
DLF HOLDINGS LIMITED

Company Registration No. 201726076W

Unaudited Financial Statement and Dividend Announcement For the Six Months Period Ended 30 June 2019

Background

DLF Holdings Limited (the “**Company**”) was incorporated in Singapore on 13 September 2017 under the Companies Act (Chapter 50) of Singapore as a company limited by shares under the name of “DLF Holdings Pte Ltd”. The Company was converted into a public company and changed its name to “DLF Holdings Limited” on 19 June 2018. The Company, its subsidiaries (the “**Group**”) were formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) implemented in October 2017 which was prior to the Initial Public Offering and listing on the Catalist of the SGX-ST on 25 July 2018. The Restructuring Exercise was completed on 20 October 2017. Please refer to the Company’s Offer Document dated 17 July 2018 for further details on the Restructuring Exercise.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		Change %
	Six Months Ended	Six Months Ended	
	30 June 2019	30 June 2018	
	(Unaudited)	(Unaudited)	
	(S\$)	(Restated)	
	S\$	S\$	
Revenue	740,774	9,537,394	-92%
Cost of sales	(961,411)	(6,483,615)	-66%
Gross (loss)/profit	(220,637)	3,053,779	-148%
Other operating income	11,066	9,351	+18%
Selling & distribution expenses	-	(8,588)	n.m.
Administrative expenses	(770,152)	(764,418)	+1%
Other operating expenses	(4,602,139)	(198,286)	+1,598%
Result from operations	(5,581,862)	2,091,838	-367%
Finance costs	(40,782)	(36,749)	+11%
(Loss)/Profit before income tax	(5,622,644)	2,055,089	-374%
Income tax expense	(62,909)	(233,972)	-73%
(Loss)/Profit for the financial period	(5,685,553)	1,821,117	-412%
Other comprehensive (loss)/income	-	(55,128)	n.m.
Total comprehensive (loss)/income for the period	(5,685,553)	1,765,989	-422%
Attributable to:			
Owners of the Company	(5,685,553)	1,765,989	-422%
Non-Controlling interests ("NCI")	-	-	-
(Loss)/Profit for the period	(5,685,553)	1,765,989	-422%

n.m. denotes not meaningful

Note: Comparative figures have been restated due to reclassification adjustments so as to be in line with the current period presentation.

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

(Loss)/Profit for the financial period is stated after charging/(crediting) the following:-

	Six Months Ended		
	30 June 2019	30 June 2018	Change
	(Unaudited)	(Unaudited)	%
	S\$'000	S\$'000	
Depreciation on property, plant and equipment	95,727	83,361	+15%
Interest expenses on bank borrowing	32,642	28,419	+15%
Interest income	(459)	(68)	+575%
Provision for doubtful debts	3,138,661	-	n.m.
Foreseeable loss on project	246,677	-	n.m.
Trade and other receivables written off	1,126,310	-	n.m.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30 June 2019 (Unaudited)	31 December 2018 (Audited)	30 June 2019 (Unaudited)	31 December 2018 (Audited)
ASSETS				
Non-current assets				
Subsidiaries	-	-	4,993,204	4,993,204
Deferred tax assets	9,789	9,789	-	-
Property, plant and equipment	1,859,742	1,918,500	29,267	-
Total non-current asset	1,869,531	1,928,289	5,022,471	4,993,204
Current assets				
Trade and other receivables	1,252,776	6,107,265	2,890,428	2,849,518
Contract assets	567,582	1,296,287	-	-
Cash and bank balances	170,185	1,101,650	70,381	682,415
Total current assets	1,990,543	8,505,202	2,960,809	3,531,933
Total assets	3,860,074	10,433,491	7,983,280	8,525,137
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	9,499,017	9,499,017	9,499,017	9,499,017
Reserves	(2,621,264)	(2,621,264)	-	-
Accumulated losses	(6,459,536)	(773,983)	(3,282,304)	(2,853,174)
Total equity attributable to owners of the Company	418,217	6,103,770	6,216,713	6,645,843
Non-controlling interests	121,118	121,118	-	-
Total equity	539,335	6,224,888	6,216,713	6,645,843
LIABILITIES				
Non-current liabilities				
Borrowings	230,914	377,253	-	-
Finance lease liabilities	108,186	130,527	-	-
Deferred tax liabilities	5,111	5,111	-	-
Total non-current liabilities	344,211	512,891	-	-
Current liabilities				
Trade and other payables	959,204	2,117,812	1,766,567	1,879,294
Borrowings	778,971	791,045	-	-
Finance lease liabilities	47,818	47,930	-	-
Current tax liabilities	1,190,535	738,925	-	-
Total current liabilities	2,976,528	3,695,712	1,766,567	1,879,294
Total liabilities	3,320,739	4,208,603	1,766,567	1,879,294
Total Equity & liabilities	3,860,074	10,433,491	7,983,280	8,525,137

