



**POWERMATIC DATA SYSTEMS LIMITED**  
Incorporated in the Republic of Singapore  
Co. Reg. No. 198900414E

**Condensed interim financial statements**  
**For the six months ended 30 September 2022**

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POWERMATIC DATA SYSTEMS LIMITED  
 INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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

<u>THE GROUP</u>				
		6 month ended 30 September 2022	6 month ended 30 September 2021	Increase/ (Decrease)
	Note	S\$'000	S\$'000	%
<b>Revenue</b>				
Cost of sales	4; F2.1.1	18,332	15,812	16
		<u>(10,453)</u>	<u>(8,226)</u>	27
<b>Gross profit</b>	F2.1.2	7,879	7,586	4
<b>Other items of income</b>				
Property income (gross)		567	622	(9)
Property expenses		<u>(378)</u>	<u>(376)</u>	1
Profit from property	5; F2.1.3	189	246	(23)
Other gains	6; F2.1.4	1,005	247	307
<b>Other items of expenses</b>				
Marketing and distribution costs	F2.1.5	(801)	(753)	6
Administration expenses	F2.1.5	(1,310)	(1,286)	2
Other operating expenses		(5)	(3)	N.M
Other losses	7; F2.1.6	(75)	(15)	400
<b>Profit before tax</b>		6,882	6,022	14
Income tax expense		<u>(1,203)</u>	<u>(907)</u>	33
<b>Profit for the financial period, net of tax</b>		5,679	5,115	11
<b>Other comprehensive income :</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Fair value changes on equity instruments at FVTOCI, net of tax		(85)	178	N.M
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Exchange differences on translating foreign operations		<u>(386)</u>	121	N.M
Total other comprehensive (loss) / income, net of tax		<u>(471)</u>	299	N.M
Total comprehensive income		<u>5,208</u>	<u>5,414</u>	(4)
Profit attributable to owners of parent, net of tax		5,679	5,115	11
Total comprehensive income attributable to owners of parent		<u>5,208</u>	<u>5,414</u>	N.M
<b>Earnings per share for profit for the period attributable to the owners of the Company during the year</b>				
Basic (SGD in cent)	8	16.25	14.63	
Diluted (SGD in cent)		16.25	14.63	

B. Condensed interim statements of financial position

	Note	THE GROUP		THE COMPANY	
		30-Sep-22 S\$'000	31-Mar-22 S\$'000	30-Sep-22 S\$'000	31-Mar-22 S\$'000
<b>ASSETS</b>					
Non-Current Assets					
Property, plant and equipment	9	4,947	4,864	1,800	1,796
Investment property	10	16,430	16,542	16,430	16,542
Intangible assets		2	3	-	-
Investments in subsidiaries		-	-	10,759	10,680
Other financial assets	11; F2.2.1	475	560	475	560
Rights of use lease assets		35	149	-	-
Other non-financial assets		-	7	-	7
Deferred tax asset		129	134	-	-
Trade and other receivables, non-current		-	-	0	0
<b>Total Non-Current Assets</b>		<b>22,018</b>	<b>22,259</b>	<b>29,464</b>	<b>29,585</b>
Current Assets					
Inventories	12; F2.2.2	7,830	7,500	-	-
Trade and other receivables	13; F2.2.3	2,208	986	9,390	13,870
Other financial assets, current		126	148	126	148
Other non-financial assets	14	336	220	57	49
Cash and bank balances	15	48,404	47,651	21,078	19,968
<b>Total Current Assets</b>		<b>58,904</b>	<b>56,505</b>	<b>30,651</b>	<b>34,035</b>
<b>Total Assets</b>		<b>80,922</b>	<b>78,764</b>	<b>60,115</b>	<b>63,620</b>
Current Liabilities					
Income tax payable		2,217	1,813	22	22
Trade and other payables	16	3,482	3,456	270	265
Other non-financial liabilities	17	5,053	4,923	364	286
Lease liability		31	146	-	-
<b>Total Current Liabilities</b>		<b>10,783</b>	<b>10,338</b>	<b>656</b>	<b>573</b>
<b>Net Current Assets</b>		<b>48,121</b>	<b>46,167</b>	<b>29,995</b>	<b>33,462</b>
<b>Net Assets</b>		<b>70,139</b>	<b>68,426</b>	<b>59,459</b>	<b>63,047</b>
<b>EQUITY</b>					
Share capital	18	24,562	24,562	24,562	24,562
Retained earnings		46,195	44,011	34,399	37,902
Other reserves		(618)	(147)	498	583
<b>Total Equity</b>		<b>70,139</b>	<b>68,426</b>	<b>59,459</b>	<b>63,047</b>

