



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

Condensed interim financial statements
For the six months and full year ended 30 June 2024

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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

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

Table of Contents

A.	Condensed interim consolidated statement of profit or loss and other comprehensive income	.....	3
B.	Condensed interim statements of financial position	.....	4
C.	Condensed interim statements of changes in equity	.....	6
D.	Condensed interim consolidated statement of cash flows	.....	8
E.	Notes to the condensed interim consolidated financial statements	.....	10
F.	Other Information as required by Appendix 7C of the Catalist Rules	.....	21

A. **Condensed interim consolidated statement of profit or loss and other comprehensive income**

		The Group				
		Six months ended		Year ended		
		30 June 2024	30 June 2023	30 June 2024	30 June 2023	
Note		S\$'000	S\$'000	S\$'000	S\$'000	
	Revenue	4	15,023	15,609	29,564	29,729
	Cost of sales		(11,341)	(11,639)	(21,449)	(21,907)
	Gross profit		3,682	3,970	8,115	7,822
	Other income		301	385	539	8,768
	Marketing and distribution expenses		(148)	(189)	(328)	(335)
	Administrative and other expenses		(2,458)	(2,279)	(5,386)	(4,708)
	Reversal of impairment losses/(impairment losses) on financial assets		144	(149)	144	95
	Finance costs		(70)	(72)	(149)	(187)
	Profit before tax		1,451	1,666	2,935	11,455
	Tax expense	7	(629)	(515)	(1,133)	(907)
	Profit for the period/year		822	1,151	1,802	10,548
	Other comprehensive income/loss					
	<u>Items that are or may be reclassified subsequently to profit or loss, net of tax</u>					
	Currency translation differences		4	(248)	(143)	(634)
	Total comprehensive income for the period/year		826	903	1,659	9,914
	Profit for the period/year attributable to:					
	Equity holders of the Company		822	1,151	1,802	10,548
	Total comprehensive income for the period/year attributable to:					
	Equity holders of the Company		826	903	1,659	9,914
	Earnings per share for profit for the period/year attributable to equity holder of the Company during the year (S\$ in cents):					
	a) Basic		0.41	0.57	0.89	5.23
	b) Diluted		0.41	0.57	0.89	5.23

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	11	6,467	6,400	-	-
Investment in subsidiaries	14	-	-	15,853	18,799
Prepayments		302	-	-	-
Total non-current assets		6,769	6,400	15,853	18,799
Current assets					
Inventories	12	4,059	3,749	-	-
Trade receivables	13	5,911	6,391	-	-
Other receivables and prepayments		219	275	3	3
Amounts due from subsidiaries	6.2	-	-	-	1
Cash and cash equivalents		13,993	13,651	38	273
Total current assets		24,182	24,066	41	277
Total assets		30,951	30,466	15,894	19,076
Non-current liabilities					
Borrowings	10	2,063	2,225	-	-
Lease liabilities	10	149	143	-	-
Deferred tax liabilities		253	191	-	-
Total non-current liabilities		2,465	2,559	-	-
Current Liabilities					
Trade payables		2,544	2,428	-	-
Contract liabilities		30	129	-	-
Other payables		2,727	2,088	693	226
Amounts due to subsidiaries	6.2	-	-	3,242	1,781
Lease liabilities	10	318	377	-	-
Borrowings	10	422	418	-	-
Income tax payable		307	488	5	17
Total current liabilities		6,348	5,928	3,940	2,024
Total liabilities		8,813	8,487	3,940	2,024
Net assets		22,138	21,979	11,954	17,052

B. Condensed interim statements of financial position (continued)

	Note	The Group		The Company	
		30 June 2024 S\$'000	30 June 2023 S\$'000	30 June 2024 S\$'000	30 June 2023 S\$'000
Equity attributable to equity holders of the Company					
Share capital	15	22,963	22,963	22,963	22,963
Accumulated Profits/(losses)		397	95	(11,009)	(5,911)
Foreign currency translation reserve		(1,222)	(1,079)	-	-
Total Equity		22,138	21,979	11,954	17,052

C. Condensed interim statements of changes in equity

	Share capital	Accumulated Profit/(losses)	Foreign currency translation reserve	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
The Group				
Balance at 1 July 2023	22,963	95	(1,079)	21,979
Profit for the financial year	-	1,802	-	1,802
<u>Other comprehensive loss for the year</u>				
Currency translation differences	-	-	(143)	(143)
Profit and total comprehensive income/(loss) for the financial year	-	1,802	(143)	1,659
Final tax exempt dividend 0.7443 Singapore cents per ordinary share in respect of FY2023	-	(1,500)	-	(1,500)
Balance at 30 June 2024	22,963	397	(1,222)	22,138
Balance at 1 July 2022	22,963	(10,253)	(445)	12,265
Profit for the financial year	-	10,548	-	10,548
<u>Other comprehensive loss for the year</u>				
Currency translation differences	-	-	(634)	(634)
Profit and total comprehensive income/(loss) for the financial year	-	10,548	(634)	9,914
Final tax exempt dividend 0.09924 Singapore cents per ordinary share in respect of FY2022	-	(200)	-	(200)
Balance at 30 June 2023	22,963	95	(1,079)	21,979

