



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> GROUP	Year Ended	Year Ended	Change %
	31.07.20 \$'000	31.07.19 \$'000	
<u>Continuing operations</u>			
Revenue	2,584	2,153	20.0
Other (losses)/income	(144)	1,209	NM
	<u>2,440</u>	<u>3,362</u>	
Staff costs	(1,854)	(1,362)	36.1
Depreciation	(845)	(133)	NM
Finance costs	(920)	(325)	NM
Hotel operating costs	(1,272)	(686)	85.4
Impairment loss on property	(1,940)	-	NM
Other operating expenses	(2,091)	(1,561)	NM
Total operating expenses	<u>(8,922)</u>	<u>(4,067)</u>	
Loss before tax	(6,482)	(705)	
Tax credit	730	-	NM
Loss from continuing operations	(5,752)	(705)	
<u>Discontinued Operations *</u>			
Profit from discontinued operations (net of tax)	-	91	NM
Gain on sale of discontinued operations	-	814	NM
	<u>-</u>	<u>905</u>	
(Loss)/profit for the year attributable to owners of the Company	(5,752)	200	

* 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 for the year ended 31 July 2019, as if the operations have been discontinued from the start of the previous financial year.

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	Year Ended	Change
GROUP	31.07.20	31.07.19	%
	\$'000	\$'000	
(Loss)/profit for the year	(5,752)	200	NM
<u>Other comprehensive income</u>			
Items that will not be reclassified to profit or loss:			
Net loss on equity instrument designated at fair value through other comprehensive income	(560)	-	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	(149)	(1,315)	(88.7)
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	-	11	NM
Other comprehensive income attributable to owners of the Company	(709)	(1,325)	
Other comprehensive income for the year	(709)	(1,325)	
Total comprehensive income for the year attributable to owners of the Company	(6,461)	(1,125)	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)

<u>Notes</u>	Year Ended 31.07.20			Year Ended 31.07.19			Change %
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Revenue:							
Hotel operation revenue	1,865	-	1,865	1,531	-	1,531	21.8
Sale of goods	-	-	-	-	995	995	NM
(Loss)/gain on disposal of investments	(130)	-	(130)	415	-	415	NM
Dividend income from investments	173	-	173	137	-	137	26.3
Interest income on bond investments	139	-	139	70	-	70	98.6
Asset management fees	537	-	537	-	-	-	NM
	2,584	-	2,584	2,153	995	3,148	
Other (losses)/income:							
(Loss)/gain on sale of plant and equipment	(4)	-	(4)	2	-	2	NM
Interest income	610	-	610	1,093	-	1,093	(44.2)
Sundry income	58	-	58	41	24	65	(10.8)
Fair value (loss)/gain on investments	(808)	-	(808)	73	-	73	NM
	(144)	-	(144)	1,209	24	1,233	
Depreciation of property, plant and equipment	(845)	-	(845)	(133)	(39)	(172)	NM
Finance costs	(920)	-	(920)	(325)	(3)	(328)	NM
Other operating expenses include the following items:							
Exchange (loss)/gain	(27)	-	(27)	84	5	89	NM
Operating lease expense	(4)	-	(4)	(207)	-	(207)	(98.1)
Impairment loss on property	(1,940)	-	(1,940)	-	-	-	NM
Tax credit/(expense)	730	-	730	-	(26)	(26)	NM

NM: Not meaningful.

