



DATAPULSE
TECHNOLOGY

Datapulse Technology Limited

(Company Registration No. 198002677D)

Condensed Interim Financial Statements
For The Six Months And Full Year Ended
31 July 2023

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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

<u>Consolidated Statement of Profit or Loss</u>	Note	Group					
		6 Months Ended		Change %	12 Months Ended		Change %
		31.7.2023 \$'000 (Unaudited)	31.7.2022 \$'000 (Unaudited)		31.7.2023 \$'000 (Unaudited)	31.7.2022 \$'000 (Audited)	
Revenue	3	2,814	1,177	139.1	4,469	1,921	132.6
Other income	4	187	92	103.3	330	206	60.2
		3,001	1,269	136.5	4,799	2,127	125.6
Fair value loss on short-term investments		-	(239)	N.M.	-	(307)	N.M.
Gain/(Loss) on disposal of investments		21	-	N.M.	(18)	-	N.M.
Staff costs		(759)	(648)	17.1	(1,496)	(1,395)	7.2
Depreciation		(140)	(453)	(69.1)	(613)	(998)	(38.6)
Finance costs	5	(24)	(162)	(85.2)	(51)	(617)	(91.7)
Hotel operating expenses		(1,250)	(470)	166.0	(2,028)	(867)	133.9
Impairment of freehold building		(970)	-	N.M.	(970)	-	N.M.
Other operating expenses		(576)	(470)	22.6	(1,013)	(1,285)	(21.2)
Loss before taxation	6	(697)	(1,173)	(40.6)	(1,390)	(3,342)	(58.4)
Taxation	7	219	39	461.5	219	36	508.3
Loss for the period attributable to owners of the Company		(478)	(1,134)	(57.8)	(1,171)	(3,306)	(64.6)
Loss per share attributable to owners of the Company							
Basic loss per share (cents) ⁽¹⁾		(0.22)	(0.52)		(0.53)	(1.51)	
Diluted loss per share (cents) ⁽²⁾		(0.15)	(0.52)		(0.38)	(1.51)	
<u>Consolidated Statement of Comprehensive Income</u>							
Loss for the period		(478)	(1,134)	(57.8)	(1,171)	(3,306)	(64.6)
Other comprehensive (loss)/income:							
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurement of defined benefit obligation		(13)	-	N.M.	(13)	-	N.M.
Net gain/(loss) on equity instrument designated at fair value through other comprehensive income		1,460	(350)	(517.1)	1,460	(350)	(517.1)
<i>Items that will be reclassified to profit or loss</i>							
Foreign currency translation differences relating to foreign subsidiaries		(1,330)	(2,586)	(48.6)	(1,138)	(3,930)	(71.0)
Other comprehensive income/(loss) for the period		117	(2,936)	(104.0)	309	(4,280)	(107.2)
Total comprehensive loss for the period attributable to owners of the Company		(361)	(4,070)	(91.1)	(862)	(7,586)	(88.6)

(1) The basic loss per share for six months and full year ended 31 July 2023 is computed based on weighted average number of ordinary shares (excluding treasury shares) of 221,923,669 and 220,494,069 shares (31 July 2022: 219,074,844 shares).

(2) The diluted loss per share for six months and full year ended 31 July 2023 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 310,908,023 and 309,478,423 shares (31 July 2022: 219,074,844 shares).

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B. Condensed interim statements of financial position

