



DATAPULSE
TECHNOLOGY

Company Registration No. 198002677D

Datapulse Technology Limited

Full Year Financial Statements and Dividend Announcement

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Consolidated Statement of Profit or Loss</u>	Year Ended 31.07.19	Year Ended 31.07.18	Change
GROUP	\$'000	\$'000 (Restated)	%
<u>Continuing operations</u>			
Revenue	2,153	-	NM
Other income	1,209	760	59.1
	<u>3,362</u>	<u>760</u>	
Staff costs	(1,362)	(827)	64.7
Depreciation	(133)	-	NM
Finance costs	(325)	-	NM
Hotel operating costs	(686)	-	NM
Other operating expenses	(1,561)	(1,622)	(3.8)
Total operating expenses	<u>(4,067)</u>	<u>(2,449)</u>	
Loss before tax and exceptional item	(705)	(1,689)	
Exceptional item - Gain on sale of leasehold property	-	44,554	NM
(Loss)/Profit before tax	(705)	42,865	
Income tax expense	-	(987)	NM
(Loss)/Profit from continuing operations	(705)	41,878	
<u>Discontinued Operations**</u>			
Profit/(Loss) from discontinued operations (net of tax)	91	(7,398)	NM
Gain on sale of discontinued operation	814	-	NM
	<u>905</u>	<u>(7,398)</u>	
Profit for the year attributable to owners of the Company	200	34,480	

** On 30 April 2019, the Group completed the disposal of Wayco Manufacturing (M) Sdn Bhd ("Wayco"). Accordingly, the results of Wayco have been presented as discontinued operations, with comparatives restated as if the operation has been discontinued from the start of the immediately preceding year.

** During the previous financial year, the Group and the Company ceased its operations pertaining to the manufacture and sale of media storage products (the "Media Storage Business"). Accordingly, the results from the Media Storage Business have been presented as discontinued operations in the Group's statement of profit or loss.

NM: Not meaningful.

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

<u>Consolidated Statement of Comprehensive income</u>	Year Ended 31.07.19 \$'000	Year Ended 31.07.18 \$'000	Change %
GROUP			
Profit for the year	200	34,480	NM
<u>Other comprehensive income</u>			
Items that will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment	-	21	NM
Revaluation reserve of property, plant and equipment released on disposal of a subsidiary	(21)	-	NM
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to financial statements of a foreign subsidiary	(1,315)	30	NM
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	11	-	NM
Other comprehensive (loss)/income attributable to owners of the Company	<u>(1,325)</u>	<u>51</u>	
Other comprehensive (loss)/income for the year	<u>(1,325)</u>	<u>51</u>	
Total comprehensive (loss)/income for the year attributable to owners of the Company	<u>(1,125)</u>	<u>34,531</u>	NM

NM: Not meaningful.