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		
	31.07.20 \$'000	31.07.19 \$'000	Change %	31.07.20 \$'000	31.07.19 \$'000	Change %
Non-current assets						
Property, plant and equipment	44,228	43,816	0.9	45	52	(13.5)
Right-of-use assets	307	-	NM	307	-	NM
Long term investments	4,695	4,928	(4.7)	-	-	-
Long term deposit	1,150	1,157	(0.6)	-	-	-
Long term receivables	5,167	390	NM	-	-	-
Deferred tax assets	348	-	NM	348	-	NM
Subsidiaries	-	-	-	19,112	15,311	24.8
	55,895	50,291		19,812	15,363	
Current assets						
Inventories	-	3	NM	-	-	-
Trade and other receivables	545	6,105	(91.1)	519	355	46.2
Amounts due from subsidiaries	-	-	-	23,143	23,815	(2.8)
Short-term investments ⁽¹⁾	4,805	8,796	(45.4)	4,805	8,796	(45.4)
Cash and bank balances	33,886	38,363	(11.7)	32,052	35,361	(9.4)
	39,236	53,267		60,519	68,327	
Total assets	95,131	103,558		80,331	83,690	
Equity attributable to owners of the Company						
Share capital	32,992	32,992	-	32,992	32,992	-
Reserves	37,301	44,857	(16.8)	43,764	46,357	(5.6)
Total equity	70,293	77,849		76,756	79,349	
Non-current liabilities						
Borrowings	20,628	20,680	(0.3)	-	-	-
Lease liabilities	107	-	NM	107	-	NM
Deferred tax liabilities	-	44	NM	-	44	NM
	20,735	20,724		107	44	
Current liabilities						
Borrowings	1,700	2,709	(37.2)	1,700	2,709	(37.3)
Trade and other payables	1,214	1,288	(5.7)	579	600	(3.5)
Current tax payable	985	988	(0.3)	985	988	(0.3)
Lease liabilities	204	-	NM	204	-	NM
	4,103	4,985		3,468	4,297	
Total liabilities	24,838	25,709		3,575	4,341	
Total equity and liabilities	95,131	103,558		80,331	83,690	

NM: Not meaningful.

Notes:

⁽¹⁾ Short-term investments comprised quoted equity investments held for trading purposes and were carried at fair value.

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

Amount repayable in one year or less, or on demand

As at 31.07.20		As at 31.07.19	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
-	1,700	-	2,709

Amount repayable after one year

As at 31.07.20		As at 31.07.19	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
20,628	-	20,680	-

Details of any collateral

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

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 31.07.20	Year Ended 31.07.19
	\$'000	\$'000
<u>Operating activities</u>		
(Loss)/profit for the year	(5,752)	200
Adjustments for:		
Depreciation	845	133
Impairment loss on property	1,940	-
Fair value loss/(gain) on investments	808	(73)
Finance costs	917	325
Loss/(gain) on sale of plant and equipment	4	(2)
Gain on disposal of a subsidiary	-	(814)
Tax (income)/expense	(730)	26
Interest income	(610)	(1,093)
	<hr/>	<hr/>
	(2,578)	(1,298)
Changes in working capital:		
Inventories	3	(3)
Trade and other receivables	457	(5,727)
Short term investments	3,183	(8,723)
Trade and other payables	(74)	(234)
	<hr/>	<hr/>
Cash used in operations	991	(15,985)
Tax received/(paid), net	334	(554)
Net cash from/(used in) operating activities	<hr/>	<hr/>
	1,325	(16,539)
<u>Investing activities</u>		
Disposal of discontinued operation, net of cash disposed of	-	3,288
Interest received	610	1,093
Proceeds from disposal of plant and equipment	-	383
Acquisition of investments	-	(4,928)
Loan to third party	-	(390)
Additions to property, plant and equipment	(3,224)	(45,322)
Net cash used in investing activities	<hr/>	<hr/>
	(2,614)	(45,876)
<u>Financing activities</u>		
Dividends paid	(1,095)	(2,191)
Deposit pledged	-	(1,157)
Net proceeds from borrowings	-	23,389
Reduction of borrowings	(975)	-
Repayment of lease liabilities	(200)	-
Interest paid	(917)	(325)
Net cash (used in)/from financing activities	<hr/>	<hr/>
	(3,187)	19,716

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)

	Year Ended	Year Ended
	31.07.20	31.07.19
GROUP	\$'000	\$'000
Net decrease in cash and cash equivalents	(4,476)	(42,699)
Cash and cash equivalents at beginning of year	38,363	81,061
Effect of exchange rate changes on balances held in foreign currency	(1)	1
Cash and cash equivalents at end of year in the statement of financial position	<u>33,886</u>	<u>38,363</u>

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.