	Note	Group		Company	
		31.7.2023	31.7.2022	31.7.2023	31.7.2022
		\$'000 (Unaudited)	\$'000 (Audited)	\$'000 (Unaudited)	\$'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	8	37,885	40,482	15	22
Right-of-use assets	9	45	103	45	103
Investment securities	10	4,208	2,748	-	-
Long-term receivables	11	6,305	6,167	-	-
Subsidiaries		-	-	49,646	54,810
Deferred tax assets		151	-	-	-
		48,594	49,500	49,706	54,935
Current assets					
Trade and other receivables	11	323	172	118	50
Prepayment		62	48	47	33
Investment securities	10	498	3,328	498	3,328
Cash and bank balances		13,397	8,274	11,579	7,137
		14,280	11,822	12,242	10,548
TOTAL ASSETS		62,874	61,322	61,948	65,483
LIABILITIES AND EQUITY					
Non-current liabilities					
Loan and borrowing	12	1,020	1,500	1,020	1,500
Lease liabilities	9	1	48	1	48
		1,021	1,548	1,021	1,548
Current liabilities					
Trade and other payables	13	813	635	313	204
Current tax payable		555	555	520	520
Loan and borrowing	12	500	500	500	500
Lease liabilities	9	47	60	47	60
		1,915	1,750	1,380	1,284
Total liabilities		2,936	3,298	2,401	2,832
Net assets		59,938	58,024	59,547	62,651
Equity attributable to owners of the Company					
Share capital	14	35,016	32,992	35,016	32,992
Reserves		24,922	25,032	24,531	29,659
Total equity		59,938	58,024	59,547	62,651
TOTAL LIABILITIES AND EQUITY		62,874	61,322	61,948	65,483

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Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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>Total comprehensive income/(loss)</u>							
Loss for the period	-	-	-	-	-	(1,171)	(1,171)
Other comprehensive (loss)/income:							
Remeasurement of defined benefit obligation	-	-	-	-	-	(13)	(13)
Net gain on equity instrument designated at fair value through other comprehensive income	-	-	1,460	-	-	-	1,460
Foreign currency translation differences relating to foreign subsidiaries	-	-	-	(1,138)	-	-	(1,138)
Total other comprehensive income/(loss) for the period	-	-	1,460	(1,138)	-	(13)	309
Total comprehensive income/(loss) for the period	-	-	1,460	(1,138)	-	(1,184)	(862)
<u>Transactions with owners, recognised directly in equity</u>							
Issuance of warrants, net of transaction costs	-	-	-	-	926	-	926
Exercise of warrants	2,024	-	-	-	(174)	-	1,850
	2,024	-	-	-	752	-	2,776
At 31 July 2023	35,016	(187)	(1,047)	(5,912)	752	31,316	59,938
At 1 August 2021	32,992	(187)	(2,157)	(844)	-	35,806	65,610
<u>Total comprehensive loss</u>							
Loss for the period	-	-	-	-	-	(3,306)	(3,306)
Other comprehensive loss for the period:							
Net loss on equity instrument designated at fair value through other comprehensive income	-	-	(350)	-	-	-	(350)
Foreign currency translation differences relating to foreign subsidiaries	-	-	-	(3,930)	-	-	(3,930)
Total other comprehensive loss for the period	-	-	(350)	(3,930)	-	-	(4,280)
Total comprehensive loss for the period	-	-	(350)	(3,930)	-	(3,306)	(7,586)
At 31 July 2022	32,992	(187)	(2,507)	(4,774)	-	32,500	58,024

	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
Loss for the period, representing total comprehensive loss for the period	-	-	-	(5,880)	(5,880)
<u>Transactions with owners, recognised directly in equity</u>					
Issuance of warrants, net of transaction costs	-	-	926	-	926
Exercise of warrants	2,024	-	(174)	-	1,850
	2,024	-	752	-	2,776
At 31 July 2023	35,016	(187)	752	23,966	59,547
At 1 August 2021	32,992	(187)	-	32,367	65,172
Loss for the period, representing total comprehensive loss for the period	-	-	-	(2,521)	(2,521)
At 31 July 2022	32,992	(187)	-	29,846	62,651

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D. Condensed interim consolidated statement of cash flows