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Notes	Year Ended 31.07.19			Year Ended 31.07.18 (Restated)			Change %
	Continuing operations \$'000	Discontinued operations \$'000	Total \$'000	Continuing operations \$'000	Discontinued operations \$'000	Total \$'000	
Revenue:							
Hotel operations revenue	1,531	-	1,531	-	-	-	NM
Sale of goods	-	995	995	-	8,920	8,920	(88.8)
Gain on disposal of investments	415	-	415	-	-	-	NM
Dividend income	137	-	137	-	-	-	NM
Interest income on bond investments	70	-	70	-	-	-	NM
	2,153	995	3,148	-	8,920	8,920	
Other income:							
Gain on sale of plant and equipment	2	-	2	-	144	144	(98.6)
Interest income	1,093	-	1,093	760	-	760	43.8
Sundry income	41	24	65	-	84	84	(22.6)
Fair value gain on investments	73	-	73	-	-	-	NM
	1,209	24	1,233	760	228	988	
Depreciation of property, plant and equipment	(133)	(39)	(172)	-	(794)	(794)	(78.3)
Other operating expenses include the following items:							
Exchange gain/(loss)	84	5	89	(5)	-	(5)	NM
Operating lease expense	(207)	-	(207)	(101)	(212)	(313)	(33.9)
Allowance for inventory obsolescence	-	-	-	-	(80)	(80)	NM
Impairment loss on goodwill	-	-	-	-	(1,143)	(1,143)	NM
Impairment loss on property, plant and equipment	-	-	-	-	(1,501)	(1,501)	NM
Plant and equipment written off	-	-	-	-	(39)	(39)	NM
	(325)	-	(325)	-	(5)	(5)	
Exceptional item - Gain on sale of leasehold property	-	-	-	44,554	-	44,554	NM
Income tax expense	-	(26)	(26)	(987)	(207)	(1,194)	(97.8)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	GROUP			COMPANY		
	31.07.19 \$'000	31.07.18 \$'000	Change %	31.07.19 \$'000	31.07.18 \$'000	Change %
Non-current assets						
Property, plant and equipment	43,816	2,235	NM	52	9	477.8
Investment property	-	335	NM	-	-	-
Long term investment	4,928	-	NM	-	-	-
Long term deposit	1,157	-	NM	-	-	-
Long term receivable	390	-	NM	-	-	-
Subsidiaries	-	-	-	15,311	2,291	568.3
	50,291	2,570		15,363	2,300	
Current assets						
Inventories	3	484	NM	-	-	-
Trade and other receivables	6,105	454	NM	355	380	(6.6)
Amounts due from subsidiaries	-	-	-	23,815	-	NM
Short-term investments ⁽¹⁾	8,796	-	NM	8,796	-	NM
Cash and bank balances	38,363	81,184	(52.7)	35,361	81,162	(56.4)
Assets held for sale	-	380 ⁽²⁾	NM	-	380	NM
	53,267	82,502		68,327	81,922	
Total assets	103,558	85,072		83,690	84,222	
Equity attributable to owners of the Company						
Share capital	32,992	32,992	-	32,992	32,992	-
Reserves	44,857	48,173	(6.9)	46,357	48,108	(3.6)
Total equity	77,849	81,165		79,349	81,100	
Non-current liabilities						
Borrowings	20,680	-	NM	-	-	-
Deferred tax liabilities	44	239	(81.6)	44	44	-
	20,724	239		44	44	
Current liabilities						
Borrowings	2,709	123	NM	2,709	-	-
Trade and other payables	1,288	1,994	(35.4)	600	1,548	(61.2)
Current tax payable	988	1,551	(36.3)	988	1,530	(35.4)
	4,985	3,668		4,297	3,078	
Total liabilities	25,709	3,907		4,341	3,122	
Total equity and liabilities	103,558	85,072		83,690	84,222	

NM: Not meaningful.

Notes:

⁽¹⁾ Short-term investments comprises of quoted investments that are held for trading and are carried at fair value through profit or loss.

⁽²⁾ On 25 July 2018, the Company entered into a sale and purchase agreement to dispose all of its Blu-Ray replication line equipment, which was previously used for the Media Storage Business. The sale was completed on 6 August 2018. The Blu-Ray replication line equipment had been reclassified to assets held for sale accordingly as at 31 July 2018.

(b)(ii) Aggregate amount of the group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31.07.19		As at 31.07.18	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
-	2,709	123	-

Amount repayable after one year

As at 31.07.19		As at 31.07.18	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
20,680	-	-	-

Details of any collateral

Secured borrowings as at 31 July 2019 relate to a term loan which is secured by a fixed charge over certain freehold land and building of the subsidiary and a corporate guarantee from the Company.

As at 31 July 2018, the bank overdraft of the Group's subsidiary was secured by a fixed charge over certain freehold land and building of the subsidiary and a personal guarantee from a director of the subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