C. Condensed interim statements of changes in equity

	Share capital S\$'000	Treasury Shares S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Total equity attributable to parent S\$'000
<b>The Group</b>					
<b>2022</b>					
Balance as at 1 April 2022	25,352	(790)	(147)	44,011	68,426
Profit, net of tax for the year	-	-	-	5,679	5,679
Exchange difference arising from translation of operation	-	-	(386)	-	(386)
Fair value changes on equity instruments	-	-	(85)	-	(85)
Other comprehensive loss for the year	-	-	(471)	-	(471)
Total comprehensive income for the year	-	-	(471)	5,679	5,208
Dividends paid	-	-	-	(3,495)	(3,495)
<b>Balance at 30 September 2022</b>	<b>25,352</b>	<b>(790)</b>	<b>(618)</b>	<b>46,195</b>	<b>70,139</b>
<b>2021</b>					
Balance at 1 April 2021	25,352	(790)	1,937	36,763	63,262
Profit, net of tax for the year	-	-	-	5,115	5,115
Exchange difference arising from translation of operation	-	-	121	-	121
Fair value changes on equity instruments	-	-	178	-	178
Other comprehensive income for the year	-	-	299	-	299
Total comprehensive income for the year	-	-	299	5,115	5,414
Transfer from equity instruments at FVTOCI reserve	-	-	(2,056)	2,056	-
Dividends paid	-	-	-	(1,748)	(1,748)
<b>Balance at 30 September 2021</b>	<b>25,352</b>	<b>(790)</b>	<b>180</b>	<b>42,186</b>	<b>66,928</b>
<b>The Company</b>					
<b>2022</b>					
Balance as at 1 April 2022	25,352	(790)	583	37,902	63,047
Loss, net of tax for the year	-	-	-	(8)	(8)
Fair value changes on equity instruments	-	-	(85)	-	(85)
Total comprehensive loss for the year	-	-	(85)	(8)	(93)
Dividends paid	-	-	-	(3,495)	(3,495)
<b>Balance at 30 September 2022</b>	<b>25,352</b>	<b>(790)</b>	<b>498</b>	<b>34,399</b>	<b>59,459</b>
<b>2021</b>					
Balance at 1 April 2021	25,352	(790)	2,834	28,938	56,334
Loss, net of tax for the year	-	-	-	(34)	(34)
Fair value changes on equity instruments	-	-	178	-	178
Total comprehensive income for the year	-	-	178	(34)	144
Transfer from equity instruments at FVTOCI reserve	-	-	(2,056)	2,056	-
Dividends paid	-	-	-	(1,748)	(1,748)
<b>Balance at 30 September 2021</b>	<b>25,352</b>	<b>(790)</b>	<b>956</b>	<b>29,212</b>	<b>54,730</b>

#### D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended 30 September 2022	6 months ended 30 September 2021
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Profit before income tax	6,882	6,022
Depreciation of property, plant and equipment	209	227
Depreciation of right-of-use assets	106	91
Depreciation of investment property	112	112
Amortisation of intangible assets	1	3
Fair value loss on financial instruments at FVTPL	22	16
Dividend income	(14)	(63)
Interest Income	(282)	(64)
Foreign exchange adjustment unrealised (losses) / gains	(727)	206
<b>Operating cash flows before changes in working capital</b>	<b>6,309</b>	<b>6,550</b>
Changes in :		
Inventories	36	(355)
Trade and other receivables	(1,201)	(692)
Other non-financial assets	7	-
Other financial assets	(22)	14
Trade and other payables	(102)	(1,590)
Other non-financial liabilities	27	(258)
<b>Cash generated from operations</b>	<b>5,054</b>	<b>3,669</b>
Income tax paid	(664)	(918)
<b>Net cash flows from operating activities</b>	<b>4,390</b>	<b>2,751</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(285)	(59)
Improvement on investment property	-	(68)
Proceeds from disposals of other financial assets	-	2,426
Increase of cash restricted in use over 3 months	(2,535)	(3,400)
Interest income received	154	65
Dividend income received	14	63
<b>Net cash flows used in investing activities</b>	<b>(2,652)</b>	<b>(973)</b>
<b>Cash flows from financing activities:</b>		
Dividend paid	(3,495)	(1,748)
Lease liabilities- interest and principal portion paid	(107)	-
<b>Net cash flows used in financing activities</b>	<b>(3,602)</b>	<b>(1,748)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,864)</b>	<b>30</b>
Effect of exchange rate changes on the balances of cash held in foreign currencies	82	(63)
Cash and cash equivalents, beginning balance	29,686	33,466
<b>Cash and cash equivalents at the end of the period</b>	<b>27,904</b>	<b>33,433</b>

#### E. Notes to the condensed interim consolidated financial statements

##### 1. Corporate information

Powmatic Data Systems Limited is incorporated and domiciled in Singapore on 01.02.1989 and converted into a public limited company in year 1992 and was listed on the then SESDAQ. The shares of the company have been quoted and traded on the mainboard of the SGX-ST since 2 May 1995. The company derives its revenue from the design and manufacturing of wireless connectivity products such as wireless modules, embedded boards and antenna. This business is carried out by wholly owned subsidiaries Compex (Suzhou) Co. Ltd, Compex Technologies Sdn Bhd, Compex Systems Pte Ltd, Compex Technologies Pte Ltd and Compex Wireless (Suzhou) Co. Ltd. Beside this, the Company also owns a freehold investment property that it derives rental income, which is recognized as other income.

##### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim 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 performance of the Group since the last annual financial statements for the year ended 31 March 2022. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

##### 2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

##### 2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

##### 2.2.1 Allowance on inventories

The allowance for impairment of inventories assessment requires estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the note on inventories (Note 13).

## 2.2.2 Fair value measurement

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy that prioritises the inputs used to measure fair value.

The three levels of the fair value input hierarchy are as follows:

Level 1 – Fair values are measured based on quoted prices (unadjusted) from active markets for identical financial instruments.

Level 2 – Fair values are measured using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices), financial instruments either directly (prices) or indirectly (derived from prices).

Level 3 – Fair values are measured using inputs which are not based on observable market data (unobservable input)

Group and Company	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>At 30 September 2022</b>				
Other financial assets - non-current:				
Quoted equity shares which are designated as fair value through Other Comprehensive Income ( FVTOCI)	470	-	-	470
Unquoted shares at cost through OCI	-	-	5	5
	<u>470</u>	<u>-</u>	<u>5</u>	<u>475</u>
Other financial assets - current:				
Quoted equity shares which are designated as fair value through profit or loss (FVTPL)	126	-	-	126
<b>At 31 March 2022</b>				
Other financial assets - non-current:				
Quoted equity shares which are designated as fair value through Other Comprehensive Income ( FVTOCI)	555	-	-	555
Unquoted shares at cost through OCI	-	-	5	5
	<u>555</u>	<u>-</u>	<u>5</u>	<u>560</u>
Other financial assets - current:				
Quoted equity shares which are designated as fair value through profit or loss (FVTPL)	148	-	-	148

## 3. Seasonal operations

The constraints in securing the supplies of key components for its wireless connectivity products eased, though not completely.

The ability of the Company to deliver finished products to its customers is dependent on the availability of the key components.

The economic slowdown in Europe (a key market) has also prompted our customers to defer their agreed scheduled products delivery dates, giving rise to uncertainty in revenue recognition and exposure to both finished products and inventories obsolescence.

Saved for the above, the wireless connectivity business is not affected significantly by seasonal or cyclical factors during the financial year.

## 4. Revenue

Type of goods or services	Group		Increase/ (Decrease) %
	6 month ended 30 September 2022 S\$'000	6 month ended 30 September 2021 S\$'000	
Sale of goods	17,142	15,297	12
Sale and product related service income	1,190	515	131
Total revenue	<u>18,332</u>	<u>15,812</u>	<u>16</u>

### Disaggregation of Revenue

Timing of revenue recognition	1H ended 30 September 2022 S\$'000	1H ended 30 September 2021 S\$'000	Increase/ (Decrease) %
At a point in time	18,246	15,776	16
Over time	86	36	138
Total revenue	<u>18,332</u>	<u>15,812</u>	<u>16</u>

### Geographical information

	1H ended 30 September 2022		1H ended 30 September 2021	
	S\$'000	%	S\$'000	%
USA	3,473	19	3,117	20
Asia	5,438	30	4,524	29
Europe	9,406	51	7,164	45
Others	15	-	1,007	6
<b>Total revenue as per Condensed interim consolidated statement of profit or loss and other comprehensive income</b>	<u>18,332</u>	<u>100</u>	<u>15,812</u>	<u>100</u>

## 5. Property profit

	Group		Increase/ (Decrease) %
	6 month ended 30 September 2022 S\$'000	6 month ended 30 September 2021 S\$'000	
<b>Property income</b>			
Rental income from investment property	567	587	(3)
Sundry income - interior design, fittings and fixtures paid by new tenant	-	35	N.M
	<u>567</u>	<u>622</u>	<u>(9)</u>
<b>Property expenses</b>			
Building maintenance expenses	(212)	(215)	(1)
Depreciation of investment property	(112)	(112)	-
Utilities , property tax and others	(54)	(49)	10
	<u>(378)</u>	<u>(376)</u>	<u>1</u>
<b>Property profit</b>	<u>189</u>	<u>246</u>	<u>(23)</u>

## 6. Other gains

	Group		Increase/ (Decrease) %
	6 month ended 30 September 2022 S\$'000	6 month ended 30 September 2021 S\$'000	
Sundry income	33	28	18
Gain in foreign exchange	676	92	NM
Interest income	282	64	341
Dividend income	14	63	(78)
	<u>1,005</u>	<u>247</u>	<u>307</u>

7. Other losses

	Group		
	6 month ended 30 September 2022	6 month ended 30 September 2021	Increase/ (Decrease) %
	S\$'000	S\$'000	
Losses on fair value changes of investments at FVTPL	(22)	(15)	47
Allowance for impairment of trade receivable	(53)	-	N.M
	<b>(75)</b>	<b>(15)</b>	<b>400</b>

