



**CFM Holdings Limited**  
(Incorporated in Singapore under Registration No. 200003708R)

**Full Year Financial Statements for the financial year  
ended 30 June 2020**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS**

The Board of Directors announces the results of the Group and Company for the financial year ended 30 June 2020.

**1(a) Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group</b>	
	<b>30 June 2020 S\$'000</b>	30 June 2019 S\$'000
<b>Revenue</b>	<b>17,414</b>	20,308
Cost of sales	<u>(13,526)</u>	<u>(15,832)</u>
<b>Gross profit</b>	<b>3,888</b>	4,476
Other income	<b>833</b>	975
Marketing expenses	<b>(380)</b>	(388)
Administrative and other expenses	<b>(4,281)</b>	(4,266)
Finance costs	<u>(318)</u>	<u>(269)</u>
<b>Profit before tax</b>	<b>(258)</b>	528
Tax expense	<u>(446)</u>	<u>(238)</u>
<b>(Loss) / profit for the year</b>	<b>(704)</b>	290
<b>Other comprehensive income/(loss)</b>		
Currency translation differences	<u>43</u>	<u>(285)</u>
<b>Total comprehensive (loss) / income attributable to equity holders of the Company</b>	<u><b>(661)</b></u>	<u>5</u>
<b>(Loss) / Profit attributable to:</b>		
Equity holders of the Company	<u>(704)</u>	<u>290</u>
<b>(Loss) / Profit for the year</b>	<u><b>(704)</b></u>	<u>290</u>
<b>Total comprehensive (loss) / income attributable to:</b>		
Equity holders of the Company	<u><b>(661)</b></u>	<u>5</u>
	<u><b>(661)</b></u>	<u>5</u>

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

	<b>The Group</b>	
	<b>30 June 2020 S\$'000</b>	<b>30 June 2019 S\$'000</b>
Depreciation on property, plant and equipment	<b>1,067</b>	967
Gain on disposal of property, plant and equipment	<b>*</b>	(15)
Loss on foreign exchange	<b>37</b>	46
Impairment of allowance for trade receivables	<b>2</b>	142
Interest income	<b>(4)</b>	(5)
Interest on borrowings and lease liabilities	<b>318</b>	269
Inventories write off	<b>78</b>	34
Provision for slow moving inventories	<b>231</b>	48
Inventories written back	<b>(13)</b>	(115)
Under / (Over) provision for tax in prior years	<b>33</b>	(56)
Allowance for doubtful trade receivables recovered	<b>(52)</b>	-
Property, plant and equipment written off	<b>*</b>	9

\*Amount less than S\$1,000

**1(b)(i) A statement of financial position (for the Issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	12,811	10,797	-	-
Investments in subsidiaries	-	-	11,356	12,445
Deferred tax assets	7	-	-	-
	<u>12,818</u>	<u>10,797</u>	<u>11,356</u>	<u>12,445</u>
<b>Current assets</b>				
Inventories	2,868	2,954	-	-
Trade receivables	3,213	4,706	3	7
Other receivables and prepayment	386	273	5	6
Amounts due from subsidiaries	-	-	1,026	1,713
Cash and cash equivalents	3,897	3,607	147	162
	<u>10,364</u>	<u>11,540</u>	<u>1,181</u>	<u>1,888</u>
<b>Total assets</b>	<u>23,182</u>	<u>22,337</u>	<u>12,537</u>	<u>14,333</u>
<b>Non-current liabilities</b>				
Finance lease liabilities	-	85	-	-
Borrowings	5,423	5,454	-	-
Lease liabilities	2,509	-	-	-
Deferred tax liabilities	369	355	45	55
	<u>8,301</u>	<u>5,894</u>	<u>45</u>	<u>55</u>
<b>Current Liabilities</b>				
Trade payables	1,210	1,943	-	-
Contract liabilities	353	216	-	-
Lease liabilities	273	-	-	-
Other payables	1,501	1,745	484	455
Amount due to subsidiaries	-	-	4	8
Finance lease liabilities	-	35	-	-
Borrowings	915	1,358	487	525
Income tax payable	260	116	188	-
	<u>4,512</u>	<u>5,413</u>	<u>1,163</u>	<u>988</u>
<b>Total liabilities</b>	<u>12,813</u>	<u>11,307</u>	<u>1,208</u>	<u>1,043</u>
<b>Net assets</b>	<u>10,369</u>	<u>11,030</u>	<u>11,329</u>	<u>13,290</u>