Condensed interim statements of changes in equity (continued)

	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
The Company			
Balance at 1 July 2023	22,963	(5,911)	17,052
Profit and total comprehensive income for the financial year	-	(3,598)	(3,598)
Final tax exempt dividend 0.7443 Singapore cents per ordinary shares in respect of FY2023	-	(1,500)	(1,500)
Balance at 30 June 2024	22,963	(11,009)	11,954
Balance at 1 July 2022	22,963	(7,217)	15,746
Profit and total comprehensive income for the financial year	-	1,506	1,506
Final tax exempt dividend 0.09924 Singapore cents per ordinary shares in respect of FY2022	-	(200)	(200)
Balance at 30 June 2023	22,963	(5,911)	17,052

C. Condensed interim consolidated statement of cash flows

	The Group	
	Year ended	
	30 June	30 June
	2024	2023
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	2,935	11,455
Adjustments for:		
Depreciation of property, plant and equipment	833	649
Property, plant and equipment written off	-	11
Gain on disposal of non-current assets held for sale	-	(8,132)
Gain on disposal of property, plant and equipment	(51)	(61)
Gain on lease termination	-	(12)
Interest expense	149	187
Interest income	(353)	(150)
Inventories write-down	148	84
Inventories write-back	(99)	(129)
Inventories written off	69	82
Net reversal of impairment losses	(144)	(95)
Unrealised foreign currency exchange	(18)	(70)
Operating profit before working capital changes	3,469	3,819
Inventories	(459)	361
Receivables and prepayments	343	(722)
Trade and other payables and contract liabilities	694	(34)
Foreign currency translation adjustments	(21)	31
Cash generated from operations	4,026	3,455
Interest income received	353	150
Income tax paid	(1,244)	(905)
Net cash generated from operating activities	3,135	2,700
Cash flows from investing activities		
Purchases of property, plant and equipment (Note A)	(763)	(1,662)
Proceeds from disposal of non-current assets held for sale	-	13,293
Proceeds from disposal of property, plant and equipment	104	110
Placement of fixed deposits	-	(7,202)
Matured fixed deposits	3,627	-
Net cash generated from investing activities	2,968	4,539

D. Condensed interim consolidated statement of cash flows (continued)

	The Group	
	Year ended	
	30 June	30 June
	2024	2023
	S\$'000	S\$'000
Cash flows from financing activities		
Repayment of borrowings	(150)	(4,261)
Payment on lease liabilities	(275)	(193)
Interest paid	(149)	(187)
Dividend paid for FY2023/FY2022	(1,500)	(200)
Restricted balance matured/(in use)	35	(70)
Matured fixed deposit pledged with financial institution	1	135
Net cash used in financing activities	(2,038)	(4,776)
Net increase in cash and cash equivalents	4,065	2,463
Cash and cash equivalents at beginning of the financial year	6,303	4,003
Effects of currency translation on cash and cash equivalents	(60)	(163)
Cash and cash equivalents at end of the financial year	10,308	6,303
Cash and cash equivalents		
Fixed deposits	9,538	7,278
Cash at bank and in hand	4,455	6,373
	13,993	13,651
Less: Fixed deposits pledged with bank	(76)	(76)
Less: Restricted balance in use	(35)	(70)
Less: Short-term deposits with maturities of more than three months	(3,574)	(7,202)
Cash and cash equivalents at end of the financial year	10,308	6,303

Note A

During the financial year, the Group acquired property, plant and equipment with an aggregate amount of S\$1.0 million (FY2023: S\$3.9 million) with cash payment of S\$763,000 (FY2023: S\$1.7 million).

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

CFM Holdings Limited (the “**Company**”) (Co. Reg. No. 200003708R) is a public limited company incorporated and domiciled in Singapore. The Company is listed on the Catalist Board of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months and full year ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The registered office and principal place of business of the Company is located at 3 Ang Mo Kio Street 62, LINK@AMK, #05-16 Singapore 569139.

The principal activity of the Company is that of investment holding. The principal activities of the Group are:

- (a) Manufacturing of metal plates and metal stamping;
- (b) Manufacturing and fabricating engineering tools;
- (c) Warehousing and logistics services; and
- (d) Trading and supplying disposable and wearable for use in clean room, bio-medical, laboratories and hospitals.

