Muddy Insights — Delixy Holdings Ltd. Forensic Short Report — July 21, 2026

The IPO Funded An Exit, Not An Expansion. Dividends Out 4x What The Public Put In.

Muddy Insights

July 21, 2026

Report	Forensic Short — Research Case Study
Publication date	July 21, 2026
Issuer	Delixy Holdings Limited
Ticker	NASDAQ: DLXY
Domicile	Cayman Islands (operations: Singapore; PRC-linked trade flows)
Reference price	~US$0.45 (July 20, 2026 close)
52-week range	US$0.34 – US$7.00
IPO	July 9, 2025 at US$4.00 (Bancroft Capital, sole underwriter)
Estimated market cap	~US$7.4M (16,350,000 shares)
Industry (per filings)	Crude oil & oil-products trading (SIC 5172)
Rating	**NOT RATED — retrospective case study; see Section 13**
Nasdaq status	Bid-price deficiency (Rule 5550(a)(2)); cure deadline October 20, 2026

> **IMPORTANT DISCLAIMER — READ FIRST.** This document is a private research exercise prepared for educational and pattern-study purposes, applying a forensic due-diligence checklist to public records. It is **not** investment advice, not a solicitation, and not published research. Every factual statement herein is drawn from public filings (SEC EDGAR), company press releases, or third-party market-data services, each cited in Appendix A. Interpretations are expressly framed as opinion ("in our view," "appears consistent with"). **Nothing in this report alleges fraud or unlawful conduct by Delixy Holdings Limited, its officers, or its shareholders.** Every transaction described was disclosed by the com-

> pany itself in its own SEC filings; the analysis concerns the *economic pattern* those disclosures form, not any concealed conduct. Where searches found nothing, the absence is stated rather than filled by inference.

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1. Executive Summary

Delixy Holdings Limited is a Cayman Islands holding company for a Singapore oil-products trading business (Delixy Energy Pte. Ltd., incorporated 2007) that listed on the Nasdaq Capital Market on 9 July 2025 at US$4.00 per share, briefly traded as high as US$7.00, and has since collapsed ~89% below its IPO price to US$0.45, receiving a Nasdaq minimum-bid-price deficiency notice on 23 April 2026.

In our view, the public record is consistent with an offering whose economics primarily served pre-IPO insiders rather than public investors:

1. **More cash flowed out to insiders before and during the IPO than the company raised from the public.** Public filings show ~US$12.7M of dividends declared to pre-IPO owners in FY2023–FY2024 (against ~US$1.0–1.2M of annual net income), US$2.667M of dividend cash paid out in the six months immediately preceding the IPO, and US$2.6M of IPO proceeds going to two insider vehicles as selling shareholders — versus **net primary proceeds to the company of only ~US$3.1M**.
2. **36.66% of the company was transferred by the CEO to five BVI vehicles ~3 months before the F-1 was filed**, and those shares were registered for resale concurrently with the IPO and expressly carved out of the lock-up — arming, from day one, a supply pool ~4× the size of the primary offering.
3. **The financial statements show a razor-thin trading book with concentration patterns we consider forensically significant**: gross margin of 0.8–1.4%; at FY2024 year-end a single "Customer I" accounted for ~100% of accounts receivable while a single "Supplier I" accounted for ~100% of accounts payable in near-identical amounts (US$17.5M vs US$17.1M); at FY2025 year-end the same mirror pattern repeated with a new pair ("Customer L" US$20.4M receivable / "Supplier L" US$20.2M payable). The company's own notes assert "no significant concentrations of risk related to major customers" directly beneath these tables.
4. **Post-IPO governance moved in one direction — entrenchment**: the CFO resigned six months after listing (31 Dec 2025); an EGM in February 2026 converted all of the CEO's shares into Class B stock carrying **50 votes per share** (≈98.5% of voting power on ~56% of the economics), adopted an equity incentive

plan, and **pre-authorized a reverse split of up to 1:500** at the board's sole discretion — two months before the Nasdaq deficiency letter arrived.

5. **The company's FY2025 results confirm the deterioration**: revenue US$307.7M (−2.3%), net loss US$4.46M, operating cash flow −US$5.2M, year-end cash of US$1.79M, and a going-concern discussion in the annual report — for an entity whose market capitalization (US$7.4M) is now **less than the dividends its insiders extracted pre-IPO**.

