



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Registration No. 200003708R)

APPROVAL FROM MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

The Board of Directors (the "**Board**") of CFM Holdings Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refers to the Company's announcements ("**Announcements**") dated 20 March 2020, 26 March 2020 and 1 April 2020 respectively relating to the Malaysian federal government's directive to temporarily restrict nationwide movement as part of its efforts to contain the Covid-19 outbreak.

The Company's subsidiary in Penang, Malaysia, namely, Hantong Metal Component (Penang) Sdn Bhd ("**HTPG**") had applied to the Ministry of International Trade and Industry ("**MITI**") to resume its operation within the Movement Control Order ("**MCO**") period. The MITI had on 1 April 2020 approved HTPG's application to resume its operation subject to the conditions stated in the approval, which include, among others, (i) reducing the number of employees working at its facilities in Penang to less than 50% of the workforce, (ii) taking precautionary hygiene and health measures during the MCO period. Similarly, the Ministry of Domestic Trade and Consumer Affairs ("**MDTCA**") have also approved HTPG's application as announced on 1 April 2020. HTPG had resumed its operation in accordance with the conditions stipulated by the MITI and MDTCA.

The Company's other subsidiary in Johor, Malaysia, namely, Hantong Metal Component Sdn Bhd ("**HTJB**"), had also applied to the Ministry of International Trade and Industry ("**MITI**") to resume its business operation but the said application was not approved. HTJB has re-submitted its application to MITI for approval.

At present, we are still unable to assess the impact of the Malaysian Directive that may have on the Group's earnings per share and net asset value per share of the Group for the current financial year ending 30 June 2020, but we note that the revenue contribution from our subsidiaries in Malaysia was approximately 32% of total revenue for the financial year ended 30 June 2019 and 47% for half-year ended 31 December 2019. However, we wish to add that the Covid-19 pandemic and its effects on the global and domestic economy may potentially impair the Group's earnings capacity and profitability and ability to secure new sales in the next 12 months. The Group's earnings per share and net asset value per share for the current financial year ending 30 June 2020 might be negatively impacted arising from the Malaysian MCO.

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

BY ORDER OF THE BOARD

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

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

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

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