

DISA LIMITED
(Registration No. 197501110N)

Condensed interim financial statements
For the six months ended 31 December 2024

DISA LIMITED

(Company Registration No. 197501110N)

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This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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DISA LIMITED

(Company Registration No. 197501110N)

Condensed interim consolidated statement of comprehensive income

	Note	Group		Increase/ (Decrease) %
		1H FY2025 31 Dec 2024 Unaudited \$'000	1H FY2024 31 Dec 2023 Unaudited \$'000	
Revenue	4	4,139	3,600	15.0
Other income				
- Interest		6	24	(75.0)
- Others		32	586	(94.5)
Total revenue		<u>4,177</u>	<u>4,210</u>	(0.8)
Expenses				
Cost of inventories		(3,746)	(3,180)	17.8
Subcontractor expenses		(26)	(23)	13.0
Depreciation expenses		(89)	(136)	(34.6)
Staff costs		(1,270)	(870)	46.0
Legal and professional expenses		(173)	(110)	57.3
Other expenses		(226)	(323)	(30.0)
Finance costs		(9)	(15)	(40.0)
Total expenses		<u>(5,539)</u>	<u>(4,657)</u>	18.9
Share of results of an associated company		-	(237)	N.M.
Loss before tax	7	(1,362)	(684)	99.1
Tax expense		(4)	(2)	100.0
Loss for the financial period		<u>(1,366)</u>	<u>(686)</u>	99.1
Other comprehensive loss				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		-*	(2)	N.M.
Total comprehensive loss for the financial period		<u>(1,366)</u>	<u>(688)</u>	98.5
Loss attributable to:				
Equity holders of the Company		(1,124)	(686)	63.8
Non-controlling interests		(242)	-	N.M.
Loss for the financial period		<u>(1,366)</u>	<u>(686)</u>	99.1
Total comprehensive loss attributable to:				
Equity holders of the Company		(1,124)	(688)	63.4
Non-controlling interests		(242)	-	N.M.
Total comprehensive loss for the financial period		<u>(1,366)</u>	<u>(688)</u>	98.5
Loss per share for the period attributable to equity holders of the Company				
(Cent per share)				
Basic and diluted		<u>(0.01)</u>	<u>(0.01)</u>	-

N.M. – not meaningful

* Amount below \$1,000

DISA LIMITED*(Company Registration No. 197501110N)***Condensed interim consolidated statements of financial position**

	Note	Group		Company	
		As at	As at	As at	As at
		31 Dec 2024 Unaudited \$'000	30 Jun 2024 Audited \$'000	31 Dec 2024 Unaudited \$'000	30 Jun 2024 Audited \$'000
Non-current assets					
Property, plant and equipment	11	270	528	77	100
Intangible assets	12	31	31	-	-
Financial assets at fair value through other comprehensive income	13	-	150	-	-
Total non-current assets		301	709	77	100
Current assets					
Inventories		106	100	-	-
Trade receivables		692	110	-	-
Other current assets		196	424	39	43
Cash and cash equivalents		648	1,392	12	77
Total current assets		1,642	2,026	51	120
Total assets		1,943	2,735	128	220
Non-current liabilities					
Borrowings	14	72	201	3	11
Total non-current liabilities		72	201	3	11
Current liabilities					
Trade and other payables		388	186	304	89
Contract liabilities		29	29	-	-
Accruals		1,045	533	720	284
Borrowings	14	87	296	16	15
Total current liabilities		1,549	1,044	1,040	388
Total liabilities		1,621	1,245	1,043	399
Net assets/(liabilities)		322	1,490	(915)	(179)
Equity					
Share capital	15	60,084	60,084	60,084	60,084
Other reserves		5,284	5,253	5,288	5,271
Accumulated losses		(65,125)	(63,990)	(66,287)	(65,534)
Non-controlling interests		79	143	-	-
Total equity		322	1,490	(915)	(179)

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Condensed consolidated statements of changes in equity