We did **not** find: any litigation, regulatory enforcement, auditor turnover, late filings, or direct evidence of coordinated stock promotion. Those absences are stated in the relevant sections and materially temper the thesis. This is a pattern case, not a smoking-gun case — consistent with the methodology principle that the most effective forensic theses rest on repeated inconsistencies and connected relationships rather than a single dispositive fact.

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2. The Thesis

In our view, DLXY at IPO represented a ~US$65M valuation (16.35M shares × US$4.00) placed on a business with:

- ~US$1.35M of total shareholders' equity at 31 Dec 2024 (post-dividend-extraction) — a price-to-book of ~48×;
- ~US$1.0M of net income (FY2024) — a P/E of ~64× for a commodity pass-through trader;
- a 1.4% gross margin, five traders, and one strata office unit in Singapore.

The subsequent 89% collapse has largely closed that gap. What remains forward-looking is the structural setup: a sub-US$1.00 stock with a 20 October 2026 compliance deadline, a pre-authorized reverse split of up to 1:500, US$1.8M of cash against a negative operating cash flow run-rate, 450M authorized Class A shares, a 50:1 dual-class structure that makes dilution costless to the controlling shareholder, and an FPI disclosure regime that requires no further financial disclosure until April 2027.

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3. Corporate Structure & Background

Structure (per FY2025 Form 20-F and F-1):

Tier	Entity	Jurisdiction	Incorporated
Listco	Delixy Holdings Limited	Cayman Islands (exempted)	16 May 2024
Intermediate	Delixy International Limited	BVI	17 June 2024
Operating	Delixy Energy Pte. Ltd. (UEN 200716628Z)	Singapore	10 September 2007

- The offshore structure was assembled **months before the IPO registration**: Cayman holdco May 2024, BVI intermediate June 2024, group reorganization completed 6 November 2024, and a 1:200 forward stock split with cancellation of 99.5 billion unissued shares on 29 November 2024 "in anticipation of the initial public offering."
- The business itself is a genuine, 18-year-old Singapore oil trader — this is **not** a shell in the classic sense. Revenue is real in scale (~US$300M/yr) but pass-through in nature (SIC 5172, wholesale petroleum).
- Status stack: **Foreign Private Issuer** (no 10-Qs, no proxy rules, 20-F due 4 months after year-end), **Emerging Growth Company**, and **Nasdaq "controlled company"** (Rule 5615(c)) — the maximum-opacity, minimum-governance configuration available to a US-listed issuer.
- Registered/business address: 883 North Bridge Road #04-01 Southbank, Singapore 198785 — a single unit in a mixed-use strata development. The company disclosed a team of **5 traders** responsible for sales and marketing, led by the CEO.
- Red flags per checklist §1: complex offshore structure (Cayman/BVI/SG, all shareholder vehicles BVI) — present. Frequent rebranding, prior tickers, reverse-merger history — **not found**; EDGAR shows no former names.

Key people:

- **Xie Dongjian** — Executive Chairman, CEO, Executive Director; controls the company via **Mega Origin Holdings Limited** (BVI, 100% owned by him). 56.1% economic post-IPO; ~98.5% voting post-February 2026.
- **Tran Tieu Cam** — 100% owner of **Novel Majestic Limited** (BVI), 18.62% pre-IPO holder and IPO selling shareholder. Public records indicate she received this stake for having "provided services to the Company since 2018 by introducing leads and contacts," which the prospectus says contributed on average ~US$400,000/year of gross profit. In our view an equity grant of this size (≈US$11.2M at the IPO price) for a referral relationship of that stated magnitude raises questions the filings do not answer.

- **Yao Yuan** — COO since 2009, appointed director 31 Dec 2025; prior roles at Dezhou Huatai Petroleum Co., Ltd. and Beijing Yalian Jiye Petro-Chemical Co., Ltd. (PRC).
- **Tianshu Chu** — CFO and director through 31 December 2025 (resigned; see §8).
- **Yen Chong Yin Lai** — CFO from 31 December 2025; most recently CFO of SBS Logistics Singapore (logistics, not commodities), a role she left in May 2025.

We found no prior bankruptcies, SEC matters, or failed listings associated with management — and equally, little public footprint of any kind (checklist §10 searches returned essentially nothing beyond the company's own filings).

