



DATAPULSE
TECHNOLOGY

Datapulse Technology Limited

(Company Registration No. 198002677D)

Condensed Interim Financial Statements
For The Six Months Ended 31 January 2023

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

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Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

<u>Consolidated Statement of Profit or Loss</u>	Note	Group		Change %
		6 Months Ended		
		31.1.2023 \$'000 (Unaudited)	31.1.2022 \$'000 (Unaudited)	
Revenue	3	1,655	744	122.4
Other income	4	143	114	25.4
		1,798	858	109.6
Fair value loss on short-term investments		-	(68)	N.M.
Loss on disposal of investments		(39)	-	N.M.
Staff costs		(737)	(747)	(1.3)
Depreciation		(473)	(545)	(13.2)
Finance costs	5	(27)	(455)	(94.1)
Hotel operating expenses ⁽¹⁾		(778)	(397)	96.0
Other operating expenses ⁽¹⁾		(437)	(815)	(46.4)
Loss before taxation	6	(693)	(2,169)	(68.0)
Taxation	7	-	(3)	N.M.
Loss for the period attributable to owners of the Company		(693)	(2,172)	(68.1)
Loss per share attributable to owners of the Company				
Basic loss per share (cents) ⁽²⁾		(0.32)	(0.99)	
Diluted loss per share (cents) ⁽³⁾		(0.21)	(0.99)	
Consolidated Statement of Comprehensive Income				
Loss for the period		(693)	(2,172)	(68.1)
Other comprehensive loss:				
<i>Items that will be reclassified to profit or loss</i>				
Foreign currency translation differences relating to foreign subsidiaries		192	(1,344)	(114.3)
Other comprehensive loss for the period		192	(1,344)	(114.3)
Total comprehensive loss for the period attributable to owners of the Company		(501)	(3,516)	(85.8)

(1) The comparative figures of hotel operating expenses and other operating expenses for the financial period ended 31 January 2022 have been reclassified to enhance comparability with the current period's condensed interim financial statements (Note 18).

(2) The basic loss per share is computed based on weighted average number of ordinary shares (excluding treasury shares) of 219,087,771 shares (31 January 2022: 219,074,844 shares).

(3) The diluted loss per share is computed based on total of weighted average number of ordinary shares (excluding treasury shares) and warrants outstanding (assuming the warrants exercised at the beginning of the period) of 328,573,625 shares (31 January 2022: 219,074,844 shares).

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B. Condensed interim statements of financial position

	Note	Group		Company	
		31.1.2023	31.7.2022	31.1.2023	31.7.2022
		\$'000 (Unaudited)	\$'000 (Audited)	\$'000 (Unaudited)	\$'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	8	40,235	40,482	19	22
Right-of-use assets	9	74	103	74	103
Investment securities	10	2,748	2,748	-	-
Long-term receivables	11	6,257	6,167	-	-
Subsidiaries		-	-	54,961	54,810
		49,314	49,500	55,054	54,935
Current assets					
Trade and other receivables	11	194	172	115	50
Prepayment		99	48	49	33
Investment securities	10	643	3,328	643	3,328
Cash and bank balances		11,157	8,274	9,886	7,137
		12,093	11,822	10,693	10,548
TOTAL ASSETS		61,407	61,322	65,747	65,483
LIABILITIES AND EQUITY					
Non-current liabilities					
Loan and borrowing	12	1,262	1,500	1,262	1,500
Lease liabilities	9	18	48	18	48
		1,280	1,548	1,280	1,548
Current liabilities					
Trade and other payables	13	558	635	147	204
Current tax payable		555	555	520	520
Loan and borrowing	12	500	500	500	500
Lease liabilities	9	60	60	60	60
		1,673	1,750	1,227	1,284
Total liabilities		2,953	3,298	2,507	2,832
Net assets		58,454	58,024	63,240	62,651
Equity attributable to owners of the Company					
Share capital	14	32,997	32,992	32,997	32,992
Reserves		25,457	25,032	30,243	29,659
Total equity		58,454	58,024	63,240	62,651
TOTAL LIABILITIES AND EQUITY		61,407	61,322	65,747	65,483

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C. Condensed interim statements of changes in equity