	Group	
	12 Months Ended	
	31.7.2023	31.7.2022
	\$'000	\$'000
	(Unaudited)	(Audited)
<u>Operating activities</u>		
Loss before taxation	(1,390)	(3,342)
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	613	998
Fair value loss on short-term investment securities	-	307
Finance costs	51	617
Impairment of freehold building	970	-
Interest income	(329)	(102)
Loss on disposal of plant and equipment	2	8
Defined benefit costs	58	46
Operating cash flows before movements in working capital	(25)	(1,468)
Changes in working capital:		
Trade and other receivables	(83)	1,465
Prepayment	(14)	15
Short-term investment securities	2,830	538
Trade and other payables	242	(80)
Contribution or benefits paid or retirement benefits	(69)	(61)
Cash generated from operations	2,881	409
Tax refund/(paid)	68	(6)
Net cash generated from operating activities	2,949	403
<u>Investing activities</u>		
Interest received	259	102
Loans to investee companies	(138)	(538)
Proceeds from sale of plant and equipment	-	3
Purchase of property, plant and equipment	(53)	(33)
Net cash generated from/(used in) investing activities	68	(466)
<u>Financing activities</u>		
Interest paid	(49)	(615)
Proceeds from issuance of warrants, net of transaction costs	926	-
Proceeds from exercise of warrants	1,850	-
Repayment of bank loan	(480)	(20,254)
Repayment of lease liabilities	(62)	(70)
Net cash generated from/(used in) financing activities	2,185	(20,939)
Net increase/(decrease) in cash and cash equivalents	5,202	(21,002)
Cash and cash equivalents at beginning of financial year	8,274	29,346
Effect of exchange rate changes on balances held in foreign currency	(79)	(70)
Cash and cash equivalents at end of financial year	13,397	8,274

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Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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 and twelve months ended 31 July 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 and twelve months ended 31 July 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 ended 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) Investments;
- (c) Provision of asset 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		12 Months Ended	
		31.7.2023	31.7.2022	31.7.2023	31.7.2022
		\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customers	(a)	2,806	1,028	4,419	1,698
Dividend income from equity investments at fair value through profit or loss ("FVPL")		-	50	33	115
Gain on disposal of investment securities at FVPL		-	90	-	90
Interest income on bond investments at FVPL		8	9	17	18
		2,814	1,177	4,469	1,921

(a) Disaggregation of revenue:

Segments	Hotel		Asset management		Total revenue from contracts with customers	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022	31.7.2023	31.7.2022
12 Months Ended	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets						
Singapore	-	-	351	201	351	201
Korea	4,068	1,497	-	-	4,068	1,497
	4,068	1,497	351	201	4,419	1,698
Major revenue streams						
Hotel operations revenue						
- Room	3,926	1,450	-	-	3,926	1,450
- Food and beverage	69	6	-	-	69	6
- Others	73	41	-	-	73	41
Asset management fees	-	-	351	201	351	201
	4,068	1,497	351	201	4,419	1,698
6 Months Ended						
	31.7.2023	31.7.2022	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets						
Singapore	-	-	251	101	251	101
Korea	2,555	927	-	-	2,555	927
	2,555	927	251	101	2,806	1,028
Major revenue streams						
Hotel operations revenue						
- Room	2,470	923	-	-	2,470	923
- Food and beverage	49	-	-	-	49	-
- Others	36	4	-	-	36	4
Asset management fees	-	-	251	101	251	101
	2,555	927	251	101	2,806	1,028

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E. Notes to the condensed interim consolidated financial statements

4. Other income

	Group			
	6 Months Ended		12 Months Ended	
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
	\$'000	\$'000	\$'000	\$'000
Fair value loss on short-term investments at FVPL	(15)	-	-	-
Government grants	-	49	-	101
Interest income	201	59	329	102
Other income	1	(16)	1	3
	187	92	330	206

5. Finance costs

	Group			
	6 Months Ended		12 Months Ended	
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
	\$'000	\$'000	\$'000	\$'000
Interest expenses on bank borrowings	23	161	49	615
Interest expenses on leases	1	1	2	2
	24	162	51	617

6. Loss before taxation

Loss before taxation for the period has been arrived at after charging/(crediting) the following items:

	Group			
	6 Months Ended		12 Months Ended	
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
	\$'000	\$'000	\$'000	\$'000
Annual report and annual general meeting expenses	1	-	14	15
Audit fees	41	101	78	143
Central Depository and Singapore Exchange Listing expenses	44	59	57	89
Contributions to defined contribution plans, included in staff costs	27	30	54	68
Directors' fees, included in staff costs	83	90	150	188
Foreign exchange (gain)/loss	(1)	4	-	25
Impairment of freehold building	970	-	970	-
Management fee expenses	71	75	144	156
Office reinstatement costs	-	2	-	24
Operating lease expense	7	23	8	52
Professional fees	67	27	143	374