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4. The IPO: Small Raise, Large Insider Participation

Offering mechanics (424B4, 9 July 2025; closing press release 10 July 2025):

Item	Amount
Total offering	2,000,000 shares @ US$4.00 = US$8.0M gross
— Primary (company)	1,350,000 shares = US$5.4M gross
— Selling shareholders	**650,000 shares = US$2.6M gross** (Mega Origin 325,000; Novel Majestic 325,000)
Net proceeds to company	**~US$3.125M** (per prospectus estimate)
Underwriter	Bancroft Capital, LLC (sole lead; firm commitment)
Underwriting discount	7.5% (underwriter-sourced) / 4.5% (company-sourced) + 1% non-accountable allowance

Observations, in our view all individually disclosed and collectively telling:

1. **32.5% of the IPO was insiders cashing out.** The CEO's vehicle and the largest outside vehicle each sold 325,000 shares into the offering itself.
2. **Offering costs consumed ~42% of the company's gross raise** (US$5.4M gross → ~US$3.1M net). The H1-2025 balance sheet showed US$2.49M of deferred offering costs — for context, roughly 1.3× the company's FY2024 net income.
3. **The registration was slow and heavily commented.** EDGAR shows: confidential DRS 5 June 2024 → public F-1 15 November 2024 → **seven F-1/A amendments → nine SEC comment-letter (UPLOAD) entries** (2 Jul, 14 Aug, 27 Sep, 27 Nov 2024; 6 Jan, 31 Jan, 6 Mar, 14 Mar, 25 Mar 2025). The registration first went effective **31 March 2025**, but the deal did not price; a POS AM (13 May

2025) and POS EX (3 July 2025) followed, with a second effectiveness on 8 July 2025 — public records indicate a **three-month gap between first effectiveness and pricing**, consistent with a deal that initially could not get done.

4. **Use of proceeds was generic** (product expansion / working capital), with management retaining broad discretion.

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5. Pre-IPO Value Extraction (Related-Party Flows)

This is, in our view, the heart of the case. All figures from the FY2025 Form 20-F and the H1-2025 interim statements — i.e., **the company's own disclosures**.

5.1 Dividends out before the public came in

Date declared	Amount	Recipient / settlement
31 May 2023	US$1,500,000	Distributed, settled by Dec 2023
31 Dec 2023	**US$9,737,000**	US$3,245,000 cash to Mega Origin; US$1,492,000 offset vs amount due from shareholder; **US$5,000,000 converted into a "loan from shareholder"**
28 May 2024	US$1,000,000	Paid to Mega Origin
28 Jun 2024	US$500,000	Paid to Mega Origin
Total declared FY2023–24	**US$12,737,000**	Against combined FY2023–24 net income of ~US$2.2M

- The December 2023 dividend was declared against total shareholders' equity of ~US$11.9M — i.e., substantially the entire book value of the business was declared out to the controlling shareholder's BVI vehicle on one day.
- **US$5.0M of that unpaid dividend was converted into an interest-bearing loan owed by the company to Mega Origin at 3.5% p.a.** — the controlling shareholder's dividend claim became a creditor claim, extended to 31 December 2026. Balance at 31 December 2025: US$4.0M.
- The H1-2025 cash-flow statement shows **US$2.667M of "Dividend paid" in January–June 2025 — the six months immediately preceding the IPO** — while group cash fell from US$5.609M to US$1.824M. (The FY2025 20-F states no dividends were "declared/paid" for FY2025; the interim statement's US$2.667M financing outflow appears to be cash settlement of previously declared dividends. In our view the two disclosures are reconcilable only on that reading, and the drafting is at minimum imprecise.)

- Post-extraction equity: **US$1.35M at 31 Dec 2024** supporting a ~US$300M-revenue trading book — then valued by the IPO at ~US$65M.

The arithmetic that summarizes the offering: insiders received ~US$12.7M in dividends (FY23–24) + US$2.6M selling at the IPO ≈ **US$15.3M out**, while the company received **~US$3.1M in**. The current market capitalization of the entire company (US$7.4M) is roughly half of what was extracted.