<b>Equity</b>				
Share capital	<b>22,963</b>	22,963	<b>22,963</b>	22,963
Accumulated losses	<b>(12,559)</b>	(11,855)	<b>(11,634)</b>	(9,673)
Other reserves	<b>(35)</b>	(78)	-	-
<b>Equity attributable to equity holders of the Company</b>	<b>10,369</b>	11,030	<b>11,329</b>	13,290

## 1(b)(ii) Aggregate amount of Group's borrowing and debt securities.

### Amount repayable in one year or less, or on demand

	As at 30 June 2020		As at 30 Jun 2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Finance lease liabilities	-	-	35	-
Borrowings	915	-	1,358	-
Lease liabilities	273	-	-	-
	<b>1,188</b>	-	<b>1,393</b>	-

### Amount repayable after one year

	As at 30 June 2020		As at 30 Jun 2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Finance lease liabilities	-	-	85	-
Borrowings	5,423	-	5,454	-
Lease liabilities	2,509	-	-	-
	<b>7,932</b>	-	<b>5,539</b>	-

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

- a) Legal mortgage over freehold lands and buildings of a subsidiary with a combined net carrying value of approximately S\$692k as at 30 June 2020 (2019: S\$701k);
- b) Legal mortgage over leasehold lands and buildings and the fixed and floating charge on all present and future assets and joint and several guarantee from Directors of a subsidiary with a combined net carrying value of approximately S\$1.34 million as at 30 June 2020 (2019: S\$1.43 million);
- c) Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net carrying value of approximately S\$117k as at 30 June 2020 (2019: S\$180k);
- d) With reference to (c) above, certain of the property, plant & equipment included in lease liabilities are under finance leasing arrangements and are secured by guarantee from two of the directors of the Company;
- e) As at 30 June 2020, fixed deposits amounting to S\$84k (2019: S\$82k) were pledged with financial institutions as securities for loans and credit facilities granted to the Group;
- f) The bank facility for this building is secured by the fixed and floating charge on all present and future property at the premise and undertakings in connection with the operations of the property as approved by Housing Development Board. In addition, two of the directors have placed their personal property as collateral to the bank to secure the banking loan. As at 30 June 2020, the net carrying amount of the leasehold lands and buildings are approximately S\$ 6.06 million (2019: S\$6.47 million); and Corporate guarantees issued by the Company.
- g) The Lease liabilities was due to the adoption of SFRS(I) 16 on 1 July 2019 - Right-of-use assets. Included in lease liabilities are leases under finance lease arrangements totalling S\$50k as at 30 June 2020 (2019: S\$120k) which are effectively secured on the related right-of-use assets under finance lease arrangements..

1(c) **Statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group</b>	
	<b>30 June 2020 S\$'000</b>	<b>30 June 2019 S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss) / Profit before tax	(258)	528
Adjustments for:		
Depreciation of property, plant and equipment	1,067	967
Gain on disposal of property, plant and equipment	-	(15)
Property, plant and equipment written off		9
Interest expenses	318	269
Interest income	(4)	(5)
Inventories written down	231	48
Inventories written back	(13)	(115)
Inventories written off	78	34
Impairment of allowance for trade receivables	2	142
Allowance for doubtful trade receivables recovered	(52)	-
<b>Operating cash flows before working capital changes</b>	1,369	1,862
Inventories	(208)	(679)
Receivables and prepayments	1,435	618
Trade and other payables and contract liabilities	(845)	(1,747)
Foreign translation differences	(47)	(2)
<b>Cash generated from operations</b>	1,704	52
Interest income received	4	5
Income tax paid	(299)	(223)
<b>Net cash generated from / (used) in operating activities</b>	1,409	(166)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(241)	(205)
Proceeds from disposal of property, plant and equipment	1	20
<b>Net cash used in investing activities</b>	(240)	(185)