GROUP	Share capital	Treasury shares	Revaluation reserve	Other reserves *	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 August 2018	32,992	(187)	21	30	48,309	81,165
Profit for the year	-	-	-	-	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
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)
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.

Consolidated Statement of Changes in Equity

	Share capital \$'000	Treasury shares \$'000	Revaluation reserve \$'000	Other reserves * \$'000	Retained earnings \$'000	Total equity \$'000
GROUP						
At 1 August 2019	32,992	(187)	-	(1,274)	46,318	77,849
Loss for the year	-	-	-	-	(5,752)	(5,752)
<u>Other comprehensive income</u>						
Net loss on equity instrument designated at fair value through other comprehensive income	-	-	-	(560)	-	(560)
Foreign currency translation differences relating to financial statements of foreign subsidiaries	-	-	-	(149)	-	(149)
Total comprehensive income for the year	-	-	-	(709)	(5,752)	(6,461)
Transactions with owners, recorded directly in equity						
<u>Contributions by and distributions to owners</u>						
Final 1-tier tax-exempt dividend paid of 0.5 cent per share for FY2019	-	-	-	-	(1,095)	(1,095)
Total transactions with owners	-	-	-	-	(1,095)	(1,095)
At 31 July 2020	32,992	(187)	-	(1,983)	39,471	70,293

* Other reserves include foreign currency translation reserve and fair value adjustment reserve.

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	Treasury shares \$'000	Retained earnings \$'000	Total equity \$'000
COMPANY				
At 1 August 2018	32,992	(187)	48,295	81,100
Profit for the year	-	-	440	440
Total comprehensive income for the year	-	-	440	440
<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)
Total transactions with owners	-	-	(2,191)	(2,191)
At 31 July 2019	32,992	(187)	46,544	79,349

Statement of Changes in Equity

	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Total equity \$'000
COMPANY				
At 1 August 2019	32,992	(187)	46,544	79,349
Loss for the year	-	-	(1,498)	(1,498)
Total comprehensive income for the year	-	-	(1,498)	(1,498)
<u>Contributions by and distributions to owners</u>				
Final 1-tier tax-exempt dividend paid of 0.5 cent per share for FY2019	-	-	(1,095)	(1,095)
Total transactions with owners	-	-	(1,095)	(1,095)
At 31 July 2020	32,992	(187)	43,951	76,756

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 2020, there was no change to the share capital of the Company.

As at 31 July 2020, the Company held 829,600 treasury shares (31 July 2019: 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 31.07.20	As at 31.07.19
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 2019.

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.

The Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s. The following are the new or amended SFRS(I)s, and SFRS(I) Interpretations, that are relevant to the Group:

- SFRS(I) 16 Leases
- SFRS(I) INT 23 Uncertainty Over Income Tax Treatments
- Annual Improvements to SFRS(I)s 2015-2017 Cycle

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)

The adoption of the above SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group except for the following:

Adoption of SFRS(I) 16 Leases

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied the modified retrospective approach and will not restate comparative amounts for the financial year prior to adoption.

SFRS(I) 16 has resulted in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The standard allows exemption for short-term leases and leases of low value assets. The Group has applied the practical expedient for recognition exemptions for short-term leases and leases of low-value items.

Right-of-use assets included in property, plant and equipment, are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I) 16 resulted in adjustments to the statement of financial position of the Group as at 1 August 2019 as shown in the table below. On adoption of SFRS(I) 16, the Group chose to measure the right-of-use assets at amounts equal to the lease liabilities, adjusted by the amounts of any prepaid or accrued lease payments relating to those leases recognised in the statement of financial position immediately before 1 August 2019. Accordingly, the adoption of SFRS(I) 16 did not result in any adjustment to the opening balance of retained earnings as at 1 August 2019.