5.2 The August 2024 share transfers — the future supply pool

Per the 20-F's restructuring section: on **21 August 2024** (~3 months before the public F-1), Mr. Xie transferred **18.62% + 4.90% + 4.90% + 4.90% + 3.34% = 36.66%** of his shares to five BVI vehicles:

Vehicle	Beneficial owner (per prospectus)	Stake	Value @ IPO price
Novel Majestic Ltd	Tran Tieu Cam	18.62%	~US$11.2M
Cosmic Magnet Ltd	Tan Siok Sing ("Independent Third Party")	4.90%	~US$2.9M
Dragon Circle Ltd	Hong Shieh Jang, Marcus ("Independent Third Party")	4.90%	~US$2.9M
Rosywood Holdings Ltd	Wu Ke'Er Holly Elenna ("Independent Third Party")	4.90%	~US$2.9M
Golden Legend Ventures Ltd	Chor Chung Heong ("Independent Third Party")	3.34%	~US$2.0M

- These five are the prospectus-defined **"Resale Shareholders."** A **resale prospectus (424B3) was filed the same day as the IPO prospectus**, registering their shares for resale, and the underwriting lock-ups **expressly excepted** the Resale Shareholders' registered shares. The prospectus's own risk factors warn that these concurrent resale shares "could adversely affect the market price."
- The consideration Mr. Xie received for transferring 36.66% of the company to these vehicles is, except for the Novel Majestic referral-services narrative, **not stated** in the sections we reviewed. We report that absence.
- Scale: ~5.5M resale-eligible shares versus a 1.35M-share primary float. In our view this is the single most probable mechanical explanation for the price path (US$4 → US$7 → US$0.34): a thin primary float initially, with a registered, lock-up-exempt block ~4× its size positioned above the market. **We have no trading records showing which parties actually sold, and make no claim that any particular holder did** — Schedule 13D/G amendments showing position changes were not located.

5.3 Ongoing related-party channels (Wisecome Oil)

Wisecome Oil Pte. Ltd., also wholly-owned by Mr. Xie, appears throughout the related-party notes:

- Freight expenses paid to Wisecome: US$1,151k (FY2024), US$96k (FY2025)
- Property disposal: US$957k proceeds from Wisecome (FY2024)
- Office rental and maintenance charged by Wisecome: US$17k (FY2024), US$35k (FY2025)
- Non-trade interest-free loan (FY2023): US$175k
- Mega Origin also carried an "amount due from shareholder" — the company lending to its controlling shareholder's vehicle, unsecured, interest-free, on demand: US$152k (FY2024) → US$95k (FY2025) → US$49k at the report date.

Individually small; collectively they show, in our view, a group whose operating fabric (freight, office, property, funding) runs through the CEO's private entities in both directions.

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6. Financial Forensics

6.1 The P&L: scale without economics

US$'000	FY2022	FY2023	FY2024	FY2025
Revenue	319,800*	289,200	314,916	307,747
Gross profit	—	—	4,298 (1.4%)	2,544 (**0.8%**)
G&A	—	—	~3,594	~7,079 (+97%)
Net income	—	~1,152	~1,028	**(4,463)**
Operating cash flow	—	~+4,050	+612	**(5,245)**
Cash at year-end	—	—	3,343	**1,793**

*FY2022 revenue per prospectus customer-concentration disclosure.

- H1-2025 (published only on 30 December 2025 — six months after period-end): revenue US$102.0M (−29% YoY), net income +US$560k. Arithmetic implication: **H2-2025 revenue was ~US$205.7M (+20% YoY) while the company swung to a ~US$5.0M loss in that half** — the growth-with-losses period coincides exactly with the post-IPO window. G&A roughly doubled year-on-year, which the company attributes substantially to IPO-related costs.

- At a 0.8% gross margin, the FY2025 book generates ~US$2.5M of gross profit against ~US$7.1M of G&A. In our view the business as currently configured cannot cover its own public-company cost base.

6.2 Receivables: the canonical fingerprint

US$'000	FY2023	FY2024	FY2025
Accounts receivable, net	713	17,519	22,399
AR turnover days	—	10.6	23.7
Allowance for doubtful accounts	—	—	—

- AR grew **~24×** in FY2024 (revenue +9%) and a further 28% in FY2025 (revenue −2.3%). Turnover days more than doubled. The company holds **no collateral, charges no interest, and records no allowance** for these balances. The 20-F attributes the increase to "longer repayment time from customer to the company."
- The going-concern discussion cites, among its mitigants, "netting accounts payable against accounts receivable" to "minimize the cash needed to settle obligations" — language we find notable in an oil-trading context, where AR and AP netting across matched counterparties is precisely the mechanism that would make a back-to-back book self-financing (see §6.3).

