial performance.

Metrics disclosed are aligned with operational relevance and financial impact.

KEY METRICS ALIGNMENT

- Energy consumption → linked to operating expenses
- Emissions → linked to carbon pricing exposure
- Water → linked to utility costs
- Waste → linked to disposal and compliance costs

Non-material metrics such as air pollutants, are currently not significant due to the nature of operations and are monitored internally.

The following metrics relate to the Group's European operations where such regulatory reporting requirements apply and are therefore not directly comparable with the Group-wide metrics presented elsewhere in this report.

SUSTAINABILITY REPORT

Table 9.1 Sustainability Disclosure Topics & Metrics

TOPIC	CODE	METRIC	CATEGORY	UNIT OF MEASURE
Greenhouse Gas Emissions	EM.CM.110a.1	Gross global scope 1 GHG emissions, percentage covered under GHG emissions-limiting regulations	Corporate office and cleanroom business; factories	127 tCO_2e
	EM.CM.110a.2	Discussion of long- and short-term approach or plan to manage Scope 1 GHG emissions, emissions reduction targets, and an analysis of performance against those targets	Corporate office and cleanroom business; factories	n/a
Air Quality	EM.CM.120a.1	Air emissions of the following pollutants: 1. NOx (excluding N_2O); 2. SO_x; 3. Particulate matter (PM_{10}); 4. dioxins/furans; 5. volatile organic compounds (VOC_s); 6. polycyclic aromatic hydrocarbons (PAHs); and 7. heavy metals	Corporate office and cleanroom business; factories	Metric tons (t) 1. 0.0748 2. 0.000461
Energy Management	EM.CM.130a.1	1. Total energy consumed; and 2. Percentage of renewable	Corporate office and cleanroom business; factories	8,235 GJ, 26%
Water Management	EM.CM.140a.1	1. Total water withdrawn; and 2. Total water consumed	Corporate office and cleanroom business; factories	17,949 m^3
Waste Management	EM.CM.150a.1	Amount of waste generated, percentage hazardous and percentage recycled	Corporate office and cleanroom business; factories	Metric tons (t), %, % 753.4, 0.84, 99.83

SUSTAINABILITY REPORT

IFRS S1 / IFRS S2 DISCLOSURE INDEX

REQUIREMENT	SECTION
Connectivity to FS	1 (Board statement)
Reporting boundary	2.3 and 2.4
Assurance	2.6
Judgement and Estimates	5
Governance	4
Strategy	5
Business context	5.1
Scenario Analysis & Resilience	5.3
Financial effects	5.4
Risk Management	5.5
Metrics & targets	6

Material sustainability-related risks and opportunities have been disclosed in accordance with IFRS S1 and IFRS S2.

SUSTAINABILITY REPORT

GLOBAL REPORTING INITIATIVE CONTENT INDEX

GRI NO.	DESCRIPTION		PAGE OR DIRECT REFERENCES
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	The organisation and its reporting practices		
	2-1	Organisational details	Reference to the 2026 Annual Report Corporate Profile
	2-2	Entities included in the organisation's sustainability reporting	Reference to the 2026 Annual Report Corporate Structure
	2-3	Reporting period, frequency and contact point	Pages 10 and 14
	2-4	Restatements of information	Page 40
	2-5	External assurance	N.A.
	2-6	Activities, value chain and other business relationships	Page 13
	2-7	Employees	Pages 32 to 38
	2-9	Governance structure and composition	Page 21
	2-10	Nomination and selection of the highest governance body	CG Principles 1, 4, 5
	2-11	Chair of the highest governance body	CG Principles 1, 4, 6, 10
	2-12	Role of the highest governance body in overseeing the management of impacts	CG Principle 1
	2-13	Delegation of responsibility for managing impacts	CG Principle 1
	2-14	Role of the highest governance body in sustainability reporting	CG Principle 1
	2-15	Conflicts of interest	CG Principles 1, 3, 8
	2-16	Communication of critical concerns	CG Principles 12,13
	2-17	Collective knowledge of the highest governance body	CG Principle 1
	2-18	Evaluation of the performance of the highest governance body	CG Principles 1, 4, 5
	2-19	Remuneration policies	CG Principle 1, 6, 7
	2-20	Process to determine remuneration	CG Principle 1, 6, 7
	2-21	Annual total compensation ratio	CG Principle 1, 8
	2-22	Statement on sustainable development strategy	Board Statement
	2-23	Policy commitments	CG Principle 1
	2-24	Embedding policy commitments	
	2-25	Process to remediate negative impacts	
	2-26	Mechanisms for seeking advice and raising concerns	
	2-27	Compliance with laws and regulations	
	2-28	Membership associations	Singapore Business Federation
	2-29	Approach to stakeholder engagement	CG Principle 13
	2-30	Collective bargaining agreements	No Collective Bargaining Agreement

SUSTAINABILITY REPORT

GRI NO.	DESCRIPTION		PAGE OR DIRECT REFERENCES
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Pages 14 to 19
	3-2	List of material topics	Page 15
Energy 2016	3-3	Management of material topics	Pages 16 to 19
	302-1	Energy Consumption within the organisation	Page 39
	302-3	Energy intensity	Page 39
Emissions 2016	3-3	Management of material topics	Pages 14 to 19
	305-1	Direct (Scope 1) GHG emissions	Pages 30 to 32, 39
	305-2	Energy indirect Scope 2 GHG emissions	Pages 30 to 32, 39
	305-3	Other indirect (Scope 3) GHG emissions	Pages 30 to 32, 39
	305-4	GHG emission intensity	Pages 30 to 32, 39
Water and Effluents	3-3	Management of material topics	Pages 14 to 19
	303-5	Water Consumption	Page 39
Waste	3-3	Management of material topics	Pages 14 to 19
	306-3	Waste Generated	Page 39
Employment	401-1	New employee hires and employee turnover	Pages 35 to 38, 40
Health and Safety	3-3	Management of material topics	Pages 14 to 19
	403-1	Occupational health and safety management system	Pages 34 and 40
	403-9	Work-related injuries	Pages 34 and 40
	403-10	Recordable work-related ill health cases	Pages 34 and 40
Training and education	404	Training and Education	Pages 37 to 38, 40
	404-1	Average training hours per employee and by gender	Pages 37 to 38, 40
Diversity and Equal Opportunity	3-3	Management of material topics	Page 14 to 19
	405-1	Diversity of governance bodies and employees	Pages 35 to 36
	405-1	Current employees by age group	Pages 36 to 40
Anti-corruption	3-3	Management of material topics	Pages 22 to 23
	205-3	Confirmed incidents of corruption and actions taken	Page 23
Certification		-ISO 9001-2015 -Quality Management System -ISO 14001 -Environmental Management System -IATF 16949:2016 International Organization for Standardization International Automotive Task Force ("**IATF**")	Page 33
Assurance		a) External independent assurance b) Internal assurance c) No assurance	Page 10

SUSTAINABILITY REPORT

SGX CORE ESG METRICS

TOPIC	METRIC	UNIT	FRAMEWORK ALIGNMENT	PAGE REFERENCE
Environmental				
GHG emissions	Absolute emissions by: (a) Total; (b) Scope 1; Scope 2; and (c) Scope 3, if appropriate	tCO_2e	GRI 305-1, GRI 305-2, GRI 305-3, IFRS S1 & S2	Pages 30 to 32, 39
	Emission intensities by: (a) Total; (b) Scope 1; Scope 2; and (c) Scope 3, if appropriate	tCO_2e	GRI 305-4, IFRS S1 & S2	Pages 30 to 32, 39
Energy consumption	Total energy consumption	kWh	GRI 302-1, IFRS S1 & S2	Pages 30 to 32, 39
	Energy consumption intensity	kWh	GRI 302-3, IFRS S1 & S2	Pages 30 to 32, 39
Water consumption	Total water consumption	m^3	GRI 303-5, IFRS S1 & S2	Page 39
	Water consumption intensity	m^3	IFRS S1 & S2	Page 39
Waste generation	Total waste generated	t	GRI 306-3, IFRS S1 & S2	Page 39
Social				
Gender diversity	Current employees by gender	Percentage (%)	GRI 405-1	Pages 35 to 36
	New hires and turnover by gender	Percentage (%)	GRI 401-1	Page 36
Age-base diversity	Current employees by age	Percentage (%)	GRI 405-1	Page 36
	New hires and turnover by age groups	Percentage (%)	GRI 401-1	Page 36
Employment	Total turnover	Number and percentage (%)	GRI 401-1	Pages 36 and 40
	Total number of employees	Number	GRI 2-7	Pages 35 to 36, 40
Development and training	Average training hours per employee	Hours/number of employees	GRI 404-1	Pages 37 to 38, 40
	Average training hours per employee by gender	Hours/number of employees	GRI 404-1	Pages 38 and 40
Occupational health and safety	Fatalities	Number of cases	GRI 403-9, MOM (Singapore)	Page 34
	High-consequence injuries	Number of cases	GRI 403-9, MOM (Singapore)	Page 34
	Recordable injuries	Number of cases	GRI 403-9, MOM (Singapore)	Page 34
	Recordable work-related ill health cases	Number of cases	GRI 403-10, MOM (Singapore)	Page 34

SUSTAINABILITY REPORT

TOPIC	METRIC	UNIT	FRAMEWORK ALIGNMENT	PAGE REFERENCE
Governance				
Board Composition	Board independence	Percentage (%)	GRI 2-9	Corporate Governance Section of AR 2026
	Women on the board	Percentage (%)	GRI 2-9, GRI 405-1	Page 38 and Corporate Governance Section of AR 2026
Ethical Behaviour	Anti-corruption disclosures	Discussion and number standards	GRI 205-1, GRI 205-2 and GRI 205-3	Pages 22 to 23
Certifications	List of relevant certifications	List	Commonly reported metric by SGX issuers	Page 33
Alignment with frameworks	Alignment with frameworks and disclosure practices	GRI/ISSB/others	SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	Page 12
Assurance	Assurance of sustainability report	Internal/external/ none	SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	Page 10

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") and the management (the "**Management**") of CFM Holdings Limited (the "**Company**") are committed to maintaining high standards of corporate governance to ensure greater transparency and protection of shareholders' interests, and are pleased to inform shareholders that the Company has adhered to the principles of, and has adopted practices based on, the Code and the Practice Guidance of the Code of Corporate Governance 2018 issued on 6 August 2018 (the "**Code**") by the Corporate Governance Committee, pursuant to Rule 710 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") issued by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Explanations are given where there is a deviation from the recommended provisions.

This report describes the corporate governance practices of the Company for the financial year ended 30 June 2026 ("**FY2026**"), with specific reference to the principles and provisions of the Code. Where applicable, deviations from the provisions of the Code have been explained. The Board and Management will continue to uphold the highest standards of corporate governance within the Company in accordance with the Code.

(A) BOARD MATTERS

BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Role of the Board

The Board assumes responsibility for stewardship of the Company and its subsidiaries (the "**Group**"). Its primary role is to provide entrepreneurial leadership, set strategic aims for the Company, and protect and enhance long-term value and returns for the shareholders. It oversees the business affairs of the Group and approves the Group's strategic plans, key business initiatives, major investments and divestments proposals, and funding decisions.

Additionally, the Board has direct responsibility for decision-making in respect of the following corporate events and actions:

(a) ensure that necessary financial and human resources are in place for the Company to meet its objectives;

(b) oversee the processes of risk management, financial reporting and compliance, and evaluate the adequacy of internal controls;

(c) establish a framework of prudent effective control which enable risks to be assessed and managed including safeguarding of Shareholder's interests and Company's assets;

(d) establish, together with the Management, the strategies and financial objectives to be implemented by the Management;

(e) review the financial performance of the Group and performance of the Management, constructively challenge Management, and approve the nominations of the Board of Directors and appointments of key executives, as may be recommended by the Nominating Committee;

(f) review and endorse the framework of remuneration for the Board and key executives as may be recommended by the Remuneration Committee;

(g) ensure accurate, adequate and timely reporting to, and communication with shareholders;

(h) assume responsibility for corporate governance;

(i) review and assist to set company's values and standard (including ethical standards), and to ensure transparency that obligations to shareholders and other stakeholders are understood and met;

(j) identify the key stakeholder groups and to recognise that their perceptions affect the company's reputation;

(k) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation;

(l) ensure transparency and accountability to key stakeholder groups;

(m) put in place policies, structures and mechanisms to ensure compliance with legislative and regulatory requirements; and

(n) establish appropriate tone-at-the-top, desired organisational culture and standards of ethical behaviour.

The Directors have put in place policies, structures and mechanisms to ensure compliance with various legislative and regulatory requirements, establish appropriate tone-at-the-top, desired organisational culture and standards of ethical behaviour.

Delegation to Board Committee

All Directors must objectively discharge their duties and responsibilities at all times as fiduciaries who act in the best interests of the Company and to make decisions in the interest of the Company while holding the Management accountable for performance. To facilitate the Board in the execution of the Board's responsibilities, certain functions of the Board have been delegated to three (3) Board Committees, comprising of an Audit Committee ("**AC**"), a Nominating Committee ("**NC**") and a Remuneration Committee ("**RC**"). Each of these Board Committees functions within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis. These Board Committees have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

Board Meetings

The Board meets at least three (3) times a year and as warranted by particular circumstances. The Constitution of the Company allows Board meetings to be conducted by way of telephone conference.

The attendance record of each Director at meetings of the Board and Board Committee during FY2026 is set out below:

		BOARD COMMITTEE MEETING		
NAME OF DIRECTORS	**BOARD MEETING**	**AUDIT**	**NOMINATING**	**REMUNERATION**
Ip Kwok Wing	3	3*	1*	1*
Lim Fong Li, Janet	3	3*	1*	1*
Lim Chi Yuin, Clarence	3	3	1	1
Lin Sijia[(1)]	3	3	1	1
Dr. Raj Kamal s/o Abdul Rasheed[(2)]	2	2	–	–
Total no. of Meetings Held	3	3	1	1

* by way of invitation

Notes:-

(1) Resigned with effect from 4 August 2026.

(2) Dr. Raj Kamal s/o Abdul Rasheed was appointed as an Independent Director on 1 September 2025. Following his appointment, he was also appointed as the Chairman of the NC, as well as a member of both the AC and the RC.

Please also refer to Principle 2 below for details of the composition of each Board Committee.

CORPORATE GOVERNANCE REPORT

The Company has adopted internal guidelines setting forth matters which require Board approval. Matters which are specifically reserved for the full Board for decisions are those involving interested person transactions ("**IPTs**") (including, among others, conflict of interest issues in relation to substantial shareholders and Directors of the Company), material acquisitions and disposal of companies or assets, corporate or financial restructuring, share issuance and dividends, and financial results and corporate strategies. Each Board member makes decisions objectively in the best interests of the Group. Directors facing any conflict of interest are required to disclose that they are faced with conflict of interest and recuse themselves from discussions and decisions involving the issue of conflict.

Director Induction and Training

All newly appointed Directors are given appropriate training, if necessary, including training as a director of the Company and how to discharge those duties when first appointed to the Board. All new Directors are briefed on the business activities of the Group and its strategic goals. Upon appointment of each Director, the Company provides a formal letter which sets out the Director's duties and obligations, ensuring that all new incoming Directors are familiar with the Group's businesses and corporate governance practices upon their appointment to facilitate the effective discharge of their duties.

Directors who are first-time Directors, or who have no prior experience as Directors of a listed company, will also undergo briefings on the roles and responsibilities as Directors of a listed company. After taking into consideration the recommendation from the NC, all appointment of Directors will be approved via a Board Resolution and a formal letter of appointment will be issued to the Director. In addition, all first-time Directors are provided with training in areas such as accounting, legal and industry specific knowledge either internally or externally. In compliance with Catalist Rule 406(3)(a), all first-time Directors are required to undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

In FY2026, Dr. Raj Kamal s/o Abdul Rasheed attended all the core modules and the elective modules relevant to his appointment to the Board of the Company. As at the date of this report, all Directors have attended and completed the trainings as prescribed by the SGX-ST pursuant to Practice Note 4D of the Catalist Rules. In addition, all Directors have also completed the required training on sustainability as prescribed by the SGX-ST.

As and when necessary, the Directors would receive further relevant training especially in areas such as Directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, as well as changes in the relevant provisions of the Singapore Companies Act 1967 ("**Companies Act**"), so as to update and refresh them on matters that affect or may enhance their performance as Board and Board Committee members. The costs of training programs provided to Directors are borne by the Company. To get a better understanding of the Group's business, the Directors are also given the opportunity to visit the Group's operational facilities and meet with Management.

Based on the attendance of the Directors and their contributions at meetings of the Board and Board Committees and their time commitment to the affairs of the Company, the NC is satisfied that the Directors continue to meet the demands of the Group and are discharging their duties effectively. The NC has also adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards. The NC determines annually whether a Director with multiple board representations is able to and has been adequately carrying out his duties as a Director of the Company. In making this determination, the NC has taken into account the respective Director's actual conduct and effectiveness on the Board, and the time and attention given by each of them to the affairs of the Company.

To further ensure that Directors can carry out his/her duties adequately and effectively, the NC also places a maximum limit of ten (10) Non-Executive Directorships an Independent Director can hold on the board of listed companies (excluding non-listed companies and other non-profit or non-commercial organisations) if he/she is not holding a full-time job. In the event of a Director holding a full-time job, the maximum limit of his/her directorships in listed companies should not be more than six (6) Non-Executive Directorships. During the financial year, the NC has reviewed and confirmed that all Directors have met the criteria and are able to carry out their duties as a Director of the Company.

While the Non-Executive Directors have other principal commitments, the NC is satisfied that the Directors are able to adequately carry out their duties as Directors for FY2026 based on the attendance of the Directors and their contributions at meetings of the Board and Board Committees and their time commitment to the affairs of the Company.