Statement of financial position as at 1 August 2019

	1-Aug-19		
	As previously reported	Effect of SFRS (I) 16	As restated
	\$'000	\$'000	\$'000
Property, plant and equipment - right-of-use assets	-	511	511
Lease liabilities	-	(511)	(511)

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 31.07.2020			Year ended 31.07.2019		
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
(Loss)/Profit attributable to owners of the Company (\$'000)	(5,752)	-	(5,752)	(705)	905	200
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 (cents)						
(a) Based on the weighted average number of shares in issue	(2.63)	-	(2.63)	(0.32)	0.41	0.09
(b) On a fully diluted basis	(2.63)	-	(2.63)	(0.32)	0.41	0.09

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 31.07.20	As at 31.07.19	As at 31.07.20	As at 31.07.19
Net Asset Value per ordinary share based on issued share capital at the end of the year	32.09 cents	35.54 cents	35.04 cents	36.22 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 2020 ("FY2020")

The Group's revenue for FY2020 of S\$2.6 million was mainly contributed by hotel operations amounting to \$1.9 million, asset management fees of \$0.5 million and investment income of \$0.2 million. Hotel operations revenue comprises of the full year result of Travelodge Myeongdong City Hall (formerly known as Hotel Aropa) ("TLMC") in FY2020 as compared to 5 months in the financial year ended 31 July 2019 ("FY2019") as the Group only completed the acquisition of the hotel on 20 March 2019. Revenue from the hotel is severely impacted in FY2020 due to (i) the hotel undergoing substantial refurbishment and rebranding works which reduced the available rooms for sale during the year and (ii) temporary closure of the hotel since 15 May 2020 due to the worsening COVID 19 outbreak in Seoul.

Other losses for the Group amounted to \$0.1 million for FY2020 as compared to an income of \$1.2 million in FY2019. The decrease of S\$1.3 million was mainly due to (i) decrease in interest income of S\$0.5 million as a result of lower fixed deposit rates and fair value loss on investments of \$0.8 million.

Staff costs increased from \$1.5 million in FY2019 to \$1.9 million in FY2020 mainly due to full year hotel staff costs being taken up in FY2020 as compared to 5 months in FY2019.

Depreciation for FY2020 mainly relates to the depreciation charge on the freehold building and renovation for TLMC.

The finance costs for FY2020 main were attributed to the term loan facility obtained for the acquisition of TLMC.

Hotel operating costs increased from \$0.7 million to \$1.3 million mainly due to full year operation costs of TLMC taken up in FY2020 as compared to 5 months in FY2019.

The increase in other operating expenses of \$2.5 million was mainly due to impairment loss on the hotel property (TLMC) arising from the impact of Coronavirus disease 2019 ("COVID 19") on the global hospitality industry amounting to \$1.9 million and other operating expenses in relation to the full year operations of TLMC.

Tax credit for FY2020 relates to the favourable outcome of a submission to the Inland Revenue Authority of Singapore in the taxation treatment of past years' claims of capital allowances and deferred tax income arising from unutilised tax losses.

Following the disposal of Wayco on 30 April 2019, the results from Wayco have been presented as discontinued operations in the Group's statement of profit or loss for the year ended 31 July 2019.

As a result of the above, the Group registered a loss of \$5.8 million in FY2020 as compared to a profit of \$0.2 million in FY2019.

Financial Position and Cash flow

The increase in property, plant and equipment as at 31 July 2020 was due to the refurbishment and renovation works for TLMC of approximately \$3.2 million which was partially offset by the \$1.9 million impairment loss on TLMC and depreciation charge of \$0.8 million.

Right-of-use assets of \$0.3 million as at 31 July 2020 mainly relates to the Group's office lease.

Long term investments of \$4.7 million as at 31 July 2020 relate to a 15% minority interest in a hotel in Seoul and a 5% minority interest in a hotel in Singapore.

Long term deposit of \$1.1 million as at 31 July 2020 mainly relates to deposit pledged to the bank for the term loan facility.

Long term receivables of \$5.2 million as at 31 July 2020 mainly relate to loans to investee companies in which the Group has minority interests in.

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)

Financial Position and Cash flow (continued)

Deferred tax assets of \$0.3 million as at 31 July 2020 mainly arose due to current year unutilised tax losses.

The trade and other receivables as at 31 July 2019 were mainly related to the purchase consideration for a 5% share in a hotel investment in Singapore, which was completed on 8 August 2019. Following the completion, it is accounted as part of long-term receivables as at 31 July 2020.

