

# MANDATORY UNCONDITIONAL CASH OFFER

by



CEL Impetus Corporate Finance Pte Ltd

## CEL IMPETUS CORPORATE FINANCE PTE. LTD.

(Company Registration No.: 201631484Z)

(Incorporated in the Republic of Singapore)

for and on behalf of

## QRC PTE. LTD.

(Company Registration No.: 201838267Z)

(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

## DLF HOLDINGS LIMITED

(Company Registration No.: 201726076W)

(Incorporated in the Republic of Singapore)

excluding treasury shares and those already owned, controlled or agreed to be acquired by  
QRC Pte. Ltd.

## OFFER ANNOUNCEMENT

### 1. INTRODUCTION

**1.1 The Acquisition.** CEL Impetus Corporate Finance Pte. Ltd. ("**CICF**") wishes to announce, for and on behalf of QRC Pte. Ltd. (the "**Offeror**"), that the Offeror has on 20 September 2019 entered into sale and purchase agreements with Mr Wong Ming Kwong ("**Mr Wong**") and Mr Fan Chee Seng ("**Mr Fan**") and together with Mr Wong, the "**Sellers**") pursuant to which, Offeror will purchase 45,000,000 and 24,221,740 ordinary shares (the "**Sale Shares**") in the capital of DLF Holdings Limited (the "**Company**") from Mr Wong and Mr Fan respectively (the "**Acquisition**"). The aggregate consideration for the total of 69,221,740 Sales Shares is S\$5,601,353.98 (the "**Consideration**"), being approximately S\$0.0809 for each Sale Share, and the total Sales Shares represents approximately 57.16% of the total number of 121,108,700 issued and paid-up ordinary shares (the "**Shares**") (excluding treasury Shares) in the share capital of the Company.

Prior to the Acquisition, the Offeror did not own or control any Shares. As a result of the Acquisition, the Offeror owns or controls an aggregate of 69,221,740 Shares, representing approximately 57.16% of the total number of Shares.

**1.2 Mandatory Offer.** As a consequence of the Acquisition, the Offeror is required to make a mandatory unconditional cash offer (the "**Offer**") for all the Shares, excluding treasury Shares and those already owned, controlled and agreed to be acquired by the Offeror (the "**Offer Shares**"), in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**").

## 2. THE OFFER

**Terms of the Offer.** Subject to the terms and conditions to be set out in the formal offer document in relation to the Offer to be issued by CICF for and on behalf of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for all the Offer Shares in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14 of the Code on the following basis:

### (a) Offer Price

The consideration for each Offer Share is:

**For each Offer Share: S\$0.081 in cash (the "Offer Price")**

**The Offer Price is final and the Offeror does not intend to revise the Offer Price save that the Offeror reserves the right to revise the terms of the Offer in accordance with the Code if a competitive situation arises.**

### (b) Offer Shares

The Offer, when made, will be extended to all Offer Shares as at the date of this offer announcement (the "**Offer Announcement Date**"). For the avoidance of doubt, the Offer will be also extended to all Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror.

### (c) No Encumbrances

The Offer Shares will be acquired:

- (i) validly issued and fully paid;
- (ii) free from all mortgages, assignments, debentures, liens, hypothecation, charges, pledges, adverse claims, rent-charge, title retention, claims, equity, options, encumbrances, pre-emption rights, rights to acquire, security agreement and security interest or other rights of whatever nature; and
- (iii) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and hereafter attaching to thereto, including all voting rights and the right to receive and retain all dividends, rights, return of capital and/or other distributions (the "**Distributions**") (if any) which may be announced, declared, made or paid thereon by the Company on or after the Offer Announcement Date.

If any Distribution is announced, declared, paid or made by the Company on or after the Offer Announcement Date, depending on the settlement date in respect of the Offer Shares tendered in acceptance of the Offer, the Offeror reserves the right to reduce the Offer Price by an amount equivalent to such Distribution.

### (d) Unconditional Offer

Pursuant to the completion of the Acquisition, the Offeror and parties acting in concert with it will hold more than 50% of the voting rights attributable to the Shares (excluding treasury shares). As such, the Offer is **unconditional in all respects**.

