

DISPOSAL OF MOTOR VEHICLE

1. INTRODUCTION

The board of directors (the “**Board**”) of DLF Holdings Limited (the “**Company**” and its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, DLF Pte. Ltd., had on 12 February 2020 disposed a motor vehicle (Vehicle No.: SKN3333R) (“**Motor Vehicle**”) to Abwin (1994) Pte Ltd (“**Abwin**”), an unrelated third party buyer, pursuant to a purchase agreement entered into between DLF Pte. Ltd. and Abwin on 5 February 2020 (“**Purchase Agreement**”) (“**Disposal**”). The Motor Vehicle has been delivered to Abwin on 12 February 2020.

The Disposal constitutes a discloseable transaction under Rule 1010 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”).

2. DISPOSAL OF MOTOR VEHICLE

Information on the Motor Vehicle

The Motor Vehicle is make and model BMW 528iA, whose certificate of entitlement was originally registered on 29 November 2013 and will expire on 28 November 2023. The Motor Vehicle was used by the Group as a company vehicle for transportation purposes.

Sale Price

Pursuant to the Purchase Agreement, the sale price for the Motor Vehicle is S\$72,000 (the “**Sale Price**”) and it has been fully satisfied in cash. The Sale Price was arrived at by obtaining 3 quotations from 3 unrelated third-party prospective purchasers and is the highest price amongst the 3 quotations obtained. The Net Book value of the Motor Vehicle as at 30 June 2019 was approximately S\$ 114,322.

The Motor Vehicle has been delivered to Abwin free from all encumbrances on 12 February 2020.

3. RATIONALE

Notwithstanding the Disposal has, based on the Motor Vehicle’s net book value as at 30 June 2019, resulted in a loss of disposal of S\$42,322, the Board considers that the Disposal is in the Group’s interests, as the Disposal allow the Group to enhance its cash flows and allow the Group’s resources to be deployed for other uses.

4. USE OF PROCEEDS

The Company intends to use the Net Proceeds for general working capital requirements of the Group.

5. RELATIVE FIGURES FOR THE DISPOSAL

The relative figures of the Disposal computed on the applicable bases set out in Rule 1006 of the Catalyst Rules are set out below:

Rule 1006	Bases	Relative Figures
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	21.20% ⁽²⁾
(b)	The net profits ⁽¹⁾ attributable to the assets acquired, compared with the Group's net profits.	0.75% ⁽³⁾
(c)	The aggregate value of the consideration given, compared with the Company's market capitalization based on the total number of issued shares excluding treasury shares.	0.32% ⁽⁴⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁵⁾
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable ⁽⁶⁾

Notes:

- (1) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (2) The net asset value of the Motor Vehicle and the net asset the Group as at 30 June 2019 were approximately S\$114,322 and S\$539,335 respectively.
- (3) Based on the unaudited net loss arising from the disposal of the Motor Vehicle and the unaudited net loss of the Group for the half year ended 30 June 2019 of approximately S\$42,322 and S\$5,622,644 respectively.
- (4) Based on the Sale Price of S\$72,000 and the Company's market capitalisation of approximately S\$22,405,110 which is determined by multiplying the number of Shares in issue, being 121,108,700 (excluding treasury shares), by the volume weighted average price of S\$0.185 per Share on 5 September 2019, being the last traded market day immediately preceding the signing of the Purchase Agreement.
- (5) This basis is not applicable as the Disposal is not an acquisition.
- (6) This basis is not applicable as the Disposal is not a disposal of mineral, oil or gas assets.

As the relative figure calculated pursuant to Rule 1006(a) exceeds 5% but does not exceed 50%, the Disposal will be classified as a "discloseable transaction" within the meaning of Rule 1010 of the Catalyst Rules.

6. FINANCIAL EFFECTS OF THE DISPOSAL

For illustrative purposes only, the financial effects of the Disposal on the net tangible assets per share and earnings per share of the Group based on the latest announced audited financial statements of the Group for the financial year ended 31 December 2018 are as follows:

Effects on net tangible assets

Had the Disposal been effected on 31 December 2018, the financial effect on the net tangible assets (“NTA”) of the Group is as follows:

	Before Disposal	After Disposal
Consolidated NTA attributable to the shareholders of the Company (S\$)	6,103,770	6,049,953
Number of issued shares (excluding treasury shares)	121,108,700	121,108,700
Net tangible assets per share (S\$)	0.050	0.050

Effects on earnings

Had the Disposal been effected on 1 January 2018, the financial impact on the effect on Company’s earnings per share for the financial year ended 31 December 2018 is as follows:

	Before Disposal	After Disposal
Net profit attributable to shareholders after tax (S\$)	(1,345,928)	(1,399,745)
Weighted average number of issued shares (excluding treasury shares)	109,715,785	109,715,785
Earnings per share (S\$)	(1.23)	(1.28)

Please note that the above financial figures are for illustrative purposes only and do not necessarily reflect the future results and financial performance and position of the Group after the completion of the Disposal. No representation is made as to the actual financial position and/or results of the Group after completion of the Disposal.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the Disposal.

BY ORDER OF THE BOARD

Fan Chee Seng
Executive Chairman
19 February 2020

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 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 Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).