



DATAPULSE
TECHNOLOGY

ANNUAL REPORT

2023

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CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of Datapulse Technology Limited (the "Company", together with its subsidiaries, collectively the "Group"), I am pleased to present to you the Annual Report for the financial year ended 31 July 2023 ("FY2023").

The Company announced the entry of the Company onto the SGX Watchlist with effect from 6 June 2023. The past few years have been especially difficult as our key investments are (i) our wholly owned hotel asset, Travelodge Myeongdong City-Hall ("TLMC") in Seoul, South Korea, (ii) our other hotel investment in Seoul, Travelodge Myeongdong Euljiro ("TLME"), in which we hold 15% as well as (iii) a 5% stake in our hotel investment in Singapore, Travelodge Harbourfront Singapore ("TLHS"). These assets being hospitality assets meant that our losses were primarily due to tourism, one of the sectors which suffered a direct hit from the COVID-19 pandemic.

Nonetheless, we are committed to protecting shareholder value as I myself am the single largest shareholder with the most at stake.

BUSINESS OUTLOOK

The hospitality industry in South Korea is expected 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 ongoing geopolitical tension between United States of America and China as well as the conflict between Russia and Ukraine and most recently, the war between Hamas-led Palestinian militant groups and Israeli military forces.

For FY2023, the Group reported increased revenue of \$4.47 million compared to \$1.92 million in the previous year. We remain in a healthy financial position with minimal bank borrowings and net cash of \$11.88 million as at the end of FY2023.

DIVIDEND

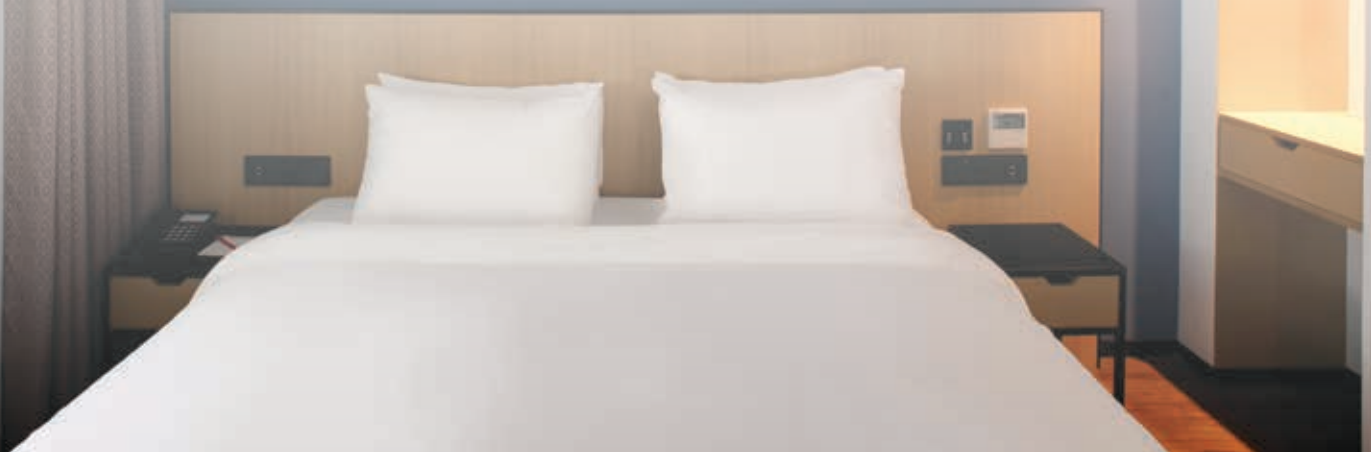
Given the Group's current loss position for FY2023, the Group continues to be mindful of the need to conserve cash to fund its operations as well as take advantage of any opportunity that may arise. The Board is not recommending the payment of a dividend for FY2023.

APPRECIATION

I would like to extend a warm welcome to our Independent Directors, Ms Yap Ming Choo, Mr Hor Siew Fu and Mr Perry Yuen Board joined the board during the past year. Mr Yee Chia Hsing who was previously Executive Director has been re-designated as our Chief Executive Officer.

On behalf of the Board of Directors, I would also like to extend my sincere appreciation to our past directors, our shareholders, business partners, and all our stakeholders for their support. I would also like to thank our management team for their hard work and dedication.

ANG KONG MENG
NON-INDEPENDENT
NON-EXECUTIVE CHAIRMAN



REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE

FINANCIAL PERFORMANCE

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 main hotel asset, 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 \$4.1 million in 31 July 2023 ("FY2023"), achieving a year on year ("yoy") increase of 173% mainly due to the recovery of the hospitality sector following the lifting of COVID-19 travel restrictions. The average daily rate ("ADR") has increased 120% yoy while the revenue per available room ("RevPar") has increased 152% compared to FY2022 during which TLMC offered residential style accommodation for long stay guests. TLMC operated as a treatment centre for COVID-19 patients from end of December 2021 to the beginning of May 2022 and only resumed its normal hotel operations from June 2022 onwards.