N.M. denotes Not Meaningful

8. Earnings per share

	Group	
	1H ended 30 September 2022	1H ended 30 September 2021
No of Ordinary Share	34,953,156	34,953,156
Earnings per Ordinary Share for the year based on net gain attributable to shareholders:-		
(i) Based on weighted average number of ordinary shares on issue	16.25 cents	14.63 cents
(ii) On a fully diluted basis	16.25 cents	14.63 cents

9. Property, plant and equipment

Group	Renovations S\$'000	Furniture, fittings and equipment S\$'000	Freehold office unit S\$'000	Freehold land and factory S\$'000	Total S\$'000
At 1 April 2021	332	5,267	2,082	1,860	9,541
Foreign exchange adjustments	(33)	83	-	(13)	37
Additions	32	160	-	-	192
Disposal	-	(1)	-	-	(1)
Written-off	-	(2)	-	-	(2)
At 31 March 2022	331	5,507	2,082	1,847	9,767
Addition	-	285	-	-	285
Foreign exchange adjustments	7	(144)	-	(73)	(210)
At 30 September 2022	<b>338</b>	<b>5,648</b>	<b>2,082</b>	<b>1,774</b>	<b>9,842</b>
<b>Accumulated depreciation</b>					
At 1 April 2021	257	3,763	268	41	4,329
Foreign exchange adjustments	-	141	-	-	141
Depreciation for the year	27	366	23	20	436
Disposal	-	(1)	-	-	(1)
Written-off	-	(2)	-	-	(2)
At 31 March 2022	284	4,267	291	61	4,903
Foreign exchange adjustments	-	(214)	-	(3)	(217)
Depreciation for the year	9	178	12	10	209
At 30 September 2022	<b>293</b>	<b>4,231</b>	<b>303</b>	<b>68</b>	<b>4,895</b>
<b>Carrying value</b>					
At 1 April 2021	<b>75</b>	<b>1,504</b>	<b>1,814</b>	<b>1,819</b>	<b>5,212</b>
At 31 March 2022	<b>47</b>	<b>1,240</b>	<b>1,791</b>	<b>1,786</b>	<b>4,864</b>
At 30 September 2022	<b>45</b>	<b>1,417</b>	<b>1,779</b>	<b>1,706</b>	<b>4,947</b>

Company	Renovations S\$'000	Furniture, fittings and equipment S\$'000	Freehold office unit S\$'000	Total S\$'000
At 1 April 2021 and 31 March 2022	272	109	2,082	2,463
Addition	-	20	-	20
At 30 September 2022	<b>272</b>	<b>129</b>	<b>2,082</b>	<b>2,483</b>
<b>Accumulated depreciation</b>				
At 1 April 2021	255	106	267	628
Depreciation for the year	14	1	24	39
At 31 March 2022	269	107	291	667
Depreciation for the year	3	1	12	16
At 30 September 2022	<b>272</b>	<b>108</b>	<b>303</b>	<b>683</b>
<b>Carrying value</b>				
At 1 April 2021	<b>17</b>	<b>3</b>	<b>1,815</b>	<b>1,835</b>
At 31 March 2022	<b>3</b>	<b>2</b>	<b>1,791</b>	<b>1,796</b>
At 30 September 2022	<b>-</b>	<b>21</b>	<b>1,779</b>	<b>1,800</b>

## 10. Investment property

Group and Company	Freehold land S\$'000	Freehold building S\$'000	Building improvement S\$'000	Total S\$'000
<b>Cost</b>				
At 1 April 2022 and 30 September 2022	10,804	6,612	1,566	18,982
<b>Accumulated depreciation</b>				
At 1 April 2022	-	2,159	281	2,440
Depreciation for the period	-	87	25	112
At 30 September 2022	-	2,246	306	2,552
<b>Carrying value</b>				
At 1 April 2022	10,804	4,453	1,285	16,542
At 30 September 2022	10,804	4,366	1,260	16,430
Fair value of Investment Property (excluding the office unit which was classified as PPE) as at 31 March 2022 for disclosure purposes only				37,817

### Group and Company

	1H to 30 September 2022 S\$'000	1H to 30 September 2021 S\$'000
Rental and service income from investment property	567	622
Direct operating expenses (including repairs and maintenance)	(378)	(376)
Property profit as shown in Condensed interim consolidated statement of profit or loss and other comprehensive income	189	246

The depreciation expense is charged under property expense

The investment property is a two-adjoint six-storey semi-detached industrial building located at No.7 and 9 Harrison Road, Singapore 369650/1. Other than an office unit in one of the buildings which is used by the Group as its corporate head office and classified under property, plant and equipment, the remaining units in the two buildings are leased out under operating leases. The investment property is recorded at cost less accumulated depreciation in the statement of financial positions. For disclosure purposes, only the fair values are measured periodically on a systematic basis at least once yearly by external independent professional valuers.

