



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Registration No. 200003708R)

UPDATE ON THE LITIGATION SUIT

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 ("**Announcement**") dated 4 July 2013, 10 February 2014, 26 August 2014, 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, 1 February 2019, 28 August 2019 and 12 February 2020 relating to a claim by T-Net International (H.K.) Co. Limited (formerly known as Showa International (HK) Co., Ltd) ("**Showa**") against Hantong Metal Component (Penang) Sdn. Bhd. ("**HTPG**"), a wholly-owned subsidiary of the Company for the purported cost of producing new tooling due to HTPG purportedly withholding Showa's tooling for outstanding receivables.

As set out in the Company's announcement on 12 February 2020, the Court of Appeal of Malaysia had on 29 January 2020 allowed our appeal and set aside the decision of the High Court.

However, Showa has the right to file an application to the Federal Court (within 30 days) for leave to appeal to the Federal Court on the decision of the Court of Appeal. HTPG has yet to receive the Grounds of Judgement from the Court of Appeal.

The Company has received notice on 28 February 2020, that Showa had filed the leave to appeal on the 28 February 2020. The leave to appeal is subject to the approval of the Federal Court of Malaysia.

In view of the Court Judgement dated 4 April 2018 (FY2018), HTPG had made a provision of \$0.6 million.

The financial impact on the Group's NTA per share and EPS for the current year (including whether there will be a write back of the said provision) cannot be determined at this juncture until the case is finalized by the Federal Court of Malaysia.

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 make further announcements as and when there are material developments in this matter.

BY ORDER OF THE BOARD

Janet Lim Fong Li
Executive Director & Chief Executive Officer
2 March 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 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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