	Group						Total equity \$'000
	Attributable to owners of the Company						
	Share capital \$'000	Treasury shares \$'000	Fair value adjustment reserve \$'000	Foreign currency translation reserve \$'000	Warrant reserve \$'000	Retained earnings \$'000	
At 1 August 2022	32,992	(187)	(2,507)	(4,774)	-	32,500	58,024
<u>Transactions with owners, recognised directly in equity</u>							
Issuance of warrants, net of transaction costs	-	-	-	-	926	-	926
Exercise of warrants	5	-	-	-	-	-	5
	5	-	-	-	926	-	931
<u>Total other comprehensive loss for the period</u>							
Loss for the period	-	-	-	-	-	(693)	(693)
Other comprehensive loss for the period:							
Foreign currency translation differences relating to foreign subsidiaries	-	-	-	192	-	-	192
	-	-	-	192	-	(693)	(501)
At 31 January 2023	32,997	(187)	(2,507)	(4,582)	926	31,807	58,454
At 1 August 2021	32,992	(187)	(2,157)	(844)	-	35,806	65,610
<u>Total other comprehensive loss for the period</u>							
Loss for the period	-	-	-	-	-	(2,172)	(2,172)
Other comprehensive loss for the period:							
Foreign currency translation differences relating to foreign subsidiaries	-	-	-	(1,344)	-	-	(1,344)
	-	-	-	(1,344)	-	(2,172)	(3,516)
At 31 January 2022	32,992	(187)	(2,157)	(2,188)	-	33,634	62,094

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Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

C. Condensed interim statements of changes in equity

	Company				
	Share capital \$'000	Treasury shares \$'000	Warrant reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 August 2022	32,992	(187)	-	29,846	62,651
<u>Transactions with owners, recognised directly in equity</u>					
Issuance of warrants, net of transaction costs	-	-	926	-	926
Exercise of warrants	5	-	-	-	5
	5	-	926	-	931
Loss for the period, representing total comprehensive loss for the period	-	-	-	(342)	(342)
At 31 January 2023	32,997	(187)	926	29,504	63,240
At 1 August 2021	32,992	(187)	-	32,367	65,172
Loss for the period, representing total comprehensive loss for the period	-	-	-	(804)	(804)
At 31 January 2022	32,992	(187)	-	31,563	64,368

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D. Condensed interim consolidated statement of cash flows

	Note	Group	
		6 Months Ended	
		31.1.2023	31.1.2022
		\$'000	\$'000
		(Unaudited)	(Unaudited)
<u>Operating activities</u>			
Loss before taxation		(693)	(2,169)
Adjustments for:			
Depreciation property, plant and equipment and right-of-use assets		473	545
Fair value (gain)/loss on short-term investment securities		(15)	68
Finance costs	5	27	455
Interest income	4	(128)	(63)
Loss on disposal of plant and equipment		-	8
Operating cash flows before movements in working capital		(336)	(1,156)
Changes in working capital:			
Trade and other receivables		(22)	190
Prepayment		(51)	(67)
Short-term investment securities		2,700	-
Trade and other payables		(69)	(84)
Cash generated from/(used in) operations		2,222	(1,117)
Tax paid		-	(28)
Net cash generated from/(used in) operating activities		2,222	(1,145)
<u>Investing activities</u>			
Interest received		128	63
Loans to investee companies		(90)	(218)
Purchase of property, plant and equipment		(10)	(11)
Net cash generated from/(used in) investing activities		28	(166)
<u>Financing activities</u>			
Interest paid		(26)	(425)
Proceeds from issuance of warrants, net of transaction costs		926	-
Proceeds from exercise of warrants		5	-
Repayment of bank loan		(238)	-
Repayment of lease liabilities		(31)	(53)
Net cash generated from/(used in) financing activities		636	(478)
Net increase/(decrease) in cash and cash equivalents		2,886	(1,789)
Cash and cash equivalents at beginning of financial period		8,274	29,346
Effect of exchange rate changes on balances held in foreign currency		(3)	(38)
Cash and cash equivalents at end of financial period		11,157	27,519

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E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Datapulse Technology Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange. The registered office and principal place of business of the Company is at 10 Anson Road, #13-10 International Plaza, Singapore 079903.

These condensed interim financial statements as at and for the six months ended 31 January 2023 comprise the Company and its subsidiaries (collectively, the "Group").

The Company's principal activities are investment holding and investment trading. The principal activities of the Group are hotel operations, investment holding, investment trading and the provision of management services.

2. Basis of preparation

The condensed financial statements for the six months ended 31 January 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and the performance of the Group since the last annual financial statements for the year ended 31 July 2022.