The financial information contained in this announcement has neither been audited nor reviewed by the Company’s auditors. The latest audited annual financial statements of the Group were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

The ultimate controlling persons of the Group are Mr. Ip Kwok Wing and his spouse, Mdm. Lim Fong Li Janet.

2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2023.

The accounting policies and methods of computation adopted for the unaudited condensed consolidated interim financial statements are consistent with those adopted by the Company in its most recently audited annual financial statements for the year ended 30 June 2023, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting the new accounting standards.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported

amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

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 critical judgment in applying accounting policies, or areas where assumptions and estimation uncertainties have a significant risk of resulting in material adjustment within the next financial period are disclosed in the following notes:

- Useful lives of property, plant and equipment (Note 11)
- Write-down of inventories (Note 12)
- Calculation of loss allowance (Note 13)
- Impairment review of investment in subsidiaries – Company level (Note 14)

2.3 New and revised standards

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial performance or position of the Group and the Company.

In the current financial year, the Company did not make any changes to its accounting policies or make retrospective adjustments as a result of adopting the new accounting standards.

3. Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

4.1 Disaggregation of Revenue

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

	The Group			
	Six months ended		Year ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue stream and timing of revenue recognition				
<i>At a point in time</i>				
Sales of metal components	13,891	14,151	27,460	26,828
Logistics services	-	4	-	4
Sales of cleanroom products	773	1,012	1,435	1,915
Sales of tooling products	337	424	628	829

Over time

Storage services	22	18	41	153
	15,023	15,609	29,564	29,729

A breakdown of sales:

	The Group			
	FY2024 S\$'000	FY2023 S\$'000	Changes S\$'000	%
Sales reported for the first half year	14,541	14,120	421	3
Operating profit after tax before deducting non-controlling interests reported for first half year	980	9,397	(8,417)	(90)
Sales reported for second half year	15,023	15,609	(586)	(4)
Operating profit after tax before deducting non-controlling interests reported for second half year	822	1,151	329	29

4.2. Reportable segments

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 dies;
- (iii) Components and parts - trading of other components and parts, and warehousing and others and service logistic business; and
- (iv) Cleanroom and biomedical products - trading of disposables and wearables for use in cleanrooms, laboratories and hospitals.

The segment information provided to management for the reportable segments are as follows:

	Metal stamping		Tooling		Components and parts		Cleanroom products		Group	
	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000
Segment revenue										
Sales to external customers	13,891	14,151	337	424	22	22	773	1,012	15,023	15,609
Interest Income	103	1	-	-	73	144	7	1	183	146
Miscellaneous income	39	(17)	-	-	(1)	-	10	8	48	(9)
Government Grant	15	27	-	-	4	4	21	4	40	35
Rental Income	1	-	-	-	-	-	-	-	1	-
Gain on disposal of property, plant and equipment	51	16	-	-	-	-	-	45	51	61
Net gain/(loss) on foreign exchange	(19)	151	-	-	-	-	(3)	1	(22)	152

4.2. Reportable segments (continued)

	Metal stamping		Tooling		Components and parts		Cleanroom products		Group	
	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000
Total Other Income	190	178	-	-	76	148	35	59	301	385
Total revenue and other income	14,081	14,329	337	424	98	170	808	1,071	15,324	15,994
Depreciation	(353)	(306)	(4)	(2)	-	(2)	(100)	(58)	(457)	(368)
Finance costs									(70)	(72)
Segmental result	2,431	2,340	75	172	38	(24)	(90)	142	2,454	2,630
Unallocated segment									(1,003)	(964)
Profit before tax									1,451	1,666
Income tax expense									(629)	(515)
Profit after tax									822	1,151
<u>Group Assets and Liabilities</u>										
Segmental assets	1,686	(1,782)	(2)	-	(153)	(2,262)	(95)	440	1,436	(40)
Unallocated assets									(283)	196
Total assets									1,153	156
Expenditure for segment non-current assets										
Additions to PPE	564	1,025	-	-	-	-	95	267	659	1,292
Segmental liabilities	705	(372)	-	-	4	-	22	(78)	731	(450)
Current Income Tax liabilities									(248)	161
Current Deferred Tax Liabilities									66	59
Unallocated liabilities									(222)	(517)
Total liabilities									327	(747)