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E. Notes to the condensed interim consolidated financial statements

7. Taxation

	Group			
	6 Months Ended		12 Months Ended	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
	\$'000	\$'000	\$'000	\$'000
Current tax (credit)/expense				
Withholding tax arising from interest income from subsidiaries	-	29	-	46
Over provision in respect of prior financial period	(68)	(68)	(68)	(82)
	(68)	(39)	(68)	(36)
Deferred tax credit				
Benefit arising from previously unrecognised tax losses	(151)	-	(151)	-
Income tax credit	(219)	(39)	(219)	(36)

8. Property, plant and equipment

During the financial year ended 31 July 2023, the Group acquired assets amounting to \$53,000 (31 July 2022: \$33,000), disposed assets amounting to \$9,000 (31 July 2022: \$93,000) and recognised an impairment loss of \$970,000 (31 July 2022: \$Nil) arising from the independent valuation of the freehold building.

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 year:

	Group and Company		
	Office space	Office equipment	Total
	\$'000	\$'000	\$'000
At 1 August 2021	51	8	59
Additions	116	-	116
Depreciation expense	(70)	(2)	(72)
At 31 July 2022	97	6	103
Depreciation expense	(55)	(3)	(58)
At 31 July 2023	42	3	45

The total cash outflow for leases during the financial year ended 31 July 2023 is \$62,000 (31 July 2022: \$70,000).

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E. Notes to the condensed interim consolidated financial statements

11. Trade and other receivables

	Group		Company	
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
	\$'000	\$'000	\$'000	\$'000
Trade and other receivables (current)				
Trade receivables	125	33	-	-
Other receivables				
- Deposits	32	34	32	32
- Interest receivables	165	95	83	16
- GST/VAT receivables	-	7	3	2
- Others	1	3	-	-
	323	172	118	50
Other receivables (non-current)				
Long-term receivables	6,305	6,167	-	-
Total trade and other receivables	6,628	6,339	118	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 to two investee companies in which the Group has a 15% interest and 5% interest. The long-term receivables are interest free, except for the amount of \$1,421,000 (31 July 2022: \$1,283,000) which bears an interest of 3.85% per annum.

12. Loan and borrowing

	Maturity	Group		Company	
		<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
		\$'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	1,020	1,500	1,020	1,500
Total loan and borrowing		1,520	2,000	1,520	2,000

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

	1 August 2022	Non-cash movements			31 July 2023
		Financing cash outflows	Interest expenses	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000
Loan and borrowing	2,000	(529)	49	-	1,520

	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

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E. Notes to the condensed interim consolidated financial statements

13. Trade and other payables

	Group		Company	
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</u>	<u>31.7.2022</u>
	\$'000	\$'000	\$'000	\$'000
Trade payables	88	71	-	-
Accrued operating expenses	643	434	272	132
Amounts due to subsidiaries (non-trade)	-	-	27	27
Interest payables	2	3	2	3
GST/VAT payables	23	-	-	-
Retirement benefit obligations	14	19	-	-
Other payables	43	108	12	42
	813	635	313	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.

14. Share capital

	Company			
	<u>31.7.2023</u>	<u>31.7.2022</u>	<u>31.7.2023</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 year	219,904,444	219,904,444	32,992	32,992
Exercise of warrants	20,553,068	-	2,024	-
At end of financial year	240,457,512	219,904,444	35,016	32,992

All shares (excluding treasury shares) rank equally with regard 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 year ended 31 July 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 28 November 2027.

As at 31 July 2023, there are 88,984,354 (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 July 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 twelve months ended 31 July 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. As at 31 July 2023, \$4,982,000 (31 July 2022: \$4,940,000) had been utilised for capital expenditure incurred for Travelodge Myeongdong City Hall ("TLMC").

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

E. Notes to the condensed interim consolidated financial statements

14. Share capital (continued)

Use of proceeds raised from rights issue of warrants

The Company raised net proceeds amounting to \$926,000 from the rights issue of warrants for the Group's general working capital. As at 31 July 2023, \$801,000 (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 July 2023, 20,553,068 warrants (31 July 2022: Nil) had been exercised. The proceeds arising from the exercise of these warrants of approximately \$1,850,000 (31 July 2022: \$Nil) has not been utilised.