6.3 The mirror pattern: Customer I / Supplier I, then Customer L / Supplier L

From the FY2025 20-F concentration tables:

Year-end	Receivable concentration	Payable concentration
FY2024	**Customer I: US$17,519k ≈ 100% of AR**	**Supplier I: US$17,067k ≈ 100% of AP**
FY2025	**Customer L: US$20,357k ≈ 91% of AR**	**Supplier L: US$20,214k ≈ 100% of AP**

- Customer I generated US$41.5M of FY2024 revenue and **US$82.0M of FY2025 revenue (~27% of total)**; Supplier I supplied US$40.4M of FY2024 purchases — near-identical in-and-out magnitudes.
- Two consecutive year-ends, two different letter-pairs, same geometry: essentially the entire receivables book owed by one customer, mirrored by the entire payables book owed to one supplier, in amounts within ~1–2% of each other. In our view this pattern **appears consistent with back-to-back pass-through trades with matched counterparties**, and it concentrates the company's entire balance-sheet risk in the creditworthiness — and identity — of one counterparty pair per year. The counterparties are anonymized in the filings; their identity, and

whether any relationship exists between each customer/supplier pair, is **unknown and unverifiable from public records** — we state that explicitly rather than infer it.

- Customer names churn completely across years (Customer B = 54% of FY2022 revenue; Customer A = 42% of FY2023; Customer I = 27% of FY2025) — which the company frames as "the dynamic nature of the business."
- **Disclosure inconsistency (checklist §2):** immediately below these tables, the financial-statement notes state: *"The Company does not have any significant concentrations of risk related to major customers"* and the same for suppliers — while the risk-factor section of the same document states top-three customer concentration of **58.3%** and calls the company "dependent on a small number of key customers." Both cannot be right; in our view the notes' assertion is difficult to reconcile with the tables printed directly above it.

6.4 PRC exposure

The 20-F carries a risk factor: *"We are reliant on customers and suppliers located within the PRC."* Combined with senior management's PRC petroleum-trading backgrounds (§3), public records indicate the economic center of gravity of the trading book is materially PRC-linked, while the listing structure (Cayman/BVI) and the anonymized counterparty disclosure place that exposure outside practical verification.

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7. Auditor & Filing Hygiene (thesis-tempering)

Reported in full because it cuts **against** the short archetype:

- Auditor: **Onestop Assurance PAC**, Singapore (PCAOB ID 6732). Small firm, not Big 4/mid-tier — but **no auditor turnover**: appointed for FY2023, FY2024, and FY2025. Audit fees US$175k/140k/150k.
- **The FY2025 20-F was filed on time** (30 April 2026, statutory deadline). The FY2024 20-F (filed 13 May 2025) was a transition/special report arising from the March 2025 effectiveness, not a late filing.
- No NT 20-F, no late filings, no restatement, no material-weakness withdrawal found on EDGAR.
- The FY2025 20-F contains a going-concern **discussion** (management concluding the company remains a going concern); we did not verify whether the audit opinion itself carries a going-concern emphasis paragraph, and do not claim it does.

In the TROO-style archetype, auditor churn is the top adverse signal; it is **absent here**. The forensic weight of this case rests on the flows (§5) and the book structure (§6), not on audit red flags.

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8. Post-IPO Governance Timeline