GROUP	Year Ended 31.07.19 \$'000	Year Ended 31.07.18 \$'000
<u>Operating activities</u>		
Profit for the year	200	34,480
Adjustments for:		
Allowance for inventory obsolescence	-	66
Depreciation	133	794
Fair value gain on investments	(73)	-
Finance costs	325	5
Gain on sale of leasehold property	-	(44,554)
Gain on sale of plant and equipment	(2)	(144)
Gain on disposal of a subsidiary	(814)	-
Impairment loss recognised on goodwill	-	1,142
Impairment loss recognised on property, plant and equipment	-	1,501
Income tax expense	26	1,195
Interest income	(1,093)	(760)
Plant and equipment written off	-	39
	<hr/>	<hr/>
	(1,298)	(6,236)
Changes in working capital:		
Inventories	(3)	735
Trade and other receivables	(5,727)	1,009
Short term investments	(8,723)	-
Trade and other payables	(234)	(684)
	<hr/>	<hr/>
Cash used in operations	(15,985)	(5,176)
Income tax paid, net	(554)	(17)
Net cash used in operating activities	<hr/>	<hr/>
	(16,539)	(5,193)
<u>Investing activities</u>		
Acquisition of subsidiary, net of cash acquired	-	(3,530)
Deposit received for disposal of leasehold property	-	5,152
Deposit and stamp duty paid for purchase of leasehold property	-	(1,360)
Deposit and stamp duty refunded for purchase of property	-	1,360
Disposal of discontinued operation, net of cash disposed of	3,288	-
Interest received	1,093	632
Receipt of balance proceeds from sale of leasehold property, net of expenses	-	47,513
Proceeds from disposal of plant and equipment	383	201
Acquisition of investments	(4,928)	-
Loan to third party	(390)	-
Acquisition of property, plant and equipment	(45,322)	(23)
Net cash (used in) generated from investing activities	<hr/>	<hr/>
	(45,876)	49,945

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Consolidated Statement of Cash Flows (cont'd)

GROUP	Year Ended 31.07.19 \$'000	Year Ended 31.07.18 \$'000
<u>Financing activities</u>		
Dividends paid	(2,191)	(3,286)
Deposit pledged	(1,157)	-
Net proceeds from borrowings	23,389	-
Interest paid	(325)	(5)
Amounts owing from related parties (non-trade)	-	15
Repurchase of own shares	-	(15)
Proceeds from sale of own shares	-	16
Net cash generated from/(used in) financing activities	19,716	(3,275)
Net (decrease)/increase in cash and cash equivalents	(42,699)	41,477
Cash and cash equivalents at beginning of year	81,061	39,522
Effect of exchange rate changes on balances held in foreign currency	1	62
Cash and cash equivalents at end of year	38,363	81,061
<u>Note</u>		
Cash and cash equivalents at end of year comprise the following:		
Cash and bank balances	38,363	81,184
Bank overdraft	-	(123)
	38,363	81,061

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity

	Share capital \$'000	Reserve for own shares \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
GROUP						
At 1 August 2017	32,992	(183)	-	-	17,110	49,919
<i>Profit for the year</i>	-	-	-	-	34,480	34,480
<u>Other comprehensive income</u>						
Revaluation of property, plant and equipment	-	-	21	-	-	21
Foreign currency translation differences relating to financial statements of a foreign subsidiary	-	-	-	30	-	30
<i>Total other comprehensive income</i>	-	-	21	30	-	51
Total comprehensive income for the year	-	-	21	30	34,480	34,531
Transactions with owners, recorded directly in equity						
<u>Contributions by and distributions to owners</u>						
Final 1-tier tax-exempt dividend paid of 0.50 cents per share for FY2017	-	-	-	-	(1,095)	(1,095)
Special 1-tier tax-exempt dividend paid of 1.0 cent per share	-	-	-	-	(2,191)	(2,191)
Own shares acquired	-	(15)	-	-	-	(15)
Own shares sold	-	11	-	-	5	16
<i>Total contributions by and distributions to owners</i>	-	(4)	-	-	(3,281)	(3,285)
Total transactions with owners	-	(4)	-	-	(3,281)	(3,285)
At 31 July 2018	32,992	(187)	21	30	48,309	81,165