	<b>The Group</b>	
	<b>30 June 2020 S\$'000</b>	<b>30 June 2019 S\$'000</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(398)	(2,019)
Payment on lease liabilities	(159)	-
Proceeds from banks borrowings	-	1,920
Interest paid	(318)	(269)
Net repayment of finance lease liabilities	-	(94)
Fixed deposits pledged with financial institutions	(2)	(1)
<b>Net cash used in financing activities</b>	<u>(877)</u>	<u>(463)</u>
Net increase / (decrease) in cash and cash equivalents	292	(814)
Cash and cash equivalents at beginning of the financial year	3,525	4,374
Effect of exchange rate changes on cash and cash equivalents	(4)	(35)
<b>Cash and cash equivalents at end of the financial year</b>	<u>3,813</u>	<u>3,525</u>
<b>Cash and cash equivalents</b>		
Fixed deposits	84	82
Cash at bank and in hand	<u>3,813</u>	<u>3,525</u>
	3,897	3,607
Less: Fixed deposits pledged with bank	<u>(84)</u>	<u>(82)</u>
<b>Cash and cash equivalents at end of the financial year</b>	<u>3,813</u>	<u>3,525</u>

### **Note A**

During the financial year, the Group acquired property, plant and equipment with an aggregate amount of S\$241k (2019: S\$317k), under finance lease was nil compared to 2019: S\$112k. Cash payment of S\$241k (2019: S\$205k) was made to purchase property, plant and equipment.

The Group adopted SFRS (I) 16 on 1 July 2019 - Right-of-use assets S\$4.10 million, of which, S\$1.56 million related to property, plant and equipment brought forward at 1 July 2019, and S\$2.54 million is additional right-of-use assets and lease liabilities recognized on initial adoption. During the financial year, additions of right-of-use and related lease liability of S\$0.29 million were recognised.



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Accumulated losses	Foreign currency translation reserve	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group</b>				
<b>Balance as at 1 July 2019</b>	<b>22,963</b>	<b>(11,855)</b>	<b>(78)</b>	<b>11,030</b>
Loss for the year	-	(704)	-	(704)
Other comprehensive loss for the year				
Currency translation differences	-	-	43	43
Total comprehensive (loss) / income for the year	-	(704)	43	(661)
<b>Balance at 30 June 2020</b>	<b>22,963</b>	<b>(12,559)</b>	<b>(35)</b>	<b>10,369</b>
<b>Balance as at 1 July 2018</b>	<b>22,963</b>	<b>(12,145)</b>	<b>207</b>	<b>11,025</b>
Profit for the year	-	290	-	290
Other comprehensive loss for the year				
Currency translation differences	-	-	(285)	(285)
Total comprehensive income for the year	-	290	(285)	5
<b>Balance at 30 June 2019</b>	<b>22,963</b>	<b>(11,855)</b>	<b>(78)</b>	<b>11,030</b>

	<b>Share capital S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total Equity S\$'000</b>
<b>The Company</b>			
<b>Balance at 1 July 2019</b>	22,963	(9,673)	13,290
Total comprehensive loss for the year	-	(1,961)	(1,961)
<b>Balance at 30 June 2020</b>	<u>22,963</u>	<u>(11,634)</u>	<u>11,329</u>
<b>Balance at 1 July 2018</b>	22,963	(6,262)	16,701
Total comprehensive loss for the year	-	(3,411)	(3,411)
<b>Balance at 30 June 2019</b>	<u>22,963</u>	<u>(9,673)</u>	<u>13,290</u>

**1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The Company did not issue any new capital during the financial year ended 30 June 2020.

The Company did not hold any treasury shares, subsidiary holdings or other convertibles as at 30 June 2020 and 30 June 2019.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30 June 2020</b>	<b>30 June 2019</b>
Total number of issued shares (excluding treasury shares)	<u>201,535,276</u>	<u>201,535,276</u>

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

Not applicable. The Company did not hold any treasury shares during and as at the end of the current financial year reported on.