The condensed interim financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The condensed interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and particularly within the twelve months from the end of the reporting period.

The condensed interim financial statements are presented in Singapore Dollars ("S") and all values in the tables are rounded to the nearest thousand ("S'000"), except when otherwise indicated.

2.1 Use of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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E. Notes to the condensed interim consolidated financial statements

2.2 Changes in accounting policies

There were no changes in accounting policies and methods of computation adopted in the condensed interim financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 July 2022, except for the adoption of the new standards and amendments which became effective for financial period beginning on or after 1 August 2022. The adoption of these amendments to standards and interpretations do not have a significant impact on the condensed interim financial statements.

A number of new standards, amendments to standards and interpretations that have been issued as of the balance sheet date but are not yet effective for the year ending 31 July 2023 have not been applied in preparing the condensed interim financial statements. The adoption of these new standards, amendments to standards and interpretations are not expected to have a significant impact on the Group's condensed interim financial statements.

2.3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

2.4 Segment Information

The Group is organised into the following main business segments:

- (a) Investment holding;
- (b) Investment trading;
- (c) Provision of management services; and
- (d) Hotel operations

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

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E. Notes to the condensed interim consolidated financial statements

3. Revenue

	Note	Group	
		6 Months Ended	
		31.1.2023	31.1.2022
		\$'000	\$'000
Revenue from contracts with customers	(a)	1,613	670
Dividend income from equity investments at fair value through profit or loss ("FVPL")		33	65
Interest income on bond investments at FVPL		9	9
		1,655	744

(a) Disaggregation of revenue:

Segments	Hotel		Asset management		Total revenue from contacts with customers	
	31.1.2023	31.1.2022	31.1.2023	31.1.2022	31.1.2023	31.1.2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets						
Singapore	-	-	100	100	100	100
Korea	1,513	570	-	-	1,513	570
	1,513	570	100	100	1,613	670
Major revenue streams						
Hotel operations revenue						
- Room	1,456	527	-	-	1,456	527
- Food and beverage	20	6	-	-	20	6
- Others	37	37	-	-	37	37
Asset management fees	-	-	100	100	100	100
	1,513	570	100	100	1,613	670

4. Other income

	Group	
	6 Months Ended	
	31.1.2023	31.1.2022
	\$'000	\$'000
Fair value gain on short-term investments at FVPL	15	-
Government grants	-	52
Interest income	128	43
Other income	-	19
	143	114

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E. Notes to the condensed interim consolidated financial statements

5. Finance costs

	Group	
	6 Months Ended	
	31.1.2023	31.1.2022
	\$'000	\$'000
Interest expenses on bank borrowings	26	454
Interest expenses on leases	1	1
	27	455

6. Loss before taxation

Loss before taxation for the period has been arrived at after charging the following items:

	Group	
	6 Months Ended	
	31.1.2023	31.1.2022
	\$'000	\$'000
Annual report and annual/extraordinary general meeting expenses	13	15
Audit fees	37	42
Central Depository and Singapore Exchange Listing expenses	13	30
Contributions to defined contribution plans, included in staff costs	27	38
Directors' fees, included in staff costs	67	98
Foreign exchange loss	1	21
Management fee expenses	73	81
Office reinstatement costs	-	22
Operating lease expense	1	29
Professional fees	76	347

7. Taxation

	Group	
	6 Months Ended	
	31.1.2023	31.1.2022
	\$'000	\$'000
Current tax expense		
Withholding tax arising from interest income from subsidiaries	-	17
Over provision in respect of prior financial period	-	(14)
Income tax expenses	-	3

8. Property, plant and equipment

During the six months ended 31 January 2023, the Group acquired assets amounting to \$10,000 (31 July 2022: \$33,000) and disposals of assets amounting to \$Nil (31 July 2022: \$93,000).

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E. Notes to the condensed interim consolidated financial statements

9. Leases

Group as a lessee

The leases generally have lease terms between two and five years with renewal options of up to two years. The Group is restricted from assigning and subleasing the leased assets to third parties.

(a) Carrying amounts of right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial period:

	<u>Group and Company</u>		
	<u>Office space \$'000</u>	<u>Office equipment \$'000</u>	<u>Total \$'000</u>
At 1 August 2021	51	8	59
Additions	116	-	116
Depreciation expense	(70)	(2)	(72)
At 31 July 2022	97	6	103
Depreciation expense	(27)	(2)	(29)
At 31 January 2023	70	4	74

The total cash outflow for leases during the financial period ended 31 January 2023 is \$31,000 (31 July 2022: \$70,000).