### 3. FINANCIAL EVALUATION OF THE OFFER

The Offer Price represents the following discount from the historical transacted prices of the Shares on the Singapore Exchange Securities Trading Limited (the "SGX-ST"):

Description	Benchmark Price (S\$) <sup>(1)</sup>	Discount from the Benchmark Price (%) <sup>(2)</sup>
Last transacted price per Share as quoted on the SGX-ST on 5 September 2019 (being the last full day of trading in the Shares on the SGX-ST preceding the Offer Announcement Date (the "Last Trading Day"))	0.185	56.22
Volume-weighted average price ("VWAP") per Share for the 1-month period up to and including the Last Trading Day	0.178	54.49
VWAP per Share for the 3-month period up to and including the Last Trading Day	0.178	54.49
VWAP per Share for the 6-month period up to and including the Last Trading Day	0.085	4.71
VWAP per Share for the 12-month period up to and including the Last Trading Day	0.115	29.57

**Notes:**

- (1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (2) Percentage figures have been rounded to the nearest two (2) decimal place.

### 4. INFORMATION ON THE OFFEROR

**The Offeror.** The Offeror is a private company incorporated in Singapore in 2018, engaged in the business of business and management consultancy services.

As at the Offer Announcement Date, the Offeror has an issued and paid-up share capital of S\$140,000 divided into 140,000 ordinary shares. The Offeror's sole shareholder is Enomoto Hiroyuki. As at the Offer Announcement Date, the directors of the offeror are Mishima Yusaku, Enomoto Hiroyuki and Zhang Congxi.

### 5. INFORMATION ON THE COMPANY

The Company is a public company limited by shares and was incorporated in Singapore on 13 September 2017. Its shares have been listed on Catalist of the SGX-ST since 25 July 2018.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in the business of mechanical and electrical engineering project development and turnkey contracting services.

Based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore, the Company has an issued and paid-up share capital of S\$9,768,303.60, comprising 121,108,700 Shares. Based on publicly available information, the Company does not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights.

As at the Offer Announcement Date, the board of directors of the Company comprises the following individuals:

- (a) Mr. Fan Chee Seng (Executive Chairman);
- (b) Mr. Chan Kam Loon (Lead Independent Non-Executive Director);
- (c) Mr. Low Chai Chong (Independent Non-Executive Director); and
- (d) Mr. Teo Choon Kow @ William Teo (Independent Non-Executive Director).

## **6. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY**

**6.1 Compliance with the Code.** As a result of the Acquisition as set out in paragraph 1 of this Announcement, the Offeror is making the Offer in compliance with the requirements of the Code.

**6.2 Intention for the Company.** It is the intention of the Offeror to carry on the existing business of the Company, and the Offeror presently has no intention to (a) introduce any major changes to the existing business of the Company, (b) re-deploy the fixed assets of the Group, or (c) discontinue the employment of the employees of the Group, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company.

## **7. LISTING STATUS AND COMPULSORY ACQUISITION**

**7.1 Listing Status.** Under Rule 1104 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), upon the announcement by the Offeror that valid acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and the parties acting in concert with it to above 90% of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time as it is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 200 Shareholders who are members of the public.

Under Rule 1303(1) of the Catalist Rules, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

Rule 723 of the Catalist Rules requires the Company to ensure that at least 10% of the total number of issued Shares (excluding treasury shares) is at all times held by the public. In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules further states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

**7.2 Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Offer and/or acquires such number of Offer Shares at the close of the Offer in respect of not less than 90% of the total number of issued Shares (excluding treasury shares and other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**") on the same terms as those offered under the Offer.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror acquires, pursuant to the Offer, such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares as at the close of the Offer. Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

**It is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer.** Accordingly, the Offeror, if and when entitled, does **not** intend to exercise its rights of compulsory acquisition under section 215(1) of the Companies Act to acquire those Offer Shares not acquired by the Offeror pursuant to the Offer, or to delist the Company from the SGX-ST pursuant to the Catalist Rules. In the event that the trading of the Shares on the SGX-ST is suspended pursuant to Rule 724 or Rule 1104 of the Catalist Rules, the Offeror intends to undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted.