15. Net asset value

	Group		Company	
	31.7.2023	31.7.2022	31.7.2023	31.7.2022
Net asset value per ordinary share, excluding treasury shares (cents)	25.01	26.49	24.85	28.60
Net asset value per diluted share, excluding treasury shares (cents)	18.24	26.49	18.12	28.60

16. Reportable segments

	Investment holding \$'000	Investments \$'000	Asset management \$'000	Hotel \$'000	Consolidated \$'000
12 Months Ended 31.7.2023					
Revenue:					
Total revenue for reporting segments	213	50	351	4,439	5,053
Inter-segment revenue	(213)	-	-	(371)	(584)
Revenue from external customers	-	50	351	4,068	4,469
Results:					
Loss on disposal of investments	-	(18)	-	-	(18)
Interest income	-	311	-	18	329
Depreciation	(62)	-	-	(551)	(613)
Finance costs	(51)	-	-	-	(51)
Impairment of freehold building	-	-	-	(970)	(970)
Reportable segment (loss)/profit before taxation	(1,171)	343	100	(662)	(1,390)
Taxation	68	-	-	151	219
Reportable segment for the year	(1,103)	343	100	(511)	(1,171)
Additions to property, plant and equipment	-	-	-	53	53
Reportable segment assets	22,433	498	83	39,860	62,874
Reportable segment liabilities	2,409	-	6	521	2,936

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

E. Notes to the condensed interim consolidated financial statements

16. Reportable segments (continued)

	Investment holding \$'000	Investments \$'000	Asset management \$'000	Hotel \$'000	Consolidated \$'000
12 Months Ended 31.7.2022					
Revenue:					
Total revenue for reporting segments	351	223	201	2,754	3,529
Inter-segment revenue	(351)	-	-	(1,257)	(1,608)
Revenue from external customers	-	223	201	1,497	1,921
Results:					
Fair value loss on short-term investment securities	-	(307)	-	-	(307)
Interest income	30	60	-	12	102
Government grants	37	-	-	64	101
Depreciation	(81)	-	-	(917)	(998)
Finance costs	(57)	-	-	(560)	(617)
Reportable segment loss before taxation	(1,454)	(24)	(141)	(1,723)	(3,342)
Taxation	22	-	14	-	36
Reportable segment for the year	(1,432)	(24)	(127)	(1,723)	(3,306)
Additions to property, plant and equipment	117	-	-	32	149
Reportable segment assets	16,494	3,328	92	41,408	61,322
Reportable segment liabilities	2,886	-	6	406	3,298
6 Months Ended 31.7.2023					
Revenue:					
Total revenue for reporting segments	101	8	251	2,740	3,100
Inter-segment revenue	(101)	-	-	(185)	(286)
Revenue from external customers	-	8	251	2,555	2,814
Results:					
Fair value loss on short-term investment securities	-	(15)	-	-	(15)
Loss on disposal of investments	-	21	-	-	21
Interest income	-	190	-	11	201
Depreciation	(31)	-	-	(109)	(140)
Finance costs	(24)	-	-	-	(24)
Impairment of freehold building	-	-	-	(970)	(970)
Reportable segment (loss)/profit before taxation	(637)	204	130	(394)	(697)
Taxation	68	-	-	151	219
Reportable segment for the period	(569)	204	130	(243)	(478)
Additions to property, plant and equipment	-	-	-	43	43
Reportable segment assets	22,433	498	83	39,860	62,874
Reportable segment liabilities	2,409	-	6	521	2,936