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 June 2019 (Unaudited)		As at 31 December 2018 (Audited)	
Secured	Unsecured	Secured	Unsecured
778,971	-	791,045	-

Amount repayable after one year

As at 30 June 2018 (Unaudited)		As at 31 December 2017 (Audited)	
Secured	Unsecured	Secured	Unsecured
230,914	-	377,253	-

Details of any collateral

The Group's borrowings are secured by the Group's property and personal guarantees from the Executive Chairman of the Group.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Six Months Ended	
	30 June	
	30 June 2019	2018
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
(Loss)/Profit before income tax	(5,622,644)	2,055,089
Adjustments for:		
Depreciation of property, plant and equipment	95,727	83,361
Provision for doubtful debts	3,138,661	
Trade and other receivables written off	1,126,310	-
Interest expense	37,876	14,883
Interest income	(459)	(68)
Operating cash flows before working capital changes	(1,224,529)	2,153,265
Change in contract work-in-progress	728,705	(870,459)
Change in trade and other receivables	589,518	(1,153,876)
Change in trade and other payable	(1,158,608)	349,210
Net cash (used in)/generated from operations	(1,064,914)	478,140
Income tax received/(paid)	388,701	(448,940)
Net cash (used in)/ generated from operating activities	(676,213)	29,200
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	459	68
Purchase of property, plant and equipment	(36,969)	-
Net cash (used in)/generated from investing activities	(36,510)	68
FINANCING ACTIVITIES		
Interest paid	(37,876)	(14,883)
Repayment of bill payables	-	(145,085)
Repayment of bank borrowings	(109,865)	(112,633)
Repayment of finance lease	(22,453)	(44,087)
Cash used in financing activities	(170,194)	(316,688)
Net change in cash and cash equivalents	(882,917)	(287,520)
Cash and cash equivalents at beginning of financial period	533,754	355,177
Cash and cash equivalents at end of the financial period	(349,163)	67,757

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

**Statement of Changes in Equity
Group (Unaudited) (S\$)**

	Share capital	Other reserve	Currency translation account	(Accumulated losses) Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as at 1 January 2019	9,499,017	(2,888,997)	267,733	(773,983)	6,103,770	121,118	6,224,888
Loss for the period	-	-	-	(5,685,553)	(5,685,553)	-	(5,685,553)
Currency translation differences							
Total comprehensive loss for the period	-	-	-	(5,685,553)	(5,685,553)	-	(5,685,553)
Balance as at 30 June 2019	9,499,017	(2,888,997)	267,733	(6,459,536)	418,217	121,118	539,335
Balance as at 1 January 2018	4,913,304	(2,888,997)	256,634	571,945	2,852,886	-	2,852,886
Profit for the period	-	-	-	1,821,117	1,821,117	-	1,821,117
Currency translation differences	-	-	(55,128)	-	(55,128)	-	(55,128)
Total comprehensive income for the period	-	-	(55,128)	1,821,117	1,765,989	-	1,765,989
Balance as at 30 June 2018	4,913,304	(2,888,997)	201,506	2,393,062	4,618,875	-	4,618,875

**Statement of Changes in Equity
Company (Unaudited)**

	Share capital	Accumulated losses	Total equity
Balance as at 1 January 2019	9,499,017	(2,853,174)	6,645,843
Loss for the period	<u>-</u>	<u>(429,130)</u>	<u>(429,130)</u>
Balance as at 30 June 2019	<u>9,499,017</u>	<u>(3,282,304)</u>	<u>6,216,713</u>
Balance as at 1 January 2018	4,913,304	-	4,913,304
Loss for the period	<u>-</u>	<u>(325,935)</u>	<u>(325,935)</u>
Balance as at 30 June 2018	<u>4,913,304</u>	<u>(325,935)</u>	<u>4,587,369</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital – Ordinary Shares

	Number of shares	Paid-up Share Capital
Balance at 1 January 2019	121,108,700	9,499,017
Balance at 30 June 2019	121,108,700	9,499,017

The Company did not have any outstanding options, convertibles, subsidiary holdings or treasury shares as at 30 June 2019 and 30 June 2018.