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

Not applicable. The Company did not have any subsidiary holdings during and at the end of the current financial year reported on.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable.

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 30 June 2020 except as explained in Note 5 below.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for the effect of change.**

The Group has adopted SFRS(I) 16 Leases which is mandatorily effective for the Group from 1 July 2019.

The Group has applied the cumulative retrospective approach and will not restate comparative amounts for the year prior to first adoption.

Under the new standard, a lessee recognises a right-of-use asset representing its rights to use the underlying asset and a lease liability representing its obligation to make lease payments in the statement of financial position. Depreciation charges on the right-of-use assets and interest expense on the lease liability are recorded in the statement of comprehensive income.

Lease payments are classified as financing cash flows in the statement of cash flows. Lessor accounting remains largely similar to the previous accounting standard.

Right-of-use assets S\$4.10 million, of which, S\$1.56 million related to property, plant and equipment brought forward at 1 July 2019, and S\$2.54 million is additional right-of-use assets and lease liabilities recognized on initial adoption. During the financial year, additions of right-of-use and related lease liability of S\$0.29 million were recognized.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>The Group</b>	
	<b>30 June 2020</b>	<b>30 June 2019</b>
<b>(Loss)/profit attributable to equity holders of the Company (S\$'000)</b>	<u>(704)</u>	<u>290</u>
<b>Weighted average ordinary share ('000) for calculation of:</b>		
a) Basic earnings per share	<u>201,535</u>	<u>201,535</u>
b) Diluted earnings per share	<u>201,535</u>	<u>201,535</u>

**(Loss)/Earnings per share (in cents)**

a)	Based on weighted average number of ordinary	<u>(0.35)</u>	<u>0.14</u>
b)	On a fully diluted basis (detailing any adjustments made to the earnings)	<u>(0.35)</u>	<u>0.14</u>

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

	<b>30 June 2020</b>	<b>30 Jun 2019</b>
<b>The Group</b>		
Net asset value per ordinary share (in cents)	<u>5.15</u>	<u>5.47</u>
<b>The Company</b>		
Net asset value per ordinary share (in cents)	<u>5.62</u>	<u>6.59</u>

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**  
**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Review of Consolidated Statement of comprehensive income (FY2020 vs. FY2019)**

##### **Revenue**

The Group recorded revenue of S\$17.4 million for the full year FY2020, which was a decrease of approximately S\$2.9 million from the previous corresponding financial period. The decrease was largely due to a major customer has delayed manufacturing of their products through the Malaysia factory, arising from the current market disruption, coupled with the Covid-19 global pandemic that halted our Malaysia operations for more than a month and overseas delivery were stalled. China sales decreased due to subdued trade export to other countries, whilst Singapore operations faced stiff competition.

##### **Gross Profit**

The Group's Gross Profit decreased by approximately S\$0.6 million from S\$4.5 million in FY2019 to S\$3.9 million in FY2020. The decline in Gross Profit was mainly due to a major customer has delayed manufacturing of their products through the Malaysia factory, arising from the current market disruption, subdued trade export for China operations, competition for Singapore operations and the Covid-19 global pandemic that caused finished goods delivery to be stalled.

##### **Other Income**

Other income in FY2020 consists mainly of rental income S\$627k, and higher government grants in view of Covid-19 and others S\$205k. The decrease was due to the absence of

reversal of provision for litigation expenses in FY2020 but partially offset by the increase in government grant and rental income.

### **Administrative and other expenses**

Administrative expenses increased from S\$4.27 million in FY2019 to S\$4.28 million in FY2020 due to higher depreciation as a result of adoption of SFRS(I) 16 Leases – Right-of-Use assets depreciation, higher stock impairment, higher manpower cost offset by lower impairment of trade receivables.

### **Finance expenses**

Finance expenses increased was mainly due to the adoption of SFRS(I) 16, which amounted to S\$89k.

### **Tax expense**

The tax expense for the year is due to temporary differences that may not be allowed for tax deduction.

