

CPH LTD.

(Co. Reg. No. 199804583E)

(Incorporated in the Republic of Singapore)

RECEIPT OF DECISION FROM THE LABOUR OFFICE, JOHOR BAHRU, IN RELATION TO A LABOUR DISPUTE BETWEEN CIRCUITS PLUS (M) SDN. BHD. AND 13 EX-EMPLOYEES

The Board of Directors (the “**Board**”) of CPH Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Circuits Plus (M) Sdn. Bhd. (“**CPM**”) had on 28 June 2020 received a letter from the Labour Office, Johor Bahru, Malaysia, dated 28 June 2020, containing the decision made by the Director General of the Labour Office in relation to a labour dispute between CPM and 13 of its former employees.

CPM was operating a factory in Johor Bahru, Malaysia, manufacturing printed circuit boards and had ceased operations by the end of November 2019. With the exception of just two essential staff, the Company had retrenched all its employees. The Management had spoken to and obtained the written agreement of all the employees concerned in respect of the retrenchment package to be paid prior to the payment of the retrenchment benefits. However, 13 of the retrenched employees had subsequently registered a complaint with the Labour Office indicating their dissatisfaction with the quantum of the retrenchment benefits received (“**Complainants**”).

Since then, several meetings have been held at the Labour Office between the Management and the presiding officer as well as the Complainants. On 28 June 2020, CPM received the letter from the Labour Office wherein they awarded the case in favour of the Complainants and ordered CPM to make full settlement of the claimed shortfall of retrenchment benefits for the 13 employees, which aggregates to an amount of RM317,030.18 (equivalent to S\$103,267.16) (“**Claim Amount**”) (“**Decision**”).

The Company does not agree with the Decision and will appeal to the High Court of Malaysia within the stipulated 14 days from the date of the letter i.e. 28 June 2020.

In the event that the appeal fails, the impact on the consolidated net tangible assets and earnings of the Group for the financial year ending 31 March 2021 is expected to reduce by the Claim Amount and the legal fees incurred for the appeal which is expected to total approximately to S\$115,000.

The Company will update shareholders of the Company via SGXNET as and when there are any material developments on the aforementioned labour dispute.

Cautionary Statement

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts as to the actions they should take.

By Order of the Board

Ong Kian Soon
Company Secretary
1 July 2020

This announcement has been prepared by CPH Ltd. (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) 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. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the information or opinions made, or reports contained in this announcement.

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