

**Agreement on Research and Development of Staking Pool Protocol
with Infinity Blockchain Holdings Pte Ltd and Moonstake Pte Ltd**

1. Introduction

The Board of Directors (the “**Board**” or the “**Directors**”) of DLF Holdings Limited (the “**Company**”), and together with its subsidiaries (the “**Group**”), wishes to announce that it has entered into the Agreement for Research and Development of Staking Pool Protocol (the “**Agreement**”) dated 28 February 2020 with Infinity Blockchain Holdings Pte Ltd (the “**Contractor**”) and Moonstake Pte Ltd (the “**Customer**”), pursuant to which the Contractor shall provide research and development services to the Customer, while the Company shall provide software development outsource agency service to the Contractor.

2. Information about Infinity Blockchain Holdings Pte Ltd

The Contractor is a holding company that heads the Infinity Blockchain Group and it provides management consultancy services. The Infinity Blockchain Group as a whole consists of a group of companies located all over Asia Pacific focusing on blockchain technology.

The Contractor is controlled by Mr. Hiroyuki Enomoto who is also a controlling shareholder of QRC Pte Ltd. QRC Pte Ltd has a direct interest in an aggregate of 77,670,840 shares in the capital of the Company representing approximately 64.13% of the entire issued share capital of the Company.

3. Information about Moonstake Pte Ltd

The Customer is a Blockchain company providing staking pool services to its customers. The Customer is an independent third party not controlled by either the Company or by the Contractor, and is not related to any director of the Company and its substantial shareholders.

4. Key terms of the agreement

The key terms of the Agreement include the following:

Roles of the Parties

- a) The Contractor will provide Research and Development (R&D) and implementation of a Staking Pool protocol based on blockchain technology to the Customer.
- b) The Company, as a software development outsource agent for the Contractor, will communicate with both the Contractor and the Customer to define the Customer's needs, development direction and best product specifications. The Company will define the specifications of each project's milestones and deliverables, and deliver to the Customer a written copy of the project's general specifications.
- c) The Customer will regularly communicate as needed to facilitate the Contractor's development of the project. Additionally, the Customer will remunerate the Company and the Contractor based on the Fee Proposal.

Project Phases

The success of a project shall be based on phase-based milestones and deliverables as detailed below:

- a) Phase 1 – Project Planning
- b) Phase 2 – Proof of Concept (PoC) Prototyping & Business Requirement Development Support
- c) Phase 3 – Implementation of Minimum Viable Products (MVP) and test staking
- d) Phase 4 – Development of Product

Deliverables

During the course of the project, the Contractor will provide the following Deliverables to the Customer.

- a) Project Plan (Phase 1)
- b) Production Phase Overview (Phase 2)
- c) Proof of Concept (PoC) (Phase 2)
- d) MVP and Marketing Requirements (Phase 3)
- e) MVP Implementation (Phase 3)
- f) Product Development (Phase 4)

Fees

The Customer pays S\$1 million as the total fee to this project to the Company. This fee is non-refundable unless the Company fails to perform its obligation required by the agreement which includes but not limited to communication and project management between the Contractor and Customer.

The Company retains 15% of the total fee and pays the remaining amount to the Contractor. The amount of fee is determined by a separate Master Agency

Service Agreement entered into between the Company and the Contractor and as separately announced by the Company on the same date.

The Company has, on 28th February 2020, received the advance payment of S\$1 million from the Customer.

5. SHAREHOLDERS' APPROVAL

The Group is a Singapore-based mechanical and engineering services and solutions provider whose core business is in the provision of Project Management Services and Turnkey Contracting Services. It has not previously undertaken any business related to blockchain and new technology business.

In addition, the Contractor is an "interested person" for the purposes of Chapter 9 of Singapore Exchange Securities Trading Limited's Listing Manual Section B: The Rules of Catalist ("**Catalist Rules**").

As such, the Company will, at the annual general meeting ("AGM"), seek the approval of its shareholders for, inter alia, the diversification of the Group's business into blockchain and new technology business and the payment of 85% of the total fee (that is, after deducting 15% agency fee) to the Contractor as a recurring Interested Person Transaction.

The Board and the Audit Committee of the Company, save for Mr Yusaku Mishima, being the director of Infinity Blockchain Labs Co., Ltd., which is a subsidiary of the Contractor, are of the view that the Agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

Save as disclosed above, none of the other Directors or substantial shareholder(s) of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company), in the above transaction.

6. FINANCIAL EFFECTS OF THE AGREEMENT

The Agreement is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 December, 2020.

7. DOCUMENT FOR INSPECTION

A copy of the Agreement will be made available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

By Order of the Board

Manfred Fan Chee Seng
Executive Chairman
29 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 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).