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the financial period:

	<u>Group and Company</u>	
	<u>31.1.2023 \$'000</u>	<u>31.7.2022 \$'000</u>
At beginning of financial period	108	60
Accretion of interest	1	2
Additions	-	116
Payments	(31)	(70)
At end of financial period	78	108
Current	60	60
Non-current	18	48
	78	108

(c) Amounts recognised in consolidated statement of profit or loss

	<u>Group and Company</u>	
	<u>31.1.2023 \$'000</u>	<u>31.7.2022 \$'000</u>
Depreciation expense of right-of-use assets	29	72
Expenses relating to leases of low-value assets	1	52
Interest expense on lease liabilities	1	2

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E. Notes to the condensed interim consolidated financial statements

10. Investment securities

	Group and Company	
	31.1.2023	31.7.2022
	\$'000	\$'000
Current		
<i>At FVPL</i>		
Equity and debt investments (quoted)	643	3,328
	Group	
	31.1.2023	31.7.2022
	\$'000	\$'000
Non-current		
<i>At fair value through other comprehensive income ("FVOCI")</i>		
Equity investments (unquoted)		
- Korea Investment Private Placement Business Hotel REIT No. AI861	2,714	2,714
- Pinetree Hotel Management LLC	18	18
- Pam Holdings II (BVI) Ltd	16	16
	2,748	2,748

The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long-term capital appreciation.

11. Trade and other receivables

	Group		Company	
	31.1.2023	31.7.2022	31.1.2023	31.7.2022
	\$'000	\$'000	\$'000	\$'000
Trade and other receivables (current)				
Trade receivables	10	33	-	-
Other receivables				
- Deposits	32	34	32	32
- Interest receivables	147	95	68	16
- GST/VAT receivables	2	7	15	2
- Others	3	3	-	-
	194	172	115	50
Other receivables (non-current)				
Long-term receivables	6,257	6,167	-	-
Total trade and other receivables	6,451	6,339	115	50

The trade receivables are unsecured, interest-free and has a credit term of 30 days (31 July 2022: 30 days).

Long-term receivables relate to shareholder loans provided to two investee companies in which the Group has a 15% interest and 5% interest respectively. The long-term receivables are interest free, except for the amount of \$1,373,000 (31 July 2022: \$1,283,000) which bears an interest of 3.85% (31 July 2022: 3.85%) per annum.

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E. Notes to the condensed interim consolidated financial statements

12. Loan and borrowing

	Maturity	Group		Company	
		31.1.2023	31.7.2022	31.1.2023	31.7.2022
		\$'000	\$'000	\$'000	\$'000
Current					
2.75% per annum fixed rate SGD bank loan	2026	500	500	500	500
Non-current					
2.75% per annum fixed rate SGD bank loan	2026	1,262	1,500	1,262	1,500
Total loan and borrowing		1,762	2,000	1,762	2,000

A reconciliation of liabilities arising from financing activities is as follows:

	1 August 2022	Non-cash movements			31 January 2023
		Financing cash outflows	Interest expenses	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000
Loan and borrowing	2,000	(264)	26	-	1,762

	1 August 2021	Non-cash movements			31 July 2022
		Financing cash outflows	Interest expenses	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000
Loan and borrowing	23,132	(20,869)	615	(878)	2,000

13. Trade and other payables

	Group		Company	
	31.1.2023	31.7.2022	31.1.2023	31.7.2022
	\$'000	\$'000	\$'000	\$'000
Trade payables	75	71	-	-
Accrued operating expenses	361	434	100	132
Amounts due to subsidiaries (non-trade)	-	-	27	27
Interest payables	2	3	2	3
Other payables	120	127	18	42
	558	635	147	204

The trade payables are unsecured, interest-free and has a credit term of 30 days (31 July 2022: 30 days).

The non-trade amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

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E. Notes to the condensed interim consolidated financial statements

14. Share capital

	Company			
	<u>31.1.2023</u>	<u>31.7.2022</u>	<u>31.1.2023</u>	<u>31.7.2022</u>
	Number of ordinary shares with no par value		\$'000	\$'000
<i>Issued and fully paid</i>				
At beginning of financial period	219,904,444	219,904,444	32,992	32,992
Exercise of warrants	51,568	-	5	-
At end of financial period	219,956,012	219,904,444	32,997	32,992

All shares (excluding treasury shares) rank equally with regards to the Company's residual assets. All issued shares are fully paid, with no par value.

