



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

APPLICATIONS FOR EXTENSIONS OF TIME TO COMPLY WITH RULE 704(7) OF THE LISTING MANUAL SECTION B: RULES OF CATALIST (THE "CATALIST RULES") AND SECTION 201B OF THE COMPANIES ACT 1967 (THE "COMPANIES ACT")

1. INTRODUCTION

The board of directors (the "**Board**") of CFM Holdings Limited (the "**Company**") wishes to inform that the Company had on 24 December 2024:

- (a) through its continuing sponsor, Novus Corporate Finance Pte. Ltd., submitted to the Singapore Exchange Regulation ("**RegCo**"); and
- (b) through its legal adviser, Icon Law LLC, submitted to the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**"),

submitted applications for extensions of time to appoint Independent Directors to fill the vacancies in its Audit Committee ("**AC**"), from the current deadline of 27 January 2025 (the "**Deadline**") to 27 February 2025 (collectively, the "**Extension Applications**").

2. REQUIREMENTS UNDER THE CATALIST RULES AND THE COMPANIES ACT

Catalist Rule 704(7) states, among others, that in the event of any retirement or resignation of a director which renders the AC unable to meet the minimum number (not less than three (3)) the issuer should endeavour to fill the vacancy within two (2) months, but in any case not later than three (3) months.

Section 201B(4) of the Companies Act states, among others, that in the event a member of the AC resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board must, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

Since 28 October 2024, the Company has had two (2) vacancies in its AC. Accordingly, pursuant to Catalist Rule 704(7) and Section 201B(4) of the Companies Act, the Company is required to appoint at least two (2) additional directors to fill the vacancies in its AC to ensure that there are not less than three (3) members in its AC, no later than by the Deadline.

3. BACKGROUND

On 27 August 2024, the Company announced the resignation of Mr. Stephen Poh ("**Mr. Poh**") as Independent Director, with effect from 28 October 2024. Mr. Poh was also a member of the AC, the remuneration committee, and the nominating committee ("**NC**"). Subsequently, the Company announced the retirement of Mr. Teo Kian Huat ("**Mr. Teo**") as Independent Director on 10 October 2024, pursuant to which he was to step down from his positions in the Board and Board committees upon the conclusion of the Company's annual general meeting which was held on 28 October 2024. Mr. Teo was a member of the AC, the remuneration committee and the Chairman of the NC.

Since 28 October 2024 and up to the date of this application, the Company has had only one (1) member in its AC, namely Mr. Chia Seng Hee, Lead Independent Director of the Company, and two (2) members in its NC, namely Mr. Chia Seng Hee, and Mdm. Janet Lim, the Executive Director and Chief Executive Officer of the Company.

Following the resignation of Mr. Poh and the retirement of Mr. Teo, the members of the NC, Mdm. Janet Lim and Mr. Chia Seng Hee, had interviewed a number of candidates to assume the vacant positions of Independent Directors on the Board. However, the NC has been unable to reach an agreement on the choice of candidates to put forth to the Board for election. As there are only two (2) members in the NC with opposing views on the suitable candidates, the NC has not been able to come to an agreement as to the selection of the new Independent Directors, and the Company has not been able to appoint new directors to its Board to, among others, comply with the requirements of Catalist Rule 704(7) and Section 201B of the Companies Act.

On 10 December 2024, the Company announced the receipt of a requisition notice (the "**Requisition Notice**") from Mr. Ip Kwok Wing ("**Mr. Ip**") and Mdm. Janet Lim (together with Mr. Ip, the "**Requisitioning Shareholders**"), who are both the Executive Directors and shareholders of the Company holding in aggregate 135,920,450 shares in the Company (the "**Shares**") representing not less than 10.0% of the total number of paid-up Shares. The Requisitioning Shareholders have required the Company to convene an extraordinary general meeting ("**EGM**") pursuant to Section 176(1) of the Companies Act, to put forth the following resolutions as stated in the Requisition Notice:

- (a) the removal of Mr. Chia Seng Hee as Independent Director of the Company with effect from the date of the EGM;
- (b) the appointment of Mr. Lim Chi Yui, Clarence as Independent Director of the Company with effect from the date of the EGM;
- (c) the appointment of Ms. Lin SiJia as Independent Director of the Company with effect from the date of the EGM;
- (d) the appointment of Mr. Abdul Khair bin Abdul Jabar as Independent Director of the Company with effect from the date of the EGM; and
- (e) the removal of any directors of the Company who may have been appointed between the date of the Requisition Notice and the date of the EGM.

On 12 December 2024, the Company announced that the Company acknowledges its obligations under the Companies Act further to the Requisition Notice, and will convene the same in due course, and make further announcements at the appropriate juncture. This includes the preparation of convening an EGM in response to the Requisition Notice.

4. RATIONALE FOR EXTENSION APPLICATIONS

The Company made the Extension Applications for the following reasons.

Following the receipt of the Requisition Notice on 10 December 2024 and pursuant to Section 176(1) of the Companies Act, the Company is obliged to convene an EGM in relation to the resolutions put forth in the Requisition Notice, as soon as practicable but in any case not later than two (2) months after the receipt of the requisition, such date being 10 February 2025.

Pursuant to Section 185 of the Companies Act, a notice period of 28 days is required in relation to a resolution to remove a director of a public company as such a resolution requires special notice.

Since the receipt of the Requisition Notice on 10 December 2024, the directors of the Company have:

- (a) on 12 December 2024, convened a Board meeting at which it was unanimously agreed that the Company must and would timely comply with its obligations under the Companies Act; and

- (b) on 19 December 2024, convened a NC meeting to reconsider the nominees to be presented to the Board for election but its members were once more unable to come to a consensus.

Further to the foregoing, the Company will be proceeding with convening the EGM in order to fulfil its obligations under the Companies Act.

Assuming that shareholders of the Company approve all the resolutions as stated in the Requisition Notice at the EGM, the AC will be able to be constituted shortly thereafter. However, in order to meet the Deadline, the Company would have to issue its notice of EGM by 29 December 2024. However, the Company will not be able to do so for the following reasons:

- (a) the Company has had to take time to convene a Board meeting and an NC meeting to provide the directors the opportunity to consider the matters under the Requisition Notice;
- (b) the Company's continuing sponsor requires time to complete its due diligence on the proposed candidates prior to the finalisation of the shareholders' circular; and
- (c) the shareholders' circular requires time to be prepared, with due consideration given to the provision of sufficient details in order to provide shareholders with all material information on the matters under the Requisition Notice.

Accordingly, taking into consideration the foregoing reasons as well as the requirement to have 28 days' notice in relation to the special notice required for the removal of a director of a public company, the Company made the Extension Applications to seek the RegCo's and ACRA's approval for extensions of time to comply with the requirements of Catalist Rule 704(7) and Section 201B(4) of the Companies Act, respectively.

5. FURTHER ANNOUNCEMENT(S)

The Company will update shareholders on the outcome of the Extension Applications in due course.

In the meantime, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Lim Fong Li Janet
Executive Director and Chief Executive Officer
24 December 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.