

**DIGILIFE TECHNOLOGIES LIMITED**  
(Company Registration No. 199304568R)  
(Incorporated in the Republic of Singapore)

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**THE PROPOSED DISPOSAL BY THE COMPANY OF ITS ENTIRE SHAREHOLDING INTERESTS  
IN DELTEQ PTE LTD AND CAVU CORP PTE. LTD.**

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**1. INTRODUCTION**

1.1 The Board of Directors (the “**Board**”) of Digilife Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the divestment of two of its subsidiaries, Delteq Pte. Ltd. and Cavu Corp Pte. Ltd. as per information detailed below:

- (a) on 12 October 2021, the Company has entered into a share purchase agreement (the “**Delteq SPA**”) with Capital Galactic Sdn Bhd (the “**Delteq Purchaser**”) for the disposal by the Company of 31,287,400 issued shares in the capital of Delteq Pte Ltd (“**Delteq**”) (“**Delteq Shares**”), representing 100% of the total issued and paid-up share capital of Delteq (the “**Delteq Sale Shares**”), on the terms and subject to the conditions of the Delteq SPA (the “**Delteq Disposal**”).

Delteq holds 100% of the total issued and paid-up share capital in Delteq Systems Pte Ltd. (“**Delteq Systems**”). Pursuant to the Delteq Disposal, Delteq and Delteq Systems (collectively, the “**Delteq Group**” and each, a “**Delteq Group Company**”) will cease to be direct and indirect wholly-owned subsidiaries of the Company respectively.

- (b) on 12 October 2021, the Company has also entered into a share purchase agreement (the “**Cavu SPA**”) with Impex Techlab Sdn Bhd (the “**Cavu Purchaser**”) for the disposal by the Company of 200,400,000 issued shares in the capital of Cavu Corp Pte. Ltd. (“**Cavu Shares**”), representing 100% of the total issued and paid-up share capital of Cavu Corp Pte. Ltd. (the “**Cavu Sale Shares**”) to the Cavu Purchaser, on the terms and subject to the conditions of the Cavu SPA (the “**Cavu Disposal**”).

Cavu Corp Pte. Ltd. (“**Cavu**”) holds 40% of the total issued and paid-up share capital in each of the following companies:

- (i) Peremex Sdn Bhd;
- (ii) Delteq (M) Sdn Bhd (“**Delteq Malaysia**”);
- (iii) Delteq Systems (M) Sdn Bhd;
- (iv) Centia Technologies Sdn Bhd; and
- (v) Centia Pte. Ltd. (“**Centia Singapore**”),

(collectively, the “**Cavu Group**” and each a “**Cavu Group Company**”) (the Delteq Disposal and the Cavu Disposal, each a “**Proposed Disposal**” and collectively, the “**Proposed Disposals**”).

Pursuant to the Cavu Disposal, Cavu will cease to be a subsidiary of the Company.

1.2 The Proposed Disposals are considered “disclosable transactions” of the Company under Chapter 10 of the Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

## **2. INFORMATION RELATING TO THE GROUP, THE DELTEQ PURCHASER AND THE CAVU PURCHASER**

### **2.1 Information relating to Delteq and Delteq Systems**

Delteq is a company incorporated in the Republic of Singapore (“**Singapore**”) on 12 September 1983. Delteq is engaged in the business of selling and distribution of hardware related to computer equipment and peripherals, storage systems and networking products and also providing system integration services. Delteq Systems is a company incorporated in Singapore on 21 October 1992. Delteq Systems is engaged in the business of providing networking solutions, infrastructure consulting and project management.

The Company is the legal and beneficial owners of the Delteq Shares, representing 100% of the total issued and paid-up share capital of Delteq.

### **2.2 Information relating to Cavu**

Cavu is a company incorporated in Singapore on 8 December 1998. Cavu offers infrastructure solutions for hardware and provides cost-effective third party maintenance. Cavu is engaged in the business of selling, supplying, renting, maintaining and servicing computer hardware and peripheral equipment, and serves companies in various private industries, government institutions and agencies.

The Company is the legal and beneficial owner of the Cavu Shares, representing 100% of the total issued and paid-up share capital of Cavu.

### **2.3 Information relating to the Delteq Purchaser and the Cavu Purchaser (collectively, the “Purchasers”)**

The Purchasers are small-medium enterprises that operate similar businesses as Delteq and Cavu, including infrastructure solutions and business application solutions. The Purchasers wish to continue Delteq and Cavu’s existing operations at a low cost by utilising their current infrastructure and manpower.