(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	As at 30 June 2019	As at 31 December 2018
Total number of issued shares	121,108,700	121,108,700

The Company did not have any treasury shares as at 30 June 2019 and 31 December 2018.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable, as the Company did not have any subsidiary holdings as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited consolidated financial statements for the financial year ended 31 December 2018 as set out in the Company's annual report 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted all the applicable new and revised Financial Reporting Standards ("**FRS**") and Interpretations of Financial Reporting Standards ("**INT FRS**") that are mandatory for the accounting periods beginning on or after 1 January 2019. The adoption of these new and revised FRS and INT FRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

(Loss)/Earnings per share (“(LPS)/EPS”)	Six Months Ended	
	30 June 2019	30 June 2018
(Loss)/Profit attributable to the owners of the Company	(S\$5,685,553)	S\$1,765,989
Weighted average number of ordinary shares in issue	121,108,700	121,108,700
Basic and fully diluted basis (LPS)/EPS (cents)	(4.69)	1.46

Note:-

(i) *The basic and diluted (LPS)/EPS were the same as the Company did not have any potentially diluted instruments for both financial periods.*

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

(a) Current period reported on; and
(b) Immediately preceding financial year.

	Group		Company	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Net asset value (S\$)	539,335	6,224,888	6,216,713	6,645,843
Number of ordinary shares in issue	121,108,700	121,108,700	121,108,700	121,108,700
Net asset value per ordinary share (cent)	0.45	5.14	5.13	5.49

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review for the performance of the Group for the 6 months ended 30 June 2019 and 30 June 2018 ("1H2019" and "1H2018" respectively).

Consolidated Statement of Comprehensive Income

Revenue

	1H2019 S\$'000	1H2018 S\$'000	Change %
Mechanical and electrical services	740,774	3,390,126	-78%
Turnkey contracting services	-	6,147,268	-100%
Total	740,774	9,537,394	-92%

Revenue

Revenue was approximately S\$0.7 million in 1H2019, a decrease of 92% as compared to 1H2018 due mainly to the termination of the Maldives Project (as defined below) and the challenging environment which the Group operates in.

No revenue was derived from our turnkey contracting services for 1H2019. The Group's turnkey contracting services projects for the building works for, *inter alia*, lagoon villas, lagoon club, spa and specialty restaurant for Phase 3B of the Maldives Project ("**Maldives Project**") was terminated on 5 February 2019. The said contract was awarded by Leisure Horizons Private Limited ("**LHPL**"). Since the termination of the said contract, management has entered into discussions with LHPL to resolve all issues arising from the termination. Following recent discussions with LHPL, management believes that there will be amicable resolution pertaining to the Maldives Project. In the meantime, management believes that it is appropriate to make a provision for doubtful debts of approximately S\$3.14 million as the amount due from LHPL is not expected to be collected (Please refer to the discussion in other operating expenses below).

Cost of sales

The Group's cost of sales mainly comprised material costs, sub-contractor costs, labour costs and rental of equipment. Cost of sales was approximately S\$0.96 million which represented approximately 129.8% of our total revenue in 1H2019 as a result of the higher-than-expected cost incurred in one of our job orders under mechanical and electrical services pertaining to the modification works under a variation order.

Gross loss/profit and gross loss/profit margin

The Group incurred gross loss of S\$0.22 million in 1H2019 as compared to gross profit of S\$3.0 million in 1H2018.

Other operating income

The Group's other operating income are mainly interest income and sundry income. The amount is insignificant.

Selling and distribution expenses

There were no such expenses incurred during 1H2019.

Administrative expenses

Administrative expenses comprised mainly staff salary, director's remuneration, rental expenses, insurance premium, depreciation expenses, professional fees, transportation cost and travel expenses. No material variance was noted in 1H2019 as compared to 1H2018.

Other operating expenses

Other operating expenses in 1H2019 was higher as it comprised mainly provision for doubtful debts of approximately S\$3.14 million, trade and other receivables written off of approximately S\$1.13 million and foreseeable loss on project of approximately S\$0.25 million.

