



CFM HOLDINGS LIMITED

(Incorporated in Singapore under Registration No. 200003708R)

DISCREPANCIES BETWEEN AUDITED AND UNAUDITED ACCOUNTS

The Board of Directors (the “**Board**”) of CFM Holdings Limited (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to its unaudited FY2024 financial results announcement dated 27 August 2024 (the “**Unaudited Results**”) and its audited financial statements which will be set out in the Company’s Annual Report FY2024, which will be issued in due course (the “**Audited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances between the Unaudited Results and Audited Financial Statements following the finalisation of audit by the external auditors, Baker Tilly TFW LLP, as summarised below.

1. Extract of statements of financial position – Company level:-

	Audited Financial Statements	Unaudited Financial Statements	Variance Increase / (decrease)		Note
	\$'000	\$'000	\$'000	%	
Non-current assets					
Investment in subsidiaries	17,283	15,853	1,430	9.02	A

2. Extract of statements of financial position – Group level:-

	Audited Financial Statements	Unaudited Financial Statements	Variance Increase / (decrease)		Note
	\$'000	\$'000	\$'000	%	
Current assets					
Other receivables and prepayments	235	219	16	7.31	B
Income tax recoverable	142	-	142	100	B
Current liabilities					
Income tax payable	450	307	143	46.58	B

3. Extract of cash flow statements – Group level:-

	Audited Financial Statements	Unaudited Financial Statements	Variance Increase / (decrease)		Note
	\$'000	\$'000	\$'000	%	
Cash flow from operating activities:					
- Inventories written down	176	148	28	18.92	C
- Inventories written back	(128)	(99)	(29)	29.29	C
- Receivables	630	343	287	83.67	D
Cash flow from investing activities:					
- Purchases of property, plant and equipment	(1,065)	(763)	(302)	39.58	E
- Proceeds from disposal of property, plant and equipment	84	104	(20)	19.23	F

Explanatory Notes:-

- A) Variance relates to the reversal of impairment loss on investment in two subsidiaries of the Company subsequent to the announcement of 27 August 2024, now correctly reflected in the audited accounts.
- B) Reclassification between current assets and current liabilities, previously wrongly classified.
- C) The changes arose from the adjustments made to the cost of goods sold, which were also further summed up in these line items.
- D) The increase was due to adjustments to the accounts relating to the reclassification as set out in note B above.
- E) Reclassification of prepayment for property plant and equipment to purchases of PPE
- F) This relates to an intercompany transaction that was not eliminated in the unaudited cash flow statement and is subsequently corrected in the audited statements.

With the reversal highlighted in note A above, the Company's loss after tax decreased to \$2.17 million instead of \$3.60 million as announced on 27 August 2024.

Shareholders are advised to read the Audited Financial Statements set out in the Annual Report FY2024 which will be released on SGXNet in due course.

Shareholders and investors are advised to exercise caution when dealing in the Company's shares. When in doubt, shareholders and potential investors are advised to seek independent advice from their professional advisers before trading or making any investment decision on the Company's securities.

BY ORDER OF THE BOARD

Janet Lim Fong Li
Executive Director & Chief Executive Officer
1 October 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 "**SGXST**") 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.