### **Loss for the financial year**

The Group recorded a loss after tax of S\$704k for FY2020 as compared to a profit after tax of S\$290k for FY2019.

### **Review of Consolidated Statement of financial position (FY2020 vs. FY2019)**

#### **Non-current assets**

The increase in Property, plant and equipment was mainly due to adoption of SFRS(I) 16 - Right-of-use assets from 1 July 2019, S\$2.83 million, and purchase of property, plant & equipment amounted to S\$241k offset by depreciation charge of S\$1.07 million for the financial year.

At the Company's level, the investments in subsidiaries declined from S\$12.4 million to S\$11.4 million.

The Company had during the year reviewed the performance of its subsidiaries and performed impairment test on its loss incurring subsidiary, M/s Hantong Metal Component Sdn. Bhd. and had impaired its investment by S\$415k.

The Company also reviewed the performance of Dalian CFM Precision Tooling Co., Ltd in view of the current trade war and global pandemic and had impaired its investment by S\$673k. Following this impairment the investment in Dalian has been fully impaired to nil as at 30 June 2020.

#### **Current assets**

Inventories decreased marginally by approximately S\$86k, due to higher inventory utilisation.

Trade receivables decreased to S\$3.2 million as at 30 June 2020, from S\$4.7 million as at 30 June 2019. The decrease was mainly due to faster collection.

Other receivables consist mainly of deposits and prepayments. The increase of S\$113k to S\$386k was mainly due to prepayments for tools and machinery.

## **Current liabilities**

Trade payables decreased by S\$733k, from S\$1.9 million as at 30 June 2019 to S\$1.2 million as at 30 June 2020. This was mainly due to payment of Goods and Services Tax, payment to suppliers during the year and less purchase made towards the end of the year due to Covid-19.

Contract liabilities increased by S\$137k, to S\$353k as at 30 June 2020 as a result of advance billings to customers.

The Group adopted of SFRS (I) 16 and as at 30 June FY2020, Lease Liabilities was S\$273k under current liabilities.

Other payables decreased by S\$244k to S\$1.5 million as at 30 June 2020 as a result of lower rental deposits, absence of goods-in-transit, lower accruals for staff related costs.

## **Borrowings and leases**

Total borrowings for the Group increased from S\$6.9 million as at 30 June 2019 to S\$9.1 million as at 30 June 2020. This was mainly due to increase in lease liabilities S\$2.7 million offset by repayment of bank borrowing and lease liabilities, S\$0.5 million, during the financial year.

The Group adopted of SFRS (I) 16 and as at 30 June 2020, Lease Liabilities was S\$2.5 million for non-current liabilities.

## **Review of Consolidated Statement of Cash Flows (FY2020 vs. FY2019)**

For the financial year ended 30 June 2020, the Group generated a net cash inflow of S\$1.41 million from operating activities as compared to net cash used in operating activities S\$0.17 million, for FY2019.

The operating cash flow before working capital changes decreased from S\$1.86 million (FY2019) to S\$1.37 million in FY 2020, which was mainly due to net loss before tax of S\$258k. Increase in inventory of S\$208k, decrease in payables and contract liabilities of S\$845k, decrease in trade debtors of S\$1.4 million, resulted in the Group recording cash generated from operating activities of S\$1.4 million.

Net cash used in investing activities amounted to S\$240k in FY2020 (2019: S\$185k). The net cash flow used was mainly due to purchase of property, plant & equipment of approximately S\$241k that was partially offset by proceeds from disposal of property, plant & equipment of S\$1k.

Net cash used in financing activities was S\$877k in FY2020, this was mainly attributed by:

- a. repayment of borrowings of S\$398k
- b. payment on lease liabilities S\$159k
- c. interest payment of S\$318k of which S\$89k was interest on lease liabilities.

As a result of the above, the Group's cash and cash equivalent increased from S\$3.6 million as at 30 June 2019 to S\$3.9 million as at 30 June 2020.