4.2. Reportable segments (continued)

	Metal stamping		Tooling		Components and parts		Cleanroom products		Group	
	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000
Segment revenue										
Sales to external customers	27,460	26,828	628	829	41	157	1,435	1,915	29,564	29,729
Interest Income	149	3	-	-	189	146	15	1	353	150
Miscellaneous income	65	1	-	-	-	5	12	12	77	18
Government grant	15	27	-	-	4	4	21	4	40	35
Rental Income	1	-	-	-	-	220	-	-	1	220
Gain on disposal of non-current assets held for sale	-	-	-	-	-	8,132	-	-	-	8,132
Gain on disposal of property, plant and equipment	51	16	-	-	-	-	-	45	51	61
Net (gain)/loss on foreign exchange	20	151	-	-	-	-	(3)	1	17	152
Total Other Income	301	198	-	-	193	8,507	45	63	539	8,768
Total Revenue and Other Income	27,761	27,404	628	829	234	8,664	1,480	1,978	30,103	38,497
Depreciation	(631)	(540)	(7)	(4)	(1)	(9)	(194)	(96)	(833)	(649)
Finance costs									(149)	(187)
Segmental result	5,383	4,378	208	407	181	7,858	(231)	276	5,541	12,919
Unallocated segment									(2,606)	(1,277)
Profit before tax									2,935	11,455
Income tax expense									(1,133)	(907)
Profit after tax									1,802	10,548
<u>Group assets and liabilities</u>										
Segmental assets	23,205	19,372	62	55	4,126	6,908	3,517	3,845	30,910	30,180
Unallocated assets									41	286
Total assets per statement of financial position									30,951	30,466
Expenditures for segment non-current assets										
Addition to PPE	908	1,404	-	-	-	-	95	2,501	1,003	3,905
Segmental liabilities	5,696	5,743	-	-	10	-	1,964	2,021	7,670	7,764
Current Income Tax liabilities									307	488
Current Deferred Tax liabilities									254	313
Unallocated liabilities									582	(78)
Total liabilities per statement of financial position									8,813	8,487

4.2 Reportable segments (continued)

Geographical information

	Singapore		Malaysia		United States of America		Slovak Republic		Rest of Europe*		Others**		Group	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Sales to external customers	2,299	2,869	7,301	6,833	8,545	7,087	2,075	2,616	5,563	6,726	3,781	3,598	29,564	29,729
Non-current assets	2,294	2,387	2,704	2,285	-	-	1,451	1,470	-	-	320	258	6,769	6,400
Other geographical information:														
Capital expenditure	95	2,501	703	839	-	-	12	279	-	-	193	286	1,003	3,905

* Rest of Europe comprises Austria, Czech Republic, Germany, Hungary, Italy, Netherland, Poland, Portugal, Romania and Switzerland.

**Others comprise Korea and The People's Republic of China.

Revenue of approximately S\$10,566,000 (FY2023: S\$9,215,000) is derived from one (FY2023: one) major external customer with revenue of more than 10% of the Group's revenue and is attributable to the Metal stamping and Tooling Segments.

5. Financial Assets and Financial Liabilities

Set out below is the financial assets and financial liabilities of the Group as at 30 June 2024 and 30 June 2023.

	Group		Company	
	30 June 2024 S\$'000	30 June 2023 S\$'000	30 June 2024 S\$'000	30 June 2023 S\$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised costs)	19,752	20,215	40	276
Financial Liabilities				
Trade and other payables, lease liabilities and borrowings (Amortised costs)	8,080	7,565	3,928	1,998

6. Profit before taxation

6.1 Significant items

The Group's profit before tax is arrived at after charging / (crediting) the following:

	The Group			
	Six months ended		Year ended	
	30 June 2024 S\$'000	30 June 2023 S\$'000	30 June 2024 S\$'000	30 June 2023 S\$'000
Other Income				
Government Grant	(40)	(35)	(40)	(35)
Interest Income	(183)	(146)	(353)	(150)
Miscellaneous Income	(48)	9	(77)	(18)
Rental Income	(1)	-	(1)	(220)
Gain on disposal of property, plant and equipment	(51)	(61)	(51)	(61)
Loss/(gain) on foreign exchange	21	(152)	(17)	(152)
Gain on disposal of non-current assets held for sale	-	-	-	(8,132)
Expenses				
Depreciation on property, plant and equipment	457	368	833	649
Inventories written off	29	60	69	82
Inventories write down/(write-back)	4	(139)	49	(45)
Lease expense - short-term leases	31	43	49	186
Staff costs	6,446	5,313	10,943	9,510
Professional fees	107	159	184	532

6.2 Related Party Transactions - Amounts Due From / (To) Subsidiaries

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Tax expense

Major components of income tax expense are as follows:

	The Group			
	Six months ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Current year:</i>				
Current tax	443	611	947	1,003
Deferred tax	66	(4)	66	(4)
	509	607	1,013	999
<i>Over provision of tax in prior years:</i>				
Current tax	120	(32)	120	(32)
Deferred tax	-	(60)	-	(60)
	120	(92)	120	(92)
Income tax expense	629	515	1,133	907

8. Dividends

	Group and Company	
	FY2024	FY2023
	S\$'000	S\$'000
Final tax exempt dividend 0.7443 (FY2022: 0.09924) Singapore cents per ordinary share in respect of FY2023	1,500	200
Dividend net of tax (paid)	1,500	200