Assessment Criteria

In assessing the capacity of Directors, the NC considers, amongst others, the following:

(i) Expected and/or competing time commitments of Directors, including whether such commitment is in a full-time or part- time employment capacity;

(ii) Geographical location of Directors;

(iii) Size and composition of the Board;

(iv) Nature and scope of the Group's operations and size;

(v) Capacity, complexity and expectations of the other listed Directorships and principal commitments held, if any; and

(vi) Similar financial year end/reporting timeline.

The measures and evaluation tools in place to assess the performance and consider competing time commitments of the Directors include the following:

- Declarations by individual Directors of their other listed company board Directorships and principal commitments; and

- Attention to the Company's affairs, having regard to the individual Director's other commitments.

Currently, the Company does not have any alternate Director.

Access to Information

The Company believes that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge of its duties effectively. The Management provides members of the Board with quarterly management accounts, as well as relevant background and explanatory information relating to the matters that would be discussed in the Board meetings, prior to the scheduled meetings. All Directors are also furnished with timely updates on the financial position and any material development of the Group as and when necessary. Management approves and monitors operational budgets, where budget variances are explained to Management before the management accounts of each subsidiary are reported to the AC and the Board.

Directors are aware of their duties and obligations and the requirements in respect of disclosure of interests in securities, disclosure of conflicts of interests in transactions involving the Company, prohibitions on dealings in Company's securities and restrictions on disclosure of price-sensitive information.

The Board has separate and independent access to the Company Secretary and Management at all times. The role of the Company Secretary includes responsibility for ensuring the Board's procedures are followed and that the applicable rules and regulations are complied with. The Company Secretary atttends and prepares minutes of meetings of the Board and Board Committees and assist the Board in ensuring that the Company complies with the relevant statutory requirements. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

Each Director has access to the Group's independent professional advisors, as and when necessary, so as to enable each Director to discharge his responsibility effectively, and any cost of obtaining professional advice will be borne by the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The NC determines on an annual basis whether or not a Director is independent, taking into account the Code's definition of independence and whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. In respect of the review of the independence of each Director, the NC assessed the independence of each Independent Director and considers each of them to be independent.

In FY2026, the Board comprised two (2) Executive Directors and three (3) Independent Non-Executive Directors. This composition complies with Provision 2.2 of the Code, which mandates that Independent Directors make up a majority of the Board when the Chairman is not independent. Mr. Ip Kwok Wing, the Chairman of the Board ("**Executive Chairman**" or "**Chairman**"), is the spouse of the Chief Executive Officer ("**CEO**"), Mdm. Lim Fong Li Janet. As the Group navigates a challenging operating environment and explores new business opportunities, the Board demands a high level of accountability and leadership continuity. Accordingly, Mr. Ip Kwok Wing will remain as the Executive Chairman to leverage his extensive experience in guiding the Group through its current challenges. Notwithstanding this leadership structure, the Board is satisfied that appropriate safeguards are in place to ensure objective and robust decision-making, underpinned by a strong independent element on the Board and active participation from the Independent Directors. As of the date of this report, the Board has two (2) Independent Non-Executive Directors. The Company is in the midst of identifying another candidate to appoint as an Independent Non Executive Director to ensure continued compliance with Provision 2.2 of the Code.

Further, in compliance with Provision 2.3 of the Code, Non-Executive Directors made up a majority of the Board in FY2026.

The nature of the Directors' appointments and memberships on the Board Committee for FY2026 is as follows:

		BOARD COMMITTEE MEMBERSHIP		
NAME OF DIRECTORS	**POSITION HELD ON THE BOARD**	**AUDIT**	**NOMINATING**	**REMUNERATION**
Ip Kwok Wing	Executive Chairman	–	–	–
Lim Fong Li, Janet	Executive Director & CEO	–	Member	–
Lim Chi Yuin, Clarence	Lead Independent and Non-Executive Director	Member	Member	Chairman
Lin Sijia[1]	Independent and Non-Executive Director	Chairperson	Member	Member
Dr. Raj Kamal s/o Abdul Rasheed[2]	Independent and Non-Executive Director	Member	Chairman	Member

Notes:-

(1) Resigned with effect from 4 August 2026.

(2) Dr. Raj Kamal s/o Abdul Rasheed was appointed as an Independent Director on 1 September 2025. He was also appointed as the Chairman of the NC, and a member of the AC and the RC.

The NC is satisfied that the Board comprises Directors who, as a group, provide core competencies such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, which are required for the Board to be effective in decision making.

Independent Directors constructively challenge and help develop proposals on strategy; and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. The Independent Directors regularly discuss without the presence of Management matters such as the changes that they would like to see in Board processes, corporate governance initiatives, and matters which they wish to discuss during the Board meetings. The chairman of such meetings will bring the outcome/feedback to the Executive Chairman's attention or discuss such matters at Board meetings as appropriate. In FY2026, the Independent Directors met without the presence of Management at least once in the financial year.

The NC is of the view that the current Board and Board Committee are of an appropriate size and comprise Directors who as a group provide an appropriate balance and diversity of skills, experiences and knowledge for the Board to be effective. The Company has an existing Board Diversity Policy ("**BDP**") which is reviewed as and when practicable.

The Company recognises that a diverse Board is able to better support the Company to achieve its strategic goals for continuous development by enhancing the decision-making process of the Board with an appropriate mix of, among others, various skills, industry experience, business experience, gender and age. This recognition is reflected in the BDP. Further, the NC is to consider all aspects of diversity to arrive at a balanced Board composition, when reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of Directors. The BDP also sets out that gender is a key contributor to diversity, and the NC is to ensure that:

(a) when search consultants are used to search for candidates for Board appointments, the brief will include a requirement to also present female candidates;

(b) when seeking to identify a new Director for appointment to the Board, the NC will request for female candidates to be fielded for consideration;

(c) female representation on the Board be continually improved over time based on the set objectives of the Board; and

(d) at least one (1) female Director is appointed to the NC.

In FY2026, two (2) of the five (5) Board members were female, representing 40% of the total Board membership. The female Directors are also members of the NC. Accordingly, the Company has achieved its target of improving the female representation on the Board. The Company believes that the Board is sufficiently diverse, having considered the current Board members' skills, including but not limited to each member's diversity of skills, business experience, industry knowledge, strategic planning experience, corporate governance experience, financial or investment experience, gender and age. Nonetheless, the Company has set additional targets in its goal to continually improve and diversify its Board.

The new targets, plans, timelines and progress towards achieving the diversity objectives are summarised below:

TARGETS, PLANS AND TIMELINES	TARGETS ACHIEVED/PROGRESS TOWARDS ACHIEVING TARGETS
AGE	
To ensure the Board comprises Directors across the following age groups: (a) 50 and below; (b) 51-60; and (c) 61 and above, by FY2030. The Company believes that age diversity would provide a broad spectrum of thoughts and views in Board and Board Committee deliberations.	**In Progress** – As at the end of June 2026, the Board comprised of Directors across two (2) age groups. In particular, three (3) Directors are 50 years old and below and two (2) Directors are 61 years old and above. There were no Directors in the age range of 51 to 60 years in FY2026. The Board will use reasonable endeavours to source for suitable candidates with relevant knowledge while also being mindful of age diversity.
TENURE	
To ensure that the Board comprises Directors across the following tenure groups: (a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years, by FY2030. The Company believes that tenure diversity would facilitate Board renewal progressively and in an ordinary manner, whilst ensuring knowledge continuity about the Company and its business operations and sustainability of corporate performance.	**In Progress** – As at the end of June 2026, the Board comprised of Directors across two (2) tenure groups. In particular, three (3) Directors have served on the Board for less than 3 years, and two (2) Directors have served on the Board for more than six (6) years. There are no Directors in the three (3) to six (6) years tenure group. The Board will strive to balance skills and tenure in its assessments to ensure that phased board renewal does not compromise its overall effectiveness.
GENDER	
To have at least 1 female Director on the Board. The Company believes in achieving an optimal mix of males and females on the Board to provide different approaches and perspectives.	**Achieved** – As at the end of June 2026, the Board comprised of two (2) female Directors and three (3) male Directors. The Board will use reasonable endeavours to ensure that any brief to recruiters to source for candidates for appointment to the Board will include a requirement to present female candidates with relevant knowledge, while balancing such diversity considerations against the suitability of each individual candidate.

The Board has also taken the following steps to maintain and to enhance its balance and diversity:-

1. Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhances the efficacy of the Board; and

2. Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The Board is of the view that its current composition provides an appropriate balance of skills, experience, independence, and diversity, and will ensure that it continues to maintain the right balance when it needs to fill a vacancy.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Separate individuals assume the roles of the Executive Chairman and the CEO of the Company, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

As the Executive Chairman, Mr. Ip Kwok Wing sets guidelines on and is responsible for the exercise of control over the quantity and quality, and the timeliness of the flow of information between the Management and the Board, so that the Directors receive accurate, timely and clear information for them to make sound decisions.

He also schedules Board meetings and oversees the preparation of the meeting agenda in particular strategic issue to enable the Board to perform its duties effectively and responsibly. In addition, the Executive Chairman also promotes a culture of openness and debate at the Board.

The Executive Chairman also encourages constructive relations between the Board and Management and between the Executive Directors and Independent Directors, as well as effective communication with shareholders. To facilitate effective contribution of Directors, and in particular, the Independent Directors, the Executive Chairman ensures that relevant information on business initiatives, industry developments and press commentaries on matters relating to the Company or the industries in which it operates are circulated to the Board members on a continuous basis so as to enable them to be updated and thereby enhance the effectiveness of the Independent Directors and the Board as a whole.

The Executive Chairman takes a leading role in the Company's drive to achieve, promote and maintain a high standard of corporate governance with the support of the Directors, the Management and the Company Secretary.

Mr. Ip Kwok Wing is assisted by Mdm. Lim Fong Li Janet, who assumes the role of the CEO. Mdm. Lim Fong Li Janet, together with the Management comprising the Chief Operating Officer ("**COO**"), general managers and Chief Financial Officer ("**CFO**"), are responsible for the day-to-day management, and implementation of the strategic goals of the Group.

Although Mr. Ip Kwok Wing and Mdm. Lim Fong Li Janet are husband and wife, the Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision-making by the Executive Chairman and the CEO is independent without any influence from each other, and there is no compromise in accountability for the following reasons:

(a) the Independent Directors actively participate during Board meetings and challenge the assumptions and proposals of Management unreservedly, both during and outside of Board meetings on pertinent issues affecting the affairs and business of the Group. Their views and opinions provide alternative perspectives to the Group's business. Furthermore, they bring independent judgement to bear on business activities and transactions involving conflict of interest and other complexities. The Independent Directors review Management performance and management reporting frameworks at quarterly intervals. They are also involved in the development and evaluation of strategy proposals that are raised by Management from time to time; and

(b) all major decisions made by the Executive Chairman and CEO of the Company are reviewed and approved by the Board.

The Company has a Lead Independent Director whose role is to lead and coordinate the activities of the Independent Directors, to provide a channel to the Independent Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary, in situations where the Chairman is conflicted. In addition, the Lead Independent Director may also help the NC conduct the annual performance evaluation, develop succession plans for the Executive Chairman and the CEO and help the RC design and assess the Executive Chairman's remuneration. The Lead Independent Director may chair Board meetings in the absence of the Executive Chairman, thus working with the Executive Chairman in leading the Board.

The Lead Independent Director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Executive Chairman, the CEO or the CFO are inappropriate or inadequate. Led by the Lead Independent Director, the Independent Directors meet periodically without the presence of the other Executive Directors, and the Lead Independent Director provides feedback to the Chairman after such meetings. The Lead Independent Non-Executive Director can be contacted at ac@cfmholdings.com.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

The Company has established a NC to, among other things, make recommendations to the Board on all Board appointments. In FY2026, the NC comprised of four (4) Directors, majority of whom, including the Chairman, are independent. The Lead Independent Director is a member of the NC. The NC members are:-

Dr. Raj Kamal s/o Abdul Rasheed[1]	: Chairman
Mr. Lim Chi Yuin, Clarence	: Member
Ms. Lin Sijia[2]	: Member
Mdm. Lim Fong Li Janet	: Member

Notes:
1. Dr. Raj Kamal s/o Abdul Rasheed was appointed as the Chairman of the Nominating Committee with effect from 1 September 2025.
2. Ms. Lin Sijia has resigned with effect from 4 August 2026.

Role of the NC

The role of the NC is to establish a formal and transparent process for the selection and appointment of new Directors, and the re-appointment of Directors (including alternate directors, if any) retiring by rotation as well as to assess the effectiveness of the Board and the overall contribution of each Director towards the effectiveness of the Board.

The key responsibilities of the NC include:

(a) to make recommendations to the Board on all Board appointments, including re-nominations having regard to that Director's contribution and performance;

(b) to review the independence of the Directors on an annual basis, having regard to the circumstances set forth in Provision 2.1;

(c) to decide whether the Director is able to and has been adequately carrying out his duties as Director, in particular, where a Director has multiple board representations;

(d) to review and make recommendations to the Board on all candidates nominated (whether by the Board, shareholders or otherwise) for appointment or re-appointment to the Board, taking into account the candidate's track record, age, experience, capabilities and other relevant factors;

(e) to identify and nominate candidates for the approval of the Board to fill vacancies in the Board as and when they arise;

(f) to develop a process for evaluation of the performance of the Board, its committees and Directors and assess how the Board has enhanced long-term shareholder value;

(g) to assess the effectiveness of the Board as a whole;

(h) to review board succession plans for Directors, in particular, the appointment and/or replacement of the Executive Chairman, the CEO and key management personnel; and

(i) to review training and professional development programs for the Board, including the onboarding of new Directors, to ensure that new Directors are aware of their duties and obligations.

Process for appointment of new Directors

The NC has recommended, and the Board has approved, a formal process for the selection and evaluation of new potential Directors as follows:

(a) The NC evaluates the balance of skills, knowledge and experiences on the Board, taking into consideration the Company's Board Diversity Policy, and, in the light of such evaluation and in consultation with Management, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(b) Directors and Management may suggest suitable potential candidates. If necessary, the NC may enlist external help (for example, from the Singapore Institute of Directors, search consultants, advertisements) to source for potential candidates;

(c) The NC assesses suitability of short-listed candidates and discusses with them, if necessary, to ensure that the candidate(s) are aware of the expectations and the level of commitment required; and

(d) The NC makes recommendations to the Board for approval.

Criteria for appointment of new Directors

All new appointments are subject to the recommendation of the NC based on, among others, the following objective criteria:

(a) Integrity;
(b) Independent mindedness;
(c) Possess core competencies which meet the current needs of the Company and complement the skills and competencies of the existing Directors on the Board;
(d) Able to commit time and effort to carry out duties and responsibilities effectively;
(e) Experience in the relevant field of business of the Company or industries in which it operates; and
(f) Financial literacy.

The NC ensures that newly appointed directors are aware of their duties and obligations, and decides if a director is able to and has been adequately carrying out his or her duties as a director of the Company.

All Directors are to submit themselves for re-nomination and re-election at regular intervals of at least once every three (3) years. The Company's Constitution provides that one-third of the Board for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each AGM of the Company. In addition, the Company's Constitution also provides that newly appointed Directors are required to submit themselves for re-election at the AGM of the Company immediately following his/her appointment.

Mdm. Lim Fong Li, Janet and Mr. Lim Chi Yuin, Clarence will be retiring at the forthcoming AGM pursuant to the Company's Constitution. Mdm. Lim Fong Li, Janet and Mr. Lim Chi Yuin, Clarence, being eligible, have each consented to stand for re-election as Directors of the Company at the forthcoming AGM.

The following key information regarding Directors is set out on the following pages of this annual report:

(a) page 71 to 72: Academic and professional qualifications, date of first appointment as Director, date of last re-election as Director, Directorships or chairmanships both present and those held over the preceding five (5) years in other listed companies and other principal commitments, whether appointment is executive or non-executive, or considered by the NC to be independent; and

(b) page 74: Shareholdings in the Company and its related companies.

The Directors disclose their relationships with the Group, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence to the Board. For the financial year under review, the NC is of the view that the Independent Directors of the Company are independent (as further detailed under Principle 2 of this Annual Report) and are able to exercise judgment on the corporate affairs of the Group that is independent of the Management. None of the Independent Directors have any relationships with the Company, its related corporations, substantial shareholders or officers.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board has implemented a formal annual process for assessing the effectiveness of the Board as a whole, and that of each of its board committees and individual directors.

The NC determines how the Board's performance may be evaluated to assess the effectiveness of the Board as a whole and proposes objective performance criteria. Such performance criteria are approved by the Board and addresses how the Board has enhanced long-term shareholders' value.

The NC has in place a performance evaluation process whereby the Board and individual Directors will complete confidential group and individual assessment questionnaires to assess the effectiveness of the Board, its committees and the contributions of each Director, including the Executive Chairman. The Board and Board Committees assessment parameters include areas such as Board composition, Board processes in managing the Group's performance and the effectiveness of the Board in its monitoring role and the effectiveness of the respective committees. The individual assessment areas include attendance and contributions during Board and Board Committees meetings as well as commitment to their role as Directors. Individual Directors are also evaluated on their respective areas of expertise across business, industry, finance and legal. The Company Secretary has been requested to collate the Board's and Directors' evaluation and to provide the summary observations for the Chairman of the NC and Chairman of the Board. The Chairman will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed, or the resignation of Directors may be sought.

Following the review of the assessment of the Board, the Board Committees and individual Directors, including the Chairman for FY2026, both the NC and the Board are of the view that the Board and its committees have operated effectively and each Director has contributed to the overall effectiveness of the Board in FY2026. No external facilitator was involved in the evaluation process.

All NC members have abstained from voting or review process of any matters in connection with the assessment of his/her performance.

The NC meets at least once a year, and as warranted by circumstances, to discharge its functions. In FY2026, one (1) NC meeting was held.