### **Litigation**

- i) T-Net International (H.K.) Co, Limited (formerly known as Showa International (HK) Co. Ltd ("Showa"))

Subsequent to the announcement dated 4 February 2015, 27 August 2015, 5 February 2016, 26 August 2016, 9 February 2017, 25 August 2017, 9 February 2018, 6 April 2018, 24 August 2018 and 2 March 2020, the Malaysian Court had released its

Judgement on 4 April 2018. The salient points of the judgement can be found at the Company's announcement dated 6 April 2018.

HTPG had filed an appeal on the Judgment dated 4 April 2018 to Court of Appeal. There is no date fixed by the Court of Appeal for case management until HTPG obtaining Grounds of Judgement from Alor Setar High Court. At the same time, HTPG also filed an application in Alor Setar High Court to stay the Judgement pending the Hearing of the HTPG's appeal to Court of Appeal.

At the same time, Showa has also filed an application for assessment of damages which will also be stayed pending the outcome of HTPG's appeal at Court of Appeal.

As at date of this announcement, HTPG has made a provision of S\$0.60 million according to the Judgement dated 4 April 2018.

The appeal was heard on 29 January 2020 and our lawyers have advised that our appeal has been successful. Our lawyers have further advised us that the extent to which our appeal has been successful and the actual details of the Court order will have to wait for the written judgement to be issued. Our lawyers had made an application to confirm for the written judgement, and the decision of the Court is subject to appeal by Showa, an application for which had to be made within 30 days of the initial judgement / written judgement. The Company will make further announcement when they have further details of the Court judgment.

Showa's application for leave to appeal to the Federal Court is fixed for case management on 28 September 2020 pending obtaining Grounds of Judgment from the Court of Appeal.

As at date of this announcement, there is no further update.

Shareholders should note that the date is subjected to change and the Company will make necessary announcements as and when there are material developments on this matter.

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

This set of results for FY2020 are in line with the profit guidance announced on 20 August 2020.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The ongoing global pandemic may post a threat to future revenue as the economic situation remains uncertain globally and add pressure to operational costs.

Major exports to the Americas have been slower than expected due to the global pandemic as customers' plants continue to remain closed or partially operating. However, we expect the situation in America to improve in the second half should the situation normalize.

The Group will explore opportunities to expand and / or diversify its business and operations to achieve sustainable growth.

**11. If a decision regarding dividend has been made:**



- (a) **Whether an interim (Final) ordinary dividend has been declared (recommended); and**

No.

- (i) **Amount per share (cents)**

Not applicable.

- (ii) **Previous corresponding period (cents)**

Not applicable.

- (b) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated)**

Not applicable.

- (c) **The date the dividend is payable**

Not applicable.

- (d) **Books closure date**

Not applicable.

- 12. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared / recommended for the financial year ended 30 June 2020 in view of the loss making position for FY 2020.

- 13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from the shareholders for interested person transactions. There were no interested party transactions of S\$100,000 and above during the financial year.

- 14. Confirmation Pursuant to Rule 720(1) of the Catalist Rules**

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Rules.

## PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

### 15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

#### Operating segment – business segments

	Metal Stamping		Tooling		Components and parts		Cleanroom products		Group	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Segment revenue										
Sales to external customers	13,313	15,660	951	1,403	518	500	2,632	2,745	17,414	20,308
Segmental result	115	704	315	510	228	220	365	544	1,023	1,978
Unallocated segment									(963)	(1,181)
Finance costs									(318)	(269)
(Loss) / Profit before tax									(258)	528
Income tax expense									(446)	(238)
(Loss) / Profit after tax									(704)	290
Group Assets and Liabilities										
Segmental assets	12,444	13,116	68	157	8,793	6,935	1,721	1,955	23,026	22,163
Unallocated assets									156	174
Total assets									23,182	22,337
Segmental liabilities	11,213	2,694	79	124	-	273	313	410	11,605	3,501
Unallocated liabilities									1,208	7,806
Total liabilities									12,813	11,307

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Operating segment – business segments (cont'd)**