Group

	Share capital \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Capital reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
1H FY2025									
Balance as at 1 July 2024 (audited)	60,084	(20)	5,032	241	-	(63,990)	1,347	143	1,490
Loss for the financial period	-	-	-	-	-	(1,124)	(1,124)	(242)	(1,366)
Other comprehensive loss									
Currency translation differences arising on consolidation	-	-*	-	-	-	-	-*	-	-*
Total comprehensive loss for the financial period	-	-*	-	-	-	(1,124)	(1,124)	(242)	(1,366)
Employee share option scheme	-	-	20	-	-	-	20	-	20
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	178	178
Transfer to retained earnings upon liquidation of a subsidiary	-	11	-	-	-	(11)	-	-	-
Balance as at 31 December 2024 (unaudited)	60,084	(9)	5,052	241	-	(65,125)	243	79	322
1H FY2024									
Balance as at 1 July 2023 (audited)	58,884	(19)	5,386	241	(150)	(62,067)	2,275	-	2,275
Loss for the financial period	-	-	-	-	-	(686)	(686)	-	(686)
Other comprehensive loss									
Currency translation differences arising on consolidation	-	(2)	-	-	-	-	(2)	-	(2)
Total comprehensive loss for the financial period	-	(2)	-	-	-	(686)	(688)	-	(688)
Employee share option scheme	-	-	31	-	-	-	31	-	31
Balance as at 31 December 2023 (unaudited)	58,884	(21)	5,417	241	(150)	(62,753)	1,618	-	1,618

* Amount below \$1,000

DISA LIMITED*(Company Registration No. 197501110N)***Condensed consolidated statements of changes in equity (cont'd)****Company**

	Note	Share capital \$'000	Share option reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<u>1H FY2025</u>						
Balance as at 1 July 2024 (audited)	15	60,084	5,030	241	(65,534)	(179)
Loss and total comprehensive loss for the financial period		-	-	-	(753)	(753)
Employee share-based payment expenses		-	17	-	-	17
Balance as at 31 December 2024 (unaudited)		60,084	5,047	241	(66,287)	(915)
<u>1H FY2024</u>						
Balance as at 1 July 2023 (audited)	15	58,884	5,386	241	(64,363)	148
Loss and total comprehensive loss for the financial period		-	-	-	(404)	(404)
Employee share-based payment expenses		-	31	-	-	31
Balance as at 31 December 2023 (unaudited)		58,884	5,417	241	(64,767)	(225)

DISA LIMITED*(Company Registration No. 197501110N)***Condensed interim consolidated statement of cash flows**

	Group	
	1H FY2025	1H FY2024
	Unaudited	Unaudited
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax	(1,362)	(684)
Adjustments for:		
Depreciation of property, plant and equipment	89	136
Employee share-based payment expenses	20	31
Interest expenses	9	15
Interest income	(6)	(24)
Share of results of an associated company	-	237
Loss on dilution of interest in associated company	-	16
Gain on lease modification	(15)	-
Operating cash flows before movements in working capital	(1,265)	(273)
Inventories	(6)	-
Trade and other receivables	(254)	(43)
Trade and other payables	616	302
Currency translation adjustments	5	51
Cash (used in)/generated from operations	(904)	37
Income tax paid	(3)	(2)
Net cash (used in)/generated from operating activities	(907)	35
Cash flows from investing activities		
Interest received	6	23
Purchase of property, plant and equipment	-	(1)
Proceeds from disposal of financial asset	50	-
Net cash generated from investing activities	56	22
Cash flows from financing activities		
Interest paid	(9)	(15)
Repayment of lease liabilities	(60)	(94)
Capital contribution by non-controlling interests	178	-
Net cash generated from/(used in) financing activities	109	(109)
Net decrease in cash and cash equivalents	(742)	(52)
Cash and cash equivalents at beginning of the financial period	1,392	1,667
Effects of exchange rate changes on cash and cash equivalents	(2)	(40)
Cash and cash equivalents at end of the financial period	648	1,575

DISA LIMITED

(Company Registration No. 197501110N)

Notes to the condensed interim consolidated financial statements

1. Corporate information

DISA Limited (the "Company") is incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). These condensed interim consolidated financial statements for the six months ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The primary activities of the Company are those relating to an investment holding company.