CORPORATE GOVERNANCE REPORT

(B) REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

In FY2026, the RC comprised of the following three (3) Directors, all of whom, including the Chairman, were Independent Directors:-

Mr. Lim Chi Yuin, Clarence	: Chairman
Ms. Lin Sijia[(1)]	: Member
Dr. Raj Kamal s/o Abdul Rasheed[(2)]	: Member

Notes:
(1) Ms. Lin Sijia has resigned with effect from 4 August 2026.
(2) Dr. Raj Kamal s/o Abdul Rasheed was appointed as a member of the Remuneration Committee with effect from 1 September 2025.

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors and senior management. The principal functions of the RC include the following:

(a) to review and recommend to the Board a framework of remuneration for the Executive Chairman, Directors, and key management personnel of the Company. The framework will cover all aspects of remuneration, including without limitation, Directors' fees, basic salaries, allowances, bonuses, options and benefits-in-kind;

(b) to review and recommends the specific remuneration packages for each Director as well as for the key management personnel;

(c) to review the remuneration packages of all managerial staff who are related to any of the Executive Directors or CEO;

(d) in the case of Directors' service contracts, to consider what compensation or commitments the Directors' contracts of service, if any, would entail in the event of early termination;

(e) to recommend to the Board in consultation with senior management and the Executive Chairman, any long-term incentive scheme (including share schemes) and to consider the eligibility of Directors for benefits under such long-term incentive schemes; and

(f) to consider and make recommendations to the Board concerning the disclosure of details of the Company's remuneration policy, level and mix of remuneration and procedure for setting remuneration, and the details of the specific remuneration packages of the Directors and executives of the Company, in addition (if appropriate) to those required by law or by the Code.

The RC has access to professional advice from experts outside the Company on executive remuneration matters as and when necessary. If such professional advice is sought, the RC is to ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. The Company will also disclose the names and firms of the remuneration consultants in the annual remuneration report, and include a statement on whether the remuneration consultants have any such relationships with the Company. The Company did not appoint any remuneration professionals to advise on executive remuneration during FY2026.

Each member of the RC will refrain from voting on any resolution in respect of the assessment of his/her remuneration. No Director will be involved in determining his/her own remuneration.

In addition to the above, the RC will also review the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoids rewarding poor performance.

The RC meets at least once a year, and as warranted by circumstances, to discharge its function. In FY2026, one (1) RC meeting was held.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise shareholders' value.

In setting remuneration packages, the RC takes into consideration the pay and employment conditions within the industry and in comparable companies. As part of its review, the RC ensures that the performance related elements of remuneration form a significant part of the total remuneration package of Executive Directors and is designed to align the Directors' interests with those of shareholders and link rewards to corporate and individual performance, as well as taking into consideration the risk policies of the Company to be symmetric with risk outcomes and sensitive to the time horizon of such risk. The performance-related remuneration elements of the Executive Directors and key management personnel do not incentivise short term based business decisions.

The RC also reviews all matters concerning the remuneration of Independent Directors to ensure that the remuneration is commensurate with the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors. The Company will submit the quantum of Directors' fees each year to the shareholders for approval at each AGM.

The Executive Directors have entered into service contracts with the Company, which are for a fixed appointment period and thereafter renewed annually, unless earlier terminated by either party by not less than six (6) months written notice, or payment of an amount equal to six (6) months' salary in lieu of notice. The RC reviews what compensation commitments the Executive Directors' contracts of service would entail in the event of early termination, and aims to be fair and avoid rewarding poor performance. The Company does not use contractual provisions which allow the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. As the Directors owe a fiduciary duty to the Company, it should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

During FY2026, the RC reviewed the compensation and remuneration packages and believes that the Directors and Management are sufficiently compensated.

CORPORATE GOVERNANCE REPORT

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Policy in respect of Independent Directors

The Independent Directors are paid Directors' fees, the amount of which is dependent on their level of responsibilities. Each Independent Director is paid a basic fee. In addition, Independent Directors who perform additional services through Board committee are paid an additional fee for such services. The amount of Directors' fees payable to Independent Directors is subject to shareholders' approval at the Company's AGMs.

Remuneration policy in respect of Executive Directors and other key management personnel

The Company advocates a performance-based remuneration system that is highly flexible and responsive to the market and the performance of the Company and the individual employee. This allows the Company to better align executive compensation with shareholders value creation. The total remuneration mix comprises annual fixed cash and annual performance incentive. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances. The annual performance incentive is tied to the performance of the Company and the individual employee.

Remuneration of the Directors and key management personnel (who are not also Directors) for the financial year ended 30 June 2026

The level and mix of each of the Directors' remuneration, and that of each of the key management personnel (who are not also Directors), for the financial year ended 30 June 2026, are set out below:

	BASE SALARY	VARIABLE/ PERFORMANCE RELATED INCOME	DIRECTOR FEES	BENEFITS IN KIND / ALLOWANCE[1]	TOTAL S$'000
Name of Director					
Mr. Ip Kwok Wing[2]	85%	5%	–	10%	433
Mdm. Lim Fong Li, Janet[2]	90%	8%	–	2%	275
Mr. Lim Chi Yuin, Clarence	–	–	100%	–	24
Ms. Lin Sijia	–	–	100%	–	24
Dr. Raj Kamal s/o Abdul Rasheed[3]	–	–	100%	–	20
Key Management Personnel[4]					
S$550,001 to $650,000					
Mr. Kenneth Ip Yew Wa	56%	43%	–	1%	100%
S$250,000 and below					
Ms. Tan Lay Lee	93%	7%	–	–	100%

Notes:

(1) Benefits in kind refer to contributions to the motor vehicle payment for Mr. Ip Kwok Wing. Benefits in kind for Mdm. Lim Fong Li Janet, refers to insurance coverage. Benefits in kind for Mr. Kenneth Ip Yew Wa refers to accommodation benefits.

(2) Mr. Ip Kwok Wing and Mdm. Lim Fong Li Janet are husband and wife, and are both also substantial shareholders of the Company.

(3) Dr. Raj Kamal s/o Abdul Rasheed was appointed as an Independent Director on 1 September 2025. Accordingly, his remuneration relates to the period from 1 September 2025 to 30 June 2026.

(4) The Group has only two (2) key management personnels who are not Directors.

The Company has not disclosed the aggregate remuneration paid to key management personnels (who are not Directors or the CEO) as the Company believes that it is not in the best interests of the Company and the employees to disclose such details due to the sensitive nature of such information. While the Company does not fully comply with Provision 8.1(b) of the Code, the Company believes it has disclosed sufficient information and still complies with Principle 8 of the Code. The Group does not have other key management personnel save for those disclosed above.

There were no termination, retirement and post-employment benefits granted to Directors, the CEO and key management personnel for the financial year ended 30 June 2026.

Mr. Kenneth Ip Yew Wa is the Company's COO and Mr. Andrew Ip Jowa is the Director of Hantong Metal Component Sdn. Bhd. and Management Representative for CFM Infratrade Pte. Ltd. They are the sons of Mr. Ip Kwok Wing, the Executive Chairman, and Mdm. Lim Fong Li Janet, the CEO, and their remuneration respectively fall within the range of S$550,001 to S$650,000 and S$250,001 to S$350,000 for the financial year ended 30 June 2026. Mr. Ip Kwok Wing and Mdm. Lim Fong Li Janet are both substantial shareholders of the Company and their remuneration is set out in the table above. Save for the foregoing, the Company does not have any employees who are immediate family members of any substantial shareholder, director, or the CEO, during the financial year ended 30 June 2026. The RC was of the view that the remuneration is in line with the staff remuneration guidelines and commensurate with their job scope and level of responsibilities.

(C) ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board recognises that it is responsible for maintaining a system of risk management and internal controls including those addressing financial, operational, compliance and information technology risk, to safeguard shareholders' interests and the Group's businesses and assets. Together with Management, the Board identifies and evaluates significant risks applicable to the Group's business, taking into consideration the Group's risk tolerance level and policies, and establishes and designs an appropriate internal control system. The Management is tasked to operate and implement the internal control procedures. These risks are assessed on a regular basis.

Through the reports from Management and internal and external auditors on any material non-compliance and internal control weaknesses, the AC oversees and monitors the implementation of any improvements thereto and reviews the adequacy and effectiveness of risk management system and the internal controls system annually. An independent internal audit firm was engaged in previous financial years to undertake the review of material internal controls on a significant business unit of the Group.

The Board, with the recommendation of the AC, approved the appointment of One Finnacle Governance Sdn. Bhd. ("**OFG**" or "**Internal Auditors**") as the Company's new Internal Auditors for FY2026. During the financial year, the AC reviewed the internal audit findings and internal control recommendations presented by the Internal Auditors.

With the assistance from OFG and through the AC, the Board also notes that all risk management system and internal control system contain inherent limitations and cost-effective system of risk management system and/or internal controls could only provide reasonable and not absolute assurance against the occurrence of material errors, financial misstatement, poor judgement in decision making, human error, losses and or other irregularities.

CORPORATE GOVERNANCE REPORT

For FY2026, the Board had received assurance from the CEO and CFO that (i) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (ii) there were no significant internal control issues or incidents to be brought to the attention of the AC or the Directors of the Company, and the Group's risk management and internal control systems addressing financial, operational, compliance and information technology risks were adequate and effective.

The Board, with the assistance of the AC, will continue to review, monitor and take appropriate steps to maintain effectiveness or strengthen the Group's overall internal controls system.

Based on the reviews conducted, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective for FY2026.

Based on the various control systems put in place and maintained by the Company, the report from the external auditors and internal auditor and follow-up implementation action taken by the Management based on the internal auditor's recommendations, periodic reviews by the Management, the AC and the Board, the Board with the concurrence of the AC is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective in FY2026.

More details of the Group's risk management systems are set out in page 69 of this annual report.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

In FY2026, three (3) AC meetings were held.

The AC comprised the following three (3) Independent Directors, all of whom, including the Chairperson, were Independent and Non-Executive Directors, in FY2026:

Ms. Lin Sijia[1]	: Chairperson
Mr. Lim Chi Yuin, Clarence	: Member
Dr. Raj Kamal s/o Abdul Rasheed[2]	: Member

Notes:

(1) Ms. Lin Sijia has resigned with effect from 4 August 2026. The Company is in the process of identifying a new independent director to fill the vacancy in the AC within the prescribed timeframe under the Catalist Rules.

(2) Dr. Raj Kamal s/o Abdul Rasheed was appointed as a member of the AC with effect from 1 September 2025.

The Board is of the view that the members of the AC, including the AC Chairperson, have relevant accounting or related financial management expertise, knowledge and experience to discharge their responsibilities as members of the AC.

In respect of FY2026, the AC Chairperson, Ms. Lin Sijia, has extensive experience in international finance, risk management, and financial law, along with leadership roles in global trade finance operations and strategic asset management. Mr. Lim Chi Yuin, Clarence has extensive operational leadership, board experience across multiple countries, and a strong understanding of corporate governance and financial oversight in connection with these roles. Dr. Raj Kamal s/o Abdul Rasheed's analytical expertise and leadership in academia, non-profit organisations, and interdisciplinary projects equip him with the critical thinking and oversight skills essential for his AC role. Collectively, the AC's expertise and experience contribute significantly to the Board in dealing with financial and business matters.

The principal responsibilities of the AC include:

(a) to review the financial and operating results and accounting policies of the Group;

(b) to review the adequacy, effectiveness, independence, scope and results of the internal and external audits and their cost effectiveness;

(c) to review the financial statements before their submission to the Board and the external auditors' report on those financial statements;

(d) to review the significant financial reporting issues and judgements, so as to ensure the integrity of the financial statements, and any announcements relating to the Company's financial performance;

(e) to review the half-yearly and annual announcement of results of the Group to SGX-ST before submission to the Board for approval;

(f) to consider and review the assistance given by the Management to the auditors;

(g) to review and discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;

(h) to review the external audit plan and the results of the external auditors' examination;

(i) to evaluate the effectiveness of the Group's internal control system including review of the Internal Auditor's internal audit plan and internal audit findings;

(j) to review and report to the Board the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls at least once a year;

(k) to review the independence and objectivity of the external auditors;

(l) to recommend the appointment, re-appointment or removal of external auditors, and approve the terms of engagement and audit fees payable to the external auditors;

(m) to review IPTs to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of shareholders, and are in compliance with the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Catalist Rules under the SGX-ST);

(n) to commission and review the major findings of internal investigations into matters where there is any suspected fraud or irregularity or failure of internal controls or infringement of any relevant law, rule or regulation which has or is likely to have a material impact on the Company's operating results and/or financial position;

(o) to undertake such other functions and duties as may be required by law or the Catalist Rules of the SGX-ST and by such amendments made thereto from time to time;

(p) to review the assurance from the CEO and CFO on the financial records and financial statements; and

(q) to review the arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC has the explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

In addition, the AC has independent access to the Internal Auditors and the external auditors, who report independently their findings and recommendations to the AC. The AC meets up with the Internal Auditors and external auditors without the presence of Management at least once annually and reviews the adequacy of the internal controls established by the Management annually on the basis of the assessment of the abovementioned controls by the external auditors.

During FY2026, the AC carried out independent reviews of the financial statements of the Company before the announcement of the Company's half-year and full year results. The AC also reviewed and approved the Company's external auditors' plans to ensure that the plans covered sufficiently the terms of audit scope in reviewing the significant internal controls of the Company. The abovementioned significant controls comprise financial, operational and compliance controls. All audit findings and recommendations put up by the external auditors were forwarded to the AC. Significant issues, including but not limited to, a major departure from accounting standards and general acceptable accounting practices, if any, will be discussed at these meetings.

On 29 October 2025, at the annual general meeting convened by the Company ("**AGM 2025**"), Shareholders of the Company approved the appointment of Messrs. PKF-CAP LLP ("**PKF**" or "**External Auditors**") in place of Messrs. Baker Tilly TFW LLP. Accordingly, PKF has been appointed for the Group's External Auditors for FY2026 until the conclusion of the forthcoming AGM. PKF had confirmed that they are a public accounting firm registered with the Accounting and Corporate Regulatory Authority ("**ACRA**") and are approved under the Accountants Act 2004 of Singapore (the "**Accountants Act**"), and have provided confirmation of their independence to the AC. The audit partner assigned to the audit is a public accountant under the Accountants Act.

Total external audit fees paid or payable for FY2026 were S$69,000, and no non-audit fees were incurred.

The Company confirms that Rule 712 and Rule 715 of the Catalist Rules in relation to the External Auditors have been complied with.

After considering the resources and experience of PKF and the audit partner-in-charge assigned to the audit, the size and complexity of the audit for the Group, as well as the number and experience of the staff assigned by PKF for the audit, the AC has recommended to the Board the nomination and re-appointment of PKF as the External Auditor for the Company's audit obligations for the financial year ending 30 June 2027, at the forthcoming AGM.

None of the AC members are former partners or directors of the Company's external audit firm within the last 24 months and none of the AC members hold any financial interest in the External Auditor. The AC took into consideration the Audit Quality Indicators Disclosure Framework published by the ACRA in its evaluation of the external auditors.

The Company has implemented a "whistle-blowing policy" ("**Policy**") which provides for the procedures by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters to the AC Chairperson. Details of the Policy together with information on the dedicated whistle-blowing communication channels have been made available to all employees of the Group. The whistleblowing reports can be made to the AC Chairperson via ac@cfmholdings.com. The AC Chairperson, who is independent, has been designated to investigate whistle-blowing reports made in good faith and the identity of the whistle-blower is kept confidential at all times. The Group is committed to ensure protection of the whistle-blower against detrimental or unfair treatment and the AC is responsible for the oversight and monitoring of the Policy. The AC will review the Policy to ensure arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. There were no whistle-blowing cases reported during the financial year ended 30 June 2026.

On a half-yearly basis, the Management reports to the AC on any IPTs.

As part of efforts by the AC in keeping abreast of changes to accounting standards and issues, the AC is kept updated by the External Auditors on new financial reporting standards during the year.

The role of the Internal Auditors is to assist the AC to ensure that the Company maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular in-depth audits of high-risk areas. The AC approves the hiring, removal, evaluation and compensation of the Internal Auditors. The Internal Auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC. The primary line of reporting of the Internal Auditors is to the AC Chairperson.

The Internal Auditors was engaged in FY2026 to undertake the review of material internal controls on a significant subsidiary of the Group. All findings and recommendations of the Internal Auditors were submitted to the AC for deliberation with copies of these reports extended to the CEO and the relevant senior management officers. The Group has implemented the recommendations of the Internal Auditors based on its internal audit work performed for FY2026 and continues to maintain sufficient safeguards and controls over the Group's operations. The AC also continues to monitor that such safeguards and controls are in place.

The AC reviews the adequacy and effectiveness of the internal audit function of the Group annually and ensures that the internal audit function is adequately resourced and has appropriate standing within the Group. For FY2026, the AC noted that the Internal Auditors had carried out its function according to the standards set by nationally or internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The Internal Auditors is an outsourced professional firm with persons who are engaged in the Group's internal audit, possessing the relevant internal audit qualifications and experience. The internal audit firm engaged in FY2026 was OFG, and the partner-in-charge is Mr. Lau Sin Yee and Mr. Yap Ping Hong. The AC has assessed and is satisfied that the Internal Auditors and internal audit function is independent, effective and adequately resourced to perform its function effectively.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board is committed to providing clear and full information of the Group to shareholders through the publication of notices, announcements, circulars, half-yearly and full-year financial results. The Company does not practice selective disclosure and releases its financial results and other material information to the shareholders on a timely basis in accordance with the requirements of the Catalist Rules, via SGXNet.

Shareholders are encouraged to attend the AGM of the Company to ensure a greater level of shareholder participation and for them to be kept up to date as to the strategies and goals of the Group. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including voting procedures that govern the AGM. The documents and information relating to the business of the AGM (including the Annual Report, Request Form and Proxy Form) have been published on the Company's website at https://cfmholdings.com/, SGXNet at https://www.sgx.com/securities/company-announcements and the Notice of AGM is also advertised in a newspaper.