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

E. Notes to the condensed interim consolidated financial statements

16. Reportable segments (continued)

	Investment holding \$'000	Investments \$'000	Asset management \$'000	Hotel \$'000	Consolidated \$'000
6 Months Ended 31.7.2022					
Revenue:					
Total revenue for reporting segments	166	149	101	1,325	1,741
Inter-segment revenue	(166)	-	-	(398)	(564)
Revenue from external customers	-	149	101	927	1,177
Results:					
Fair value loss on short-term investment securities	-	(239)	-	-	(239)
Interest income	30	19	-	10	59
Government grants	-	-	-	49	49
Depreciation	(24)	-	-	(429)	(453)
Finance costs	(28)	-	-	(134)	(162)
Reportable segment loss before taxation	(795)	(139)	(52)	(187)	(1,173)
Taxation	39	-	-	-	39
Reportable segment for the period	(756)	(139)	(52)	(187)	(1,134)
Additions to property, plant and equipment	117	-	-	21	138
Reportable segment assets	16,494	3,328	92	41,408	61,322
Reportable segment liabilities	2,886	-	6	406	3,298

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.

	12 Months Ended	
	31.7.2023	31.7.2022
	\$'000	\$'000
Revenue:		
Singapore	401	424
Korea	4,068	1,497
	4,469	1,921
Non-current assets:		
Singapore	7,152	6,308
Korea	41,442	43,192
	48,594	49,500

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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 year:

	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				
31.7.2023				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted debt investments	498	-	-	498
<u>Investment securities at FVOCI (Note 10)</u>				
- Unquoted equity investments	-	-	4,208	4,208
	498	-	4,208	4,706
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

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

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				
31.7.2023				
Assets measured at fair value				
Financial assets				
<u>Investment securities at FVPL (Note 10)</u>				
- Quoted debt investments	498	-	-	498
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. 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 And Full Year Ended 31 July 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 July 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 twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

2 Review of performance of the Group

Financial performance for full year ended 31 July 2023 ("FY2023")

The Group's revenue is contributed by 3 business segments; namely the hotel operations, asset management and investment trading segments.

The Group recorded total revenue of \$4.5 million in FY2023. The hotel operations business contributed \$4.1 million through the Group's hotel namely Travelodge Myeongdong City-Hall ("TLMC"), while asset management fees and investment income contributed a total of \$0.4 million.

Hotel operations revenue increased from \$1.5 million in year ended 31 July 2022 ("FY2022") to \$4.5 million in FY2023 mainly due to lifting of travel restrictions contributed to better occupancy and higher average room rates. In FY2022, TLMC offered residential style accommodation for long stay guests, and operated as a treatment centre for COVID-19 patients from end of December 2021 to beginning of May 2022. From June 2022 onwards, TLMC resumed its normal hotel operations.

Asset management fees were derived from managing a hotel asset. With the recovery of hospitality industry, the revenue from asset management fees increased from \$0.2 million in FY2022 to \$0.35 million in FY2023.

Revenue from investments decreased from \$0.2 million in FY2022 to \$0.05 million in FY2023 as the Group reduced its investments in debt and equity securities and moved to fixed deposits in response to the increase in fixed deposits rates and increased market volatility.

The increase in other income from \$0.2 million in FY2022 to \$0.3 million in FY2023 due mainly to the increase in interest income generated from fixed deposits.

Fair value loss on short-term investments decreased from \$0.3 million in FY2022 to \$Nil in FY2023 was due to the disposal of short-term investments during FY2023.

The increase in staff costs and hotel operation expenses from \$1.4 million in FY2022 to \$1.5 million in FY2023 and from \$0.9 million in FY2022 to \$2.0 million in FY2023, respectively, were mainly due to increased hotel operating activities in FY2023, in line with the increase in hotel operations revenue in FY2023.

The depreciation charge primarily arose from the Group's freehold building and associated renovation works. The decrease in depreciation charge from \$1.0 million in FY2022 to \$0.6 million in FY2023 was mainly due to the change of estimated useful life for hotel's renovation from 8 years to 15 years.

The decrease in finance cost was mainly due to full repayment of Korean Won ("KRW") denominated term loan in FY2022.

Impairment of freehold building of \$0.97 million arose from the independent valuation of the freehold building.

The decrease in other operating expenses from \$1.3 million in FY2022 to \$1.0 million in FY2023 was mainly due to the decrease in professional fees, short-term operating leases, directors' fees, office reinstatement costs and other miscellaneous expenses.

The increase in taxation from \$0.04 million to \$0.2 million was mainly due to the recognition of deferred tax assets arising from previously unrecognised tax losses.