Date	Event	Source
9–10 Jul 2025	IPO priced/closed; US$3.1M net to company; US$2.6M to insider sellers	424B4, closing PR
5 Aug 2025	Schedule 13Ds filed: Mega Origin/Xie; Novel Majestic/Tran	EDGAR
30 Dec 2025	H1-2025 results published — **6 months after period-end**	6-K
31 Dec 2025	**CFO Tianshu Chu resigns** (as CFO *and* director), ~6 months post-IPO; new CFO from logistics sector; COO Yao Yuan added to board	6-K (5 Jan 2026)
21 Jan 2026	EGM notice; record date set	6-K
23 Feb 2026	**EGM passes:** (1) dual-class — all 9,176,000 Mega Origin shares → **Class B @ 50 votes/share**; public → Class A @ 1 vote; (2) 2026 Equity Incentive Plan; (3) **reverse split pre-authorization, 1:2 up to 1:500**, board's sole discretion, 180-day window	6-K (25 Feb 2026)
11 Mar 2026	Stock closes below US$1.00 — start of the 30-day deficiency clock	Nasdaq notice
16 Mar 2026	Six Form 3 initial ownership filings	EDGAR
23 Apr 2026	Nasdaq minimum-bid-price deficiency letter (Rule 5550(a)(2)); cure by **20 Oct 2026**	6-K (29 Apr 2026)
30 Apr 2026	FY2025 20-F filed: net loss US$4.46M; going-concern discussion	20-F

Points we consider material, stated as opinion:

- The EGM vote counts (~11.36M FOR on every proposal) approximate the combined Mega Origin + Novel Majestic holdings — public records indicate **the two insider vehicles alone carried every proposal**.
- **Sequencing:** the reverse-split authorization (up to 1:500 — an extreme upper bound; TROO-archetype companies typically seek 1:10 to 1:50) was obtained in *February*, with the stock breaching US$1.00 on 11 March and the Nasdaq letter

arriving 23 April. In our view the board anticipated the deficiency and pre-armed the cure before most shareholders would have understood the trajectory.

- **The 50:1 dual-class conversion eight months post-IPO** moved Mr. Xie from 56% voting to ~98.5% voting (458.8M of 465.9M votes). Combined with 450M authorized Class A and a fresh equity incentive plan, future dilution of Class A holders carries **no control cost** to the insider. IPO investors bought a one-share-one-vote company; within eight months they held 1-vote stock against 50-vote insider stock — a structure that, had it existed at IPO, would in our view have materially changed the offering's marketability.

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9. Litigation & Regulatory (absence reported)

Searches across the harness's litigation/regulatory angle returned:

- **No litigation** involving Delixy Holdings, Delixy Energy, Mega Origin, Novel Majestic, Wisecome Oil, or the named principals was located in the sources searched (Singapore court mentions, SEC enforcement, FINRA actions, news). We did not run paid registry extracts (ACRA full profile, Singapore case search behind login); a definitive litigation clearance would require those.
- **Nasdaq**: the only deficiency on record is the 23 April 2026 bid-price notice. No trading halts were found.
- **SEC**: nine comment letters during registration (normal in kind, high-side in count for a deal this small); no enforcement activity found.

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10. Business Reality Check

- **Premises:** one strata office unit (883 North Bridge Road #04-01 Southbank). Consistent with an asset-light trading intermediary; also consistent with minimal operational substance. Both readings are available; we note the office is leased from the CEO's private company Wisecome Oil.
- **Headcount:** the prospectus discloses a 5-trader commercial team led by the CEO. LinkedIn/job-posting footprint searches via the harness surfaced no meaningful employee presence. For a US$300M-revenue book this is lean but not implausible for back-to-back trading; it does mean the business is, in practical terms, **inseparable from Mr. Xie and a handful of individuals**.

- **Operating history:** Delixy Energy has existed since 2007 (Singapore UEN 200716628Z) — a genuine operating history, which distinguishes this case from pure shell archetypes.
- **Web/technical footprint:** delixy.com exists (corporate brochure site). No independent verification of the trading operation (terminal presence, association memberships, counterparty references) was located either way.

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11. Promotion & Trading Review (absence reported)

- The stock traded from US$4.00 to a 52-week high of **US$7.00** before collapsing to US$0.34. On ~24,000 shares/day of average volume, the float is thin enough that modest coordinated flow could produce both legs; but **we located no direct evidence of promotion targeting DLXY** — no named Telegram/WhatsApp/Discord campaigns, no stock-promoter coverage, no paid-newsletter trail in the sources searched.
- A 2025–26 investigative series (decripto.org) documents WhatsApp/Telegram "ramp-and-dump" schemes operating specifically through small Asian micro-cap Nasdaq IPOs underwritten by small firms. **Delixy is not named in that investigation**, and we draw no DLXY-specific conclusion from it; it is cited solely as documentation that the ecosystem this listing profile belongs to has been a recurring vehicle for such schemes.
- Short interest was not obtainable in this pass; given float and volume, we expect borrow to be scarce to nonexistent (see §13).