To facilitate participation of the shareholders, the Company's Constitution allow a shareholder to appoint not more than two (2) proxies to attend and vote at general meetings.

At general meetings, the External Auditors as well as all the Directors, in particular the Chairman of the Board and the respective Chairpersons of the Board Committees, are in attendance to address shareholders' queries. Shareholders are given the opportunity to submit their views and questions to the Directors and Management on matters relating to the Group and its operations in advance of the general meeting. The Board members also avail themselves after general meetings to solicit and understand the view of the shareholders.

The proceedings of each of the general meetings will be properly recorded and prepared by the Company. The minutes of all general meetings will be posted on the Company's corporate website and SGXNet within one (1) month after the date of the general meetings. Such minutes include substantial and pertinent comments and questions received from shareholders relating to the agenda of the general meetings, together with responses from the Board and the Management, as well as details of the proceedings of the general meetings. The minutes of the general meetings convened in 2025 were published by the Company on its corporate website and SGXNet within one (1) month after the date of the meetings. The Company will also publish minutes of its forthcoming AGM in respect of FY2026 on its corporate website and SGXNet within one (1) month after the date of the AGM.

All resolutions are put to vote by poll and the voting results of all votes cast for, or against, or abstentions on, each resolution and the respective percentages are announced at the meeting and via SGXNet upon the conclusion of the general meetings.

The Company does not practice bundling of resolutions. Each resolution is separately tabled at the general meeting.

The Company's Constitution does not allow for absentia voting at the general meetings of shareholders. The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax due to concerns in relation to security, integrity and other pertinent issues. However, the Company will establish and maintain regular dialogue with shareholders to gather views or inputs and their concerns.

DIVIDEND POLICY

The Company does not have a specific dividend policy. Nonetheless, Management will, after reviewing the performance of the Company in the relevant financial period, make an appropriate recommendation to the Board. Any dividend declaration will be communicated to shareholders via announcements through SGXNet.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements made and press releases of the Group are also available on the Company's website at https://cfmholdings.com/. The AGM is also another avenue through which the Board and all shareholders may communicate.

The Company's half year and full year results announcements are issued via SGXNet. The Company also publishes the announcements on its website at https://cfmholdings.com/. Once the annual report for FY2026 is completed, a copy will be made available on the website and published via SGXNet.

The Company does not have a formal investor relations policy due to its size and operations but considers advice from its professionals on appropriate disclosure requirements before announcing material information to shareholders, ensuring appropriate level of engagement and regular, effective and fair communication with shareholders. Pertinent information is regularly disseminated to the shareholders through SGXNet. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arise. Shareholders may reach the Company through the email: irc@cfmholdings.com for any published matters of, or questions it may have for, the Company.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, community, government and regulators, shareholders and investors. The Company engages its stakeholders through various channels, including the Company's website at https://cfmholdings.com, to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Company engages stakeholders through various channels to ensure that its business interests are aligned with those of the stakeholders, to understand and address their concerns, so as to improve management strategies, as well as to sustain business operations and maintain stakeholder relationships for long-term growth.

Stakeholders are either entities or individuals who are either directly or indirectly involved in the Company and may be significantly impacted by how the Group operates. The key stakeholders include financial institutions, investors, shareholders, government, regulators, employees, customers, and vendors. The Company has identified and prioritised the matters raised, such as economic, environmental, social and governance ("**ESG**") factors, details of which can be found in the Sustainability Report 2026 in this Annual Report. These factors have been ranked in accordance with importance to the stakeholders and importance to the Group.

The Group has undertaken a process to determine the ESG factors which are important to these stakeholders. A more detailed elaboration on the Company's sustainability strategy and key areas of focus in relation to the management of stakeholder relationship is set out in the Sustainability Report 2026.

DEALINGS IN SECURITIES

Catalist Rule 1204(19)

The Company has adopted its own internal guidelines based substantially on the provisions of Rule 1204(19) of the Catalist Rules. These internal guidelines apply to dealings in securities by all employees (including Directors and other officers) of the Group. The Company sends notification via email to notify all its employees (including its officers and Directors) one (1) month prior to the announcement of the Company's financial statements for the Company's half year and full year financial statements, that trading in the Company's securities is strictly prohibited. In addition, the Directors and officers of the Company are advised not to deal (whether directly or indirectly) in the Company's securities on short-term considerations and are to be mindful of the law on insider trading as prescribed by the Securities and Futures Act 2001 of Singapore at all times even when dealing in securities within the permitted trading period.

The Company, its Directors and officers should not deal in the listed securities of the Company for a period of one (1) month before the half year and full year results, or if they are in possession of unpublished price-sensitive information.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS ("IPTs")

Catalist Rule 1204(17)

The Company has established procedures to ensure that all IPTs are reported in a timely manner to the AC. All IPTs are subject to review by the AC to ensure that all such transactions are conducted at arm's length basis, on normal commercial terms, and will not be prejudicial to the interests of the shareholders.

As a listed company on the SGX-ST, the Company is required to comply with Chapter 9 of the Catalist Rules on Interested Person Transactions. To ensure compliance, the Company has taken the following steps:

(a) Compliance with Chapter 9 of the Catalist Rules is an integral part of the credit approval process for the Company; and

(b) An annual update of Directors' personal particulars is obtained.

There was no IPTs with a value of $100,000 or more conducted in FY2026.

RISK MANAGEMENT

The Company does not have a Risk Management Committee. However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

RISK APPETITE OF THE GROUP

The Group relies on Management to monitor day to day operations. Key corporate decisions, such as investments or acquisitions of businesses are subject to Board approval. The Group's performance is monitored closely by the Board periodically and any significant matters that might have an impact on the operating results are required to be brought to the immediate attention of the Board.

The Group has also taken a strict stance towards avoiding any risks that might result in breaching relevant laws and regulations and risks that could adversely affect the reputation of the Group. Active efforts are also in place to manage risks within impact such as transferring them to third party insurers or having internal control procedures to better mitigate the likelihood of their occurrence.

RISK ASSESSMENT AND MONITORING

The nature and extent of risks to the Group will be assessed regularly by key management personnel and risk reports covering top risks to the Group will be submitted to the AC when it arises. The Board has also received assurance from the CEO and the CFO that: (i) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are adequate and effective to address the financial, operational, compliance and information technology risks.

CORPORATE GOVERNANCE REPORT

MATERIAL CONTRACTS

Catalist Rule 1204(8)

Save for the Executive Directors' service contracts, there were no material contracts, not being contracts entered into in the ordinary course of business, that were entered into by the Company and its subsidiaries that involved the interests of the CEO, any Director or controlling shareholder of the Company either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

Catalist Rule 1204(21)

There were no non-sponsor fees paid to the Company's sponsor, Novus Corporate Finance Pte. Ltd. during the financial year ended 30 June 2026.

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO PROVISION 4.5 OF THE CODE

NAME	ACADEMIC/ PROFESSIONAL QUALIFICATIONS/ AFFILIATIONS	BOARD APPOINTMENT EXECUTIVE/ NON-EXECUTIVE/ INDEPENDENT	DATE OF APPOINTMENT	DATE LAST RE-ELECTED	DIRECTORSHIP/ CHAIRMANSHIPS IN OTHER LISTED COMPANIES IN SINGAPORE (PRESENT & HELD OVER THE PRECEDING FIVE YEARS) & OTHER PRINCIPAL COMMITMENTS
Ip Kwok Wing	Nil	Executive Chairman	28 April 2000	29 October 2025	Directorships in other Listed Companies Nil Other principal commitments Nil
Lim Fong Li Janet	Bachelor of Science in Business Administration, University of Wales Master's Degree in Marketing Communication, University of Canberra	Executive Director and Chief Executive Officer	28 April 2000	26 October 2023 (Seeking re-election at the forthcoming AGM)	Directorships in other Listed Companies Nil Other principal commitments Nil
Lim Chi Yuin, Clarence	Bachelor of Engineering in Mechanical Engineering (Honours), Nanyang Technological University	Lead Independent Non-Executive Director, the Chairman of the RC and member of each of the AC and NC	10 February 2025	29 October 2025 (Seeking re-election at the forthcoming AGM)	Directorships in other Listed Companies Nil Other principal commitments Operations Director at RGIS

NAME	ACADEMIC/ PROFESSIONAL QUALIFICATIONS/ AFFILIATIONS	BOARD APPOINTMENT EXECUTIVE/ NON-EXECUTIVE/ INDEPENDENT	DATE OF APPOINTMENT	DATE LAST RE-ELECTED	DIRECTORSHIP/ CHAIRMANSHIPS IN OTHER LISTED COMPANIES IN SINGAPORE (PRESENT & HELD OVER THE PRECEDING FIVE YEARS) & OTHER PRINCIPAL COMMITMENTS
Lin Sijia (Resigned with effect from 4 August 2026)	Bachelor of Arts in Economics and Finance (First Class Honours), University of Keele Master of Science in Finance and Financial Law (Merit), The School of Oriental and African Studies, University of London	Independent Non-Executive Director, Chairman of the AC and member each of the NC and RC	10 February 2025	29 October 2025	Directorships in other Listed Companies Nil Other principal commitments Head of Trade Assets Management / Executive Director at Australia and New Zealand Banking Group Ltd
Dr. Raj Kamal s/o Abdul Rasheed	Doctor of Philosophy (Mechanical Engineering), Nanyang Technological University Bachelor of Engineering in Mechanical Engineering (First Class Honours), Nanyang Technological University	Independent Non-Executive Director, Chairman of the NC, member each of the AC and RC	1 September 2025	29 October 2025	Directorships in other Listed Companies Nil Other principal commitments Founding Director, Art Practitioner and Educator at The Lucid Umbrella Pte Ltd Adjunct Faculty/Lecturer of: • Singapore Institute of Technology ("**SIT**") • Kaplan Singapore Management • Development Institute of Singapore ("**MDIS**")

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of CFM Holdings Limited (the "**Company**") and its subsidiary corporations (collectively, the "**Group**") for the financial year ended 30 June 2026 and the statement of financial position of the Company as at 30 June 2026.

In the opinion of the directors:

(i) the consolidated financial statements of the Group and the statement of financial position of the Company as set out on pages 84 to 149 are drawn up so as to give a true and fair view of the financial positions of the Group and the Company as at 30 June 2026 and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**"); and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are:

Ip Kwok Wing
Lim Fong Li, Janet
Lim Chi Yuin, Clarence
Raj Kamal s/o Abdul Rasheed (Appointed on 1 September 2025)

ARRANGEMENT TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act except as follows:

	NUMBER OF ORDINARY SHARES			
	SHAREHOLDINGS REGISTERED IN THE NAME OF DIRECTOR		SHAREHOLDINGS IN WHICH A DIRECTOR IS DEEMED TO HAVE AN INTEREST	
NAME OF DIRECTOR	AT BEGINNING OF THE FINANCIAL YEAR	AT END OF THE FINANCIAL YEAR	AT BEGINNING OF THE FINANCIAL YEAR	AT END OF THE FINANCIAL YEAR
The Company				
Ip Kwok Wing	74,319,300	74,319,300	–	–
Lim Fong Li, Janet	61,601,150	61,601,150	–	–

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2026.

By virtue of Section 7 of the Act, Ip Kwok Wing and Lim Fong Li, Janet are deemed to have an interest in the shares held by the Company in its wholly-owned subsidiary corporations.

SHARE OPTIONS

No option to take up unissued shares of the Company or its subsidiary corporations was granted during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations whether granted before or during the financial year.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

DIRECTORS' STATEMENT

AUDIT COMMITTEE

The members of the Audit Committee ("**AC**") at the date of this statement are:

Raj Kamal s/o Abdul Rasheed	(Member)
Lim Chi Yuin, Clarence	(Member)

The AC carried out its functions in accordance with Section 201B(5) of the Act. Their functions are detailed in the Report on Corporate Governance.

In performing its functions, the AC met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's internal accounting control system.

The AC also reviewed interalia, the following:

(a) assistance provided by the Company's management to the external and internal auditors;

(b) half yearly financial information and annual financial statements of the Group and the statement of financial position of the Company prior to their submission to the directors of the Company for adoption; and

(c) interested person transactions (as defined in Chapter 9 of the Catalist Rules of the SGX).

The Audit Committee has recommended to the Board the nomination of the independent auditor, PKF-CAP LLP for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

AUDITOR

The independent auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Ip Kwok Wing
Executive Chairman

Lim Fong Li, Janet
Chief Executive Officer

30 September 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of CFM Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 84 to 149.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore, and we have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

The financial statements of the Group and the Company for the financial year ended 30 June 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on 3 October 2025.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of the Company's investment in subsidiaries

(Refer to Notes 2.9, 2.12, 3.2(a) and 13 to the financial statements)

The Company's carrying amount of investment in subsidiaries amounted to S$9,515,000 (2025: S$9,515,000), representing 84% (2025: 74%) of the Company's total assets as at 30 June 2026.

Management performs an impairment assessment when there are indicators of impairment. The recoverable amount of each investment in subsidiary is determined as the higher of its value in use ("VIU") and fair value less costs of disposal ("FVLCD").

For CFM Infratrade Pte. Ltd. and Hantong Metal Component (Penang) Sdn. Bhd., management determined the recoverable amount using the VIU method. The VIU calculations require management to estimate future cash flows expected to be generated from the relevant cash-generating units and to determine appropriate discount rates to calculate the present value of those cash flows. Significant judgement is involved in forecasting future revenue growth, profitability, terminal growth rates and selecting appropriate discount rates.

For Dalian CFM Precision Tooling Co., Ltd and Hantong Metal Component Sdn. Bhd. ("HTJB"), management determined the recoverable amount using the FVLCD method. The FVLCD assessment requires significant judgement in determining the fair value of the underlying assets and liabilities of the subsidiaries and estimating the costs directly attributable to disposal.

We identified this as a key audit matter because the impairment assessment involves significant management judgement and estimation in determining the recoverable amounts of the investments in subsidiaries. Changes in key assumptions could have a material effect on the outcome of the impairment assessment.

How our audit addressed the matter

Our audit procedures included, among others:

- Obtained an understanding of and evaluated the Company's policies and procedures for identifying indicators of impairment of investments in subsidiaries.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (CONT'D)

Impairment assessment of the Company's investment in subsidiaries (cont'd)

How our audit addressed the matter (cont'd)

Value in use assessments

- Reviewed the discounted future cash flows used to assess the value in use of the CGU, including reperforming the mathematical accuracy of the VIU calculations.
- Assessed the appropriateness and reasonableness of the methodology used to estimate the recoverable amount, and key assumptions including revenue growth rates based on industry growth forecasts, discount rates and long-term economic growth rates.
- Performed sensitivity analyses on key assumptions to assess the impact of reasonably possible changes on the recoverable amount.

Fair value less costs of disposal assessments

- Evaluated the appropriateness of the valuation methodologies applied in determining FVLCD.
- Assessed the reasonableness of key assumptions and estimates used in determining the fair value of the underlying assets and liabilities.
- Evaluated the basis used by management in estimating costs of disposal.
- Tested supporting documentation underlying the significant inputs used in the valuation and checked the arithmetic accuracy of the calculations.

Financial statement disclosures

- Assessed the adequacy of the disclosures relating to the impairment assessment of investments in subsidiaries in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (CONT'D)

Impairment assessment of property, plant and equipment, including right-of-use assets

(Refer to Notes 2.8, 3.2(c), 11 and 20 to the financial statements)

The Group's carrying amount of property, plant and equipment, including right-of-use assets totalled $5,563,000 (2025: $5,687,000) which accounted for 21% (2025: 19%) of the Group's total assets as at 30 June 2026.

Management performs an impairment assessment when there are indicators of impairment. The recoverable amounts of each CGUs are determined as the higher of its value in use ("VIU") and fair value less costs of disposal ("FVLCD").

For CFM Infratrade Pte. Ltd. and Hantong Metal Component (Penang) Sdn. Bhd., management determined the recoverable amount using the VIU method. The VIU calculations require management to estimate future cash flows expected to be generated from the relevant cash-generating units and to determine appropriate discount rates to calculate the present value of those cash flows. Significant judgement is involved in forecasting future revenue growth, profitability, terminal growth rates and selecting appropriate discount rates.

For Dalian CFM Precision Tooling Co., Ltd and Hantong Metal Component Sdn. Bhd. ("HTJB"), management determined the recoverable amount using the FVLCD method. The FVLCD assessment requires significant judgement in determining the fair value of the underlying assets and liabilities of the CGUs and estimating the costs directly attributable to disposal.

We identified this as a key audit matter because the impairment assessment involves significant management judgement and estimation in determining the recoverable amounts of the CGUs. Changes in key assumptions could have a material effect on the outcome of the impairment assessment.

How our audit addressed the matter

Our audit procedures included, among others:

- Obtained an understanding of and evaluated the Group's policies and procedures for identifying indicators of impairment of property, plant and equipment, including right-of-use assets.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

KEY AUDIT MATTERS (CONT'D)

Impairment assessment of property, plant and equipment, including right-of-use assets (cont'd)

How our audit addressed the matter (cont'd)

Value in use assessments

- Reviewed the discounted future cash flows used to assess the value in use of the CGU, including reperforming the mathematical accuracy of the VIU calculations.
- Assessed the appropriateness and reasonableness of the methodology used to estimate the recoverable amount, and key assumptions including revenue growth rates based on industry growth forecasts, discount rates and long-term economic growth rates.
- Performed sensitivity analyses on key assumptions to assess the impact of reasonably possible changes on the recoverable amount.