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

During the financial period ended 31 January 2023, the Company issued 109,537,422 warrants at an issue price of \$0.01 for each warrant. Each warrant entitles the warrant holder to subscribe for one new ordinary share in the Company at the exercise price of \$0.09 for each new share. The warrants will expire on 27 November 2027.

As at 31 January 2023, there are 109,485,854 (31 July 2022: Nil) unexercised warrants. The number of unexercised warrants is the maximum number of ordinary shares that may be issued upon the exercise of all the warrants, which would increase the total number of issued ordinary shares (excluding treasury shares) to 328,612,266 (31 July 2022: 219,074,844).

As at 31 January 2023, the Company held 829,600 treasury shares (31 July 2022: 829,600). There was no sale, transfer, disposal, cancellation and use of treasury shares during the six months ended 31 January 2023.

Use of proceeds raised from private placement

The net placement proceeds from the issuance of shares to Lian Beng Group Ltd during the financial year ended 2015 of \$7.3 million are intended to be used for property related businesses, of which \$4.9 million had been utilised for capital expenditure incurred for Travelodge Myeongdong City Hall ("TLMC") as at 31 January 2023 and 31 July 2022.

Use of proceeds raised from rights issue of warrants

The Company raised net proceeds amounting to \$926,000 from the subscription of the rights issue of warrants for the Group's general working capital. As at 31 January 2023, \$293,000 (31 July 2022: \$Nil) had been utilised for operating expenses such as payroll, professional fees, stock exchange listing fees and others.

For the proceeds arising from the exercise of warrants, up to \$5.5 million will be allocated to position for growth and the amount that exceeds \$5.5 million will be utilised for the Group's general working capital. As at 31 January 2023, 51,568 warrants (31 July 2022: Nil) had been exercised. The proceeds arising from the exercise of these warrants of approximately \$5,000 (31 July 2022: \$Nil) has not been utilised.

15. Net asset value

	Group		Company	
	<u>31.1.2023</u>	<u>31.7.2022</u>	<u>31.1.2023</u>	<u>31.7.2022</u>
Net asset value per ordinary share (cents)	26.58	26.39	28.75	28.49

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Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

E. Notes to the condensed interim consolidated financial statements

16. Reportable segments

	Investment holding \$'000	Investment \$'000	Asset management \$'000	Hotel \$'000	Consolidated \$'000
6 Months Ended 31.1.2023					
Revenue:					
Total revenue for reporting segments	112	42	100	1,699	1,953
Inter-segment revenue	(112)	-	-	(186)	(298)
Revenue from external customers	-	42	100	1,513	1,655
Results:					
Fair value gain on short-term investment	-	15	-	-	15
Loss on disposal of investments	-	(39)	-	-	(39)
Interest income	-	121	-	7	128
Depreciation	(31)	-	-	(442)	(473)
Finance costs	(27)	-	-	-	(27)
Reportable segment loss before taxation	(534)	139	(30)	(268)	(693)
Taxation	-	-	-	-	-
Reportable segment for the period	(534)	139	(30)	(268)	(693)
Additions to property, plant and equipment	-	-	-	10	10
Reportable segment assets	19,345	643	87	41,332	61,407
Reportable segment liabilities	2,543	-	4	406	2,953

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Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

E. Notes to the condensed interim consolidated financial statements

16. Reportable segments (continued)

	Investment holding \$'000	Investment \$'000	Asset management \$'000	Hotel \$'000	Consolidated \$'000
6 Months Ended 31.1.2022					
Revenue:					
Total revenue for reporting segments	185	74	100	1,429	1,788
Inter-segment revenue	(185)	-	-	(859)	(1,044)
Revenue from external customers	-	74	100	570	744
Results:					
Fair value loss on short-term investment	-	(68)	-	-	(68)
Interest income	-	41	-	2	43
Government grants	37	-	-	15	52
Depreciation	(57)	-	-	(488)	(545)
Finance costs	(29)	-	-	(426)	(455)
Reportable segment loss before taxation	(659)	115	(89)	(1,536)	(2,169)
Taxation	(17)	-	14	-	(3)
Reportable segment for the period	(676)	115	(75)	(1,536)	(2,172)
Additions to property, plant and equipment	-	-	-	11	11
Reportable segment assets	35,756	4,105	154	45,543	85,558
Reportable segment liabilities	2,783	-	4	20,677	23,464

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of assets.