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12. Catalysts

Catalyst	Window	Mechanics
Reverse split	Before ~22 Aug 2026 (EGM authority expires 180 days from 23 Feb) or renewed authority; Nasdaq cure by 20 Oct 2026	Board pre-authorized up to 1:500. Micro-cap reverse splits are, in our experience of the archetype, routinely followed by renewed price decay and often precede capital raises.
Dilutive raise	Any time post-split	US$1.79M cash, negative OCF, US$4.0M shareholder loan maturing 31 Dec 2026; 450M Class A authorized; 50:1 Class B makes dilution control-free. An F-3 shelf becomes available after 12 months of reporting (July 2026 — i.e., now).
Receivables event	FY2026 audit cycle	US$20.4M owed by one anonymized counterparty vs US$7.4M market cap and no allowance. Any impairment is existential to book value.
Going-concern escalation	FY2026 20-F (Apr 2027)	FY2025 already carries a management going-concern discussion; a second loss year with sub-US$2M cash would, in our view, make an emphasis-of-matter paragraph difficult to avoid.
Shareholder-loan maturity	31 Dec 2026	Mega Origin's US$4.0M claim comes due; repayment would consume >2× the company's cash, while forgiveness/extension/equitization each carry their own signal.
Disclosure vacuum	Now → Apr 2027	As an FPI with no interim obligation, the company need not print another financial statement for ~9 months — the market will reprice on corporate actions, not results.

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13. Risks to the Thesis & Practicality (read before acting)

Stated with the same care as the thesis itself:

1. **The collapse has already happened.** At US$0.45 vs a US$4.00 IPO, ~89% of the short outcome is realized. This report documents the anatomy; it does not identify an attractive entry. Shorting a US$7.4M market cap here risks the classic micro-cap trap: reverse split → tiny float → engineered squeeze, against which the maximum further downside is 100% of a small number.
2. **Borrow is likely unavailable or punitive.** ~24k shares/day of volume and a ~2M-share genuine float make this, in practice, close to untradeable in size. Options do not exist. For most participants the actionable output of this report is

avoidance (of the equity, of any future post-split promotion cycle, and of any dilutive re-offering), not a short position.

3. **The bull/benign reading exists.** A real 18-year-old trading business; auditor stable across three years; filings on time; the FY2025 loss substantially attributable to one-time IPO costs (management's stated position); revenue re-accelerated in H2-2025; oil trading is legitimately a sub-1% gross margin, concentration-prone business; back-to-back matched trades are a *normal* structure in physical commodity intermediation, not inherently suspect; and pre-IPO dividends from a private family business are lawful and disclosed. Nothing in the record shows undisclosed conduct.
4. **Squeeze mechanics.** Post-reverse-split share counts in the low millions with 98.5% insider voting control can produce violent upward dislocations unrelated to value.
5. **Information risk.** All counterparty-level inferences (§6.3) rest on anonymized disclosure; the identities could be unrelated blue-chip majors, which would materially weaken the receivables-quality concern.

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14. Conclusion

Applying the vault's forensic checklist to Delixy Holdings produces a clean instance of the **small-float Asia-based Nasdaq IPO extraction archetype** — not through any single smoking gun, but through the checklist's signature accumulation:

- capital flowing predominantly *out* to insiders across the IPO event (~US$15.3M out vs ~US$3.1M in);
- a lock-up-exempt, concurrently-registered insider supply pool ~4× the primary float, assembled by personal share transfers three months before filing;
- a trading book whose entire balance-sheet exposure sits with one anonymized counterparty pair per year, in mirror-image amounts, beneath a notes-level assertion that no concentration risk exists;
- post-IPO governance that consolidated 98.5% voting control, pre-armed a 1:500 reverse split before the deficiency letter, and swapped the CFO within six months;
- and a disclosure regime (FPI, controlled company, EGC) that minimizes every ongoing transparency obligation.

Set against that: no litigation, no auditor churn, no late filings, no promotion evidence, and a genuinely old operating business. In our view the record supports the conclusion that **public investors funded an exit, not an expansion** — as a pattern judgment about disclosed economics, not an allegation of unlawful conduct. As a trade, it is late;

as a case study in reading an F-1's plumbing *before* the collapse — the resale prospectus filed the same day as the IPO, the dividend/net-proceeds arithmetic, the 42% cost load on a US$5.4M raise — it is close to definitive.