Short-term investments of \$4.8 million as at 31 July 2020 relates to quoted investments that are held for trading and carried at fair value through profit or loss.

Non-current borrowings relates to the term loan of \$20.6 million as at 31 July 2020 for the acquisition of TLMC.

Current borrowings decreased from \$2.7 million to \$1.7 million due to repayment of short term borrowings during the year.

Lease liabilities of \$0.3 million relates to the accounting for the right-of-use assets of the Group.

Trade and other payables as at 31 July 2020 was \$1.2 million, which was similar to that as at 31 July 2019

Current tax payable as at 31 July 2020 was \$1.0 million, which was similar to that as at 31 July 2019.

Net cash from operating activities of \$1.3 million for FY2020 was mainly due to (i) the proceeds received from disposal of short-term investments amounting to \$3.2 million, (ii) tax credit received of S\$0.3 million and (iii) changes in working capital of \$0.4 million. This is partially offset against the Group's cash operating losses of \$2.6 million.

Net cash used in financing activities of \$3.2 million for FY2020 was mainly due to (i) dividend payment of \$1.1 million, (ii) repayment of short-term borrowings and interest payments of \$1.9 million and (iii) payment of lease obligations of \$0.2 million.

Net cash used in investing activities of \$2.6 million for FY2020 was mainly due to additions to property, plant and equipment of S\$3.2 million, partially offset by fixed deposits interest income of \$0.6 million.

Use of proceeds raised from private placement

The net placement proceeds from the issuance of shares to Lian Beng Group Ltd in FY2015 of \$7.3 million are intended to be used for property related businesses, of which \$3.2 million was utilized for capital expenditure incurred for TLMC during the year.

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.

COVID 19 has significantly impacted the hospitality market in South Korea. Due to the severely depressed occupancy and room rates, our hotel in Seoul, South Korea, Travelodge Myeongdong City Hall (formerly known as Hotel Aropa) ("TLMC"), has been temporarily closed since mid-May 2020. During this temporary closure, the Company focused on the completion of the hotel's refurbishment works which are expected to be completed by end September 2020.

There was a second wave of outbreaks in South Korea in August 2020 which was sparked by clusters of infections from a church and a political rally. On 19 September 2020, the government has extended the Level 2 social distancing measures till 27 September 2020, which limits indoor gatherings to below 50 and outdoor meetings to fewer than 100. These measures could be further tightened for the Chuseok holidays which begin from 30 September 2020 to 2 October 2020.

In view of the COVID-19 situation in South Korea and the strict social distancing rules, measures are being taken by TLMC to minimise its losses. Notwithstanding the completion of TLMC's renovation works, the Company is closely monitoring the situation before deciding on reopening of the hotel. As soon as the market improves sufficiently to warrant a reopening of the hotel, the Company will immediately mobilise resources to reopen.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared or recommended for the current financial period reported on? None

(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	0.5 cent per share
Tax Rate	One-tier tax exempt

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. 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 year.

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 details of interested person transactions for year ended 31 July 2020 are set out below.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions for year ended 31 July 2020 (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 year ended 31 July 2020 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	331

* Shareholders' mandate was renewed and approved at the Annual General Meeting held on 13 November 2019.

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

Not applicable.

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

	Investment Holding (Continuing operations)		Investments (Continuing operations)		Asset Management (Continuing operations)		Hotel (Continuing operations)		Inter-Segment Adjustments		Total (Continuing operations)	
	2020 \$'000	2019 \$'000 (restated)	2020 \$'000	2019 \$'000 (restated)	2020 \$'000	2019 \$'000 (restated)	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
External revenue	-	-	182	622	537	-	1,865	1,531	-	-	2,584	2,153
Inter segment revenue	378	-	-	-	-	-	1,753	598	(2,131)	(598)	-	-
Total revenue for reporting segments	378	-	182	622	537	-	3,618	2,129	(2,131)	(598)	2,584	2,153
Interest income	19	-	574	1,079	-	-	17	14	-	-	610	1,093
Finance costs	(15)	(10)	(32)	-	-	-	(873)	(315)	-	-	(920)	(325)
Depreciation	(214)	(6)	-	-	-	-	(631)	(127)	-	-	(845)	(133)
Reportable segment (loss)/profit before tax and after exceptional item	(2,249)	(590)	(83)	1,692	174	-	(4,324)	(115)	-	-	(6,482)	987
Tax credit	730	-	-	-	-	-	-	-	-	-	730	-
Segment assets	42,955	45,634	4,805	8,796	130	-	47,241	49,128	-	-	95,131	103,558
Segment liabilities	1,738	1,714	1,700	2,709	80	-	21,320	21,286	-	-	24,838	25,709

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.