Fair value less costs of disposal assessments

- Evaluated the appropriateness of the valuation methodologies applied in determining FVLCD.
- Assessed the reasonableness of key assumptions and estimates used in determining the fair value of the underlying assets and liabilities.
- Evaluated the basis used by management in estimating costs of disposal.
- Tested supporting documentation underlying the significant inputs used in the valuation and checked the arithmetic accuracy of the calculations.

Financial statement disclosures

- Assessed the adequacy of the disclosures relating to the impairment assessment of property, plant and equipment, including right-of-use assets in the financial statements.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2026 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

OTHER INFORMATION (CONT'D)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CFM HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporation incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tang Hui Lin.

PKF-CAP LLP
Public Accountants and
Chartered Accountants

Singapore

30 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2026

		GROUP	
	NOTE	2026 $'000	2025 $'000
Revenue	4	21,232	24,721
Cost of sales		(18,300)	(19,581)
Gross profit		2,932	5,140
Other income	5	593	464
Marketing and distribution expenses		(286)	(282)
Administrative and other expenses		(4,303)	(5,124)
Net impairment losses on financial assets		–	(1)
Finance costs	6	(59)	(116)
(Loss)/Profit before tax	7	(1,123)	81
Tax expense	9	(206)	(408)
Loss for the financial year		(1,329)	(327)
Other comprehensive (loss)/income for the financial year, net of tax:			
Items that are or may be reclassified subsequently to profit or loss:			
Currency translation differences arising on consolidation		602	570
Total comprehensive (loss)/income for the financial year		(727)	243
		CENTS	CENTS
(Loss) per share			
Basic and diluted	10	(0.66)	(0.16)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	NOTE	GROUP 2026 $'000	GROUP 2025 $'000	COMPANY 2026 $'000	COMPANY 2025 $'000
Non-current assets					
Property, plant and equipment	11	5,563	5,687	1	–
Intangible assets	12	17	23	–	–
Investment in subsidiaries	13	–	–	9,515	9,515
Prepayments		–	79	–	–
Total non-current assets		5,580	5,789	9,516	9,515
Current assets					
Inventories	14	3,337	3,602	–	–
Trade receivables	15	4,574	4,514	–	–
Other receivables and prepayments	16	313	286	17	23
Amounts due from subsidiaries	17	–	–	219	217
Cash and bank balances	18	12,268	13,434	1,589	3,096
Income tax recoverable		606	319	–	–
		21,098	22,155	1,825	3,336
Non-current asset classified as held for sale	28	–	2,038	–	–
Total current assets		21,098	24,193	1,825	3,336
Total assets		26,678	29,982	11,341	12,851
Non-current liabilities					
Provision for reinstatement	27	30	30	–	–
Borrowings	19	–	442	–	–
Lease liabilities	20	350	304	–	–
Deferred tax liabilities	21	235	290	–	–
Total non-current liabilities		615	1,066	–	–
Current liabilities					
Trade payables	22	2,111	2,124	–	–
Contract liabilities	23	142	143	–	–
Other payables	24	1,513	2,161	278	719
Amounts due to subsidiaries	17	–	–	77	80
Lease liabilities	20	321	235	–	–
Borrowings	19	294	1,872	–	–
Income tax payable		28	–	–	–
Total current liabilities		4,409	6,535	355	799
Total liabilities		5,024	7,601	355	799
Net assets		21,654	22,381	10,986	12,052

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

		GROUP		COMPANY	
	NOTE	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Equity					
Share capital	25	22,963	22,963	22,963	22,963
Accumulated (losses)/profits	26	(1,259)	70	(11,977)	(10,911)
Foreign currency translation reserve		(50)	(652)	–	–
Total equity		21,654	22,381	10,986	12,052

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2026

	SHARE CAPITAL $'000	ACCUMULATED PROFITS/ (LOSSES) $'000	FOREIGN CURRENCY TRANSLATION RESERVE $'000	TOTAL EQUITY $'000
2026				
Balance at 1 July 2025	22,963	70	(652)	22,381
Loss for the financial year	–	(1,329)	–	(1,329)
Other comprehensive income for the financial year, net of tax				
- Currency translation differences arising on consolidation	–	–	602	602
Total comprehensive (loss)/income for the financial year	–	(1,329)	602	(727)
Balance at 30 June 2026	22,963	(1,259)	(50)	21,654
2025				
Balance at 1 July 2024	22,963	397	(1,222)	22,138
Loss for the financial year	–	(327)	–	(327)
Other comprehensive income for the financial year, net of tax				
- Currency translation differences arising on consolidation	–	–	570	570
Total comprehensive (loss)/income for the financial year	–	(327)	570	243
Balance at 30 June 2025	22,963	70	(652)	22,381

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2026

	NOTE	GROUP 2026 $'000	GROUP 2025 $'000
Cash flows from operating activities			
(Loss)/Profit before tax		(1,123)	81
Adjustments for:			
Depreciation on property, plant and equipment	11	1,170	951
Amortisation of intangible assets	12	8	3
Gain on disposal of property, plant and equipment	5	(20)	(8)
Gain on disposal of assets held for sale	5	(177)	–
Loss on lease termination and modification		*	7
Inventories written down	7	108	141
Inventories written back	7	(126)	(156)
Inventories written off		–	9
Net impairment losses on financial assets		–	1
Interest expenses	6	59	116
Interest income	5	(234)	(299)
Property, plant and equipment written off	7	54	7
Bad debts written off		18	–
Unrealised loss/(gain) on foreign currency exchange		10	(2)
Operating cash flows before working capital changes		(253)	851
Inventories		411	621
Receivables		(34)	1,517
Payables and contract liabilities		(795)	(1,067)
Foreign currency translation adjustments		(6)	3
Cash (used in)/generated from operations		(677)	1,925
Interest received		233	311
Income tax paid		(520)	(1,031)
Net cash (used in)/generated from operating activities		(964)	1,205
Cash flows from investing activities			
Purchases of property, plant and equipment	11(d)	(294)	(1,407)
Purchases of intangible assets	12	(1)	(26)
Proceeds from disposal of property, plant and equipment		49	8
Net proceeds from disposal of assets held for sale#		807	–
Matured fixed deposits		618	1,546
Net cash generated from investing activities		1,179	121

* Amount is less than $1,000.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2026

	NOTE	GROUP 2026 $'000	GROUP 2025 $'000
Cash flows from financing activities			
Repayment of borrowings#	19	(599)	(215)
Repayment of lease liabilities	20	(404)	(247)
Interest paid	6	(59)	(116)
Proceeds from bank borrowings	19	50	–
Restricted balance in use		36	1
Placement of fixed deposit pledged with financial institutions		(17)	(94)
Net cash used in financing activities		(993)	(671)
Net (decrease)/increase in cash and cash equivalents		(778)	655
Cash and cash equivalents at beginning of the financial year		11,200	10,308
Effect of exchange rate changes on cash and cash equivalents		249	237
Cash and cash equivalents at end of the financial year	18	10,671	11,200

During the financial year, the Company disposed of the assets held for sale for a sale consideration of S$2,215,000, of which S$1,507,000 was utilised to settle the outstanding bank loans secured by the properties. The balance of the sale consideration after settlement of the bank loans net of expenses amounted to S$807,000.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

The Company (Co. Reg. No. 200003708R) is incorporated and domiciled in Singapore and is a public limited company listed on the Catalist of Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The address of its registered office and principal place of business is at 4008 Ang Mo Kio Avenue 10, Techplace 1, #04-22, Singapore 569625.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 13.

The ultimate controlling party of the Group is Ip Kwok Wing and his spouse, Lim Fong Li, Janet.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 BASIS OF PREPARATION

The financial statements are presented in Singapore dollar ("**$**"), which is the Company's functional currency and all information presented in Singapore dollar are rounded to the nearest thousand ($'000) except when otherwise indicated. The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**"). The financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

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 a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.1 BASIS OF PREPARATION (CONT'D)

Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial period beginning on 1 July 2025. The adoption of these standards did not have any material effect on the financial statements of the Group.

Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

DESCRIPTION	EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER
Amendments to SFRS(I) 9 *Financial Instruments* and SFRS(I) 7 *Financial Instruments: Disclosures*: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to SFRS(I)s Volume 11	1 January 2026
Amendments to SFRS(I) 9 *Financial Instruments* and SFRS(I) 7 *Financial Instruments: Disclosures*: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18 *Presentation and Disclosure in Financial Statements*:	1 January 2027
SFRS(I) 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to SFRS(I) 1-21: *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to SFRS(I) 110 *Consolidated Financial Statements* and SFRS(I) 1-28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.1 BASIS OF PREPARATION (CONT'D)

Standards issued but not yet effective

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application except for the following:

Further information about those SFRS(I)s that are expected to be applicable to the Group is described below.

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for "operating profit", "profit or loss before financing and income taxes", and "profit or loss" in the statement of profit or loss.

- Management-defined performance measures ("**MPMs**") are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the FRSs.

- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group and the Company are in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

2.2 BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS (CONT'D)

b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the period in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest ("**NCI**") and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 FOREIGN CURRENCY

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Translation of Group entities' financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.4 REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 REVENUE RECOGNITION (CONT'D)

Sales of metal components and cleanroom products

Revenue from sales of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("**PO**") by transferring control of a promised good to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. The transaction price is the amount of consideration in the sales contract to which the Group expects to be entitled in exchange for transferring the promised goods. Revenue is recognised at the point when the goods are delivered to the customer. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. For goods which require advance consideration from the customers, the advance consideration are recognised as contract liability upon cash receipts from customers and recognised as revenue when the Group satisfies the performance obligation under its contract.

Sales of tooling products

Revenue from sales of tooling products is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods. For goods which require advance consideration from the customers, the advance consideration are recognised as contract liability at the time of the initial sales transaction and recognised as revenue when the Group satisfies the performance obligation under its contract.

Sales are made with a credit term of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Storage services

Revenue from storage services is recognised over time on a monthly basis when the services are rendered.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 GOVERNMENT GRANTS

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

2.6 EMPLOYEE BENEFITS

(a) Defined contribution plans

The Company and the Group contribute to the Central Provident Fund ("CPF") or equivalent fund, a defined contribution plan regulated and managed by the Government of Singapore or other authorities, which applies to the majority of the employees. The Company's and the Group's contributions to CPF or equivalent are recognised to the profit or loss in the period to which the contributions relate.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.7 TAXES

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 TAXES (CONT'D)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investment in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investment in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 TAXES (CONT'D)

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.8 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated on a straight-line method. The estimated useful lives are as follows:

Freehold buildings	-	20 years
Leasehold land and buildings	-	2 to 26 years
Renovation	-	5 years
Office equipment	-	3 to 5 years
Machinery and equipment	-	5 years
Furniture and fittings	-	3 to 5 years
Toolings	-	5 years
Motor vehicles	-	3 to 5 years
Freehold land is not depreciated		

The cost of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration costs is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use. The carrying amounts of property, plant and equipment are reviewed yearly in order to assess whether their carrying amounts need to be written down to recoverable amounts. Recoverable amount is defined as the higher of value in use and fair value less cost to sell.

The residual value, useful life and depreciation method are reviewed at each reporting date, and adjusted prospectively, if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.9 SUBSIDIARIES

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 RELATED PARTIES

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 RELATED PARTIES (CONT'D)

(b) An entity is related to the Group and the Company if any of the following conditions applies (cont'd):

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.11 INVENTORIES

Inventories are stated at the lower of cost and net realisable value.

Cost incurred in bringing the inventories to their present location and conditions are accounted for as follows:

- Raw materials: purchase costs on a first-in first-out basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.13 FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are recognised when, and only when the Group becomes a party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Group only has debt instruments at amortised cost.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 FINANCIAL ASSETS (CONT'D)

Subsequent measurement (cont'd)

Debt instruments (cont'd)

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2.14 IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculation ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise short term fixed deposit of less than 3 months, and cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.17 BORROWING COSTS

Borrowing costs are recognised in profit or loss over the period of borrowing using the effective interest method.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment of non-financial assets is disclosed in Note 2.12. The Group's right-of-use assets are presented within property, plant and equipment (Note 11).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are disclosed in Note 20.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 LEASES (CONT'D)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's leasehold building classified under property, plant and equipment is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.19 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and the amount of the obligation can be made estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.20 SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES

In the process of applying the Group's accounting policies, management is of the view that there are no critical judgements involved that have a significant effect on the accounts recognised in the financial statements, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that has the most significant effect on the amounts recognised in the financial statements. Such changes are reflected in the assumptions when they occur.

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

a) Impairment assessment of investment in subsidiaries - Company level

The Company assesses at each reporting date whether there is any indication that its investments in subsidiaries may be impaired or whether previously recognised impairment losses should be reversed.

Determining the recoverable amount of an investment in a subsidiary requires significant management judgement and estimation. The recoverable amount is determined based on either value in use ("**VIU**") calculations or fair value less costs of disposal ("**FVLCD**"), depending on the circumstances of the respective subsidiary.

VIU calculations are based on estimated future cash flows derived from approved business plans and forecasts. Key assumptions include forecast revenue growth, profit margins, terminal growth rates and discount rates. FVLCD assessments involve estimating the fair value of the underlying assets and liabilities of the subsidiaries. Changes in these assumptions may have a material impact on the recoverable amounts and the corresponding impairment assessment.

The carrying amount of the Company's investment in subsidiaries as at 30 June 2026 is disclosed in Note 13.

b) Write-down of inventories

Management reviews the inventory listing on a periodic basis. This review involves 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, based on the estimated selling price in the ordinary course of business and to determine any write-down or reversal of 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.

At 30 June 2026, the carrying amounts of inventories of the Group after the write-down or reversal of write-down are disclosed in Note 14.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

c) Impairment assessment on non-financial assets

An assessment is made for the reporting year whether there is any indicator that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

The carrying amounts of property, plant and equipment, investment in subsidiaries and right-of-use assets as at 30 June 2026 and 30 June 2025 are disclosed in Note 11, Note 13 and Note 20 respectively.

4. REVENUE

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

	GROUP	
	2026 $'000	**2025 $'000**
At a point in time		
- Sales of metal components	18,903	22,435
- Sales of cleanroom products	1,410	1,421
- Sales of tooling products	919	859
Over time		
- Storage services	–	6
	21,232	24,721
Revenue recognised during the financial year from:		
Amounts included in contract liabilities at the beginning of the financial year	143	30

The Group applies the practical expedient in SFRS(I) 15 Revenue from Contracts with Customers and does not disclose information about its remaining performance obligation if:

- The performance obligation is part of a contract that has an original expected duration of one year or less; or
- The Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

5. OTHER INCOME

	GROUP	
	2026 $'000	2025 $'000
Government grants	54	79
Interest income	234	299
Rental income	23	1
Gain on disposal of property, plant and equipment	20	8
Gain on disposal of assets held for sale	177	–
Others	85	77
	593	464

6. FINANCE COSTS

	GROUP	
	2026 $'000	2025 $'000
Interest expenses:		
- Lease liabilities	22	18
- Bank loans and banker's acceptances	37	98
	59	116

7. (LOSS)/PROFIT BEFORE TAX

	GROUP	
	2026 $'000	2025 $'000
(Loss)/Profit before tax is arrived at after charging/(crediting):		
Audit fees paid/payable to:		
- Auditor of the Company	69	63
- Other auditors - network firms	41	24
- Other auditors - non-network firms	4	38
Depreciation of property, plant and equipment (Note 11)	1,170	951
Amortisation of intangible assets (Note 12)	8	3
Directors' fees paid/payable to non-executive directors of the Company	68	69
Inventories written down (Note 14)	108	141
Inventories written back (Note 14)	(126)	(156)
Inventories written off (Note 14)	–	9
Property, plant and equipment written off	54	7
Net impairment losses on financial assets	–	1
Lease expense - short-term leases (Note 20)	59	58
Professional fees	260	283
Foreign currency exchange loss, net	67	668
Staff costs (Note 8)	8,886	9,496

8. STAFF COSTS

	GROUP	
	2026 $'000	2025 $'000
Salaries and bonuses	7,261	7,829
Contributions to defined contribution plans	444	486
Other benefits	1,181	1,181
	8,886	9,496

9. TAX EXPENSE

	GROUP	
	2026 $'000	2025 $'000
Tax expense attributable to results is made up of:		
- Current income tax provision	268	493
- Deferred tax	(67)	15
	201	508
Under/(over) provision in prior years		
- Current income tax	–	(103)
- Deferred tax	5	3
	5	(100)
	206	408

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the domestic statutory rate of income tax applicable to the countries where the Group operates due to the following factors:

	GROUP	
	2026 $'000	2025 $'000
(Loss)/Profit before tax	(1,123)	81
Tax calculated using tax rate of 17% (2025: 17%)	(191)	14
Effect of difference tax rates in other countries	(22)	116
Income not subject to tax	(271)	(259)
Expenses not deductible for income tax purposes	608	532
Under/(over) provision of tax in prior years	5	(100)
Utilisation of previously unrecognised tax losses	(7)	(9)
Deferred tax assets not recognised	31	102
Others	53	12
	206	408

9. TAX EXPENSE (CONT'D)

For these components which are located in Singapore, Malaysia, Slovak Republic and The People's Republic of China, the applicable domestic tax rates used are 17% (2025: 17%), 24% (2025: 24%), 21% (2025: 21%) and 25% (2025: 25%) respectively.

At the reporting date, the Group has unutilised tax losses amounting to $4,428,000 (2025: $4,387,000) that are available for carry forward to offset against future taxable income subject to the compliance with the tax regulations of the respective countries in which the Group companies are incorporated and the approval by the relevant tax authorities.

The potential deferred tax assets on the following temporary differences have not been recognised at the reporting date as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised:

	GROUP	
	2026 $'000	**2025 $'000**
Unrecognised deductible temporary differences:		
Unutilised tax losses	4,428	4,387
Other deductible temporary differences	172	31
	4,600	4,418

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company are based on the following:

	GROUP	
	2026 $'000	**2025 $'000**
Net loss attributable to equity holders of the Company ($'000)	(1,329)	(327)
Weighted average number of ordinary shares in issue ('000)	201,535	201,535
Basic and diluted earnings per share (cents per share)	(0.66)	(0.16)

Basic and diluted loss per share are calculated by dividing the Group's net loss attributable to shareholders of the Company by the weighted average number of fully-paid ordinary shares in issue during the financial year.