As at the date of this announcement, the Purchasers do not have any shareholding interest, direct or indirect in the Company, nor are the Purchasers related to any of the Directors, substantial shareholders, or their respective associates of the Company. None of the Directors or substantial shareholders of the Company or their respective associates have any shareholding interests, direct or indirect, in the Purchasers, nor are any of the Directors, controlling shareholders and their respective associates related to the Purchasers’ directors, controlling shareholders, or their respective associates.

## **3 RATIONALE FOR THE PROPOSED DISPOSALS**

The Board is of the view that the Proposed Disposals are in the best interests of the Group and shareholders of the Company as it is in line with the Group’s strategy to evaluate and restructure its business plan by divesting sunset or underperforming businesses, including loss-making businesses. In order to sustain the Group’s operations and to stem further losses, the Group has been actively looking for buyers for such loss-making businesses.

Delteq and Cavu are primarily in hardware, break fix maintenance, infrastructure services, reselling and distribution or solution business, and the Board is of the view that such business sectors may not thrive amidst the COVID-19 pandemic. Small and medium sized companies are declining, and payments are getting delayed due to supply chain challenges. In addition, intense competition within the information, communications and technology hardware and

infrastructure business has resulted in such businesses facing intense pressure during the COVID-19 pandemic period.

The Board is of the view that pursuant to the Proposed Disposals, the Group will benefit primarily due to the following reasons:

- (a) The Proposed Disposals present the Group with an opportunity to monetize underperforming assets and will enable the Group to streamline its existing businesses and to focus more on core operations moving forward;
- (b) Delteq and Cavu are both loss-making entities, and the Proposed Disposals prevents cash depletion and will positively impact the overall results of the Group going forward; and
- (c) the Proposed Disposals will release cash of approximately S\$2,670,000 from the deployed working capital of Delteq, which can be re-deployed to other projects to achieve better gains for shareholders of the Company.

In addition to the above rationales, the Proposed Disposals will lead to gain on disposal, (collectively) of approximately collective gain on disposal of S\$296,274.

Further, there will be no material change to the risk profile of the Company arising from the Proposed Disposals as the total annual revenue generated by Delteq and Cavu collectively amounts to S\$24,897,000 for FY2020, which represents 9.43% of the total revenue generated by the Group, being S\$264,036,000 for FY2020.

**Basis of Valuation:** The disposal is based on arm's length negotiations and a willing buyer and willing seller basis, and based on the net asset value of the Cavu Group and Delteq Group, together with the Company's internal valuation processes which was based on documents and data available to the Company.

#### 4. MATERIAL TERMS OF THE DELTEQ DISPOSAL

A summary of the material terms and conditions of the Delteq Disposal as set out in the Delteq SPA is as follows.

##### 4.1 Disposal of the Delteq Sale Shares

In accordance with the Delteq SPA, the Company shall sell, and the Delteq Purchaser shall purchase, the Delteq Sale Shares on the terms and conditions of the Delteq SPA, free from all encumbrances, post all intercompany balances settlement, and with the benefit of all rights attaching thereto, for an aggregate consideration of S\$650,000 (the "**Delteq Consideration**").

At the completion of the sale and purchase of the Delteq Sale Shares in accordance with the Delteq SPA ("**Delteq Completion**"), the Delteq Purchaser shall deliver to the Company the payment of the Delteq Consideration to the Company or its authorised associates' bank accounts.

The Company undertakes to indemnify the Delteq Purchaser, any of its affiliates, officers, directors, employees or agents (the "**Delteq Purchaser Indemnified Parties**") for any losses, liabilities, damages or expenses incurred by the Delteq Purchaser Indemnified Parties arising from (a) any breach of any representation or warranty of the Company contained in the Delteq SPA; or (b) any breach of any covenant of the Company contained in the Delteq SPA requiring performance subsequent to the Delteq Completion; or (c) any liabilities of any Delteq Group Company which accrue prior to the Delteq Completion, but are not disclosed in the consolidated management accounts of the Group for the period up to 31 August 2021 (the "**Management Accounts**") or the consolidated audited accounts of the Group for FY2020 (the "**FY2020**").