9. Net asset value

	The Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	cents	cents	cents	cents
Net asset value per ordinary share	10.98	10.91	5.93	8.46
	S\$'000	S\$'000	S\$'000	S\$'000
Total Net Asset Value	22,138	21,979	11,954	17,052
Total number of issued shares	201,535,276	201,535,276	201,535,276	201,535,276

10. Borrowings

Amount repayable in one year or less, or on demand

	As at 30 June 2024		As at 30 June 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	422	-	418	-
Lease liabilities	318	-	377	-
	<u>740</u>	<u>-</u>	<u>795</u>	<u>-</u>

Amount repayable after one year

	As at 30 June 2024		As at 30 June 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	2,063	-	2,225	-
Lease liabilities	149	-	143	-
	<u>2,212</u>	<u>-</u>	<u>2,368</u>	<u>-</u>

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

- Legal mortgage over leasehold land 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\$865,000 as at 30 June 2024 (FY2023: S\$952,000);
- Charges over the machinery, equipment and motor vehicles of certain of our subsidiaries with a total net carrying value of approximately S\$126,000 as at 30 June 2024 (FY2023: about S\$47,000);
- With reference to (b) above, certain of the property, plant & equipment included in lease liabilities are under finance leasing arrangements and are secured by guarantees from two of the directors of the Company;
- As at 30 June 2024, fixed deposits amounting to S\$75,000 (FY2023: S\$76,000) were pledged with financial institutions as securities for loans and credit facilities granted to the Group;
- Bank facility for the purchase of two (2) leasehold units are secured by a charge on all present assets, joint and several guarantees from directors of a subsidiary and debt servicing reserve account. As at 30 June 2024, the net carrying amount of the leasehold units is approximately S\$2.1 million (FY2023: S\$2.1 million).

11. Property, plant and equipment

For the year ended 30 June 2024, the Group acquired property, plant and equipment with an aggregate amount of S\$1.0 million (FY2023: S\$3.9 million). Cash payment of S\$763,000 (FY2023: S\$1.66 million) was made to purchase property, plant and equipment.

During the six months ended 30 June 2024, the Group acquired property, plant and equipment amounting to about S\$659,000 (2H2023: S\$1.4 million).

The Group reviews the useful lives and residual values of property, plant and equipment at each reporting date. The estimation of the useful lives and residual values involves assumptions concerning the future and estimations of the assets common life expectancies and expected level of usage. The net carrying amount of property, plant and equipment at 30 June 2024 and the annual depreciation charge for the financial year ended 30 June 2024 are S\$6.5 million (FY2023: S\$6.4 million) and S\$833,000 (FY2023: S\$649,000) respectively.

Any changes in the expected useful lives of these assets would affect the net carrying amount of property, plant and equipment and right-of-use assets, and the depreciation charge for the financial period.

12. 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 and to determine any 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.

The carrying amount of inventories of the Group after the write-down is approximately S\$4.1 million (FY2023: S\$3.7 million). During the year, the Group recognised inventories write-down of S\$148,000 (FY2023: about S\$84,000), whilst inventories written off was about S\$69,000 (FY2023: S\$143,000) and write-back was S\$99,000 (FY2023: S\$129,000)

13. Calculation of loss allowance

When measuring Estimated Credit Losses (“ECL”), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables. The carrying amount of trade receivables of the Group is approximately S\$5.9 million (FY2023: S\$6.4 million). During the year, the Group recognised reversal on loss allowance of S\$144,000 (FY2023: S\$95,000).

14. Impairment review of investment in subsidiaries – Company level

(i) Cheong Fatt Holdings Pte. Ltd. (“CFH”)

The management performed a review of recoverable amount of the investment in CFH. The recoverable amount of the investment has been determined based on fair value less cost of disposal (“FVLCD”). The FVLCD is determined based on the fair valuation of CFH taking into account the fair values of underlying assets and liabilities of CFH, which mainly comprises cash at bank and other receivables. An impairment of S\$1.26 million is recorded for the financial year ended 30 June 2024.

(ii) CFM Infratrade Pte. Ltd. (“CFMI”)

The management performed a review of recoverable amount of the investment in CFMI. The recoverable amount of the investment has been determined based on value in use calculation using cash flow projections from forecasts approved by management covering a five-year period. The compound annual growth rate, gross profit margin and post-tax discount rate applied to the cash flow projections are 2%, 36% and 8.9% respectively. Based on the assessment performed, an impairment of S\$1.68 million is recorded for the financial year ended 30 June 2024.

(iii) Hantong Metal Component Sdn. Bhd. (“HTJB”)

The management performed a review of recoverable amount of the investment in HTJB. The recoverable amount of the investment has been determined based on value in use calculation using cash flow projections from forecasts approved by management covering a five-year period. The revenue growth rate, gross profit margin and post-tax discount rate applied to the cash flow projections are 2% - 5%, 20% and 11.1% respectively. Based on the assessment performed, no additional or reversal of impairment is recorded for the financial year ended 30 June 2024.