	6 Months Ended	
	31.1.2023 \$'000	31.1.2022 \$'000
Revenue:		
Singapore	142	175
Korea	1,513	569
	1,655	744
Non-current assets:		
Singapore	9,098	8,977
Korea	40,216	43,365
	49,314	52,342

Datapulse Technology Limited

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E. Notes to the condensed interim consolidated financial statements

17. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the end of the financial period:

	Quoted prices in active markets for identical assets (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Group				
31.1.2023				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted equity investments	149	-	-	149
- Quoted debt investments	494	-	-	494
	643	-	-	643
<u>Investment securities at FVOCI (Note 10)</u>				
- Unquoted equity investments	-	-	2,748	2,748
	643	-	2,748	3,391
31.7.2022				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted equity investments	138	-	-	138
- Quoted debt investments	3,190	-	-	3,190
	3,328	-	-	3,328
<u>Investment securities at FVOCI (Note 10)</u>				
- Unquoted equity investments	-	-	2,748	2,748
	3,328	-	2,748	6,076

Datapulse Technology Limited

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E. Notes to the condensed interim consolidated financial statements

17. Fair value of assets and liabilities (continued)

(b) Assets measured at fair value (continued)

	Quoted prices in active markets for identical assets (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Company				
31.1.2023				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted equity investments	149	-	-	149
- Quoted debt investments	494	-	-	494
	643	-	-	643
31.7.2022				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted equity investments	138	-	-	138
- Quoted debt investments	3,190	-	-	3,190
	3,328	-	-	3,328

18. Comparative figures

Certain comparative figures have been reclassified to the prior period's condensed interim financial statements to enhance comparability with the current year's condensed interim financial statements.

	Group	
	As previously reported 31.1.2022 \$'000	As reclassified 31.1.2022 \$'000
Condensed interim consolidated statement of profit or loss and other comprehensive income		
Hotel operating expenses	(166)	(397)
Other operating expenses	(1,046)	(815)

19. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

F. Other information required by Listing Rule Appendix 7.2

1 Audit

The condensed consolidated statement of financial position of Datapulse Technology Limited and its subsidiaries as at 31 January 2023 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2 Review of performance of the Group

Financial performance for six months ended 31 January 2023 (“1HFY2023”)

The Group recorded total revenue of \$1.7 million in 1HFY2023. The hotel operations business contributed \$1.5 million through the Group’s hotel – TLMC, while asset management fees and investment income each contributed \$0.1 million.

Hotel operations revenue increased from \$0.6 million in the six months ended 31 January 2022 (“1HFY2022”) to \$1.5 million in 1HFY2023 due mainly to reduction in travel restrictions contributing to better occupancy and higher average room rates. In 1HFY2022, TLMC was only offering residential style accommodation for long stay guests, and operated as a treatment centre for COVID-19 patients from end of December 2021.

Revenue from asset management fees and investment trading each remains at \$0.1 million in 1HFY2023, similar to 1HFY2022.

The increase in other income of the Group was mainly due to the increase in interest income on fixed deposits and fair value gain on short-term investments.

The depreciation charge primarily arose from the Group’s freehold building and associated renovation works. The decrease in depreciation charge for the period was due to the foreign currency translation difference.

The decrease in finance cost was mainly due to full repayment of KRW-denominated term loan in 1HFY2022.

The increase in hotel operation expenses from \$0.4 million in 1HFY2022 to \$0.8 million in 1HFY2023 was mainly due to increased hotel operating activities during 1HFY2023, in line with the increase in hotel operations revenue in 1HFY2023.

The decrease in other operating expenses from \$0.8 million in 1HFY2022 to \$0.4 million in 1HFY2023 was mainly due to the decrease in professional fees, short term operating leases, office reinstatement costs and other miscellaneous expenses.

Based on the above, the Group’s loss attributable to the shareholders was reduced to \$0.7 million in 1HFY2023 as compared to a loss of \$2.2 million in 1HFY2022.

Review of Financial Position

The decrease in property, plant and equipment from \$40.5 million as at 31 July 2022 to \$40.2 million as at 31 January 2023 was due to depreciation of \$0.5 million charged during the period offset against the foreign exchange movement of \$0.2 million arising from the slight appreciation of KRW against Singapore dollar between 31 July 2022 and 31 January 2023.