## **8. DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS IN RELEVANT SECURITIES**

**8.1 Holdings in Relevant Securities.** Save as disclosed in Schedule 1 to this Announcement, as at the Offer Announcement Date, based on the latest information available to the Offeror, none of the Offeror and its directors, its concert parties and CICF (as financial adviser to the Offeror in connection with the Offer) (the "**Relevant Persons**") owns, controls or has agreed to acquire any:

- (a) Shares;
- (b) securities which carry voting rights in the Company; or
- (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company,

(collectively, the "**Relevant Securities**").

**8.2 Dealings.** Save as disclosed in this Announcement (including Schedule 1 hereto) and based on the latest information available to the Offeror, none of the Relevant Persons has dealt for value in any Relevant Securities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Offer Announcement Date (the "**Reference Period**").

**8.3 Further Enquiries.** In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other persons who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures, if any, will be made in due course and in the Offer Document.

**8.4 Disclosure of Dealings.** In accordance with the Code, the associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company under Rule 12 of the Code.

**8.5 Other Arrangements.** Save as disclosed in this Announcement, as at the Offer Announcement Date and based on the latest information available to the Offeror, none of the Relevant Persons has:

- (a) entered into an arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Company or the Offeror which might be material to the Offer;
- (b) granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or
- (d) lent any Relevant Securities to another person.

## **9. CONFIRMATION OF FINANCIAL RESOURCES**

CICF, as the financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer on the basis of the Offer Price.

## **10. DESPATCH OF THE OFFER DOCUMENT**

Further information on the Offer will be set out in the Offer Document to be issued. The Offer Document, which will set out the full terms and conditions of the Offer and enclose the appropriate form(s) of acceptance of the Offer, will be despatched to the Shareholders not earlier than 14 days and not later than 21 days from the Offer Announcement Date. Pursuant to Rule 22.3 of the Code, the Offer will remain open for acceptances by Shareholders for a period of 28 days from the date of posting of the Offer Document. Please note that the Offeror does not intend for the Offer to be open for acceptance beyond such 28 day period.

**Shareholders are advised to exercise caution and seek appropriate independent professional advice when dealing in the Shares.**

## **11. OVERSEAS SHAREHOLDERS**

**11.1 Overseas Jurisdictions.** This Announcement does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (the "**Restricted Jurisdiction**") and the Offer will not be made to, nor will the Offer be capable of acceptance by, any person within any Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will be not capable of acceptance by any such use, means, instrumentality or facilities.

- 11.2 Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of The Central Depository (Pte) Limited (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document and relevant form(s) of acceptance may not be sent.** Further details in relation to Overseas Shareholders will be contained in the Offer Document.

The Offeror and CICF each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders who are not resident in Singapore by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

## **12. CAUTIONARY STATEMENT**

**SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN TRADING IN THE SHARES, AND WHERE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, ACCOUNTANT, SOLICITOR, TAX ADVISER OR OTHER PROFESSIONAL ADVISERS.**

## **13. RESPONSIBILITY STATEMENT**

The directors of the Offeror (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that there are no material facts that have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including without limitation, information relating to the Company), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by  
**CEL IMPETUS CORPORATE FINANCE PTE. LTD.**

For and on behalf of  
**QRC PTE. LTD.**  
20 September 2019

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Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

**CEL Impetus Corporate Finance Pte. Ltd.**  
Tel: (65) 6202 4999

### **Forward-Looking Statements**

*All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor CICF undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.*



## SCHEDULE 1

### DETAILS OF HOLDINGS AND DEALINGS IN RELEVANT SECURITIES

#### 1. Holdings of Relevant Securities by the Relevant Persons

The holdings of Shares by the Relevant Persons as at the date of this Announcement are set out below.

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Offeror	69,221,740	57.16	-	-	69,221,740	57.16

**Note:**

(1) Based on 121,108,700 Shares (excluding treasury shares) in issue as at the Offer Announcement Date.

#### 2. Dealings in Relevant Securities by the Relevant Persons

The dealings in the Relevant Securities by the Relevant Persons during the Reference Period are set out below.

Name	Date	No. of Shares Acquired	No. of Shares Disposed	Transaction Price per Share (S\$)
Offeror	20 September 2019	69,221,740 <sup>(1)</sup>	-	Approx. 0.0809

**Note:**

(1) Being the Sale Shares which the Offeror acquired pursuant to the Acquisition.