**Financial Statements**”), subject to a maximum cap of S\$75,000 in accordance with the terms of the Delteq SPA.

## 4.2 Delteq Consideration

The Delteq Consideration of S\$ 650,000 is based on the net asset value (“**NAV**”) values of the Delteq Group adjusted for the settlement and discharge of intercompany loans and liabilities. The net asset value (“**NAV**”) of the Delteq Group as of 31 August 2021, (after adjusting for intercompany balances and the withdrawal of cash of approximately S\$ 2,670,000 from Delteq’s balance sheet, by the Company,) is S\$462,356 (“**31 August Adjusted Delteq NAV**”).

The Delteq Consideration was arrived at after arms’ length negotiations and on a willing-buyer willing-seller basis, after taking into consideration the 31 August Adjusted Delteq NAV and based on valuation of the Delteq Group pursuant to the Company’s internal valuation of the net asset values of the Delteq Group and the rationale for and benefits to the Group arising from the Proposed Disposals as further described in Section 3 of this Announcement. Delteq disposal gain is S\$ 187,644 over the NAV as of 31 August 2021.

In addition, the Company has negotiated a cash release/withdrawal of approximately S\$ 2,670,000, on the Delteq Completion, which was deployed as working capital in Delteq hence benefitting the cash position of the Company.

## 4.3 Delteq Conditions Precedent

The Delteq Completion shall take place on or before the date falling 60 days from the date of the Delteq SPA (or at such later date and time as may be agreed by the parties to the Delteq SPA), and shall be conditional on the following events (collectively, the “**Delteq Conditions Precedent**”) (unless otherwise waived in accordance with the Delteq SPA, where applicable):

- (a) the Delteq Purchaser having completed due diligence investigations into the Delteq Group;
- (b) the delivery by the Company to the Delteq Purchaser of a complete list of credit limits granted to any customer, bank or other agencies and the relevant guarantees in respect of such credit limits, and the facilitation of meetings with Delteq’s vendors, banks and other credit agencies to assist the Delteq Purchaser to continue the facilities;
- (c) all necessary regulatory approvals in Singapore having been obtained by the Company for the transactions contemplated under the Delteq SPA and said approvals remaining valid, and if such approvals are subject to any conditions, subject to such conditions being reasonably satisfactory to the Buyer and Seller to whom such approval relates and if such conditions are required to be fulfilled before the Delteq Completion, the fulfillment of such conditions before the Delteq Completion;
- (d) the settlement and discharge of all intercompany balances owing by the Company or any of its subsidiaries (other than the Delteq Group or the Cavu Group) (each, a “**Group Company**”) to a Delteq Group Company, vice versa;
- (e) all related necessary approvals and consents from all relevant governmental, regulatory or other authorities and third parties for the Delteq Disposal having been obtained by the Delteq Group Company(ies) on terms and conditions acceptable to the Delteq Purchaser and continuing to be in force; and
- (f) completion of the relevant internal restructuring to eliminate all liabilities of the Delteq Group, other than those disclosed in the Management Accounts; and

- (g) there being no material change in the 31 August 2021 management accounts specifically in any liabilities, profit and loss, the 31 August 2021 Adjusted Delteq NAV, and there being no loss of any key customers, key contracts and any other key business matter.

On or after the date of the Delteq SPA, the Company shall be responsible for the settlement and discharge of all intercompany balances owing by a Group Company to a Delteq Group Company, vice versa, without affecting the agreed profit and loss and balance sheet accounts.

If any of the Delteq Conditions Precedent are not fulfilled on or before 30 December 2021 (or such later date as may be agreed by the parties), and such non-fulfillment is not waived in accordance with the Delteq SPA, the Delteq SPA shall terminate and none of the parties to the Delteq SPA shall be liable to each other for any claims or liabilities under the Delteq SPA.

## **5. MATERIAL TERMS OF THE CAVU DISPOSAL**

A summary of the material terms and conditions of the Cavu Disposal as set out in the Cavu SPA is as follows.

### **5.1 Disposal of the Cavu Sale Shares**

In accordance with the Cavu SPA, the Company shall sell, and the Cavu Purchaser shall purchase, the Cavu Sale Shares on the terms and conditions of the Cavu SPA, free from all encumbrances and with the benefit of all rights attaching thereto, for an aggregate consideration of S\$50,000 (the “**Cavu Consideration**”).

At the completion of the sale and purchase of the Cavu Sale Shares in accordance with the Cavu SPA (“**Cavu Completion**”), the Cavu Purchaser shall deliver to the Company the payment of the Cavu Consideration to the Company or its authorised associates' bank accounts.