The principal activities of the Group are those of provision of digital security, anti-theft and anti-counterfeiting solutions and trading of semiconductor devices.

2. Basis of preparation

2.1. Statement of compliance

The condensed interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("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 financial statements for the year ended 30 June 2024.

The accounting policies adopted and methods of computation applied 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 2.3.

2.2. Functional and presentation currencies

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.3. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s 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.

2.4. Use of judgements and estimates

In preparing the condensed 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 for the year ended 30 June 2024.

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.

Management is of the opinion that there were no significant judgements made in applying the accounting policies in this set of interim financial statements.

3. Seasonal operations

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

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***4. Revenue****Group**

	1H FY2025	1H FY2024
	\$'000	\$'000
Sales of goods	4,133	3,540
Services income	6	60
	4,139	3,600

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market and timing of revenue recognition.

Group

	Sales of goods		Service income		Total	
	1H FY2025	1H FY2024	1H FY2025	1H FY2024	1H FY2025	1H FY2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical market						
Singapore	388	479	6	60	394	539
United States	293	244	-	-	293	244
Hong Kong	3,323	2,741	-	-	3,323	2,741
People's Republic of China	129	76	-	-	129	76
	4,133	3,540	6	60	4,139	3,600
Timing of revenue recognition						
At a point in time	4,133	3,540	-	-	4,133	3,540
Over time	-	-	6	60	6	60
	4,133	3,540	6	60	4,139	3,600

5. Segment information

The Group is organised into business units based on its products and services for management purposes. The reportable segments are technology and investment holding. Management monitors the operating results of its business units separately for making decisions the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***5. Segment information** *(cont'd)*

The segment information provided to management for the reportable segments are as follows:

	Technology		Investment holdings		Total	
	1H FY2025	1H FY2024	1H FY2025	1H FY2024	1H FY2025	1H FY2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue:						
Sales to external customers, representing total revenue	4,139	3,600	-	-	4,139	3,600
Segment results, net of tax	(626)	(295)	(740)	(391)	(1,366)	(686)
- Interest expense	(9)	(14)	-*	(1)	(9)	(15)
- Depreciation and amortisation	(67)	(97)	(22)	(39)	(89)	(136)
<u>Other significant non-cash expenses:</u>						
- Loss on dilution of interest in an associated company	-	(16)	-	-	-	(16)
- Gain on lease modification	15	-	-	-	15	-
- Share-based payment expenses	(3)	-	(17)	(31)	(20)	(31)
Segment assets	1,835	2,760	108	438	1,943	3,198
Additions to non-current assets	25	177	-	-	25	177
Segment liabilities	803	936	818	644	1,621	1,580

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 30 June 2024.

	Group		Company	
	31 Dec 24	30 Jun 24	31 Dec 24	30 Jun 24
	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Financial assets at fair value through other comprehensive income	-	150	-	-
Financial assets at amortised costs	1,461	1,521	31	111
	1,461	1,671	31	111
<i>Financial liabilities</i>				
At amortised costs	1,454	1,076	978	331

* Amount below \$1,000

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements (cont'd)****7. Loss before tax**

	Group	
	1H FY2025	1H FY2024
	\$'000	\$'000
Loss before tax is arrived at after charging/(crediting):		
Audit fees paid/payable to:		
- Auditors of the Company	36	33
Bad debts recovered	-	(171)
Recovery of deposit paid previously written off	-	(384)
Directors' fees	42	69
Loss on dilution of interest in associated company	-	16
Gain on lease modification	(15)	-
Research and development expense	50	55
Foreign currency exchange losses, net	12	41
Upkeep of computer	45	50

No non-audit fee was paid to the auditors of the Company and other auditors during 1H FY2025 and 1H FY2024.