## 11. Other financial assets

	Group		Company	
	30 September 2022 S\$'000	31 March 2022 S\$'000	30 September 2022 S\$'000	31 March 2022 S\$'000
<b>Non-current</b>				
investment in quoted equity shares which are designated as fair value through Other Comprehensive Income (FVTOCI)				
Quoted equity in corporation	470	555	470	555
Unquoted equity in corporation	5	5	5	5
	475	560	475	560
<b>Current</b>				
investment in quoted equity shares which are designated as fair value through Profit or loss (FVTPL)				
Quoted equity in corporation	126	148	126	148
	126	148	126	148

## 12. Inventories

	Group		Company	
	30 September 2022 S\$'000	31 March 2022 S\$'000	30 September 2022 S\$'000	31 March 2022 S\$'000
Raw Materials	5,100	3,607	-	-
Work-in-progress	2,421	2,012	-	-
Finished goods	309	1,881	-	-
	7,830	7,500	-	-

## 13. Trade and other receivables

	Group		Company	
	30 September 2022 S\$'000	31 March 2022 S\$'000	30 September 2022 S\$'000	31 March 2022 S\$'000
<b>Trade receivables:</b>				
Outside parties	1,655	364	74	20
Less: allowance for impairment	(53)	-	-	-
Net trade receivable - subtotal	1,602	364	74	20
<b>Other receivables:</b>				
Outside parties	606	622	129	58
Subsidiaries	-	-	13,350	17,955
Less: allowance for impairment	-	-	(4,163)	(4,163)
	-	-	9,187	13,792
Net other receivables - subtotal	606	622	9,316	13,850
<b>Total trade and other receivables</b>	<b>2,208</b>	<b>986</b>	<b>9,390</b>	<b>13,870</b>

## 14. Other non-financial assets

	Group		Company	
	30 September 2022 S\$'000	31 March 2022 S\$'000	30 September 2022 S\$'000	31 March 2022 S\$'000
Prepayment	289	170	35	24
Deposits to secure services	47	50	22	25
	336	220	57	49

15. Cash and bank balances

	Group		Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed deposits	9,025	16,900	4,000	15,500
Fixed deposits ( maturity of over 3 months)	20,500	17,965	16,300	4,000
Cash and bank balances	18,879	12,786	778	468
<b>Cash and cash equivalents in the statements of financial position</b>	<b>48,404</b>	<b>47,651</b>	<b>21,078</b>	<b>19,968</b>
Less: Cash restricted in use over 3 months	(20,500)	(17,965)	(16,300)	(4,000)
<b>Cash and cash equivalents in consolidated statement of cash flows</b>	<b>27,904</b>	<b>29,686</b>	<b>4,778</b>	<b>15,968</b>

16. Trade and other payables

	Group		Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Trade payables</b>				
Outside parties and accrued liabilities	3,401	3,378	270	265
<b>Other payables</b>				
Outside parties	81	78	-	-
<b>Total trade and other payables</b>	<b>3,482</b>	<b>3,456</b>	<b>270</b>	<b>265</b>

17. Other non-financial liabilities

	Group		Company	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Advance rental received	63	55	63	55
Deferred revenue	38	61	-	-
Deposits received	4,871	4,690	301	231
Provision for warranty costs	81	117	-	-
	<b>5,053</b>	<b>4,923</b>	<b>364</b>	<b>286</b>

18. Share capital

	No of shares including treasury shares	No. of treasury shares	Total number of shares excluding treasury shares	Total number of shares held by subsidiaries	Share capital	Treasury shares	Share capital excluding treasury shares
					S\$ '000	S\$ '000	S\$ '000
As at 31 March 2022 and 30 September 2022	35,802,796	849,640	34,953,156	-	25,352	(790)	24,562

	Number of treasury shares		Fair value	
	30 September 2022	31 March 2022	30 September 2022	31 March 2022
			S\$'000	S\$'001
At 1 April 2022 and 30 September 2022	849,640	849,640	(790)	(790)

No option was granted during 1HFY2023. As at 30 September 2022, there was no unexercised Employees' share option.

19. Statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial

There were no sales, transfers, cancellation and/or use of subsidiary holdings at the end of 30 September 2022.

20. Net asset per share

	Group		Company	
	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22
	S\$	S\$	S\$	S\$
Net Asset Value per Ordinary Share based on issued share capital at the end of the reporting year	2.01	1.96	1.70	1.8

The calculation of the net asset value per ordinary share was based on total number of 34,953,156 (31 March 2022: 34,953,156) ordinary shares

21. Aggregate amount of group's borrowings and debt securities

(a) Amount repayable in one year or less, or on demand

As at 30.09.2022 (S\$'000)		As at 31.03.2022 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(b) Amount repayable after one year

As at 30.09.2022 (S\$'000)		As at 31.03.2022 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-



## 22. Operating Segment

The Group is organised into the following main business segments

1. Wireless Connectivity Products Segment- manufacturing, marketing and trading of wireless connectivity products; provision of sale and products related services.
2. Property segment : lease of Investment Property for rental income, upkeep and maintenance of property.
3. Corporate holding and support - Provision of corporate management and administrative supports to subsidiaries