The Company undertakes to indemnify the Cavu Purchaser, and any of its affiliates, officers, directors, employees or agents (the “**Cavu Purchaser Indemnified Parties**”) for any losses, liabilities, damages or expenses incurred by the Cavu Purchaser Indemnified Parties arising from (a) any breach of any representation or warranty of the Company contained in the Cavu SPA; (b) any breach of any covenant of the Company contained in the Cavu SPA requiring performance subsequent to the Cavu Completion; or (c) any liabilities of any Cavu Group Company which accrue prior to the Cavu Completion, but are not disclosed in the Management Accounts or the FY2020 Financial Statements, subject to a maximum cap of S\$75,000 in accordance with the terms of the Cavu SPA.

### **5.2 Cavu Consideration**

The Cavu Consideration is S\$ 50,000 based on the net asset value NAV values of the Cavu Group adjusted for the settlement and discharge of intercompany loans and liabilities. The NAV of the Cavu Group as of 31 August 2021, after adjusting for intercompany balances is negative S\$ 58,630 (“**31 August Adjusted Cavu NAV**”).

The Cavu Consideration amount was arrived at after arms' length negotiations and on a willing-buyer willing-seller basis, after taking into consideration the 31 August 2021 Adjusted Cavu NAV, the valuation of Cavu Group pursuant to the Company's internal valuation of the net asset values of the Cavu Group and the rationale for and benefits to the Group arising from the Proposed Disposals as further described in Section 3 of this Announcement. Cavu disposal gain is S\$ 108,630 over the NAV as of 31 August 2021.

### 5.3 Cavu Conditions Precedent

The Cavu Completion shall take place on or before the date falling 60 days from the date of the Cavu SPA (or at such later date and time as may be agreed by the parties to the Cavu SPA), and shall be conditional on the following events (collectively, the “**Cavu Conditions Precedent**”) (unless otherwise waived in accordance with the Cavu SPA, where applicable

- (a) the Cavu Purchaser having completed due diligence into the Cavu Group;
- (b) the entry by the Cavu Purchaser and the Company into a service agreement within 60 days from the date of the Cavu SPA for each of Cavu, Centia Singapore and Delteq Malaysia, in accordance with the terms of the Cavu SPA;
- (c) all necessary regulatory approvals in Singapore having been obtained by the Company for the transactions contemplated under the Cavu SPA and such approvals remaining valid, and if such approvals are subject to any conditions, subject to such conditions being reasonably satisfactory to the Buyer and Seller to whom such approval relates and if such conditions are required to be fulfilled before the Cavu Completion, the fulfillment of such conditions before the Cavu Completion;
- (d) all related necessary approvals and consents from all relevant governmental, regulatory or other authorities and third parties for the Cavu Disposal having been obtained by the Cavu Group Company(ies) on terms and conditions acceptable to the Cavu Purchaser and continuing to be in force; and
- (e) completion of the relevant internal restructuring to eliminate all liabilities of the Cavu Group, other than those disclosed in the Management Accounts; and
- (f) there being no material change in any liabilities, profit and loss, or the 31 August Adjusted Cavu NAV, and there being no loss of any key customers, key contracts and any other key business matter, and there being no change to the 31 August Adjusted Cavu NAV.

On or after the date of the Cavu SPA, the Company shall be responsible for the settlement and discharge of all intercompany balances owing by a Group Company to a Cavu Group Company, vice versa, without affecting the agreed profit and loss and balance sheet accounts.

If any of the Cavu Conditions Precedent are not fulfilled on or before 30 December 2021 (or such later date as may be agreed by the parties), and such non-fulfilment is not waived in accordance with the Cavu SPA, the Cavu SPA shall terminate and none of the parties to the Cavu SPA shall be liable to each other for any claims or liabilities under the Cavu SPA.

### 6. USE OF PROCEEDS

The estimated total gross cash available from the Proposed Disposals will be S\$700,000, excluding expenses to be incurred in connection with the Proposed Disposals (which includes legal, professional and administrative fees and expenses) (“**Net Proceeds**”).

The Group intends to utilize the Net Proceeds for its working capital requirements.

### 7. FINANCIAL EFFECTS OF THE PROPOSED DISPOSALS

The Purchasers and Company are of the view that the Adjusted Figures (as defined below) which are post settlement of all intercompany loans and liabilities as of 31 August 2021, have no material bearing on the Group’s overall consolidated results and are expected to better

reflect the saleable NAV and real value of the entities and provide a more accurate representation of the Proposed Disposals.

The Purchasers have requested that the Proposed Disposals take place post elimination of intercompany balances and loans so as to get a clean company free from all outstanding intercompany debts and loans.

