



**CFM HOLDINGS LIMITED**  
**(Incorporated in Singapore under Registration No. 200003708R)**

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## **UPDATE ON THE LITIGATION SUIT**

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The Board of Directors (the “**Board**”) of CFM Holdings Limited (the “**Company**”), and together with its subsidiaries, collectively the “**Group**”) refers to the announcement no. 00116 dated 4 July 2013; announcement no. 00130 dated 10 February 2014 and the Group’s full year financial results announcement dated 26 August 2014 (the “**Announcements**”) in respect of Showa International (HK) Co. Limited (“**Showa**”) instituting a claim against Hantong Metal Component (Penang) Sdn. Bhd. (“**HMCP SB**”), a wholly-owned subsidiary of the Group for the purported cost of producing new tooling (the “**Claims**”) due to HMCP SB purportedly withholding Showa’s tooling for outstanding receivables. Subsequently, an ex-parte injunction was taken against HMCP SB to return the tooling.

*Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.*

Further to the Announcements, the Board wishes to update shareholders that the litigation suit in connection with the Claims is fixed for trial in Malaysia on 22 June 2015 and 23 June 2015 (the “**Trial**”).

The Board has assessed the information available to them as at the date of this announcement pertaining to the Claims and is of the opinion that based on the information available to them as at the date of this announcement including, *inter alia*, the Claims amount of approximately RM1.1 million and the advice from its solicitor, the said Claim (in the event it materialises) will have a significant adverse financial impact on the Group’s financial performance and financial position. However, the shareholders should note that the outcome of the Trial is still uncertain as at the date of this announcement and based on discussions with HMCP SB’s Malaysian legal advisor, the chances of a favourable outcome of the Trial is more than fair.

In the meantime, shareholders are advised to exercise caution when dealing with their shares and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. The Company will keep the shareholders informed of the outcome of the Trial and will make further announcements, when appropriate.

### **Director’s responsibility statement**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Claims, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information contained in this announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**BY ORDER OF THE BOARD**

Janet Lim Fong Li  
Executive Director & Chief Executive Officer  
**4 February 2015**

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*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**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The 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 Mr Liao H.K.  
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