The Group made provision for doubtful debts of approximately S\$3.14 million in 1H2019 as a result of the termination of contract by LHPL for the Maldives Project. For details please refer to the Revenue section above.

The Group incurred foreseeable loss on project of approximately S\$0.25 million. This relates to the various work that the Group had performed under the variation orders of one of the project whereby the corresponding revenue had been recognised in the financial year ended 31 December 2018. Based on our management's review and as indicated by the main contractor the potential revenue amount to be approved could be lower than the revenue amount the Group previously expected and therefore it is prudent to make the necessary provisions.

Finance costs

Finance costs comprised mainly interest expenses for bank loans, bank overdrafts, bills payable and finance lease. The amount is insignificant.

Taxation

In view of the loss incurred by the Group in 1H2019, the Group did not incur significant tax expenses.

Depreciation and amortisation

The increase from S\$0.08 million in 1H2018 to S\$0.1 million or 15% in 1H2019 is mainly due to the acquisition of property, plant and machinery.

Consolidated Statement of Financial Position

Non-current assets

As at 30 June 2019, the Group's non-current assets of approximately S\$1.87 million (31 December 2018: S\$1.93 million) accounted for approximately 48.4% (31 December 2018: 18.5%) of our total assets.

The Group's non-current assets comprised mainly property, plant and machinery of S\$1.86 million (31 December 2018: S\$1.92 million). No significant change for property, plant and equipment balance as at 30 June 2019 as compared to 31 December 2018.

Current assets

As at 30 June 2019, the Group's current assets of approximately S\$1.99 million (31 December 2018: S\$8.51 million) accounted for approximately 51.6% (31 December 2018: 81.5%) of our total assets. The Group's current assets consist of trade and other receivables, contract assets and cash and bank balances.

As at 30 June 2019, our trade and other receivables of approximately S\$1.25 million (31 December 2018: S\$6.11 million) constituted approximately 62.9.0% (31 December 2018: 71.8%) of total current assets. Trade and other receivables comprised mainly:

- (i) trade receivables of approximately S\$0.06 million (31 December 2018: S\$4.12 million) due from our customers. The significant decrease was due mainly to the provision for doubtful debts of approximately S\$2.72 million and trade receivables written off of approximately S\$0.64 million;
- (ii) loans to the contractor of approximately S\$0.48 million (31 December 2018: S\$0.58 million) represent the amount paid to Prosper Environmental & Engineering Pte. Ltd. ("PEE") for the work order in relation to the Joint Venture
- (iii) unbilled receivables of approximately S\$0.45 million (31 December 2018: S\$0.65 million). The decrease was due mainly to the foreseeable loss for the project made by the Group of approximately S\$0.25 million; and
- (iv) deposits and prepayment of approximately S\$0.18 million (31 December 2018: S\$0.37 million) in relation to deposits for the performance bonds and tender deposits for projects secured. The decrease was due mainly to the deposits written off of approximately S\$0.19 million as the management was satisfied that these deposits were no longer collectible.

As at 30 June 2019, contract assets stood at S\$0.57 million (31 December 2018: S\$1.30 million) or 28.5% (31 December 2018: 15.2%) of total current assets. The decrease was due to the termination of the Maldives Project whereby provision for doubtful debts of approximately S\$0.42 million had been made against the contract assets.

As at 30 June 2019, cash and bank balances amounted to approximately S\$0.17 million (31 December 2018: S\$1.10 million) or 8.5% (31 December 2018: 12.9%) of total current assets. The significant decrease was due mainly to the disbursements made to support the operations of the Group.

Non-current liabilities

As at 30 June 2019, our non-current liabilities of approximately S\$0.34 million (31 December 2018: S\$0.51 million) accounted for 10.4% (31 December 2018: 12.2%) of our total liabilities. Our non-current liabilities consist mainly of finance lease liabilities and bank borrowings of approximately S\$0.11 million (31 December 2018: S\$0.13 million) and S\$0.23 million (31 December 2018: S\$0.38 million) respectively. The decrease was due to the repayments made during the period.

Current liabilities

As at 30 June 2019, our current liabilities of approximately S\$2.98 million (31 December 2018: S\$3.70 million) accounted for 89.6% (31 December 2018: 87.8%) of our total liabilities. Our current liabilities consist of trade and other payables, borrowings, finance lease liabilities and current tax liabilities.