Accordingly, restructuring and intercompany balance adjustments will be undertaken by the Group in respect of the Proposed Disposals as a Delteq Condition Precedent and a Cavu Condition Precedent pursuant to the request of the Purchasers.

## 7.1 Financial Effects of the Proposed Disposals

Based on the unaudited consolidated financial statements of the Group for the financial period ended 31 August 2021, as adjusted for the settlement and discharge of any intercompany balances and loans owing by a Group Company to a Delteq Group Company as at 31 August 2021, vice versa, the NTA of Delteq as at 31 August 2021 is S\$440,134 (the “**Adjusted Delteq Figures**”) while the NTA of Cavu as at 31 August 2021 is negative S\$58,630 (the “**Adjusted Cavu Figures**”) (the Adjusted Delteq Figures and Adjusted Cavu Figures are collectively referred to as “**Adjusted Figures**”).

Based on the Delteq Consideration, the Group would expect to realise an attributable net disposal gain of S\$209,866 over the NTA of Delteq as at 31 August 2021 for the Delteq Disposal while based on Cavu Consideration, the Group would expect to realise an attributable net disposal gain of S\$108,630 over the NTA of Cavu as at 31 August 2021 for the Cavu Disposal.

The *pro forma* financial effects of the Proposed Disposal as set out below are purely for illustrative purposes only and should not be taken as an indication of the actual financial performance or position of the Company and the Group following the completion of the Proposed Disposals. The *pro forma* financial effects have been prepared based on the Adjusted Figures, subject to the following assumptions:

- (a) the financial effects of the Proposed Disposals on the NTA per share of the Company are computed assuming that the combined Proposed Disposals had been completed on 31 August 2021; and
- (b) the financial effects of the combined Proposed Disposals on the earnings per share (“EPS”) of the Company are computed assuming that the Proposed Disposals had been completed on 31 August 2021.

## 7.2 Effects on NTA per share

	Before the Proposed Disposals	After the Proposed Disposals <sup>(2)</sup>
NTA <sup>(1)</sup> (S\$'000)	34,360	34,678
Number of issued ordinary shares, excluding treasury shares	13,519,813	13,519,813
NTA <sup>(1)</sup> per share, excluding treasury shares (S\$ cents)	2.54	2.56

Note:

- (1) NTA has been calculated based on the elimination of intercompany balances as on 31 August 2021.

- (2) NTA calculation includes the Delteq Consideration and the Cavu Consideration, and excluding the adjusted NTA of Delteq Group and the Cavu Group.

### 7.3 Effects on EPS

	Before the Proposed Disposals	After the Proposed Disposals
Net Profit/(Loss) <sup>(1)</sup> attributable to shareholders (S\$'000)	(3,802)	(2,876)
Weighted average no. of ordinary shares, excluding treasury shares <sup>(2)</sup>	12,656,040	12,656,040
Earnings/ (Loss) per share <sup>(3)</sup> , excluding treasury shares (S\$ cents)	(0.30)	(0.23)

Note:

- (1) Net profits means profit or loss including discontinued operations that have not been disposed and before non-controlling interest and includes both disposals and after elimination of intercompany balances as on 31 August 2021
- (2) Weighted average no. of ordinary shares includes shares issued in March and July 2021, pursuant to the Company's performance share plan.
- (3) Loss per share has been calculated based on the elimination of intercompany balances as on 31 August 2021.

## 8. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES

The relative figures in relation to the Proposed Disposals computed on the applicable bases set out in Rule 1006 of the Catalist Rules are set out below. The Company is announcing both the HY2021 Figures (as defined below) and the Adjusted Figures, based on which the Proposed Disposals took place, for transparency to the shareholders of the Company.

### 8.1 Proposed Disposals

Based on the unaudited consolidated financial statements of the Group for the financial period ended 30 June 2021 (the "**HY2021 Figures**"), after adjusting for the settlement and discharge of any intercompany balances and loans owing by a Group Company to Delteq Group Company as at 31 August 2021, vice versa, the relative figures in relation to the Proposed Disposals computed on the applicable bases set out in Rule 1006 of the Catalist Rules are as follows:

#### 8.1.1 Relative Figures Based on the HY2021 Figures (inclusive of Delteq Group and Cavu Group) (30 June 2021)

Rule	Bases of computation	Relative figures%
Rule 1006(a)	Net asset value (" <b>NAV</b> ") <sup>(1)</sup> of the assets to be disposed of S\$339,690 compared with the Group's NAV of S\$35,396,074.	0.96



Rule 1006(b)	Net loss <sup>(2)</sup> attributable to the Delteq Sale Shares and Cavu Sale Shares to be disposed of is S\$648,889, compared with the Group's net loss of S\$2,348,753.	27.63
Rule 1006(c)	Aggregate value of the consideration received of S\$700,000 <sup>(3)</sup> , compared with the Company's market capitalisation <sup>(3)</sup> of approximately S\$16,223,716.	4.31
Rule 1006(d)	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 as the transaction is not an acquisition.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as this transaction is not a disposal of mineral, oil and gas assets.