(iv) Dalian CFM Precision Tooling Co., Ltd (“CFM Dalian”)

The management performed a review of recoverable amount of the investment in Dalian. The recoverable amount of the investment has been determined based on value in use calculation using cash flow projections from forecasts approved by management covering a five-year period. The revenue growth rate, gross profit margin and post-tax discount rate applied to the cash flow projections are 0.6%, 20% and 7.6% respectively. Based on the assessment performed, no impairment is recorded for the financial year ended 30 June 2024.

15. Share Capital

	Group and Company	
	30 June 2024	30 June 2023
	S\$'000	S\$'000
Issued and fully paid capital		
201,535,276 ordinary shares	22,963	22,963

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

There was no change in the Company's share capital during the six-month period ended, and the financial year ended 30 June 2024.

The Company did not hold any treasury shares, subsidiary holdings or other convertibles as at 30 June 2024 and 30 June 2023.

15.1 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

	30 June 2024	30 June 2023
Total number of issued shares (excluding treasury shares)	201,535,276	201,535,276

15.2 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 period reported on.

15.3 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 period reported on.

16. Subsequent Events

There are no known subsequent events which require adjustments to this set of financial statements.

Other information as required by Appendix 7C of the Catalist Rules

17. 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 profit or loss and other comprehensive income

2H2024 vs. 2H2023

Revenue

For 2H2024, the Group recorded revenue of approximately S\$15.0 million, a decrease of approximately S\$586,000, or 3.75%, from approximately S\$15.6 million in 2H2023. The lower revenue is due to the metal stamping segment in Europe which is facing weaker exports due to the neighboring countries conflict and cost have been risen significantly because of the Nord stream pipeline not being in operation and electricity and gas prices have been driven up significantly, causing a large increase of our product prices. Customers are more inclined to source from China; this is coupled with the semiconductor industry downturn that affected the cleanroom segment which also reported a decrease in revenue by S\$239,000, or 23.62%.

Gross Profit

The Group's gross profit decreased by approximately S\$288,000 or 7.25%, from approximately S\$4.0 million in 2H2023 to approximately S\$3.7 million in 2H2024. The decrease in gross profit was largely due to the drop in sales contribution which resulted from lower sales revenue from the Europe metal stamping and cleanroom business segment.

Other Income

Other income in 2H2024 decreased by S\$84,000 from S\$385,000 in 2H2023 to approximately S\$301,000 in 2H2024 mainly due to foreign exchange losses instead of foreign exchange gain, lower government grant, lower gain on disposal of property, plant and equipment. However, this was offset by higher interest income and miscellaneous income.

Review of consolidated statement of profit or loss and other comprehensive (continued)

2H2024 vs. 2H2023 (continued)

Marketing expenses

Marketing and distribution expenses decreased by about S\$41,000 from about S\$189,000 in 2H2023 to about S\$148,000 in 2H2024 due to lower manpower expenses.

Administrative and other expenses

Administrative and other expenses increased from approximately S\$2.3 million in 2H2023 to approximately S\$2.5 million in 2H2024 mainly due to higher manpower costs, higher impairment of obsolete stocks and higher depreciation offset by repair and maintenance and professional fees

Impairment losses of financial assets of S\$149,000 in 2H2023 was reversed in 2H2024 by S\$144,000 as the debt was recovered.

Finance costs

Finance costs decreased from S\$72,000 in 2H2023 to about S\$70,000 in 2H2024 mainly due to repayment of borrowings.

Tax expense

The Group recorded a tax expense of S\$629,000 in 2H2024 compared to a tax expense of S\$515,000 in 2H2023 due to higher profit reported by the Malaysia entities.

Profit for the financial period

The Group recorded a lower profit after tax compared to 2H2023. This is mainly due to higher administrative and other expenses. Profit after tax is approximately S\$822,000 for 2H2024 as compared to a profit after tax of approximately S\$1.15 million for 2H2023.

FY2024 vs. FY2023

Revenue

The Group's revenue decreased by approximately S\$165,000, or 0.6%, from \$29.7 million for FY2023 to approximately S\$29.6 million for FY2024. The lower revenue was contributed by the metal stamping segment in Europe which is facing weaker exports to neighboring countries conflict and cost have been risen significantly because of the Nord stream pipeline not being in operation and electricity and gas prices have been driven up significantly, causing a large increase of our product prices. Customers are more inclined to source from China; coupled with the semiconductor industry downturn that affected the cleanroom segment, these two headwinds mainly accounted for the drop in revenue for the Group.