8. Related party transactions

- (a) In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not member of the Group during the financial period on terms agreed by the parties concerned:

	Group	
	1H FY2025	1H FY2024
	\$'000	S\$'000
<i>With an associated company</i>		
Sales of goods and services	-	90
<i>With other related party</i>		
Rental paid – leasehold properties	26	70
<i>With a director of the Company</i>		
Royalties	26	23

- (b) Key management personnel compensation is analysed as follows:

	Group	
	1H FY2025	1H FY2024
	\$'000	S\$'000
Salaries and bonuses	838	602
Fees and other benefits	42	69
Employer's contribution to defined contribution plans	44	22
Share-based payments	66	21

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***9. Dividends**

No dividend has been paid in both financial periods in view that the Company was loss making and the Board will re-assess the Company's dividend policy as part of its capital allocation decision when it is profitable.

10. Net assets value

	Group		Company	
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
Net asset value per ordinary share (cents per share)	0.002	0.013	(0.009)	(0.002)

11. Property, plant and equipment

	Furniture and fittings and renovation	Other equipment	Motor vehicles	Leasehold properties	Total
Group	\$'000	\$'000	\$'000	\$'000	\$'000
1H FY2025					
Cost					
Balance at 1 July 2024	37	92	441	534	1,104
Additions	-	-	-	25	25
Lease modification	-	-	-	(388)	(388)
Currency translation differences	-*	-*	-	30	30
Balance at 31 December 2024	37	92	441	201	771
Accumulated depreciation					
Balance at 1 July 2024	32	51	321	172	576
Depreciation charge	1	1	28	59	89
Lease modification	-	-	-	(189)	(189)
Currency translation differences	-*	-*	-	25	25
Balance at 31 December 2024	33	52	349	67	501
Net carrying value					
Balance at 31 December 2024	4	40	92	134	270

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Notes to the condensed interim consolidated financial statements (cont'd)**11. Property, plant and equipment (cont'd)**

Group	Furniture and fittings and renovation	Other equipment	Motor vehicles	Leasehold properties	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
FY2024					
Cost					
Balance at 1 July 2023	33	49	441	526	1,049
Acquisition of a subsidiary	32	104	-	-	136
Additions	4	1	-	176	181
Disposal	-	(61)	-	-	(61)
Write-off	(32)	(1)	-	(167)	(200)
Currency translation differences	-*	-*	-	(1)	(1)
Balance at 30 June 2024	37	92	441	534	1,104
Accumulated depreciation					
Balance at 1 July 2023	32	47	241	155	475
Acquisition of subsidiary	32	58	-	-	90
Depreciation charge	-*	8	80	183	271
Disposal	-	(61)	-	-	(61)
Write-off	(32)	(1)	-	(167)	(200)
Currency translation differences	-*	-*	-	1	1
Balance at 30 June 2024	32	51	321	172	576
Net carrying value					
Balance at 30 June 2024	5	41	120	362	528

* Amount below \$1,000

	Group	
	1H FY2025	FY2024
	\$'000	S\$'000
Aggregate cost of property, plant and equipment acquired	25	181
Less: Addition of right-of-use assets	(25)	(176)
Net cash outflow for purchase of property, plant and equipment	-	5

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements (cont'd)****12. Intangible assets**

	Group			Total \$'000
	Core technology \$'000	Development costs \$'000	Goodwill \$'000	
Cost				
Balance as at 1 July 2023	31,624	609	-	32,233
Acquisition of subsidiary	-	-	31	31
Balance at 30 June 2024 and 31 December 2024	31,624	609	31	32,264
Accumulated amortisation and impairment losses				
Balance at 1 July 2023, 30 June 2024 and 31 December 2024	31,624	609	-	32,233
Net carrying value				
Balance as at 30 June 2024 and 31 December 2024	-	-	31	31

Goodwill

Goodwill arose from the acquisition of Digital Life Line Pte. Ltd. during the financial year ended 30 June 2024.