	Haircare Business (Discontinued operations)		Inter-Segment Adjustments		Total (Discontinued operations)	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	-	995	-	-	2,584	3,148
Inter segment revenue	-	-	-	-	-	-
Total revenue for reporting segments	-	995	-	-	2,584	3,148
Interest income	-	-	-	-	610	1,093
Finance costs	-	(3)	-	-	(920)	(328)
Depreciation	-	(39)	-	-	(845)	(172)
Reportable segment profit/(loss) before tax and after exceptional item	-	118	-	-	(6,482)	1,105
Tax (expense)/credit	-	(26)	-	-	730	(26)
Segment assets	-	3,004	-	-	95,131	106,562
Segment liabilities	-	428	-	-	24,838	26,137

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

	2020	2019
	\$'000	\$'000
Revenue		
Total revenue for reporting segments	2,584	3,148
Elimination of discontinued operations	-	(995)
Consolidated revenue	<u>2,584</u>	<u>2,153</u>
Loss before tax and after exceptional item		
Total profit for reportable segments before tax	(6,482)	(823)
Elimination of discontinued operations	-	118
Consolidated loss before tax and after exceptional item	<u>(6,482)</u>	<u>(705)</u>
Assets		
Total assets for reportable segments	95,131	106,562
Discontinued operations	-	(3,004)
Consolidated total assets	<u>95,131</u>	<u>103,558</u>
Liabilities		
Total liabilities for reportable segments	24,838	26,137
Discontinued operations	-	(428)
Consolidated total liabilities	<u>24,838</u>	<u>25,709</u>

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

Products and services

The "Investments" segment relates to the trading in short term investments. The "Investments Holding" segment relates to the holding of long-term investments by the Group and also includes corporate expenses. The "Hotel" segment relates to hotel operations. The "Asset Management" segment relates to the provision of asset management services. The "Haircare Business" segment relates to the manufacturing and distribution of haircare, cosmetics and other homecare chemical products. The business segment was disposed on 30 April 2019 and disclosed as discontinued operations.

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.

	2020	2019
	\$'000	\$'000
Revenue		
Singapore	719	622
Other Asia Pacific	1,865	2,526
Less: Discontinued operations	-	(995)
	<u>2,584</u>	<u>2,153</u>
Non-current assets		
Singapore	10,563	5,370
Korea	45,332	44,921
	<u>55,895</u>	<u>50,291</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 FY2020 relate to the revenue contributed by the hotel operations amounting to \$1.9 million, investment income of \$0.2 million and asset management fees of \$0.5 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	2,370	83	NM
(b) Operating loss after tax before deducting non-controlling interests reported for the first half year	(768)	(276)	NM
(c) Sales reported for the second half year	214	2,070	-90%
(d) Operating (loss) after tax before deducting non- controlling interests reported for the second half year	(4,984)	(429)	NM

	Latest Financial Year \$'000	Previous Financial Year \$'000	% Increase / (Decrease) %
Discontinued operation	Group	Group	Group
(a) Sales reported for the first half year	-	639	NM
(b) Operating profit after tax before deducting non-controlling interests reported for the first half year	-	72	NM
(c) Sales reported for the second half year	-	356	NM
(d) Operating profit after tax before deducting non- controlling interests reported for the second half year	-	19	NM

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
Ordinary – Special	-	-
Preference	-	-
Total	-	1,095

* The final dividend is estimated based on 219.1 million (31 July 2019: 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 Changwei, Eugene
Financial Controller
26 September 2020