As at 30 June 2019, trade and other payables of approximately S\$0.96 million (31 December 2018: S\$2.12 million) constituted approximately 32.2% (31 December 2018: 57.3%) of our total current liabilities. Trade payables and other payables comprised mainly:

- (i) trade payables to third parties of approximately S\$0.30 million (31 December 2018: S\$1.16 million). The decrease was due mainly to the lower business activities during the period; and
- (ii) accrued expenses of approximately S\$0.66 million (31 December 2018: S\$0.94 million) mainly relates to accrued operating expenses, audit fee, directors fee and other professional fee. The decrease was due to the reduced amount for accrued operating expenses as a result of lower business activities.

As at 30 June 2019, borrowings of approximately S\$0.78 million (31 December 2018: S\$0.79 million) constituted approximately 26.2% (31 December 2018: 21.4%) of our total current liabilities. Bank borrowings consisted of (i) secured bank loans of approximately S\$0.26 million (31 December 2018: S\$0.22 million); and (ii) bank overdraft of approximately S\$0.52 million (31 December 2018: S\$0.57 million).

As at 30 June 2019, finance lease liabilities of approximately S\$0.05 million (31 December 2018: S\$0.05 million) constituted approximately 1.6% (31 December 2018: 1.3%) of our total current liabilities. Finance lease liabilities mainly related to the purchase of motor vehicles of the Group.

As at 30 June 2019, current tax liabilities of approximately S\$1.19 million (31 December 2018: S\$0.74 million) constituted approximately 40.0% (31 December 2018: 20.0%) of our total current liabilities. Included in the income tax payable as at 31 December 2018 was income tax receivable of approximately S\$0.42 million pertaining to one of our subsidiaries. During the period under review ie 1H2019, the Group received income tax refund of approximately S\$0.39 million.

Consolidated Statement of Cash Flow

Net cash flow used in operating activities

During 1H2019, the Group recorded net cash outflow from operating activities of approximately S\$0.68 million due mainly to the loss incurred in 1H2019.

Net cash used in investing activities

During 1H2019, the Group recorded net cash outflow from investing activities of approximately S\$0.04 million due mainly to the purchase of property, plant and machinery.

Net cash used in financing activities

During 1H2019, the Group recorded net cash outflow from financing activities of approximately S\$0.17 million due mainly to the repayment of borrowings and finance leases.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Looking forward, while our results continue to be impacted by the challenging environment in which the Group operates, the Group expects to incur losses for the financial year ending 31 December 2019.

The Group is looking at securing more mechanical and electrical contracts to enhance the financial performance and position of the Group.

Notwithstanding the above, the Board is of the opinion that the Group will be able to operate as a going concern having regard to the following:

- (i) Cash to be generated from operations based on a cash flow forecast prepared by management;
- (ii) Mr. Manfred Fan, Chairman and substantial shareholder of the Group, has provided a letter of comfort to provide the financial support and assistance as may be required to ensure that the Group maintains capital and liquidity levels to enable it at all times to meet its financial obligations as and when its fall due within the next 12 months;
- (iii) The Group is optimistic that it is able to obtain funds from the sale of its property, if the need arises; and
- (iv) The Group is looking into corporate fund raising exercise(s).

11. Dividend

(a) Current Financial Period Reported On: Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year: Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable:

Not applicable.

(d) Books closure date:

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared for 1H2019 due to the loss during the financial period.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for interested persons transactions. There were no IPTs of S\$100,000 and above entered into during HY2019.

14. Use of IPO proceeds

The net proceeds amounting to S\$2.854 million (excluding listing expenses of approximately S\$1.401 million) was raised from the Company's IPO on the Catalist Board of the SGX-ST on 25 July 2018. On 30 July 2019, the Company has announced the re-allocation of the use of IPO proceeds and the amount has been fully utilised.

15. Negative Confirmation by the Board Pursuant to Rule 705(5)

To the best of the Board of Directors' knowledge, nothing has come to their attention which may render the unaudited financial results for the 6 months financial period ended 30 June 2019 to be false or misleading in any material aspect.

16. Confirmation that the issue has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual.

BY ORDER OF THE BOARD

Manfred Fan Chee Seng
Executive Chairman

14 August 2019

DLF Holdings Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 25 July 2018. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor in accordance with Rules 226(2)(b) and 753(2) of 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 assume 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 Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).