Gross Profit

The Group's gross profit increased by approximately S\$293,000 or 3.75% from S\$7.8 million in FY2023 to approximately S\$8.1 million in FY2024. The increase in gross profit was largely contributed by the production of large orders that brought about efficiency in production. Gross profit margin improvement came from the metal stamping segment.

Other Income

Other income decreased by approximately S\$8.2 million from S\$8.7 million in FY2023 to S\$539,000 in FY2024 mainly due to the absence of the one-off-disposal gain on non-current assets held for sale in FY2023, lower foreign exchange gain, lower rental income, lower government grant, and was offset by higher interest income and miscellaneous income.

Review of consolidated statement of profit or loss and other comprehensive (continued)

FY2024 vs. FY2023 (continued)

Marketing expenses

Marketing and distribution expenses decreased slightly from approximately S\$335,000 in FY2023 to approximately S\$328,000 in FY2024 due to lower manpower expenses.

Administrative and other expenses

Administrative and other expenses increased from approximately S\$4.7 million in FY2023 to approximately S\$5.4 million in FY2024 due to higher manpower costs, higher depreciation, higher stock impairment and offset by lower professional fees, lower lease rental and repair and maintenance.

Finance costs

Finance costs decreased slightly from approximately S\$187,000 in FY2023 to approximately S\$149,000 in FY2024, mainly due to early settlement of mortgage loan and was partially offset by increase in right of use assets interest.

Tax expense

The tax expense for the year is approximately S\$1.1 million in FY2024 compared to approximately S\$0.9 million in last year due to a higher operational profit for the metal stamping segment.

Profit for the financial year

In spite of slightly lower revenue the Group reported a higher gross profit and improved gross profit margin, increasing from a gross profit margin of 26.31% in FY2023 to a gross profit margin of 27.45% in FY2024. However, higher administrative and other expenses resulted in lower operational profits

Review of statement of financial position (30 June 2024 vs. 30 June 2023)

Non-current assets

The increase in property, plant and equipment from approximately \$6.4 million to \$6.5 million was mainly due to purchase of property, plant & equipment which amounted to approximately S\$1.0 million, offset by depreciation charge of approximately S\$833,000 for the financial year.

At the Company level, the investments in subsidiaries were impaired by \$2.95 million from approximately S\$18.80 million to S\$15.85 million.

The Company had during the year reviewed the performance of its subsidiaries and performed an impairment test on its subsidiary Cheong Fatt Holdings Pte. Ltd. and recognised an impairment loss of S\$1.26 million.

The Company had during the year reviewed the performance of its subsidiaries and performed an impairment test on its subsidiary CFM Infratrade Pte. Ltd. An impairment loss of S\$1.68 million was recognized to reduce the carrying amount to its recoverable amount.

Prepayments of S\$302,000 as at 30 June 2024 relate to the partial prepayments for purchase of property, plant & equipment.

Current assets

Inventories increased from approximately S\$3.7 million as at 30 June 2023 to approximately S\$4.1 million as at 30 June 2024, due to pending sales orders that have yet to be fulfilled.

Review of statement of financial position (30 June 2024 vs. 30 June 2023) (continued)

Current assets (continued)

Trade receivables decreased from approximately S\$6.4 million as at 30 June 2023 to approximately S\$5.9 million as at 30 June 2024. The decrease was mainly due to faster collections of payments from customers.

Other receivables and prepayments consist mainly of deposits and prepayments. Other receivables decreased by approximately S\$56,000 from approximately S\$275,000 as at 30 June 2023 to approximately S\$219,000 as at 30 June 2024, mainly due to reduction in interests receivables and other receivables.

Cash and cash equivalents

The cash and cash equivalents improved from S\$13.7 million as at 30 June 2023 to S\$14.0 million as at 30 June 2024. This was mainly due to faster collections of accounts.

Current liabilities

Trade payables increased from approximately S\$2.4 million as at 30 June 2023 to approximately S\$2.5 million as at 30 June 2024. This was mainly due to an increase in purchases to fulfill increased sales orders.

Contract liabilities decreased from S\$129,000 as at 30 June 2023 to S\$30,000 as at 30 June 2024 as the Group's performance obligations were fulfilled.

Other Payables increased from approximately S\$2.1 million as at 30 June 2023 to approximately S\$2.7 million as at 30 June 2024 mainly due to accruals of administrative and other expenses.

Borrowings and leases

Total borrowings and lease liabilities for the Group decreased from S\$3.2 million as at 30 June 2023 to S\$2.95 million as at 30 June 2024. This was mainly due to repayment of loan and leases.

Review of consolidated statement of cash flows

FY2024 vs. FY2023

For the financial year ended 30 June 2024, the Group generated a net cash inflow of approximately S\$3.1 million from operating activities as compared to net cash generated from operating activities of approximately S\$2.7 million for FY2023.