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management by the Group's senior management.  
Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

### Reportable segments

#### 1 April 2022 to 30 September 2022

	Wireless Connectivity Products S\$'000	Property S\$'000	Corporate holding S\$'000	Consolidated S\$'000
<b>Revenue by segment</b>	<b>18,332</b>	-	-	<b>18,332</b>
Cost of sales	(10,453)	-	-	(10,453)
<b>Gross profit</b>	<b>7,879</b>	-	-	<b>7,879</b>
<b>Other items of income</b>				
Property income	-	567	-	567
Property expense	-	(378)	-	(378)
<b>Profit from property</b>	-	<b>189</b>	-	<b>189</b>
<b>Other income and gains</b>	<b>826</b>	-	<b>179</b>	<b>1,005</b>
<b>Other items of expenses</b>				
Marketing and distribution cost	(801)	-	-	(801)
Administration cost	(966)	-	(344)	(1,310)
Other operating expenses	(5)	-	-	(5)
Other losses	(53)	-	(22)	(75)
<b>Profit / (loss) before tax</b>	<b>6,880</b>	<b>189</b>	<b>(187)</b>	<b>6,882</b>
Income tax expense	(1,191)	-	(12)	(1,203)
<b>Profit / (loss), net of tax attributable to the parent</b>	<b>5,689</b>	<b>189</b>	<b>(199)</b>	<b>5,679</b>

#### Other segment information

Provision for write down of inventory charged against cost of sales	(2,013)	-	-	(2,013)
Depreciation of property, plant and equipment	(194)	-	(15)	(209)
Depreciation of right-of-use assets	(106)	-	-	(106)
Depreciation of investment property	-	(112)	-	(112)
Amortisation of intangible assets	(1)	-	-	(1)

#### 1 April 2021 to 30 September 2021

	Wireless Connectivity Products S\$'000	Property S\$'000	Corporate holding S\$'000	Consolidated S\$'000
<b>Revenue by segment</b>	<b>15,812</b>	-	-	<b>15,812</b>
Cost of sales	(8,226)	-	-	(8,226)
<b>Gross profit</b>	<b>7,586</b>	-	-	<b>7,586</b>
<b>Other items of income</b>				
Property income	-	622	-	622
Property expense	-	(376)	-	(376)
Profit from property	-	<b>246</b>	-	<b>246</b>
<b>Other income and gains</b>	<b>138</b>	-	<b>109</b>	<b>247</b>
<b>Other items of expenses</b>				
Marketing and distribution cost	(753)	-	-	(753)
Administration cost	(912)	-	(374)	(1,286)
Other operating expenses	(3)	-	-	(3)
Other losses	-	-	(15)	(15)
<b>Profit / (loss) before tax</b>	<b>6,056</b>	<b>246</b>	<b>(280)</b>	<b>6,022</b>
Income tax expense	(907)	-	-	(907)
<b>Profit / (loss), net of tax</b>	<b>5,149</b>	<b>246</b>	<b>(280)</b>	<b>5,115</b>

#### Other segment information

Provision for write down of inventory charged against cost of sales	(345)	-	-	(345)
Depreciation of property, plant and equipment	(208)	-	(19)	(227)
Depreciation of right-of-use assets	(91)	-	-	(91)
Depreciation of investment property	-	(112)	-	(112)
Amortisation of intangible assets	(3)	-	-	(3)

## F. Other Information Required by Listing Rule Appendix 7.2

### 1. Review

The consolidated statement of financial position of Powermatic Data Systems and its subsidiaries as at 30 September 2022 and the related profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the auditor.

### 2. Review of performance of the Group

#### 2.1 Review of the Group's condensed interim consolidated statement of profit or loss and other comprehensive income

##### 2.1.1 Revenue

Revenue increased from S\$15.8 million in 1HFY2022 to S\$18.3 million in 1HFY2023, an increase of 16%. This increase was attributed to a larger conversion of customers' orders to finished products. However, due to the continuous acute shortage of microchips, relevant to our wireless connectivity products, orders placed by customers could only be completed once these chips are received by the Company. During the period under review, the average delivery lead time is about 40-50+ weeks, eased slightly as compared to 1HFY2022. 1HFY2023 also saw the launch of a newer generation of wireless connectivity products with enhanced features and capabilities. Our wireless connectivity products are key components to our customers' finished products and based on our observations, during 1HFY2023, most of our products have applications to the public sector (education) and Industrial PCs. Based on our active existing customer base, our wireless connectivity products have wide applications in industries such as transportation, logistics, health care and cybersecurity. Breakdown of revenue by geographical region, 1HFY2023 - USA 19%, Europe 51%, Asia 30% and other 0%. In 1HFY2022, it was USA 20%, Europe 45%, Asia 29% and others 6%. The shift in geographical distribution comparing 1HFY2023 and 1HFY2022, is due to an increase in deliveries to a particular European customer. Deliveries to this customer have been steadily increasing since FY2022.