The denominators used are the same as those detailed above for both basic and diluted loss per share as there is no dilutive share outstanding during the relevant period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

11. PROPERTY, PLANT AND EQUIPMENT

	FREEHOLD LANDS $'000	FREEHOLD BUILDINGS $'000	LEASE-HOLD LAND AND BUILDINGS $'000	RENO-VATION $'000	OFFICE EQUIPMENT $'000	MACHIN-ERY AND EQUIPMENT $'000	FURNI-TURE AND FITTINGS $'000	TOOLINGS $'000	MOTOR VEHICLES $'000	TOTAL $'000
Group										
2026										
Cost										
At 1.7.2025	691	2,822	2,393	922	961	18,368	128	428	775	27,488
Additions #	–	–	21	102	21	378	–	–	–	522
Lease modification/termination	–	–	266	–	13	–	–	–	198	477
Disposals/write-off	–	–	(266)	(120)	(54)	(166)	(8)	–	(200)	(814)
Reclassification	–	–	–	–	22	–	(22)	–	–	–
Exchange differences	48	(*)	106	41	36	456	2	(5)	32	716
At 30.6.2026	739	2,822	2,520	945	999	19,036	100	423	805	28,389
Accumulated depreciation										
At 1.7.2025	–	2,023	1,103	772	642	16,020	68	425	592	21,645
Depreciation charge (Note 7)	–	14	322	50	51	626	11	–	96	1,170
Lease modification/termination	–	–	–	–	–		–	–	(109)	(109)
Disposals/write-off	–	–	(266)	(70)	(23)	(163)	(5)	–	(2)	(529)
Exchange differences	–	(26)	53	38	30	379	2	(5)	22	493
At 30.6.2026	–	2,011	1,212	790	700	16,862	76	420	599	22,670
Accumulated impairment losses										
At 1.7.2025 and 30.6.2026	–	–	–	–	70	86	–	–	–	156
Carrying amount										
At 30.6.2026	739	811	1,308	155	229	2,088	24	3	206	5,563

* Amount is less than $1,000.

\# Additions to $522,000 during the financial year comprise $45,000 in respect of new leases commencing during the year.

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	FREEHOLD LANDS $'000	FREEHOLD BUILDINGS $'000	LEASE-HOLD LAND AND BUILDINGS $'000	RENO-VATION $'000	OFFICE EQUIPMENT $'000	MACHIN-ERY AND EQUIPMENT $'000	FURNI-TURE AND FITTINGS $'000	TOOLINGS $'000	MOTOR VEHICLES $'000	TOTAL $'000
Group										
2025										
Cost										
At 1.7.2024	633	2,695	4,294	842	1,062	16,559	106	427	747	27,365
Additions	–	–	413	57	33	1,489	19	–	20	2,031
Lease modification/termination	–	–	(230)	–	–	–	–	–	–	(230)
Disposals/write-off	–	–	–	(8)	(165)	(105)	–	(10)	(15)	(303)
Reclassified as non-current asset classified as held-for-sale	–	–	(2,158)	–	–	–	–	–	–	(2,158)
Exchange differences	58	127	74	31	31	425	3	11	23	783
At 30.6.2025	691	2,822	2,393	922	961	18,368	128	428	775	27,488
Accumulated depreciation										
At 1.7.2024	–	1,941	1,060	710	727	15,329	53	424	498	20,742
Depreciation charge (Note 7)	–	16	305	36	53	436	13	–	92	951
Lease modification/termination	–	–	(171)	–	–	–	–	–	–	(171)
Disposals/write-off	–	–	–	(3)	(164)	(104)	–	(10)	(15)	(296)
Reclassified as non-current asset classified as held-for-sale	–	–	(120)	–	–	–	–	–	–	(120)
Exchange differences	–	66	29	29	26	359	2	11	17	539
At 30.6.2025	–	2,023	1,103	772	642	16,020	68	425	592	21,645
Accumulated impairment losses										
At 1.7.2024 and 30.6.2025	–	–	–	–	70	86	–	–	–	156
Carrying amount										
At 30.6.2025	691	799	1,290	150	249	2,262	60	3	183	5,687

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	OFFICE EQUIPMENT $'000
Company	
Cost	
At 1.7.2024 and 30.6.2025	4
Additions	1
Write off	(4)
At 30.6.2026	1
Accumulated depreciation	
At 1.7.2024 and 30.6.2025	4
Write off	(4)
	–
Carrying amount	
At 30.6.2025	–
At 30.6.2026	1

(a) Included in property, plant and equipment of the Group are right-of-use assets with carrying amount of $1,495,000 (2025: $1,422,000) (Note 20).

(b) The net carrying amounts of property, plant and equipment which have been charged to financial institutions for credit facilities and borrowings granted to the Group are as follows:

	GROUP	
	2026 $'000	2025 $'000
Freehold land	554	502
Freehold buildings	228	211
Leasehold land and buildings	–	826
	782	1,539

* Amount is less than $1,000.

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) Details of land and buildings of the Group are as follows:

LOCATION	DESCRIPTION	TENURE	APPROXIMATE BUILD-UP AREA (SQM)	HELD BY
No. 4, Jalan Haji Sa'at, Sungai Tiram 81800 Ulu Tiram, Johor Darul Takzim, Malaysia	Office/factory	Freehold	4,905	Hantong Metal Component Sdn. Bhd.
Radlinskeho 17, 052 01 Spisska Nova Ves, Slovak Republic	Office/factory	Freehold	5,253	CFM Slovakia s.r.o.
Lot no.83 & 84 Jalan PKNK 1/8 Kawasan Perusahaan Sungai Petani LPK, Taman Ria Jaya, 08000 Sungai Petani, Kedah, Malaysia	Office/factory	Leasehold	8,391	Hantong Metal Component (Penang) Sdn. Bhd.
Batu 14 1/4 Jalan Sungai Tiram, Johor Darul Takzim Malaysia	Vacant land	Freehold	–	Hantong Metal Component Sdn. Bhd.

(d) Net cash outflow for additions of property, plant and equipment is as follows:

	GROUP	
	2026 $'000	2025 $'000
Additions - cost of property, plant and equipment acquired	522	2,031
(Utilisation of downpayment)/Downpayment for property, plant and equipment during the financial year#	(79)	(224)
Less: Acquired through new lease arrangement (Note 20)	(45)	(370)
Less: Included in other payables at year end	(104)	–
Less: Provision for reinstatement	–	(30)
Net cash outflow for purchase of property, plant and equipment	294	1,407

Downpayment for property, plant and equipment is included within non-current "Prepayment" in the statements of financial position.

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Impairment testing of property, plant and equipment, including right-of-use assets

During the current financial year, the Group's property, plant and equipment, including right-of-use assets amounted to $3,761,000 and were allocated to four CGUs that were tested for impairment during the financial year. Management performed an impairment assessment when there are indicators of impairment to determine the recoverable amount of each CGU as the higher of its value in use ("**VIU**") and fair value less costs of disposal ("**FVLCD**"). Based on the assessment, no provision for impairment is necessary as the recoverable amounts of the CGUs to which the property, plant and equipment, including right-of-use assets belong, are assessed to be higher than the carrying amounts. The key assumptions of the VIU and the fair value measurement for the CGU are disclosed in Note 13 to the financial statements.

12. INTANGIBLE ASSETS

	COMPUTER SOFTWARE $'000
Group	
Cost	
At 1.7.2025	26
Additions	1
Exchange differences	2
At 30.6.2026	29
Amortisation	
At 1.7.2025	3
Amortisation during the year	8
Exchange differences	1
At 30.6.2026	12
Carrying amount	
At 30.6.2026	17

12. INTANGIBLE ASSETS (CONT'D)

	COMPUTER SOFTWARE $'000
Group	
Cost	
At 1.7.2024	–
Additions	26
At 30.6.2025	26
Amortisation	
At 1.7.2024	–
Amortisation during the year	3
At 30.6.2025	3
Carrying amount	
At 30.6.2025	23

The amortisation period for computer software is three years.

13. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2026 $'000	2025 $'000
Unquoted equity shares, at cost		
Balance at beginning of financial year	12,285	22,577
Less: Struck off of a subsidiary	–	(10,292)
	12,285	12,285
Less: Impairment losses	(2,770)	(2,770)
Balance at end of financial year	9,515	9,515
Movements in the impairment losses are as follows:		
Balance at beginning of the financial year	2,770	5,294
Addition of impairment loss	–	430
Struck off of a subsidiary	–	(2,954)
Balance at end of the financial year	2,770	2,770

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries held by the Company are:

NAME	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	EQUITY INTEREST 2026 %	EQUITY INTEREST 2025 %
Held by the Company				
Cheong Fatt Holdings Pte. Ltd. (1)	Singapore	Warehousing and logistics services	–	–
Hantong Metal Component Sdn. Bhd. (2)	Malaysia	Manufacturing of metal plates and metal stamping	100	100
Hantong Metal Component (Penang) Sdn. Bhd. (2)	Malaysia	Manufacturing of metal plates and metal stamping	100	100
CFM Slovakia s.r.o. (3)	Slovak Republic	Manufacturing of metal plates and metal stamping	100	100
CFM (USA), Inc. (4)	The United States of America	Dormant	100	100
Dalian CFM Precision Tooling Co., Ltd (5)	The People's Republic of China	Manufacturing and fabricating engineering tools	100	100
CFM Infratrade Pte. Ltd. (6)	Singapore	Trading and supplying disposable and wearable for use in clean room, bio-medical, laboratories and hospitals	100	100

(1) The subsidiary was struck off on 29 May 2025.
(2) Audited by PKF Malaysia.
(3) Audited by PKF Slovakia.
(4) Not required to be audited by law of country of incorporation.
(5) Audited by Huanyu Certified Public Accountants, the People's Republic of China.
(6) Audited by PKF-CAP LLP.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Impairment review of investment in subsidiaries

CFM Infratrade Pte. Ltd.

The carrying amount of the Company's investment in CFM Infratrade Pte. Ltd. amounted to $1,299,000 as at 30 June 2026.

During the financial year, in view of the impairment indicators identified, management performed an impairment assessment of the investment in CFM Infratrade Pte. Ltd. ("CFM Infratrade") from the cleanroom products segment. Based on the assessment, no allowance nor reversal for impairment is necessary. The calculation of the value-in-use for CFM Infratrade is most sensitive to the following key assumptions is set out below:

	2026
Discount rate (pre-tax)	8.0%
Terminal growth rate	2.0%
Revenue growth rate	4.6%

In prior year, the recoverable amount of the investment in CFM Infratrade was determined based on fair value less costs of disposal ("FVLCD"). The FVLCD was determined based on the fair valuation of CFM Infratrade, taking into account the expected net cash inflow from the sales of the non-current assets classified as held for sale after settlement of the corresponding borrowings, as well as the fair values of the remaining underlying assets and liabilities of CFM Infratrade. Based on the assessment performed, the recoverable amount as at 30 June 2025 was higher than the carrying amount and a reversal of impairment loss of S$212,000 was recognised for the financial year ended 30 June 2025. The fair value measurement for disclosure purposes was categorised within Level 3 of the fair value hierarchy.

Hantong Metal Component (Penang) Sdn. Bhd.

The carrying amount of the Company's investment in Hantong Metal Component (Penang) Sdn. Bhd. amounted to $2,068,000 as at 30 June 2026

During the financial year, in view of the impairment indicators identified, management performed an impairment assessment of the investment in Hantong Metal Component (Penang) Sdn. Bhd. ("HTPG") from metal stamping segment. Based on the assessment, the recoverable amount of the investment in HTPG exceeded the carrying amount and accordingly no impairment loss was recognised for the financial year ended 30 June 2026. The calculation of the value-in-use for HTPG is most sensitive to the following key assumptions:

	2026
Discount rate (pre-tax)	11.0%
Terminal growth rate	2.0%
Revenue growth rate	5.6%

There were no impairment indicators noted on the investment in HTPG in prior year as HTPG generated operational profit and remained in net assets position as at 30 June 2025.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Impairment review of investment in subsidiaries (cont'd)

Dalian CFM Precision Tooling Co., Ltd

The carrying amount of the Company's investment in Dalian CFM Precision Tooling Co., Ltd amounted to $2,232,000 as at 30 June 2026

During the financial year, in view of the impairment indicators identified, management performed an impairment assessment of the investment in Dalian CFM Precision Tooling Co., Ltd ("CFM Dalian") from the metal stamping segment.

The recoverable amount of the investment in CFM Dalian was determined based on FVLCD. The FVLCD was determined based on the fair valuation of CFM Dalian, taking into consideration the fair values of the underlying assets and liabilities of CFM Dalian, which mainly comprised inventories, trade receivables and cash and cash equivalents. The fair values of these assets and liabilities were assessed to approximate their respective carrying amounts.

Based on the assessment performed, no impairment loss or reversal of impairment loss was recognised for the financial year ended 30 June 2026 (2025: impairment loss of $642,000).

Hantong Metal Component Sdn. Bhd.

The carrying amount of the Company's investment in Hantong Metal Component Sdn. Bhd. amounted to $2,098,000 as at 30 June 2026

During the financial year, in view of the impairment indicators identified, management performed an impairment assessment of the investment in Hantong Metal Component Sdn. Bhd. ("HTJB") from the tooling segment.

The recoverable amount of the investment in HTJB was determined based on FVLCD. The FVLCD was determined based on the fair valuation of HTJB, taking into consideration the fair values of the underlying assets and liabilities of HTJB, which mainly comprised freehold land and buildings. The fair value of the freehold land and buildings was determined by reference to a valuation report dated 23 February 2024 issued by an independent firm of professional valuers, which adopted the direct comparison approach with reference to recent transacted prices of comparable properties within the vicinity, adjusted for differences in location, tenure, land area and condition.

As the valuation was carried out before the current reporting date, management performed its own assessment as at 30 June 2026 as to whether that valuation continues to approximate fair value. In doing so, management considered the movements in transacted prices of comparable industrial properties within the vicinity since the date of the valuation report and whether there has been any change in the physical condition, tenure, permitted use or planning status of the property. Based on this assessment, management concluded that there has been no material change in the fair value of the freehold land and buildings since 23 February 2024.

Based on the assessment performed, no impairment loss or reversal of impairment loss was recognised for the financial year ended 30 June 2026.

14. INVENTORIES

	GROUP	
	2026 $'000	2025 $'000
Raw materials	1,225	996
Work in progress	692	701
Finished goods	1,420	1,905
	3,337	3,602

Raw materials, consumables and changes in finished goods and work in progress included as cost of sales during the financial year amounted to $17,541,000 (2025: $18,675,000).

The Group has recognised inventories written down of $108,000 (2025: $141,000), inventories written off of $Nil (2025: $9,000) and inventories written back of $126,000 (2025: $156,000) (Note 7). The inventories written back is due to the inventories being sold above their carrying amount. The written down, written off and written back were included in administrative and other expenses.

15. TRADE RECEIVABLES

	GROUP	
	2026 $'000	2025 $'000
Third parties	4,575	4,515
Less: Allowance for impairment loss	(1)	(1)
	4,574	4,514

Trade receivables are non-interest bearing and are generally on 30 to 90 days' (2025: 30 to 90 days') terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

16. OTHER RECEIVABLES AND PREPAYMENTS

	GROUP		COMPANY	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Deposits	128	156	–	–
Prepayments	128	76	17	10
GST receivables	28	–	–	–
Sundry debtors	29	57	–	13
	313	289	17	23
Less: Impairment allowance for other receivables	–	(3)	–	–
	313	286	17	23

17. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	COMPANY	
	2026 $'000	2025 $'000
Current assets		
Dividend receivables from a subsidiary (non-trade)	219	217
Current liabilities		
Amounts due to subsidiaries	(77)	(80)

The dividend receivables from a subsidiary is non-trade in nature, unsecured, interest free and repayable on demand.

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and payable on demand.

18. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Cash and bank balances	3,640	3,606	179	258
Fixed deposits	8,628	9,828	1,410	2,838
	12,268	13,434	1,589	3,096

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	GROUP	
	2026 $'000	2025 $'000
Cash and bank balances	3,640	3,606
Fixed deposits	8,628	9,828
	12,268	13,434
Fixed deposits pledged	(187)	(170)
Restricted balance in use	–	(36)
Short-term deposits with maturities of more than three months	(1,410)	(2,028)
Cash and cash equivalents per consolidated statement of cash flows	10,671	11,200

Fixed deposits and bank balance amounting to $187,000 (2025: $170,000), is pledged with financial institutions as securities for loans and credit facilities granted to the Group.

19. BORROWINGS

	NOTE	GROUP 2026 $'000	GROUP 2025 $'000
Current			
Secured			
Bank loan I	(a)	–	107
Bank loan II	(b)	–	1,534
Bankers' acceptances	(c)	294	231
		294	1,872
Non-current			
Secured			
Bank loan I	(a)	–	442
		–	442
		294	2,314

Details of the borrowings are as follows:

(a) Bank loan I bears interest at 4.65% (2025: 4.65%) per annum and is repayable in 180 monthly instalments commencing August 2015. It is secured by a first charge over the subsidiary's leasehold land and building with a net carrying amount of $819,000 (2025: $826,000) and fixed deposits of a subsidiary. The loan was fully settled during the financial year and the related security remain discharged.

(b) Bank loan II bears interest at 0.55% per annum above 1-month Cost of Funds and is repayable over 20 years.

The mortgage loan was secured by:

(i) All-monies legal charge over the property at 3 Ang Mo Kio Street 62 #05-15 and #05-16, LINK@AMK, Singapore 569139. This property was disposed on 8 December 2025.