Rights of use assets of \$0.1 million as at 31 January 2023 mainly relate to the Group’s office lease.

Long-term investment securities of \$2.7 million as at 31 January 2023 relate to a 15% minority interest in a hotel in Seoul, South Korea and a 5% minority interest in a hotel in Singapore carried at fair value through other comprehensive income.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

F. Other information required by Listing Rule Appendix 7.2

2 Review of performance of the Group (continued)

Review of Financial Position (continued)

Long-term receivables of \$6.3 million as at 31 January 2023 relate to shareholder loans provided to two investee companies in which the Group has a 15% interest and 5% interest respectively.

The increase in current trade and other receivables was mainly due to higher interest receivables resulting from higher interest rates and higher fixed deposits placed with banks.

Short term investment securities of \$0.6 million as at 31 January 2023 relate to quoted investments that are held for trading and carried at fair value through profit or loss. The decrease was mainly due to the disposal of certain quoted investments.

The decrease in trade and other payables was mainly due to the payment of accrued expenses during the period.

The decrease in loan and borrowing was mainly due to the monthly principal repayment during the period.

Review of Cash Flow

Net cash generated from operating activities of \$2.2 million for 1HFY2023 was mainly due to the disposal of certain quoted investments during the period.

Net cash generated from investing activities of \$28,000 for 1HFY2023 was mainly due to interest received from fixed deposits offset against a shareholder loan provided to an investee company in which the Group has a minority interest.

Net cash generated from financing activities of \$0.6 million for 1HFY2023 was mainly due to the proceeds from issue of warrants during the period offset against the repayment of bank loan.

As a result of the above, the Group's cash and bank balances increased from \$8.3 million as at 31 July 2022 to \$11.2 million as at 31 January 2023.

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The easing of COVID-19-related international travel restrictions by most of the countries around the world is an encouraging sign of the road to recovery for the international hospitality and tourism industry. China was the largest contributor to South Korea's tourists figures before the pandemic. While South Korea has resumed issuing short-term visas for Chinese travellers and removed the requirement for on-arrival PCR tests for Chinese travellers, pre-departure tests are currently still a requirement and South Korea is not among the 20 countries for which China travel agencies can organise outbound group travel. Together with the limited flight frequency between China and South Korea and the resulting high airfare rates, an uplift of tourists' arrivals from China to pre-pandemic levels has yet to take place.

The on-going geopolitical instability in Europe and aftermath of COVID-19 are driving up energy prices and has caused price increases of most goods and services. The Group expects to continue to face higher operating costs which could weigh down the performance of the Group. The Group will continue to explore and execute strategies to overcome these challenges.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months Ended 31 January 2023

F. Other information required by Listing Rule Appendix 7.2

5 Dividend

5a Current Financial Period Reported On.

Any dividend declared or recommended for the current financial period reported on?

None.

5b Corresponding Period of the Immediately Preceding Financial Year.

Any dividend declared or recommended for the corresponding period of the immediately preceding financial year?

None.

5c If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended in view of the fact that the Company is in a loss-making position for the current financial period.

5d A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

No dividend has been declared or recommended in latest full year and its previous full year.

6 If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The details of interested person transactions for period ended 31 January 2023 are set out below.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions for period ended 31 January 2023 (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all hospitality-related transactions for period ended 31 January 2023 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) * \$'000
ICP Ltd. and its subsidiaries - Provision of hotel management, technical, project management and other services to a subsidiary of the Company	Mr Aw Cheok Huat, who is a Non-Independent Non-Executive Director of the Company, is the controlling shareholder of ICP Ltd.	\$Nil	137

* Shareholders' mandate was renewed and approved at the Annual General Meeting held on 29 November 2022.

Datapulse Technology Limited

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F. Other information required by Listing Rule Appendix 7.2

7 Negative confirmation pursuant to Rule 705(5).

The directors confirm that, to the best of their knowledge, nothing has come to their attention which may render these interim financial statements to be false or misleading in any material aspect.

8 Confirmation pursuant to Rule 720(1).

The directors confirm that the Company has procured undertakings to comply with the Listing Manual of the Singapore Exchange Securities Trading Limited from all its directors and executive officers.

9 Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A.

During 1HFY2023, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary or associated company or increasing its shareholding percentage in any subsidiary. Additionally, the Company did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

BY ORDER OF THE BOARD

Lau Yin Whai
Financial Controller and Company Secretary
8 March 2023