Core technology and development costs

The intangible assets are in respect of core technology (including asset protection technology) and development cost acquired via acquisition of a subsidiary which have collectively been determined as a cash-generating unit ("CGU") (under the Technology segment). The intangible assets have been fully impaired during the financial year ended 30 June 2019.

As at 31 December 2024, the management has assessed that there is no indication that impairment loss recognised in prior years for intangible assets may no longer exist or may have decreased, hence no reversal of the previously impaired amount was made.

13. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise the following:

	Group	
	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<i>Financial asset designated at FVOCI</i>	-	150

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***14. Borrowings**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	30 Jun 2024 \$'000
<i><u>Amount repayable within one year or on demand</u></i>				
Secured	16	15	16	15
Unsecured	71	281	-	-
	87	296	16	15
<i><u>Amount repayable after one year</u></i>				
Secured	3	11	3	11
Unsecured	69	190	-	-
	72	201	3	11

Secured borrowings are secured over the lease of motor vehicles.

15. Share Capital

	<u>Group and Company</u>			
	<u>1H FY2025</u>		<u>FY2024</u>	
	Number of issued shares (<i>'000</i>)	Total share capital \$'000	Number of issued shares (<i>'000</i>)	Total share capital \$'000
Balance at 1 July	10,506,683	60,084	10,106,683	58,884
Issue of ordinary shares by virtue of exercise of share options	-	-	400,000	1,200
Balance as 31 December 2024 and 30 June 2024	10,506,683	60,084	10,506,683	60,084

The Company did not hold any treasury shares as at 1 July 2023, 30 June 2024 and 31 December 2024.

The Company's subsidiaries do not hold any shares in the Company as at 1 July 2023, 30 June 2024 and 31 December 2024.

Weighted average number of ordinary shares and adjusted weighted average number of ordinary shares in issue for diluted earnings per share for 1H FY2025 was 10,506,683,403 (1H FY2024: 10,106,683,403) and 10,506,683,403 (1H FY2024: 10,106,683,403).

DISA LIMITED*(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements (cont'd)****15. Share Capital (cont'd)****DISA Employee Share Option Scheme 2010 and 2021 (the "DISA ESOS")**

Movement in the number of share options is as follows:

	Company	
	1H FY2025	FY2024
DISA ESOS 2010		
As at 1 July	735,500,000	1,155,500,000
Less: Options forfeited	(141,000,000)	(20,000,000)
Less: Options exercised	-	(400,000,000)
As at 31 December 2024 and 30 June 2024	594,500,000	735,500,000
DISA ESOS 2021		
As at 1 July	187,500,000	187,500,000
Add: Options granted	220,000,000	-
Less: Options forfeited	(12,000,000)	-
As at 31 December 2024 and 30 June 2024	395,500,000	187,500,000
Total outstanding options	990,000,000	923,000,000
<u>DLL Employee Share Option Scheme 2024</u>	Digital Life Line Pte. Ltd. ("DLL")	
As at 31 December 2024 and 30 June 2024	14,000,000	-

Saved as disclosed, the Company does not hold any other convertible instruments as at 1 July 2023, 30 June 2024 and 31 December 2024.

16. Subsequent events

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

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Other information required by Catalyst Rule Appendix 7C

1. Review

The condensed consolidated statement of financial position of DISA Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the 6 months then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

(A) Income Statement (6 months ended 31 December 2024 ("1H FY2025") versus 6 months ended 31 December 2023 ("1H FY2024"))

Revenue

The Group's revenue increased by \$539,000 or 15.0% from \$3,600,000 in 1H FY2024 to \$4,139,000 in 1H FY2025. This was driven by a gradual return in customer demand, with orders continuing to be placed, despite the customers maintaining a conservative approach.