(ii) A joint and several personal guarantees for all monies owing to be provided by the directors.

(iii) A charge over the Debt Servicing Reserve Account.

The loan was fully settled during the financial year and the related security remain discharged.

(c) Bankers' acceptances bear interest at 4.23% to 4.89% (2025: 4.23% to 4.85%) per annum and are secured by a first and legal charge over the subsidiary's freehold land and building with a net carrying amount of $782,000 (2025: $713,000) and a corporate guarantee by the Company.

19. BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	LEASE LIABILITIES (NOTE 20) $'000	LOAN FROM A THIRD PARTY (NOTE 24) $'000	BORROWINGS $'000	TOTAL $'000
Balance at 1 July 2025	539	40	2,314	2,893
Changes from financing cash flows:				
- Proceeds/additions	–	–	50	50
- Repayment	(404)	–	(599)	(1,003)
- Settlement of loan	–	–	(1,507)	(1,507)
- Interest paid	(22)	–	(37)	(59)
Non-cash changes:				
- Interest expense	22	–	37	59
- New leases	45	–	–	45
- Lease modification	477	–	–	477
Effect of changes in foreign exchange rates	14	–	36	50
Balance at 30 June 2026	671	40	294	1,005
Balance at 1 July 2024	467	40	2,485	2,992
Changes from financing cash flows:				
- Repayment	(247)	–	(215)	(462)
- Interest paid	(18)	–	(98)	(116)
Non-cash changes:				
- Interest expense	18	–	98	116
- New leases	370	–	–	370
- Leases termination	(56)	–	–	(56)
Effect of changes in foreign exchange rates	5	–	44	49
Balance at 30 June 2025	539	40	2,314	2,893

20. LEASES

The Group leases various motor vehicles, machinery and equipment and office equipment and also makes annual lease payments for leasehold land. The right-of-use of these assets are classified as property, plant and equipment (Note 11). As at 30 June 2026, the leasehold land of the Group has remaining tenure period of 45 years (2025: 46 years).

In addition, the Group leases certain other office equipment. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liabilities is disclosed in Note 32(b).

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in consolidated statement of financial position

	GROUP	
	2026 $'000	**2025 $'000**
Carrying amount of right-of-use assets classified within property, plant and equipment		
Leasehold land and building	1,308	1,290
Machinery and equipment	84	96
Motor vehicles	92	32
Office equipment	11	4
	1,495	1,422
Carrying amount of lease liabilities		
Current	321	235
Non-current	350	304
	671	539
Additions to right-of-use assets #		
Leasehold land and building	287	413
Machinery and equipment	24	–
Office Equipment	13	–
Motor vehicles	198	–
	522	413

Additions to $522,000 during the financial year comprise $45,000 in respect of new leases commencing during the year and $477,000 arising from the remeasurement of lease liabilities upon extension of the lease term.

20. LEASES (CONT'D)

Amounts recognised in profit or loss

	GROUP	
	2026 $'000	2025 $'000
Depreciation charge for the financial year		
Leasehold land and building	322	305
Machinery and equipment	40	25
Motor vehicles	49	51
Office equipment	3	3
	414	384
Lease expense not included in the measurement of lease liabilities		
Lease expense - short-term leases (Note 6)	59	58
Interest expense on lease liabilities	22	18
Loss on lease termination and modification	*	7

* Amount is less than $1,000.

Total cash flow for leases during the financial year amounted to $485,000 (2025: $323,000).

21. DEFERRED TAX LIABILITIES

Deferred tax liabilities arising from:

	GROUP	
	2026 $'000	2025 $'000
Excess of net carrying amount over tax written down value of property, plant and equipment	225	262
Other temporary differences	10	28
	235	290

The movements in the deferred tax account are as follows:

	GROUP	
	2026 $'000	2025 $'000
Balance at beginning of the financial year	290	253
Tax (credited)/charged to profit or loss (Note 9)	(62)	18
Exchange differences	7	19
Balance at end of the financial year	235	290

22. TRADE PAYABLES

	GROUP	
	2026 $'000	2025 $'000
Trade payables - third parties	2,111	2,124

Trade payables are unsecured, non-interest bearing and normally settled on 30 to 180 (2025: 30 to 360) days credit term.

23. CONTRACT LIABILITIES

Contract liabilities relate to advance consideration received from customers. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract liabilities from contracts with customers:

	GROUP			COMPANY		
	2026 $'000	2025 $'000	2024 $'000	2026 $'000	2025 $'000	2024 $'000
Trade receivables from contracts with customers (Note 15)	4,574	4,514	5,911	–	–	–
Contract liabilities	142	143	30	–	–	–

24. OTHER PAYABLES

	GROUP		COMPANY	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Sundry creditors	213	334	32	123
Loan from a third party	40	40	40	40
Accrued operating expenses	1,078	1,650	131	518
Provision for unutilised leave	112	108	7	11
GST payable	2	2	–	–
Accrual for directors' fee	68	27	68	27
	1,513	2,161	278	719

The loan from a third party is non-trade in nature, unsecured, interest-free and repayable on demand.

25. SHARE CAPITAL

	GROUP AND COMPANY	
	2026 $'000	2025 $'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.

26. ACCUMULATED PROFITS/(LOSSES)

Group

Included in accumulated profits/(losses) of the Group is an amount of $318,000 (2025: $318,000) relating to legal reserve fund of a subsidiary. In accordance with the Slovak Commercial Code applicable to the subsidiary in the Slovak Republic, the subsidiary is required to make appropriation to a legal reserve fund based on a minimum amount of 5% of net profit annually, until the legal reserve fund exceeds at least 10% of the registered share capital. This fund can be used for covering the subsidiary's losses only and thus not available for dividend distribution to shareholders. No appropriation was made during the financial years ended 30 June 2026 and 30 June 2025 as the legal reserve fund is at least 10% of the registered share capital of the subsidiary.

Company

The movements in the accumulated losses of the Company are as follows:

	2026 $'000	2025 $'000
Balance at beginning of the financial year	(10,911)	(9,579)
Loss representing total comprehensive loss for the financial year	(1,066)	(1,332)
Balance at end of the financial year	(11,977)	(10,911)

27. PROVISION FOR REINSTATEMENT

Provision for reinstatement is recognised when the Group enters into lease agreement for the office. It includes the estimated cost of demolishing and removing all the leasehold improvements made by the Group to the office. The office unit shall be reinstated to the condition stated in the lease agreement upon the expiration of the lease agreement.

There were no additions, utilisations, reversals or changes in estimates during the financial years ended 30 June 2026 and 30 June 2025.

28. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The disposal of the properties classified as non-current assets held for sale as at 30 June 2025 was completed on 8 December 2025 for a total purchase consideration of S$2,215,000. Upon completion of the disposal, the Group recognised a gain on disposal of $177,000 in profit or loss for the financial year. Consequently, there are no non-current assets classified as held for sale as at 30 June 2026.

	GROUP	
	2026 $'000	2025 $'000
Details of assets in non-current assets classified as held for sale are as follows:		
Leasehold properties (Note 11)	–	2,038

29. CONTINGENT LIABILITIES AND COMMITMENTS

Guarantees

	GROUP	
	2026 $'000	2025 $'000
Corporate guarantees provided by the Company to financial institutions for banking facilities granted to subsidiaries	509	483
Amount utilised by the subsidiaries	294	231

The directors have assessed the fair values of these financial guarantees to have no material financial impact on the financial performance of the Company for the financial years ended 30 June 2026 and 30 June 2025.

Capital expenditure commitments

Significant capital expenditures contracted for as at the end of reporting period but not recognised in the financial statements are as follows:

	GROUP	
	2026 $'000	2025 $'000
Property, plant and equipment	–	93

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

Total key management personnel compensation is analysed as follows:

	GROUP	
	2026 $'000	2025 $'000
Salaries and bonus	1,265	1,628
Directors' fees	68	69
Contributions to defined contribution plan	47	65
Other short-term benefits	48	60
	1,428	1,822

The above amounts include total emoluments of the Group's directors of $831,640 (2025: $932,459). Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

31. SEGMENT INFORMATION

For management purposes, the Group is organised into 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 die

iii) Components and parts - warehousing and other service logistic business

iv) Cleanroom products - trading of disposables and wearables for use in cleanroom, bio-medical, laboratories and hospitals

31. SEGMENT INFORMATION (CONT'D)

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

	METAL STAMPING		TOOLING		COMPONENTS AND PARTS AND OTHERS		CLEANROOM PRODUCTS		ELIMINATIONS		CONSOLIDATED	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Segment revenue												
- Sales to external customers	18,903	22,435	919	859	–	6	1,410	1,421	–	–	21,232	24,721
- Intersegment sales	198	169	136	215	–	–	–	–	(334)	(384)	–	–
Segment result	296	1,714	255	348	–	33	(76)	68	–	–	475	2,163
Unallocated expenses											(1,539)	(1,966)
Finance costs											(59)	(116)
(Loss)/Profit before tax											(1,123)	81
Tax expense											(206)	(408)
(Loss)/Profit after tax											(1,329)	(327)
Group assets and liabilities												
Segment assets	23,263	25,050	57	59	–	–	2,049	3,628	(248)	(1,876)	25,121	26,861
Unallocated assets											1,557	3,121
Total assets											26,678	29,982
Segment liabilities	4,749	5,323	–	–	–	–	579	2,146	(611)	(587)	4,717	6,882
Unallocated liabilities											307	719
Total liabilities											5,024	7,601

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

31. SEGMENT INFORMATION (CONT'D)

The segment information provided to management for the reportable segments are as follows (cont'd):

	METAL STAMPING		TOOLING		COMPONENTS AND PARTS AND OTHERS		CLEANROOM PRODUCTS		CONSOLIDATED	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Other segment information										
Capital expenditure	264	1,601	–	–	–	–	30	456	1,000	2,057
Depreciation of property, plant and equipment	935	743	8	8	–	–	227	200	1,170	951
Amortisation of intangible asset	2	*	–	–	–	–	6	3	8	3
Net impairment loss/(reversal of impairment losses) on financial assets	–	1	–	–	–	–	–	–	–	1
Inventories written down	58	63	–	–	–	–	50	78	108	141
Inventories written back	(38)	(18)		–		–	(88)	(138)	(126)	(156)
Inventories written off	–	9	–	–	–	–	–	–	–	9
Other significant non-cash income	(44)	(8)	–	–	–	–	–	–	(44)	(8)

* Amount is less than $1,000.

31. SEGMENT INFORMATION (CONT'D)

Segment results

Performance of each segment is evaluated based on segment profit which is measured differently from the net profit before tax in the consolidated financial statements. Corporate and finance expenses are not allocated to segments as these are managed on a Group basis.

Segment assets

The amounts provided to Management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than corporate assets which are classified as unallocated assets.

Corporate assets included assets from investment holding company.

Segment liabilities

The amounts provided to Management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than corporate liabilities which are classified as unallocated liabilities.

Corporate liabilities included liabilities from investment holding company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

31. SEGMENT INFORMATION (CONT'D)

Geographical information

The revenue and non-current assets by geographical segments are based on the geographical location of customers and assets.

	SINGAPORE		MALAYSIA		UNITED STATES OF AMERICA		SLOVAK REPUBLIC		REST OF EUROPE*		THE PEOPLE'S REPUBLIC OF CHINA		OTHERS		GROUP	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Sales to external customers	2,128	1,774	6,362	6,315	3,485	8,551	2,839	1,851	4,102	3,676	2,297	2,519	19	35	21,232	24,721
Non-current assets	469	595	2,914	3,029	–	–	1,798	1,949	–	–	399	216	–	–	5,580	5,789
Other geographical information:																
Capital expenditure	321	456	376	919	–	–	35	642	–	–	268	40	–	–	1,000	2,057

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

31. SEGMENT INFORMATION (CONT'D)

Geographical information (cont'd)

Revenue is derived from two (2025: one) external customers who contributed more than 10% of the Group's revenue and are attributable to the segments as detailed below:

		GROUP	
	ATTRIBUTABLE SEGMENTS	2026 $'000	2025 $'000
Customer 1	Metal Stamping and Tooling	5,971	10,410
Customer 2	Metal Stamping and Tooling	2,081	–
		8,052	10,410

32. FINANCIAL INSTRUMENTS

a) Categories of financial instruments

Financial instruments at their carrying amounts as at the reporting date are as follows:

	GROUP		COMPANY	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Financial assets				
At amortised cost	16,999	18,158	1,808	3,322
Financial liabilities				
At amortised cost	4,475	7,028	348	788

b) Financial risk management

The Group, in its normal course of business, is exposed to credit risk, interest rate risk, foreign currency risk and liquidity and cash flow risk. The overall business strategies of the Group, its tolerance for risk and its general risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions. In determining its risk management policies, the management ensures that an acceptable balance is made between the cost of risks occurring and the cost of managing the risk.

There has been no significant change to the Group's exposure to these financial risks or the manner in which it manages and measures financial risks as compared to previous financial year.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored by management.

As the Group and Company do not hold any collateral, the maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial asset presented on the statements of financial position, except for a notional amount of $509,000 (2025: $483,000) relating to corporate guarantees provided by the Company to financial institutions for banking facilities extended to subsidiaries as disclosed in Note 29.

The Group's and the Company's major classes of financial assets are cash and bank balances, and trade and other receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	GROUP	
	2026 $'000	2025 $'000
By geographical areas		
Singapore	285	383
Malaysia	1,020	1,335
Slovak Republic	1,123	925
The People's Republic of China	588	587
United States of America	1,558	1,284
	4,574	4,514
By types of debtors		
Non-related parties		
- Multi-national companies	4,574	3,776
- Other companies	–	738
	4,574	4,514

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk (cont'd)

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("**ECL**"):

DESCRIPTION OF EVALUATION OF FINANCIAL ASSETS	BASIS FOR RECOGNITION AND MEASUREMENT OF ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 1 year past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- historical and current payment patterns of the debtors; and
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available).

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk (cont'd)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Movements in credit loss allowance

Movements in allowance for expected credit losses are as follows:

	TRADE RECEIVABLES	OTHER RECEIVABLES
	$'000	$'000
Group		
2026		
Balance as at 1 July 2025	1	3
Loss allowance		
- written off	–	(3)
Balance at 30 June 2026	1	–
2025		
Balance as at 1 July 2024	–	3
Loss allowance recognised in profit or loss during the year on:		
- Lifetime ECL - credit impaired, net	1	–
Balance at 30 June 2025	1	3

Trade receivables and other financial assets at amortised cost

The Group has applied the simplified approach in SFRS(I) 9 Financial Instruments ("SFRS(I) 9") to measure the lifetime expected credit loss allowance for trade receivables.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Trade receivables and other financial assets at amortised cost (cont'd)

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

The table below details the credit quality of the Group's financial assets:

GROUP	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT $'000	LOSS ALLOWANCE $'000	NET CARRYING AMOUNT $'000
2026				
Trade receivables	Lifetime ECL	4,575	(1)	4,574
Other receivables	12 month ECL	157	–	157
Cash and bank balances	12 month ECL	12,268	–	12,268
2025				
Trade receivables	Lifetime ECL	4,515	(1)	4,514
Other receivables	Lifetime ECL	213	(3)	210
Cash and bank balances	12 month ECL	13,434	–	13,434

The expected credit loss on other receivables and cash and bank balances is insignificant at 30 June 2026 and 30 June 2025.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Trade receivables and other financial assets at amortised cost (cont'd)

The table below details the credit quality of the Company's financial assets:

COMPANY	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT $'000	LOSS ALLOWANCE $'000	NET CARRYING AMOUNT $'000
2026				
Amount due from subsidiaries	12 month ECL	219	–	219
Cash and bank balances	12 month ECL	1,589	–	1,589
2025				
Amount due from subsidiaries	12 month ECL	217	–	217
Cash and bank balances	12 month ECL	3,096	–	3,096

The expected credit loss on the Company's financial assets is insignificant at 30 June 2026 and 30 June 2025.

Financial guarantees

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries are financially able to meet the contractual cash flow obligations and does not expect significant credit losses arising from these guarantees.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Interest rate risk

The Group's policy is to obtain the most favourable interest rates available without increasing its interest rate risk exposure. The Group constantly monitors its interest rate risk and does not utilise forward contracts or other arrangements for trading or speculative purposes. As at 30 June 2026, there were no such arrangements, interest rate swap contracts or other derivative instruments that were outstanding.

The following table sets out the carrying amounts, by maturity of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	GROUP		COMPANY	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Within one year-variable rates				
Borrowings	294	1,872	–	–
More than one year-variable rates				
Borrowings	–	442	–	–

The Group's and the Company's certain borrowings are variable-rate financial instruments. No disclosure of the impact of a reasonably possible 100 basis point increase/decrease is made as insignificant.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily United States Dollar ("**USD**"), Euro ("**EUR**"), Japanese Yen ("**JPY**") and Singapore Dollar ("**SGD**"). The Group does not apply hedging policy with respect to foreign currency exposure.

At the reporting date, the Group and Company have the following financial assets and financial liabilities denominated in foreign currencies:

	USD $'000	SGD $'000	EUR $'000	JPY $'000
2026				
Group				
Cash and bank balances	3,321	1,245	4,474	–
Trade receivables	1,558	312	1,123	–
Other receivables	–	–	32	–
Trade payables	(97)	(80)	(273)	–
Other payables	(21)	(109)	(760)	–
Net financial assets denominated in foreign currencies	4,761	1,368	4,596	–
Company				
Amount due from subsidiaries	–	–	–	–
2025				
Group				
Cash and bank balances	4,214	1,622	4,094	–
Trade receivables	1,284	–	–	–
Other receivables	17	–	–	–
Trade payables	(3)	(56)	–	(7)
Other payables	(43)	–	–	–
Net financial assets denominated in foreign currencies	5,469	1,566	4,094	(7)

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

There were no currency exposures to the Company in the previous financial year.