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity

	Share capital \$'000	Reserve for own shares \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
GROUP						
At 1 August 2018	32,992	(187)	21	30	48,309	81,165
<i>Profit for the year</i>	-	-	-	-	200	200
<u>Other comprehensive income</u>						
Foreign currency translation differences relating to financial statements of a foreign subsidiary	-	-	-	(1,315)	-	(1,315)
Revaluation reserve of property, plant and equipment released on disposal of a subsidiary	-	-	(21)	-	-	(21)
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	-	-	-	11	-	11
<i>Total other comprehensive income</i>	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(21)	(1,304)	200	(1,125)
Transactions with owners, recorded directly in equity						
<u>Contributions by and distributions to owners</u>						
Final 1-tier tax-exempt dividend paid of 1 cent per share for FY2018	-	-	-	-	(2,191)	(2,191)
<i>Total contributions by and distributions to owners</i>	-	-	-	-	(2,191)	(2,191)
Total transactions with owners	-	-	-	-	(2,191)	(2,191)
At 31 July 2019	32,992	(187)	-	(1,274)	46,318	77,849

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Statement of Changes in Equity

	Share capital \$'000	Reserve for own shares \$'000	Retained earnings \$'000	Total equity \$'000
COMPANY				
At 1 August 2017	32,992	(183)	10,996	43,805
Total comprehensive income for the year				
<i>Profit for the year</i>	-	-	40,580	40,580
<i>Total other comprehensive income</i>	-	-	-	-
Total comprehensive income for the year	-	-	40,580	40,580
Contributions by and distributions to owners				
Final 1-tier tax-exempt dividend paid of 0.50 cents per share for FY2017	-	-	(1,095)	(1,095)
Special 1-tier tax-exempt dividend paid of 1.0 cent per share	-	-	(2,191)	(2,191)
Own shares acquired	-	(15)	-	(15)
Own shares sold	-	11	5	16
<i>Total contributions by and distributions to owners</i>	-	(4)	(3,281)	(3,285)
Transactions with owners, recorded directly in equity	-	(4)	(3,281)	(3,285)
At 31 July 2018	32,992	(187)	48,295	81,100

Statement of Changes in Equity

	Share capital \$'000	Reserve for own shares \$'000	Retained earnings \$'000	Total equity \$'000
COMPANY				
At 1 August 2018	32,992	(187)	48,295	81,100
Total comprehensive income for the year				
<i>Profit for the year</i>	-	-	440	440
<i>Total other comprehensive income</i>	-	-	-	-
Total comprehensive income for the year	-	-	440	440
Contributions by and distributions to owners				
Final 1-tier tax-exempt dividend paid of 1 cent per share for FY2018	-	-	(2,191)	(2,191)
<i>Total contributions by and distributions to owners</i>	-	-	(2,191)	(2,191)
Transactions with owners, recorded directly in equity	-	-	(2,191)	(2,191)
At 31 July 2019	32,992	(187)	46,544	79,349

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

For the year ended 31 July 2019, there was no change to the share capital of the Company.

As at 31 July 2019, the Company held 829,600 treasury shares (31 July 2018: 829,600).

The Company did not have any outstanding share options and convertibles at the end of the current financial year reported on and as at the end of the corresponding period of the immediately preceding financial year.

1(d)(iii) Total number of issued shares excluding treasury shares (a) as at the end of the current financial period and (b) as at the end of the immediately preceding year.

	COMPANY	
	As at 31.07.19	As at 31.07.18
Number of issued ordinary shares, excluding treasury shares, at the end of the year	219,074,844	219,074,844

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial year reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in the audited financial statements for the financial year ended 31 July 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In December 2017, the Accounting Standards Council ("ASC") issued the Singapore Financial Reporting Standards (International) ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Group's financial statements for the financial year ending 31 July 2019 will be prepared in accordance with SFRS(I).

In adopting the new SFRS(I) framework with effect from 1 August 2018, the Group is required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*.

On transition to SFRS(I), the Group had elected to treat the carrying amount of its freehold properties, revalued under the previous accounting policy at their deemed cost as at 1 August 2017 and depreciated based on their remaining useful lives. There was no material impact to the financial statements as a result of the change in accounting policy.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change. (cont'd)

In addition to the adoption to the new SFRS(I) framework, the Group will also concurrently apply the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date:

- SFRS(I) 15 *Revenue from Contracts with Customers* which includes clarifications to IFRS 15 *Revenue from Contracts with Customers* issued by the IASB in April 2016;
- SFRS(I) 9 *Financial Instruments* which includes amendments arising from IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;
- Requirements in SFRS(I) 2 *Share-based Payment* arising from the amendments to IFRS 2 – *Classification and Measurement of Share-based Payment Transactions* issued by the IASB in June 2016;
- Requirements in SFRS(I) 1-40 *Investment Property* arising from the amendments to IAS 40 *Transfers of Investment Property* issued by the IASB in December 2016;
- Requirements in SFRS(I) 1 arising from the amendments to IFRS 1 – *Deletion of Short-term Exemptions for First-time Adopters* issued by the IASB in December 2016;
- Requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an Associate or Joint Venture at Fair Value* issued by the IASB in December 2016; and
- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The adoption of the above standards and interpretations did not have any significant impact on the Group's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP					
	Year ended 31.07.2019			Year ended 31.07.2018		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
(Loss)/Profit attributable to owners of the Company (\$'000)	(705)	905	200	41,878	(7,398)	34,480
Weighted average no. of shares used in computation of basic earning per shares (in million)	219.07	219.07	219.07	219.07	219.07	219.07
Earnings per share						
(a) Based on the weighted average number of shares in issue	(0.32) cents	0.41 cents	0.09 cents	19.12 cents	(3.38) cents	15.74 cents
(b) On a fully diluted basis	(0.32) cents	0.41 cents	0.09 cents	19.12 cents	(3.38) cents	15.74 cents

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 31.07.19	As at 31.07.18	As at 31.07.19	As at 31.07.18
Net Asset Value per ordinary share based on issued share capital at the end of the year	35.54 cents	37.05 cents	36.22 cents	37.02 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Financial performance for financial year ended 31 July 2019 ("FY2019")

The Group has completed the acquisition of the hotel in Seoul ("Hotel Aropa") on 20 March 2019.

The Group's revenue for FY2019 was mainly contributed by hotel operations amounting to \$1.5 million, the gain on disposal of quoted equities of \$0.4 million and dividend income of \$0.1 million.

Increase in interest income for FY2019 was due to the additional interest earned from proceeds received for the sale of leasehold property in January 2018.

Staff costs for FY2019 increased due to additional staff arising from Hotel Aropa.

Depreciation of \$0.1 million for FY2019 mainly relates to the depreciation charge on the freehold building (Hotel Aropa).

The increase in finance costs was mainly due to the term loan facility obtained for the acquisition of Hotel Aropa.

Other operating expenses for FY2019 amounted to \$1.6 million, which is similar to FY2018.

The exceptional gain recorded for financial year ended 31 July 2018 ("FY2018") relates to gain recognised from the sale of the leasehold property at 15A Tai Seng Drive amounting to \$44.6 million. The sale was completed on 31 January 2018.

Following the disposal of Wayco on 30 April 2019, the Group recorded a gain on sale of discontinued operations of \$0.8 million in FY2019. Loss from discontinued operations for FY2018 was mainly due to the results from the Media Storage Business which included an impairment loss on the Group's property, plant and equipment of \$1.5 million.

Financial Position and Cash flow

The increase in property, plant and equipment as at 31 July 2019 of \$41.6 million was mainly due to the acquisition of Hotel Aropa.

Long term investment of \$4.9 million relates to a 15% minority interest in a hotel in Seoul which was acquired on 21 June 2019.

Long term deposit of \$1.2 million relates to deposit pledged to the bank for the term loan facility.

Long term receivables of \$0.4 million relates to a shareholder loan to a company in which the Group has a 15% interest.

The increase of \$5.7 million in trade and other receivables mainly relates to the purchase consideration for a 5% share in the proposed investment in a hotel in Singapore. The proposed investment was completed on 8 August 2019.

Short-term investments of \$8.8 million as at 31 July 2019 relates to quoted investments that are held for trading and carried at fair value through profit or loss.

Assets held for sale as at 31 July 2018 pertain to the Blu-Ray replication line equipment used in the Media Storage Business which was subsequently sold off on 6 August 2018. The Group received proceeds from the sale amounting to \$0.4 million during FY2019.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)

Non-current borrowings relates to the term loan of \$20.7 million for the acquisition of Hotel Aropa.