Other income

Other income decreased by \$572,000 or 93.8% from \$610,000 in 1H FY2024 to \$38,000 in 1H FY2025. The higher other income in 1H FY2024 was mainly derived from the bad debts recovered from a customer amounting to \$171,000 and the recovery of deposit paid previously written off of \$384,000 and the lower interest income from the placement of fixed deposits with the bank.

Costs and expenses

The net increase in the cost of inventories and subcontractor expenses was in line with the increase in revenue for 1H FY2025.

Other costs and expenses increased by \$319,000 or 22.2% from \$1,439,000 in 1H FY2024 to \$1,758,000 in 1H FY2025. This was mainly due to the consolidation of DLL's costs and expenses for 1H FY2025 as DLL became a subsidiary company of the Group in April 2024. Excluding the costs and expenses contributed by DLL, the other cost and expenses for 1H FY2025 was \$1,283,000, a reduction of \$126,000, attributable to lower:

- (i) depreciation charges of \$89,000 in 1H FY2025 against \$136,000 in 1H FY2024 as some of the assets were fully depreciated during 1H FY2025 and lower cost of right-of-use assets.
- (ii) foreign exchange loss of \$5,000 in 1H FY2025 as compared to \$41,000 in the same period last year as USD weakened against SGD in 1H FY2024.
- (iii) other operating expenses such as directors' fee, computer running costs, printing costs, research and development expenses.

Finance costs for 1H FY2025 decreased by \$6,000 or 40.0% from \$15,000 in 1H FY2024 to \$9,000 in 1H FY2025. The decrease was due mainly to the lower interest on lease liabilities.

(B) Statements of Financial Position

Total assets

Total assets of the Group decreased by \$792,000 or 29.0% from \$2,735,000 as at the end of FY2024 to \$1,943,000 as at the end of 1H FY2025. This was attributable mainly to the following: (i) decrease in the net book value of property, plant and equipment of \$258,000 from lower cost of right-of-use assets; (ii) decrease in financial assets at fair value through other comprehensive income of \$150,000 due to the disposal of investment in Icreate Group Limited; (iii) decrease in the cash and bank balances of \$744,000 as explained in "2(C) Cash Flow Statement" below; and (iv) decrease in other current assets of \$228,000. The decrease was partially offset by the increase in the trade receivables of \$582,000, which was in line with the increase in the sales revenue.

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Other information required by Catalist Rule Appendix 7C (cont'd)

Total liabilities

Total liabilities of the Group increased by \$376,000 or 30.2% from \$1,245,000 as at the end of FY2024 to \$1,621,000 as at the end of 1H FY2025. This was attributed mainly from: (i) higher accrued salaries of \$444,000 as the Group continues to accrue the Managing Director and Chief Executive Officer's salaries during 1H FY2025; and (ii) increase in trade and other payables of \$202,000 from reclassification of outstanding rental charges for FY2024 from short-term lease liabilities to other payables after the termination of the lease agreement and the deferment of the payment to the Managing Director and Chief Executive Officer of the Group for the reimbursement of business expenses paid on behalf of the Group. The increase was, however, partially offset by the decrease in the borrowings of \$338,000 due to the termination of lease, payment of lease liabilities and reclassification from lease liabilities to other payables as stated above.

(C) Cash Flow Statement

Cash and cash equivalents decreased by \$744,000 or 53.4% in 1H FY2025 as compared to FY2024, attributed mainly to the payment of operating expenses.

Net cash used in operating activities was \$907,000, attributed to (i) operating cash outflow before movements in working capital of \$1,265,000; (ii) net positive working capital movement of \$356,000; (iii) payment of income taxes of \$3,000; and (iv) net currency translation gain of \$5,000. Net cash generated from investing activities was \$56,000, arising mainly from the disposal of investment in Icreate Group Limited and the interest received from the placement of fixed deposit with the bank. Net cash generated from financing activities was \$109,000 which was derived mainly from the capital contribution by non-controlling interests of DLL of \$178,000, offset by the repayment of lease liabilities and hire purchase loan and interest of \$69,000.