##### 2.1.2 Gross profit / gross profit margin / Profit before tax

Due to a higher allowance for inventory impairment, 1HFY2023's gross profit margin was 43% compared to 48% in 1HFY2022. Impairments made on inventories amounted to S\$2.013 million and S\$0.345 million respectively in 1HFY2023 and 1HFY2022. Should the inventories impairment be excluded, 1HFY2023 and 1HFY2022 gross profit margins would have been 54% and 50% respectively, representing a 4% improvement. The impairment was necessary when a key European customer, after deferring agreed delivery schedules, was unable to commit to definite delivery schedules. For customised products, the key components (like microchips) cannot be incorporated into our other products. We have recovered from this customer a substantial amount of the cost relating to those orders that were deferred. This was a major customer in FY2022 and with whom the business relationship could be further developed. Profit before tax improved by 14%, from S\$6.022 million in 1HFY2022 to S\$6.882 million in 1HFY2023. The Group was unable to translate the improvement in revenue, an increase of 16% comparing 1HFY2023 to 1HFY2022, to higher profitability due to higher inventories impairment and higher operating costs.

##### 2.1.3 Property profit

The drop in property income coupled with the slight increase in property expenses has resulted in lower property profit in 1HFY2023 as compared to 1HFY2022.

The reduction in property income was attributable to:

- 1HFY2023's property income included non-recurring interior design, fittings and fixtures fees paid by a new tenant who took over the fully renovated unit from the out-coming tenant to whom the company waived the obligation to restore the unit to its original condition upon expiry of the lease.
- average occupancy rate dropped from 95.5% in 1HFY2022 to 89.4% in 1HFY2023

Property expenses increased slightly due to higher utility costs.

At the date of this announcement, all units other than the one used by the Group as its office, have been fully leased-out to.

##### 2.1.4 Other gains

Other gains increased from S\$ 0.247 million in 1HFY2022 to S\$1.005 million in 1HFY2023.

The main factors that contributed to the increase are:

- due mainly to the strengthening of USD currency against the SGD currency, foreign exchange gain in 1HFY2023 was S\$0.676 million (unrealized S\$0.206 million; realized S\$0.470 million) as compared to 1HFY2022 gain of S\$0.092 million (realized loss of S\$0.116 million, unrealized gain of S\$0.208 million).
- fixed deposit interest rates rose during 1HFY2023, resulting in higher interest income earned.

##### 2.1.5 Marketing, distribution and administration expenses

The increase was mainly attributable to:

- increase in staff-related costs.
- increase in travelling costs. Business travelling resumed as the cross borders travel eased.

The increase in costs was partially offset by lower legal and professional fees following the termination of Distribution in Specie corporate exercise.

##### 2.1.6 Other losses

In 1HFY2023, the Group made a specific provision for doubtful debt amounted to S\$0.053 million, causing the other losses to increase as compared to 1HFY2022. Although the debts were less than 120 days, we made a provision as the debtor's business dwindled and may have difficulty paying the debt. As at the date of this announcement, there are no outstanding orders from this debtor.

##### 2.1.7 Trend of key performance indicators

The trend of revenue, gross profit, profit before tax and net profit is shown in the below chart ( in S\$'000)



#### 2.2 Review of the condensed interim statements of financial position

##### 2.2.1 Other financial assets

Other financial assets, non-current relates to quoted shares at fair value through other comprehensive income ("FVTOCI").

The decrease in value was attributable to lower market value as at 30 September 2022 as compared to 31 March 2022.

##### 2.2.2 Inventories

The increase in inventories was attributable to the arrival of the microchips and other long lead-time of the components for which the orders were placed with suppliers to secure the allocation from the chips maker and authorized vendors to meet customers' delivery timelines.

The carrying cost of inventories was net of a provision for impairment to cushion the impact of stock obsolescence caused by customers' deferment of the delivery timeline.

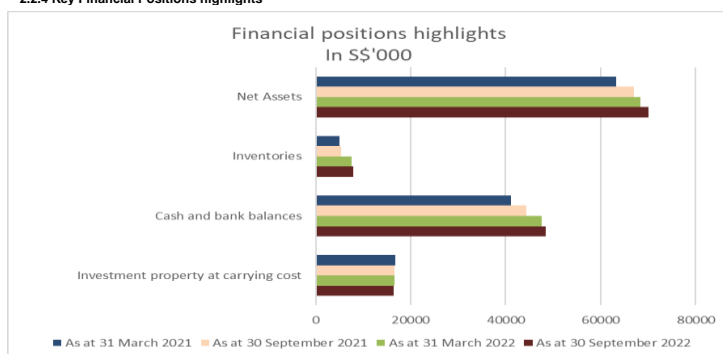
## 2. Review of performance of the Group (cont'd)

### 2.2 Review of the condensed interim statements of financial position (cont'd)

#### 2.2.3 Trade and other receivables

Trade and other receivables increased by 124%, 1HFY2023 S\$2.208 million and 1HFY2022 S\$0.986 million. This was due to an increase in revenue and delays in the processing of our invoices by a customer which has now been normalized. As at 31 October 2022, S\$2.09 million has been received, representing 95% of the trade and other receivables as at 30 September 2022. Management holds the view that the remaining amounts will be collected. Further impairment, other than an impairment of S\$53,000, is therefore deemed not necessary.