Trade and other payables decreased from \$2.0 million as at 31 July 2018 to \$1.3 million as at 31 July 2019 due to payments of accrued operating expenses and payments made to former directors pursuant to profit sharing arrangements.

Current tax payable reduced from \$1.6 million as at 31 July 2018 to \$1.0 million as at 31 July 2019 due to payment of income tax to the tax authorities amounting to \$0.6 million during FY2019.

Net cash used in operating activities for FY2019 was \$16.5 million, mainly due to the increase in short term investments and deposit paid for proposed investment in a hotel in Singapore.

The increase in net cash from financing activities of \$19.7 million for FY2019 was due to the term loan facility obtained for the acquisition of Hotel Aropa.

The Group's cash and bank balances amounted to \$38.4 million as at 31 July 2019. The decrease of \$42.7 million as compared to 31 July 2018 was mainly due to the funds utilised for the acquisition of Hotel Aropa, investments in unquoted equities and the payment of dividends.

Use of proceeds raised from private placement

The Company will continue to make periodic announcements on the utilisation of the net placement proceeds from the issuance of shares to Lian Beng Group Ltd in FY2015 of \$7.3 million as and when such proceeds are materially disbursed.

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

Not applicable.

10. 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.

Driven by key source markets such as China, Taiwan and Japan, the growth trend in inbound tourism arrivals into South Korea continued in 2019, with an increase of approximately 17% for the first seven months of the year¹, compared to the same period last year. In the near term, the hotel market in Seoul is expected to be driven by continual growth in inbound tourism arrivals and moderated growth in supply of new hotel rooms².

The Group completed its acquisition of Bay Hotel Singapore (5% stake) in August 2019. Driven by key source markets such as China, Indonesia and India, the growth trend in inbound tourism arrivals into Singapore continued in 2019, with an increase of approximately 2% for the first seven months of the year³, compared to the same period last year. In the near term, demand growth is expected to continue to outpace the supply growth⁴.

¹Source: Korea Tourism Organization

²Source: Avison Young 2019 Seoul Hospitality Market Report

³Source: Singapore Tourism Board

⁴Source: STR August Market Forecast Report 2019

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.5 cent per share
Tax Rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.0 cent per share
Tax Rate	One-tier tax exempt

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, 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 Company had on 14 March 2019 adopted an interested person transaction general mandate in respect of certain transactions with ICP Ltd. and its subsidiaries and associated companies.

The details of interested person transactions for year ended 31 July 2019 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2019 (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during FY2019 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Nil	Nil	Nil

14. Negative confirmation pursuant to [Rule 705\(5\)](#). (Not required for announcement on full year results)

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.

15. Confirmation pursuant to [Rule 720\(1\)](#).

We 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.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Information regarding the Group's reportable segments are presented in the tables below.

Information about reportable segments

	Singapore		Korea		Total	
	(Continuing operations)		(Continuing operations)		(Continuing operations)	
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	622	-	1,531	-	2,153	-
Inter segment revenue	-	-	-	-	-	-
Total revenue for reporting segments	622	-	1,531	-	2,153	-
Interest income	1,079	760	14	-	1,093	760
Finance costs	(10)	-	(315)	-	(325)	-
Depreciation	(6)	-	(127)	-	(133)	-
Reportable segment (loss)/profit before tax and after exceptional item	(590)	42,865	(115)	-	(705)	42,865
Tax (expense)/credit	-	(987)	-	-	-	(987)
<i>Other material non-cash items:</i>						
Segment assets	54,430	81,559	49,128	-	103,558	81,559
Segment liabilities	4,423	2,179	21,286	-	25,709	2,179

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Information regarding the Group's reportable segments are presented in the tables below.