The checklist item that would have caught this pre-IPO, in one line: compare pre-IPO dividends to intended net proceeds (§5.1: US$12.7M out vs US$3.1M in) — when the owners take out 4× what the public puts in, the offering's purpose is, in our view, self-describing.

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15. Disclaimer

This report was prepared solely for private research and educational purposes as an exercise in applying a forensic due-diligence methodology to public records. The author holds no position in DLXY and has no intention of initiating one. This document has not been published or distributed and is not intended for publication or distribution. It is not investment advice, an offer, or a solicitation. All statements of fact are sourced from the public documents cited in Appendix A and were accurate to the best of the author's ability as of 21 July 2026; errors, if identified, should be corrected against the primary filings. All interpretive statements are opinions held in good faith on the basis of disclosed public records. No statement herein should be read as an allegation of fraud, market manipulation, or other unlawful conduct by any person or entity. Readers must conduct their own diligence and consult licensed advisers before making any investment decision.

Appendix A — Sources

Primary (SEC EDGAR, CIK 0002025218):

1. Filing index / submissions API — https://data.sec.gov/submissions/CIK0002025218.json
2. Form F-1 (15 Nov 2024, File 333-283248) and seven F-1/A amendments; nine UPLOAD comment letters — https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0002025218
3. 424B4 IPO prospectus (9 Jul 2025) — https://www.sec.gov/Archives/edgar/data/2025218/000121390025062254/ea0207238-23.htm
4. 424B3 concurrent resale prospectus (9 Jul 2025) — accession 0001213900-25-062253

5. Form 20-F FY2025 (30 Apr 2026) — https://www.sec.gov/Archives/edgar/data/2025218/000121390026050402/ea0287803-20f_delixy.htm
6. Form 20-F FY2024 special report (13 May 2025) — accession 0001213900-25-042674
7. 6-K H1-2025 interim results (30 Dec 2025) — https://www.sec.gov/Archives/edgar/data/2025218/000121390025126286/ea027099601ex99-1_delixy.htm
8. 6-K CFO change (5 Jan 2026) — accession 0001213900-26-001186
9. 6-K EGM notice (21 Jan 2026) — accession 0001213900-26-006283
10. 6-K EGM results + Second A&R M&A (Class B 50 votes) (25 Feb 2026) — accession 0001213900-26-020112
11. 6-K Nasdaq deficiency (29 Apr 2026) — accession 0001213900-26-049380
12. Schedule 13Ds — Mega Origin/Xie Dongjian; Novel Majestic/Tran Tieu Cam (5 Aug 2025) — accessions 0001213900-25-071813 / -071815

Press releases / market data: 13. IPO closing PR (10 Jul 2025) — https://www.globenewswire.com/news-release/2025/07/10/3113499/0/en/Delixy-Holdings-Limited-Announces-Closing-of-Initial-Public-Offering.html 14. Nasdaq deficiency PR (29 Apr 2026) — https://www.globenewswire.com/news-release/2026/04/29/3284299/0/en/ 15. Price/valuation data — https://stockanalysis.com/stocks/dlxy/ (retrieved 21 Jul 2026) 16. Singapore registry record, Delixy Energy Pte. Ltd. (UEN 200716628Z) — https://www.sgpbusiness.com/company/Delixy-Energy-Pte-Ltd

Context only (not DLXY-specific): 17. Decripto.org investigation into WhatsApp/Telegram ramp-and-dump schemes via Asian micro-cap Nasdaq IPOs (Delixy not named) — https://decripto.org/en/nasdaq-listed-scam-companies-pump-dump-scam-schemes-behind-listed-asian-micro-caps-how-investors-are-defrauded-on-whatsapp-and-telegram-exclusive-investigation/

Methodology: vault `forensic-short-report-checklist + forensic-short-research` (Al OS, filed 2026-07-21). Research executed via multi-agent web sweep (5 angles, 19 sources, 95 extracted claims, 8 adversarially verified 3-0/2-0, 2 refuted and discarded) plus direct verification of all load-bearing figures against primary EDGAR documents.