	Metal Stamping		Tooling		Components and parts		Cleanroom products		Group	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Other segment information										
Capital expenditure	175	227	17	10	24	-	25	80	241	317
Depreciation of property, plant and equipment	459	458	2	1	562	470	42	38	1,067	967
Property, plant and equipment written off	-	9	-	-	-	-	-	-	-	9
Impairment loss on property, plant and equipment	-	-	-	-	-	-	-	-	-	-

**Geographical information**

	Singapore		Malaysia		United States of America		Slovak Republic		Czech Republic		Netherlands		Others*		Group	
	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000	2020 S\$'000	2019 S\$'000
Sales to external customers	3,395	4,569	4,932	6,483	1,680	890	1,967	2,010	882	783	1,055	1,269	3,503	4,304	17,414	20,308
Non-current assets	8,566	6,650	2,288	2,370	-	-	1,651	1,720	-	-	-	-	313	57	12,818	10,797
Other geographical information																
Capital expenditure	50	97	147	126	-	-	17	88	-	-	-	-	27	6	241	317

\* Others comprise of Indonesia, Hong Kong, The People's Republic of China, Canada, Switzerland, Poland, Italy, Germany, Hungary and Romania.

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to note 8.

**17. A breakdown of sales.**

	The Group			
	FY2020 S\$'000	FY2019 S\$'000	Changes S\$'000	%
Sales reported for the first half year	8,489	10,683	(2,194)	(20.5)
(Loss) / Profit after tax reported for the first half year	(24)	393	(417)	n/m
Sales reported for second half year	8,925	9,625	(700)	(7.3)
Loss after tax reported for the second half year	(680)	(103)	(577)	n/m

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year S\$	Previous Full Year S\$
Ordinary Share	-	-
Preference Share	-	-

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ip Kwok Wing	67	Husband of Ms Lim Fong Li Janet, CEO and substantial shareholder of the Company.	(i) Current Position: Executive Chairman (ii) Duties: Responsible for the strategic planning, expansion and growth of the Group (iii) Appointed Since: Year 2000	N.A.
Lim Fong Li Janet	63	Wife of Mr Ip Kwok Wing, Executive Chairman and substantial shareholder of the Company	(i) Current Position: Chief Executive Officer (ii) Duties: Responsible for overseeing the day-to-day operations, finance and overall management of the Group	N.A.

			(iii) Appointed Since: Year 2000	
Kenneth Ip Yew Wa	36	Son of Mr Ip Kwok Wing (Executive Chairman and substantial shareholder of the Company) and Ms Lim Fong Li Janet (CEO and substantial shareholder of the Company)	<p>(i) Current Position:</p> <ul style="list-style-type: none"> <li>- Chief Operating Officer of the Company, effective 19 July 2019</li> <li>- Executive Officer of CFM Slovakia s.r.o since 1st November 2012</li> <li>- General Manager of Hantong Metal Component (Penang) Sdn Bhd. since: 8 July 2013</li> </ul> <p>(ii) Duties: Overall performance of CFM Slovakia s.r.o. and Hantong Metal Component (Penang) Sdn Bhd</p> <p>(iii) Joined Cheong Fatt Holdings Pte. Ltd. as a marketing Executive since 16th June 2010</p>	N.A. Mr Kenneth Ip stepped down as Executive Director of the Company and re-designate as Chief Operating Officer of the Company on 19 July 2019.
Andrew Ip Jowa	31	Son of Mr Ip Kwok Wing (Executive Chairman and substantial shareholder of the Company) and Ms Lim Fong Li Janet (CEO and substantial shareholder of the Company)	<p>(i) Current Position: Deputy General Manager of Hantong Metal Component Sdn Bhd.</p> <p>(ii) Duties: Overall performance, quality, costing, delivery, sales and marketing of Hantong Metal Component Sdn Bhd</p> <p>(iii) Appointed since: 4 September 2017</p>	Promoted from Sales Manager to Deputy General Manager in February 2020. Job scope expanded to include Overall performance, quality, costing and delivery.

## BY ORDER OF THE BOARD

**Lim Fong Li Janet**  
**Chief Executive Officer**  
**27 August 2020**

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

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

*The contact person for the Sponsor is Ms Foo Quee Yin.  
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