

DLF HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201726076W)

**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT AND
THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER
2019**

The Board of Directors (the “**Board**”) of DLF Holdings Limited (the “**Company**”) and together with its subsidiaries (collectively the “**Group**”) refers to the announcement released by the Company on 29 February 2020 in relation to its unaudited financial result for the financial year ended 31 December 2019 (“**FY2019**”) (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, the Board would like to announce that subsequent to the release of the Unaudited Financial Statements, certain adjustments and reclassifications were made to the Unaudited Financial Statements following the finalisation of the audit by the Company’s external auditor.

The material variance between the Unaudited Financial Statements and the published audited financial statements for FY2019 (the “**Published Financial Statements**”) arose mainly due to the reclassification of certain balance sheet and expense items and the variance from accounts payables which are written off in the Published Financial Statements.

The details of the material adjustments and differences are set out below:

**EXTRACT OF CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

	31-Dec-2019 (Audited)	31-Dec-2019 (Unaudited)	Variance		Note
	S\$	S\$	S\$	%	
Revenue	1,004,558	998,737	5,821	0.6	A
Cost of Sales	(613,035)	(594,661)	18,374	3.1	B
Other operating income	55,467	12,352	43,115	349.1	C
Administrative expenses	(2,267,384)	(2,159,964)	107,420	5.0	D
Other operating expenses	(1,908,615)	(2,026,205)	(117,590)	(5.8)	E
Loss before taxation	(3,833,808)	(3,874,539)	(40,731)	(1.1)	F
Loss for the year	(3,678,236)	(3,718,967)	(40,731)	(1.1)	F
Loss attribute to equity holders of the Company	(3,583,218)	(3,623,949)	(40,731)	(1.1)	F

Explanation of variances:

- A. Revenue of S\$5,821 which was wrongly eliminated as inter-company’s transaction, was restated by the auditor.
- B. (i) Cost of S\$5,821 which was wrongly eliminated as inter-company’s transaction, was restated by the auditor.
(ii) Reclassification of staff salaries of S\$12,553 from administrative expenses to direct labour costs.
- C. (i) Reversal of overprovision of doubtful debts amounting to S\$5,317.

(ii) Accounts Payables of S\$35,415 which was brought forward from previous financial years, was written off in this financial year.
 (iii) Reclassification from other operating expenses of S\$2,383 to other operating income.

- D. (i) As per mentioned in B(ii).
 (ii) Reclassification from other operating expenses of S\$119,973 to administrative expenses.
- E. (i) As per mentioned in D(ii).
 (ii) As per mentioned in C(iii).
- F. (i) As per mentioned in C(i).
 (ii) As per mentioned in C(ii).
 (iii) Casting error of S\$1.

EXTRACT OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP AS AT 31 DECEMBER 2019

	31-Dec-2019 (Audited) S\$	31-Dec-2019 (Unaudited) S\$	Variance S\$	%	Note
Current assets					
Trade and other receivables	918,647	913,328	5,319	0.6	G
Equity					
Accumulated losses	(9,817,924)	(9,858,657)	(40,733)	(0.4)	H
Non-current liabilities					
Lease liabilities	102,608	108,161	(5,553)	(5.1)	I
Current liabilities					
Trade and other payables	2,713,628	2,949,043	(235,415)	(8.0)	J
Loan from shareholder	200,000	-	200,000	N/M	K
Lease liabilities	88,228	82,675	5,553	6.7	I

N/M denotes for not meaningful

Explanation of variances:

- G. (i) As per mentioned in C(i).
 (ii) Casting error of S\$2.
- H. (i) As per mentioned in C(i).
 (ii) As per mentioned in C(ii).
 (iii) Casting error of S\$1.
- I. Reclassification of lease liabilities amounting to S\$5,553 from non-current liabilities to current liabilities.
- J. (i) As per mentioned in C(ii).
 (ii) Reclassification of loan amounting to S\$200,000 from other payables to loan from shareholders.
- K. As per mentioned in J(ii).

There also have been material variance between the Unaudited Financial Statements and the Published Financial Statements on the financial year ended 2018 restated figures due to the reclassification of certain balance sheet and expense items. The details of the material adjustments and differences are set out below:

EXTRACT OF CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (RESTATED)

	31-Dec-2018 (Audited) S\$	31-Dec-2018 (Unaudited) S\$	Variance		Note
			S\$	%	
Cost of Sales	(14,599,388)	(14,595,677)	(3,711)	*	L
Administrative expenses	(4,235,992)	(3,878,858)	(357,134)	9.2	M
Other operating expenses	(2,367,751)	(2,728,597)	360,846	(13.2)	L,M

Note:

* less than 0.1%

Explanation of variances:

- L. An amount of \$3,711 has been reclassified from other operating expenses to cost of sales.
- M. An amount of \$357,134 has been reclassified from other operating expenses to administrative expenses.

EXTRACT OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP AS AT 31 DECEMBER 2018 (RESTATED)

	31-Dec-2018 (Audited) S\$	31-Dec-2018 (Unaudited) S\$	Variance		Note
			S\$	%	
Current assets					
Trade and other receivables	2,652,989	2,236,608	416,381	18.6	N,O
Equity					
Accumulated losses	(6,234,706)	(6,234,707)	1	*	N
Current liabilities					
Current tax liabilities	1,155,305	738,925	416,380	56.3	O

Note:

* less than 0.1%

Explanation of variances:

- N. Casting error of S\$1.
- O. An amount of \$416,380 has been reclassified from current tax liabilities to “prepaid income tax” within other receivables.

BY ORDER OF THE BOARD

Fan Chee Seng
Executive Chairman
15 April 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).