Based on the above, the Group's loss attributable to the shareholders was \$1.2 million in FY2023 against a loss of \$3.3 million in FY2022.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

F. Other information required by Listing Rule Appendix 7.2

2 Review of performance of the Group (continued)

Review of Financial Position

The property, plant and equipment decrease from \$40.5 million as at 31 July 2022 to \$37.9 million as at 31 July 2023 due to foreign exchange movement arising from the appreciation of Singapore dollar against KRW, impairment loss on freehold building and depreciation charged during the year.

Rights of use assets of \$0.1 million as at 31 July 2023 mainly relates to the Group's office lease.

Long-term investment securities relate to a 15% minority interest in a hotel in Seoul, South Korea and a 5% minority interest in a hotel in Singapore. The increase from \$2.7 million as at 31 July 2022 to \$4.2 million as at 31 July 2023 was mainly due to fair value adjustment to the investments attributable to the recovery of the hospitality industry.

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 from \$0.2 million as at 31 July 2022 to \$0.4 million as at 31 July 2023 was mainly due to higher trade receivables in light of better hotel performance and higher interest receivables arising from more fixed deposits placed with banks at a higher interest rate.

Short-term investment securities relate to quoted investments that are held for trading and carried at fair value through profit or loss. The decrease from \$3.3 million as at 31 July 2022 to \$0.5 million as at 31 July 2023 was mainly due to the disposal of certain quoted investments during the year.

The increase in share capital from \$33.0 million as at 31 July 2022 to \$35.0 million as at 31 July 2023 was due to the exercise of warrants by shareholders.

The increase in trade and other payables from \$0.6 million as at 31 July 2022 to \$0.8 million as at 31 July 2023 was mainly due to the increase in accruals for professional fees, and various hotel operating expenses attributable to the increased operating activities.

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

Review of Cash Flow

Net cash generated from operating activities of \$2.9 million for FY2023 was mainly due to the disposal of certain quoted investments during the year.

Net cash generated from investing activities of \$0.1 million for FY2023 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 and purchase of plant and equipment.

Net cash generated from financing activities of \$2.2 million for FY2023 was mainly due to the proceeds from issuance and exercise of warrants during the year, 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 \$13.4 million as at 31 July 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.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

F. Other information required by Listing Rule Appendix 7.2

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 hospitality industry in South Korea expects to recover further from the Covid-19 pandemic with the return of Chinese tourists (the most significant source of tourists to South Korea before the Covid-19 pandemic) after the Chinese Government announced the lifting of Covid-19 era restriction on group tours to South Korea and other countries such as United States of America, Japan and Australia on 10 August 2023.

Despite positive signs of a recovery in hospitality industry in South Korea, the Group continues to face challenges such as foreign exchange risk, inflationary cost pressures, manpower crunch and other economic uncertainties resulting from the on-going geopolitical tension between United States of America and China as well as the conflict between Russia and Ukraine.

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 year.

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.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

F. Other information required by Listing Rule Appendix 7.2

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 year ended 31 July 2023 are set out below.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions for year ended 31 July 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 year ended 31 July 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 Ang Kong Meng who was a controlling shareholder of ICP Ltd. ** - Mr Aw Cheok Huat who is a controlling shareholder of ICP Ltd. ***	Nil	351

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

** Mr Ang Kong Meng became a controlling shareholder of ICP Ltd. on 20 April 2023 and ceased to be a controlling shareholder of ICP Ltd. on 11 July 2023.

*** Mr Aw Cheok Huat resigned from the Company as a director on 11 July 2023. He was also a controlling shareholder of the Company from 4 July 2023 to 10 August 2023.

7 Negative confirmation pursuant to Rule 705(5).

Not required for announcement on full year results.

8 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.

9 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.

Pursuant to Rule 704(13) of the Listing Rules, Datapulse Technology Limited confirms that there were no persons occupying managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

Datapulse Technology Limited

Condensed Interim Financial Statements For The Six Months And Full Year Ended 31 July 2023

F. Other information required by Listing Rule Appendix 7.2

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

During FY2023, 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
Company Secretary
27 September 2023