The operating profit before working capital changes decreased from approximately S\$3.82 million in FY2023 to approximately S\$3.47 million in FY2024. The Group's operating profit before working capital changes of approximately S\$3.47 million is attributed to profit before tax of approximately S\$2.94 million and was offset by higher depreciation, lower gain on disposal of property, plant and equipment, lower interest expense, higher interest income, higher inventories write-down, higher reversal of impairment losses of financial assets and lower unrealised foreign currency exchange.

Cash generated from operations increased from approximately S\$3.5 million in FY2023 to approximately S\$4.0 million in FY2024. This is mainly due to higher trade payables and other

Review of consolidated statement of cash flows (continued)

FY2024 vs. FY2023(continued)

payables, lower trade receivables, higher inventory and foreign currency translation adjustments.

Net cash used in investing activities decreased to approximately S\$3.0 million in FY2024 from net cash generated from investing activities of S\$4.5 million in FY2023. This was mainly due to the purchase of property, plant & equipment of approximately S\$763,000 and was offset by proceeds from the disposal of property plant and equipment of S\$104,000 and the cash proceeds from the maturation of fixed deposit of S\$3.6 million.

Net cash used in financing activities was approximately S\$2.0 million in FY2024, and is mainly attributable to:

- a. repayment of borrowings of S\$150,000
- b. payment on lease liabilities of S\$275,000
- c. interest payment of S\$149,000
- d. dividend paid for FY2023 amounting to S\$1.5 million
- e. receipt of restricted balances which matured of S\$35,000
- f. matured fixed deposit pledged with financial institution S\$1,000

As a result of the above, the Group's cash and cash equivalents increased to approximately S\$10.3 million as at 30 June 2024 from approximately S\$6.3 million as of 30 June 2023.

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

Not applicable as no forecast or prospect statement has been previously disclosed.

19. 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 current economic condition of Europe is not as promising due to the existing war between Ukraine and Russia coupled with the Hamas and Israel tension, with potential new developments in the existing conflict.

This may post further weak exports for our Europe market, while the semiconductor is poised for growth in the second half of the new financial year, which can most probably boost the cleanroom segment.

These still pose uncertainties for the Group for the next 12 months.

20. 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)**

0.7443 Singapore cents

- (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) **The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared/recommended for the financial period ended 30 June 2024 in view of the net loss position of the Company for FY2024.

- 22. 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.

- 23 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.

- 24. The factors leading to any material changes in contributions to turnover and earnings by the operating segments**

The decrease in the Other Income was mainly due to the one-of disposal of non-current assets held for sale in FY2023. Additionally, the lower revenue is due to the metal stamping segment in Europe which is facing weaker exports due to the conflict in its neighboring countries. This headwind was exacerbated by the downturn in the semiconductor industry that affected the cleanroom segment. Please also refer to paragraph 17 for a detailed review of the Group's performance.

- 25. 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	Previous Full Year
	S\$	S\$
Ordinary Share	-	1,500,000
Preference Share	-	-
Total	-	1,500,000

26. 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	71	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	67	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 (iii) Appointed Since: Year 2000	N.A.
Kenneth Ip Yew Wa	40	Son of Ms Lim Fong Li Janet (CEO and substantial shareholder of the Company), and of Mr Ip Kwok Wing (Executive Chairman and substantial shareholder of the Company)	(i) Current Position: - Chief Operating Officer of the Company, effective 1 August 2019 - Executive Officer of CFM Slovakia s.r.o since 1st November 2012 - General Manager of Hantong Metal Component (Penang) Sdn Bhd. since: 8 July 2013 (ii) Duties: Overall performance of CFM Slovakia s.r.o. and Hantong Metal Component (Penang) Sdn Bhd (iii) Joined Cheong Fatt Holdings Pte. Ltd. as a Marketing Executive since 16 June 2010	N.A.
Andrew Ip Jowa	35	Son of Ms Lim Fong Li Janet (CEO and substantial shareholder of the Company), and of Mr Ip Kwok Wing (Executive Chairman and substantial	(i) Current Position (non-managerial roles, but disclosed on a voluntary basis): - Assistant General Manager since 26 January 2020 and Director since 7 January	N.A.

		shareholder of the Company)	<p>2021 of Hantong Metal Component Sdn. Bhd. -Management Trainee from 1 January 2021 to 6 March 2024 -Management Representative since 7 March 2024 of CFM Infratrade Pte. Ltd.</p> <p>(ii) Duties: Overall performance, quality, costing, delivery, sales and marketing of Hantong Metal Component Sdn. Bhd. and CFM Infratrade Pte. Ltd.</p> <p>(iii) Appointed since: 4 September 2017</p>	
--	--	-----------------------------	--	--

BY ORDER OF THE BOARD

Lim Fong Li Janet
Chief Executive Officer
27 August 2024