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's profit after tax:

	GROUP	
	INCREASE/(DECREASE) IN PROFIT AFTER TAX	
	2026 $'000	2025 $'000
USD against SGD		
- strengthened 10% (2025: 10%)	395	454
- weakened 10% (2025: 10%)	(395)	(454)
EUR against SGD		
- strengthened 10% (2025: 10%)	381	340
- weakened 10% (2025: 10%)	(381)	(340)

No disclosure of the impact of a reasonably possible 10% in other foreign currencies is made as it is insignificant.

Liquidity and cash flow risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposures to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company manage the liquidity risk by maintaining a level of cash and cash equivalents to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities.

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Liquidity and cash flow risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted payments.

	REPAYABLE ON DEMAND OR WITHIN 1 YEAR $'000	BETWEEN 1 TO 5 YEARS $'000	MORE THAN 5 YEARS $'000	TOTAL $'000
Group				
2026				
Trade payables	2,111	–	–	2,111
Other payables	1,513	–	–	1,513
Borrowings	294	–	–	294
Lease liabilities	461	215	–	676
	4,379	215	–	4,594
2025				
Trade payables	2,124	–	–	2,124
Other payables	2,046	–	–	2,046
Borrowings	1,934	490	–	2,424
Lease liabilities	249	313	–	562
	6,353	803	–	7,156
Company				
2026				
Other payables	278	–	–	278
Amounts due to subsidiaries	77	–	–	77
	355	–	–	355
2025				
Other payables	719	–	–	719
Amounts due to subsidiaries	80	–	–	80
	799	–	–	799

32. FINANCIAL INSTRUMENTS (CONT'D)

b) Financial risk management (cont'd)

Liquidity and cash flow risk (cont'd)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	COMPANY	
	2026 $'000	**2025 $'000**
Repayable on demand or not later than 1 year		
Financial guarantee contract (Note 29)	294	231

The Company does not consider it probable a claim will be made against the Company under the intragroup financial guarantee.

33. FAIR VALUES OF ASSETS AND LIABILITIES

Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets and liabilities not carried at fair value but which fair values are disclosed

The recoverable amounts of certain investment in subsidiaries of the Company have been computed based on fair value less costs of disposal. The basis for determining fair value less costs of disposal is disclosed in Note 13.

The carrying amounts of non-current borrowings approximate their fair values as these financial instruments bear interest rates which approximate the market interest rates at the reporting date. These fair value measurements for disclosure purposes are categorised in Level 2 of the fair value hierarchy.

33. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D)

Assets and liabilities not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of trade and other receivables, amounts due from subsidiaries, cash and bank balances, trade and other payables, amounts due to subsidiaries and current borrowings approximate their fair values due to the relatively short-term maturity of these financial instruments.

34. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the returns to stakeholders through the optimisation of the debt and equity balance.

In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return on capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2026 and 30 June 2025.

As disclosed in Note 26, a subsidiary of the Group is required to make appropriation to a legal reserve fund. This externally imposed capital requirement has been complied with by the subsidiary for the financial years ended 30 June 2026 and 30 June 2025.

35. AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 30 June 2026 were authorised for issue in accordance with a resolution of the Board of Directors dated on 30 September 2026.

STATISTICS OF SHAREHOLDINGS

As at 21 September 2026

Issued and fully Paid-up Capital	:	S$23,099,267
Number of Ordinary Shares in issue (excluding treasury shares)	:	201,535,276
Number of Treasury Shares held	:	Nil
Number of Subsidiary Holdings held	:	Nil
Class of Shares	:	Ordinary
Voting Rights (on a poll)	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	4	0.49	86	0.00
100 - 1,000	116	14.04	97,428	0.05
1,001 - 10,000	162	19.61	1,109,800	0.55
10,001 - 1,000,000	534	64.65	50,890,032	25.25
1,000,001 AND ABOVE	10	1.21	149,437,930	74.15
TOTAL	**826**	**100.00**	**201,535,276**	**100.00**

STATISTICS OF SHAREHOLDINGS

As at 21 September 2026

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	IP KWOK WING	74,319,300	36.88
2	LIM FONG LI JANET	61,601,150	30.57
3	PHILLIP SECURITIES PTE LTD	3,723,831	1.85
4	DBS NOMINEES PTE LTD	2,434,214	1.21
5	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,847,250	0.92
6	HOW BECK POO	1,242,000	0.62
7	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,159,400	0.58
8	UOB KAY HIAN PTE LTD	1,102,471	0.55
9	OH CHEE KEONG	1,008,300	0.50
10	CHAN TIN JOR	1,000,014	0.50
11	UNITED OVERSEAS BANK NOMINEES P L	977,800	0.49
12	OCBC SECURITIES PRIVATE LTD	898,000	0.45
13	LEE CHUAN WEI SUHARDI	816,900	0.41
14	LAU PENG LIM	800,000	0.40
15	LIM CHIN HOCK	800,000	0.40
16	TAN SIEW CHOO	795,000	0.39
17	MAYBANK SECURITIES PTE. LTD.	772,000	0.38
18	RAFFLES NOMINEES (PTE) LIMITED	741,400	0.37
19	LIM AND TAN SECURITIES PTE LTD	658,000	0.33
20	CHIN SIEW LING	600,000	0.30
	TOTAL	**157,297,030**	**78.10**

SUBSTANTIAL SHAREHOLDERS

As shown in the Register of Substantial Shareholders:

	NO. OF ORDINARY SHARES	
	DIRECT INTEREST	DEEMED INTEREST
Ip Kwok Wing	74,319,300	61,601,150
Lim Fong Li Janet	61,601,150	74,319,300

Note:
Mr. Ip Kwok Wing and Mdm Lim Fong Li Janet are deemed interested in shares held by the other by virtue of their relationship as spouses.

PUBLIC FLOAT

Based on the information available to the Company as at 21 September 2026, approximately 32.56% of the issued ordinary shares of the Company are held by the public. Accordingly the Company has complied with Rule 723 of the Singapore Exchange Securities Trading Limited Manual Section B: Rules of Catalist.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

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

NOTICE IS HEREBY GIVEN that the Twenty-Sixth Annual General Meeting ("**AGM**") of CFM Holdings Limited (the "**Company**") will be held at 293 Lorong 6 Toa Payoh, SAFRA Toa Payoh, Victoria Room, Level 3, Singapore 319387 on Friday, 23 October 2026 at 10.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 30 June 2026 together with the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mdm. Lim Fong Li, Janet as a Director of the Company who retires pursuant to Regulation 111 of the Constitution of the Company, and being eligible, offered herself for re-election.
[See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Mr. Lim Chi Yuin, Clarence as a Director of the Company who retires pursuant to Regulation 111 of the Constitution of the Company, and being eligible, offered himself for re-election.
[See Explanatory Note (ii)] **(Resolution 3)**

4. To approve the payment of Directors' fees of S$68,000 for the financial year ending 30 June 2027. (2026: S$68,000) **(Resolution 4)**

5. To re-appoint Messrs. PKF-CAP LLP as the Company's Auditors and to authorise the directors of the Company to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business that may properly be transacted at an AGM.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

7. Authority to allot and issue shares and/or convertible securities

That pursuant to Section 161 of the Singapore Companies Act 1967 and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the Directors of the Company be authorised and empowered to:

(a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares (including shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) in the capital of the Company shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with (a) or (b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution, for the time being, of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)] **(Resolution 6)**

By Order of the Board

Shirley Tan Sey Liy
Company Secretary

Singapore,
8 October 2026

Explanatory Notes:

(i) Mdm. Lim Fong Li, Janet, upon re-election as a Director of the Company, will remain as the Executive Director and Chief Executive Officer of the Company, and a member of the Nominating Committee. Mdm. Lim Fong Li, Janet is also a controlling shareholder of the Company. Please refer to pages 158 to 163 of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST.

(ii) Mr. Lim Chi Yuin, Clarence, upon re-election as a Director of the Company, will remain as the Lead Independent Director, the Chairman of the Remuneration Committee, and a member each of the Audit Committee and the Nominating Committee. The Board considers him to be independent for the purposes of Rule 704(7) of the Catalist Rules of the SGX-ST. Please refer to pages 158 to 163 of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST.

(iii) **Ordinary Resolution 6**, if passed, will authorise the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent consolidation or subdivision of shares.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf.

2. (a) A member who is not a relevant intermediary is entitled to appoint one (1) or two (2) proxies to attend and vote at the AGM of the Company.
   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. A proxy need not be a member of the Company.

4. A member of the Company which is a corporation is entitled to appoint its authorised representatives or proxies to vote on his behalf.

5. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), if required by law, be duly stamped and lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

   In appointing the Chairman of the AGM as proxy, members should specifically indicate in the Proxy Form how they wish to vote for or vote against (or abstain from voting on) the resolutions set out in the Notice of the AGM, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 4008 Ang Mo Kio Avenue 10, #04-22, Techplace 1, Singapore 569625 or via email to irc@cfmholdings.com by 10.00 a.m. on 20 October 2026 (being not less than seventy-two (72) hours before the time appointed for holding the AGM of the Company).

7. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**") as at seventy-two (72) hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote on any or all of the resolutions at the AGM. In view of Section 81SJ(4) of the Securities and Futures Act 2001, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the AGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP as at seventy-two (72) hours before the AGM.

8. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their votes at least seven (7) working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

ACCESS TO DOCUMENTS OR INFORMATION RELATING TO THE AGM

All documents and information relating to the business of the AGM (including the Annual Report, the Request Form, the Notice of AGM and the Proxy Form) have been published on the Company's corporate website at https://cfmholdings.com/ and the SGXNet website at https://www.sgx.com/securities/company-announcements. The Company will mail the Request Form, Notice of AGM and the Proxy Form to shareholders accordingly.

SUBMISSION OF QUESTIONS PRIOR TO THE AGM

Shareholders may submit questions related to the resolutions to be tabled at the AGM via email to irc@cfmholdings.com or by post to 4008 Ang Mo Kio Avenue 10, #04-22, Techplace 1, Singapore 569625. Questions must be submitted by 15 October 2026 so that relevant and substantial queries may be addressed prior to the AGM. The responses would be published on SGXNet and the Company's corporate website no later than forty-eight (48) hours before the deadline for submission of the Proxy Form.

Any relevant and subsequent queries received after 15 October 2026 will be addressed at the AGM and published in the minutes of the AGM on SGXNet and the Company's website within one (1) month after the date of AGM.

If the questions are deposited in physical copy at the Company's registered office or sent via email, and in either case not accompanied by the completed and executed Proxy Form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid. Any question without the identification details will not be addressed.

ATTENDANCE AT THE AGM

As the venue has limited sitting capacity, only shareholders whose names appear in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM shall be entitled to attend the AGM of the Company or appoint a proxy(ies) on his or her behalf.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY:

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) or the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM in accordance with this Notice, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the following purposes:

(i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");

(ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and

(iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

This Notice of AGM 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 Notice of AGM, including the correctness of any of the statements or opinions made, or reports contained in this Notice of AGM.

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.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mdm. Lim Fong Li, Janet and Mr. Lim Chi Yuin, Clarence are the Directors seeking re-election at the forthcoming Annual General Meeting ("**AGM**") of the Company to be convened on 23 October 2026 (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the following information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules is set out below:

	MDM. LIM FONG LI, JANET	**MR. LIM CHI YUIN, CLARENCE**
Date of Appointment	28 April 2000	10 February 2025
Date of last re-appointment	26 October 2023	29 October 2025
Age	70	43
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and assessed the qualifications, work experience and suitability of Mdm. Lim Fong Li, Janet ("**Mdm. Janet**") for re-appointment as the Executive Director, Chief Officer and member of the NC of the Company. The Board has reviewed and concluded that Mdm. Janet possesses the experience, expertise, knowledge and skills to contribute to the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC, and has reviewed and assessed the qualifications, work experience and suitability of Mr. Lim Chi Yuin, Clarence ("**Mr. Lim**") for re-appointment as a Lead Independent Director of the Company, the Chairman of the RC, and a member each of the AC and the NC of the Company. The Board has reviewed and concluded that Mr. Lim possesses the experience, expertise, knowledge and skills to contribute to the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive Mdm. Janet is responsible for overseeing the day-to-day operations, finance and general management of the Group.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director, Chief Executive Officer and member of the NC	Lead Independent Director, Chairman of the RC, and a member each of the AC and NC

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MDM. LIM FONG LI, JANET	MR. LIM CHI YUIN, CLARENCE
Professional qualifications	• Bachelor of Science in Business Administration, University of Wales • Master's Degree in Marketing Communication, University of Canberra	• Bachelor of Engineering in Mechanical Engineering (Honours), Nanyang Technological University
Working experience and occupation(s) during the past 10 years	28 April 2000 to present – Chief Executive Officer of CFM Holdings Limited	2014 to present - Operations Director at RGIS Singapore Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Direct interest in 61,601,150 ordinary shares and deemed to be interested in 74,319,300 ordinary shares held by Mr. Ip Kwok Wing, spouse of Mdm. Janet.	Nil
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries)	Spouse of Mr. Ip Kwok Wing, who is the Executive Chairman and a substantial shareholder of the Company. Mother of Mr. Kenneth Ip Yew Wa, the Company's Chief Operating Officer, and Mr. Andrew Ip Jo Wa, a Director of Hantong Metal Component Sdn. Bhd., a wholly owned subsidiary of the Company.	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Past (last 5 years) Principal Commitments* Including Directorships * "Principal Commitments" has the same meanings defined under the Code.	**Past Directorship(s) (for the last 5 years)** • Cheong Fatt Holdings Pte. Ltd.	**Past Directorship(s) (for the last 5 years)** Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MDM. LIM FONG LI, JANET	MR. LIM CHI YUIN, CLARENCE
Other Present Principal Commitments* Including Directorships * "Principal Commitments" has the same meanings defined under the Code.	**Present Directorships** • CFM Holdings Limited • CFM Infratrade Pte. Ltd. • Hantong Metal Component Sdn. Bhd. • Hantong Metal Component (Penang) Sdn. Bhd. • PT Hantong Precision Manufacturing Batam	**Present Directorships** • CFM Holdings Limited • RGIS Singapore Pte. Ltd. • RGIS Malaysia Sdn. Bhd. • RGIS Hong Kong Ltd • RGIS Taiwan LLC
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

		MDM. LIM FONG LI, JANET	MR. LIM CHI YUIN, CLARENCE
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MDM. LIM FONG LI, JANET	MR. LIM CHI YUIN, CLARENCE
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MDM. LIM FONG LI, JANET	MR. LIM CHI YUIN, CLARENCE
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience.	Not applicable. This is a re-election of Directors.	

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CFM HOLDINGS LIMITED

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

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. Relevant intermediaries as defined in Section 181(1C) of the Companies Act 1967 may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting ("**AGM**").
2. For CPF/SRS investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is **NOT VALID** for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors should contact their respective CPF Agents Banks or SRS Operators to submit their votes and specify their voting instructions and to ensure that their votes are submitted, at least seven (7) working days (by 10.00 a.m. on 14 October 2026) before the AGM and contact their CPF Agents Banks or SRS Operators if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representatives, a member accepts and agrees to the personal data privacy terms set out in the Notes to this Proxy Form.

*I/We, _____ (Full Name) _____ (NRIC No./Passport No./Company No.)

of _____ (Full Address)

being a *member/members of CFM Holdings Limited (the "**Company**"), hereby appoint:

NAME	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

and/or (delete as appropriate)

NAME	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

or failing the person, or either or both of the persons referred to above, the Chairman of the AGM as *my/our proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM of the Company to be held at 293 Lor 6 Toa Payoh, SAFRA Toa Payoh, Victoria Room, Level 3, Singapore 319387 on Friday, 23 October 2026 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/ our proxy/proxies to vote for or against, or to abstain from voting on the resolution(s) proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as my/our proxy for that resolution will be treated as invalid**.

The Proxy Form is also made available on SGXNet and the Company's corporate website.

(Please indicate your vote "For" or "Against" with a tick "√" within the box provided. Alternatively, please indicate the no. of votes as appropriate.)

NO.	RESOLUTIONS RELATING TO:	BY WAY OF POLL		
		FOR**	AGAINST**	ABSTAIN**
1	Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2026 together with the Independent Auditors' Report thereon.			
2	Re-election of Mdm. Lim Fong Li, Janet as Director			
3	Re-election of Mr. Lim Chi Yuin, Clarence as Director			
4	Approval of Directors' fees amounting to S$68,000 for the financial year ending 30 June 2027			
5	To re-appoint Messrs. PKF-CAP LLP as auditors of the Company and to authorise the Directors to fix their remuneration			
6	To approve the authority to allot and issue shares			

** If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____day of_____, 2026

TOTAL NUMBER OF SHARES IN:	NO. OF SHARES
(a) CDP Register	
(b) Register of Members	

_____

Signature of Member(s) and/or,
Common Seal of Corporate Member

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead.

3. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholdings concerned to be represented by each proxy shall be specified in the form of proxy.

4. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" means:

   (a) A banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) A person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   (c) The Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. A proxy need not be a member of the Company.

6. Where a member appoints more than one (1) proxy, the member must specify the proportion of shareholdings to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholdings of his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.

7. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 4008 Ang Mo Kio Avenue 10, #04-22 Techplace 1, Singapore 569625 or via email to irc@cfmholdings.com by 10:00 a.m. on 20 October 2026 (being not less than seventy-two (72) hours before the time appointed for holding the AGM).

8. Completion and return of the instrument appointing a proxy or proxies by a member shall not preclude him from attending and voting at the AGM if he so wishes. Any appointment of a proxy or proxies by a member shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

9. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.

10. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

11. The Company shall be entitled to reject an instrument of proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

12. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their votes at least seven (7) working days before the AGM. CPF or SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representative appointed for the meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representatives to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representatives for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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