	Singapore (Discontinued operations)		Malaysia (Discontinued operations)		Total (Discontinued operations)		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	-	8,204	995	716	995	8,920	3,148	8,920
Inter segment revenue	-	-	-	-	-	-	-	-
Total revenue for reporting segments	-	8,204	995	716	995	8,920	3,148	8,920
Interest income	-	-	-	-	-	-	1,093	760
Finance costs	-	-	(3)	(5)	(3)	(5)	(328)	(5)
Depreciation	-	(753)	(39)	(41)	(39)	(794)	(172)	(794)
Reportable segment (loss)/profit before tax and after exceptional item	-	(6,019)	118	(1,173)	118	(7,191)	(587)	35,674
Tax (expense)/credit	-	(217)	(26)	10	(26)	(207)	(26)	(1,194)
<i>Other material non-cash items:</i>								
Segment assets	-	380	3,004	3,133	3,004	3,513	106,562	85,072
Segment liabilities	-	918	428	810	428	1,728	26,137	3,907

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (cont'd)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2019	2018
	\$'000	\$'000
		(Restated)
Revenue		
Total revenue for reporting segments	3,148	8,920
Elimination of discontinued operations	(995)	(8,920)
Consolidated revenue	<u>2,153</u>	<u>-</u>
Profit/(Loss) before tax and after exceptional item		
Total profit for reportable segments before tax	(823)	35,674
Elimination of discontinued operations	118	7,191
Consolidated (loss)/profit before tax and after exceptional item	<u>(705)</u>	<u>42,865</u>
Assets		
Total assets for reportable segments	106,562	85,072
Discontinued operations	(3,004)	-
Consolidated total assets	<u>103,558</u>	<u>85,072</u>
Liabilities		
Total liabilities for reportable segments	26,137	3,907
Discontinued operations	(428)	-
Consolidated total liabilities	<u>25,709</u>	<u>3,907</u>

There are no reconciling items in relation to other material items.

Products and services

The Singapore segment was in the business of media storage products and services, which had ceased its operations in the previous financial year. With the discontinuation of the media storage products and services business, the Singapore segment relate to the investment holding and trading business. The Korea segment relate to the hospitality business. The Malaysia segment which was disposed on 30 April 2019 related to the business of manufacturing and distribution of hair care, cosmetics and other household chemical products.

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (cont'd)

Geographical segments

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

Revenue	2019	2018
	\$'000	\$'000
		(Restated)
Singapore	622	5,033
Other Asia Pacific	2,526	3,029
Others	-	858
Less: Discontinued operations	(995)	(8,920)
	<u>2,153</u>	<u>-</u>
Non-current assets	2019	2018
	\$'000	\$'000
Singapore	5,370	9
Korea	44,921	-
Malaysia	-	2,561
	<u>50,291</u>	<u>2,570</u>

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

The Group's revenue for FY2019 relate to the revenue contributed by the hotel operations amounting to \$1.5 million, the gain on disposal of quoted equities of \$0.4 million and dividend income of \$0.1 million. The Group has disposed Wayco during the financial year ended 31 July 2019. Accordingly, the revenue/results from Wayco have been presented as part of the discontinued operations, with comparatives restated as if the operation had been discontinued from the start of the immediately preceding year.

18. A breakdown of sales.

	Latest Financial Year \$'000	Previous Financial Year \$'000	% Increase / (Decrease) %
Continuing operations	Group	Group	Group
(a) Sales reported for the first half year	119	-	NM
(b) Operating (loss)/profit after tax before deducting non-controlling interests reported for the first half year	(276)	43,643	NM
(c) Sales reported for the second half year	2,034	-	NM
(d) Operating (loss) after tax before deducting non- controlling interests reported for the second half year	(429)	(2,989)	-86%

	Latest Financial Year \$'000	Previous Financial Year \$'000	% Increase / (Decrease) %
Discontinued operations	Group	Group	Group
(a) Sales reported for the first half year	639	8,387	-92%
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for the first half year	72	(6,856)	NM
(c) Sales reported for the second half year	356	533	-33%
(d) Operating profit after tax before deducting non- controlling interests reported for the second half year	19	682	-97%

NM: Not meaningful

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

Total Annual Dividend

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary – Interim (Paid)	-	-
Ordinary – Final	1,095	2,191
Ordinary – Special	-	2,191
Preference	-	-
Total	1,095	4,382

* The final dividend is estimated based on 219.1 million (31 July 2018: 219.1 million) ordinary shares in issue at the end of the financial year.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

None

BY ORDER OF THE BOARD

Lee Kam Seng
Executive Director
24 September 2019