#### 2.2.4 Key Financial Positions highlights



### 2.3. Condensed interim consolidated statement of cash flows

Profitability from the wireless connectivity business (core business) and investment property continues to generate positive cashflows, contributing to an increase in cash and bank balances and revenue reserves. The Group shareholders' funds as at 30 September 2022 were S\$70.139 million as compared to S\$68.426 million as at 30 September 2021. As at 30 September 2022, cash and cash balances were S\$48.404 million as compared to S\$47.651 million as at 31 March 2022. During 1HFY2022, the Company paid dividends (interim and final dividends) relating to the financial year ended 31 March 2022 of S\$3.495 million. Net working capital (current assets less current liabilities) as at 30 September 2022 was S\$48.121 million as compared to S\$46.167 million as at 31 March 2022. The Group has no long-term liabilities and material current liabilities are trade related (including customers' deposits) and tax payable. Current assets are substantially cash and cash balances, trade and other receivables and inventories.

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

Not applicable

### 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern)

(a) Updates on the efforts taken to resolve each outstanding audit issue.  
Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.  
Not Applicable.

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

Inflationary pressures continue to build up in major global economies which are also the key markets that the Group derives its substantial revenue. USA and Europe, in aggregate, contributed 70% of revenue. Central banks continue to battle inflation through monetary policies such as managing the money supply and interest rates. The US Federal Reserve, which key central banks look towards, has raised key interest rates several times over the last 6 months, the most recent one was on 2 November 2022. These actions have increased borrowing costs significantly and caused a negative effect on consumer spending, investments and capital expenditures. Due to this, our customers (including their end-customers) are delaying the launch of new products or experiencing slow sales. This event may cause our customers to curtail orders or delay/defer shipments of finished products, like our key European customer in 1HFY2023. In cases where the finished products are customised, which yields higher profit margins, we would have difficulties incorporating key components (like microchips) into our other products. Key components constitute a large percentage of the manufacturing costs. Impairments, under such circumstances, would have a significant impact on the financial performance of the Group.

The tension between China and US with either side imposing trade restrictions or barriers on the other will persist and may worsen over time. Most recently, the introduction of laws by the US government restricting the export of certain types of microchips to China has brought the tension to a new height. Notwithstanding this, as at the date of this announcement, our key microchips suppliers have confirmed that the microchips relevant to the Group's products are outside the recent restrictions imposed by the US government. microchips suppliers have confirmed that the microchips relevant to the Group's products are outside the recent restrictions imposed by the US government.

Over the years, the Group has developed good relationships with leading major players in fast-growing industries such as edge computing and industrial PCs. The Group shall continue to strengthen its position as a key supplier of wireless connectivity products through continuous engagements with customers.

The Group's order book, as at the date of this announcement, continues to be healthy and planned delivery dates go beyond FY2023.

Recent news reports (including market research reports) suggest that there could be an oversupply of microchips globally leading to a downward price reduction, the Group, however, continues to experience long lead times in supplies and increases in prices for the microchips relevant to our wireless products. In the event that the lead time is unduly long, resulting in our customers cancelling their orders or we are unable to pass price increases on to customers - in both instances, our profitability will be negatively affected.

Our Malaysian manufacturing plant at Kulai (Johor) has beefed up operations in 2022 after delays caused by Covid-19 movement restrictions. The operations have been in full swing since third quarter of 2022.

## 5. Dividend information

### 5 a. Any dividend recommended for the current financial period reported on?

No.

### 5b. Corresponding Period of the Immediate Preceding Financial Year

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

Yes

Name of Dividend	Interim
Dividend type	Cash
Dividend per share	5 cents per ordinary share
Tax rate	Tax exempt

### 5c. Date Payable

Not applicable

### 5d. Record date

Not applicable

**5. Dividend information (cont'd)**

**5e. Reasons for no dividend declaration/recommendation.**

No interim dividend has been declared as the Board would like to consider the dividend declaration when announcing the full-year financial results for FY2023

**6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions  
There was no reportable interested person transactions during the 6 months ended 30 September 2022.

**7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of SGX-ST.

**8. Negative confirmation pursuant to Rule 705(5).**

The Board of Directors of Powermatic Data Systems Limited has confirmed that, to the best of their knowledge, nothing has come to their attention which may render the interim financial statements for the half year ended 30 September 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

\_\_\_\_\_  
Chen Mun

Chairman, CEO

\_\_\_\_\_  
Ang Bee Yan

Executive Director

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary

Date : 11 November 2022