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

No forecast or prospect statement was disclosed to shareholders previously.

4. A commentary at the date of 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.

The Group recorded a revenue of \$4,139,000 from the sales of goods and services in 1H FY2025, an increase of 15.0%, or \$539,000, as compared to \$3,600,000 in 1H FY2024.

The Group, through its wholly owned subsidiary, DiSa Digital Safety Pte. Ltd. ("DiSa"), is partnering with major Radio Frequency Identification ("RFID") manufacturers in the United States of America ("USA") to jointly offer a 2-in-1 solution that combines the capabilities of both DiSa Single Scan Serialization ("3S") Smart Barcode and RFID tag to help retailers in the USA to track inventories and to prevent fraudulent returns and claims.

Consumer returns continue to be a significant cost to the retailers in the USA. In 2024, the total merchandise returns for the retail industry amounted to USD685 billion, with USD103 billion attributed to fraudulent returns and claims, representing 13.21% of the total retail sales which amounted to USD5.19 trillion¹. The retailers are increasingly requiring their products to be RFID-tagged to enhance inventory tracking and to reduce fraudulent returns and claims.

DiSa has developed a program known as Shared Savings Program ("SSP") in second quarter of FY2025 to help retailers in the USA to combat return fraud. Under SSP, DiSa provides 3S Smart Barcodes to the retailers' vendors at no cost in exchange for a percentage of the savings retailers gain from each fraudulent return or claim prevented by DiSa 3S solution. This arrangement allows retailers to incur no cost unless the fraudulent returns or claims are successfully prevented.

In addition, DLL has successfully deployed its Automated Visual Acuity Test ("AVAT") devices at one of the major public hospitals in Singapore in February 2025 which marks the first commercial deployment of AVAT in Singapore. DLL provides AVAT on a leasing basis, charging a fixed monthly rental fee with a per-test charge, creating a hybrid pricing model. This structure ensures a stable recurring revenue stream from the fixed rental while allowing scalability based on usage. DLL is expecting another clinical deployment at a hospital ophthalmology clinic in Hong Kong in the third quarter of FY2025.

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Other information required by Catalist Rule Appendix 7C (cont'd)

DLL will continue to work with other public and private eye specialist centres to offer AVAT as a scalable solution for accurate, accessible vision screening across Singapore and international markets. DLL will also continue its research and development on its Mobile Imaging Device for Anterior Segment (“MIDAS”), a portable device designed for cataract screening in primary care settings to bring high-quality ophthalmic care into the community. The development of MIDAS is expected to be completed in the first quarter of FY2026.

¹ <https://apprissretail.com/news/appriss-retail-annual-research-fraudulent-returns-and-claims-cost-retailers-103b-in-2024/>

5. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year

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

None.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

6. Interested person transactions

The aggregate value of interested person transactions with respective interested persons during the 1H FY2025 (excluding transactions conducted under shareholders' mandate pursuant to Rule 920) and transactions conducted under shareholders' mandate pursuant to Rule 920 were both below \$100,000 each.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

8. Confirmation pursuant to Rule 705(5) of the Catalist Rules.

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 31 December 2024 to be false or misleading in any material aspect.

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

On 2 December 2024, the Company has, through its wholly-owned subsidiary, DiSa, increased its investment in the share capital of DLL by subscribing for an additional 186,963,256 new ordinary shares in DLL (“DLL Shares”) in cash at S\$0.00118545 per DLL Share for a total subscription amount of S\$221,638 through a rights issue exercise carried out by DLL. Please refer to the announcement in relation to the additional investment in DLL dated 2 December 2024 for more details.

Save as disclosed above, there was no acquisition or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during 1H FY2025.

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BY ORDER OF THE BOARD

CHNG WENG WAH

Executive Chairman, Managing Director and Chief Executive Officer

13 February 2025