Note: The Adjusted NAV for Cavu Corp Pte & Delteq Group as on 30 June 2021 is negative S\$70,546 and S\$410,236 respectively after elimination of Interco balances.

Notes:

- (1) Under Rule 1002(3)(a) of the Catalist Rules, "net assets" means total assets less total liabilities.
- (2) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non controlling interests.
- (3) Under Rule 1002(5) of the Catalist Rules, "market capitalisation" of the Company is determined by multiplying the 13,519,763 shares in issue by the weighted average price of such shares transacted on 11 October 2021, being the market day immediately preceding the date of the Delteq and Cavu SPA, of S\$1.20 per share.

#### 8.1.2 Relative Figures Based on the Adjusted Figures (inclusive of Delteq Group and Cavu Group) (31 August 2021):

Rule	Bases of computation	Relative figures%
Rule 1006(a)	NAV <sup>(1)</sup> of the assets to be disposed of S\$403,726 compared with the Group's NAV of 35,814,131.	1.13
Rule 1006(b)	Net loss <sup>(2)</sup> attributable to the Delteq Sale Shares and Cavu Sale Shares to be disposed of is S\$630,493, compared with the Group's net loss of S\$3,802,808.	16.58
Rule 1006(c)	Aggregate value of the consideration received of S\$700,000 <sup>(3)</sup> , compared with the Company's market capitalisation <sup>(3)</sup> of approximately S\$16,223,716.	4.31

Rule 1006(d)	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 as the transaction is not an acquisition.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as this transaction is not a disposal of mineral, oil and gas assets.

Note: The Adjusted NAV for Cavu Corp Pte & Delteq Group as on 31 Aug 2021 is negative S\$58,630 and S\$462,356 respectively after elimination of Interco balances.

Notes:

- (1) Under Rule 1002(3)(a) of the Catalist Rules, "net assets" means total assets less total liabilities.
- (2) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non controlling interests.
- (3) Under Rule 1002(5) of the Catalist Rules, "market capitalisation" of the Company is determined by multiplying the 13,519,763 shares in issue by the weighted average price of such shares transacted on 11 October 2021, being the market day immediately preceding the date of the Delteq and Cavu SPA, of S\$1.20 per share.

As the relative figures computed under Rule 1006(b) of the Catalist Rules exceeds 5% but does not exceed 50%, the Proposed Disposals is classified as a "disclosable transaction" under Rule 1010 of the Catalist Rules.

## 9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this Announcement, none of the Directors or the controlling shareholders of the Company has any direct or indirect interest in the Proposed Disposals, other than through their respective shareholding interests in the Company (if any).

## 10. DIRECTORS' SERVICE CONTRACTS

No person is currently proposed to be appointed as a director of the Company in connection with the Proposed Disposals. Accordingly, no service contract is currently proposed to be entered into between the Company and any such person.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Disposals and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly

extracted from those sources and/or reproduced in this Announcement in its proper form and context.

## **12. DOCUMENTS FOR INSPECTION**

A copy of the Delteq SPA and the Cavu SPA are available for inspection during normal business hours at the Company's registered office at 152 Ubi Avenue 4, Singapore 408826, for a period of three (3) months from the date of this Announcement.

## **13. CAUTION IN TRADING**

**Shareholders and potential investors should note that the Proposed Disposals are subject to the fulfilment of the respective Conditions Precedent set out above and accordingly are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this Announcement that the Proposed Disposals will be completed. Shareholders are advised to read this Announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

The Company will make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Proposed Disposals and other matters contemplated in this announcement.

## **BY ORDER OF THE BOARD**

Tushar s/o Pritamlal Doshi  
Independent Non-Executive Director  
Digilife Technologies Limited

12 October 2021

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

*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 details of the contact person for the Sponsor is:*

*Name: Mr. Leong Weng Tuck (Registered Professional, RHT Capital Pte. Ltd.)*

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