Revenue from asset management fees were derived from providing assets management services for a hotel asset. With the recovery of hospitality industry, the revenue from asset management fees achieved an increase of 75% 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 was mainly due to the increase in interest income generated from fixed deposits.

The decrease in fair value loss on short-term investments 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 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.



REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE



The increase in tax credit 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.

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 \$0.05 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 July 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 \$0.3 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 accruals 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 was 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.

FINANCIAL HIGHLIGHTS

	2019	2020	2021	2022	2023
FINANCIAL PERFORMANCE					
Revenue (\$'000) <i>(note 1)</i>	3,148	2,714	1,040	1,921	4,469
Profit/(Loss) for the year (\$'000)	200	(5,752)	(3,665)	(3,306)	(1,171)
Profit/(Loss) attributable to owners of the Company (\$'000)	200	(5,752)	(3,665)	(3,306)	(1,171)
Basic earnings/(Loss) per share (cents)	0.09	(2.63)	(1.67)	(1.51)	(0.53)
Return on assets (%) <i>(note 2)</i>	0.21	(5.79)	(3.96)	(4.37)	(1.89)
Return on equity (%) <i>(note 2)</i>	0.25	(7.77)	(5.39)	(5.35)	(1.99)
FINANCIAL POSITION					
Total assets (\$'000)	103,558	95,131	90,148	61,322	62,874
Total liabilities (\$'000)	25,709	24,838	24,538	3,298	2,936
Total equity/shareholders' funds (\$'000)	77,849	70,293	65,610	58,024	59,938
Net current assets (\$'000)	48,282	35,133	12,708	10,072	12,365
Net asset value per share (cents)	35.54	32.09	29.95	26.49	25.01
CASH FLOW					
Net cash (used in)/generated from operating activities (\$'000)	(11,250)	1,799	(1,552)	403	2,949
Net cash and bank balances (\$'000) <i>(note 3)</i>	14,974	11,558	6,214	6,274	11,877
Net cash per share (cents)	6.84	5.28	2.84	2.86	4.96
DIVIDENDS					
No. of shares @ period end ('000)	219,075	219,075	219,075	219,075	239,628
Total dividend declared (\$'000) <i>(note 4)</i>	1,095	Nil	Nil	Nil	Nil
Dividend payout (%)	547.70	Nil	Nil	Nil	Nil
Dividend yield (%) <i>(note 5)</i>	2.44	Nil	Nil	Nil	Nil
SHARE PRICE					
Highest (cents)	30.00	28.00	28.00	17.40	13.50
Lowest (cents)	21.00	16.00	16.00	7.10	7.60
Average (cents)	26.14	20.50	18.54	11.39	10.11
Weighted average number of shares (excluding treasury shares) (million)	219	219	219	219	220
Average market capitalisation (\$'million) <i>(note 6)</i>	57	45	41	25	22
Average shareholders' funds (\$'million)	80	74	68	62	59

Note 1: Figures comprised of revenue from continuing and discontinued operations.

Note 2: Calculations of return on assets and return on equity are based on profit for the year divided by the average total assets and average total equity, respectively.

Note 3: Calculation of net cash and bank balances is based on cash and bank balances less interest bearing borrowings.

Note 4: Calculation of total dividend declared is based on the sum of interim, final and special dividends declared, multiplied by the number of shares on the date of announcement of the respective full year results.

Note 5: Calculation of dividend yield is based on total dividend per share divided by the closing share price on the date of announcement of the respective full year results.

Note 6: Calculation of average market capitalisation is based on weighted average number of shares multiplied by the average share price for the year.

BOARD OF DIRECTORS

ANG KONG MENG

Chairman of the Board and Non-Independent
Non-Executive Director

Mr Ang Kong Meng was appointed to the Board as Non-Independent Non-Executive Director on 27 March 2023 and as Chairman of the Board on 12 July 2023.

Mr Ang is the founder of Ang & Co Pac, an independent accounting and business advisory firm established in 1980, and has over 40 years' experience in the accounting profession and industry.

Mr Ang holds a Bachelor of Accountancy from the University of Singapore. Besides being a professional accountant, he is also an accredited tax advisor (Income Tax, GST) as well as an associate insolvency practitioner in Singapore.

HOR SIEW FU

Lead Independent Director

Mr Hor was appointed to the Board as Independent Non-Executive Director on 31 July 2023 and was appointed as Lead Independent Director on 27 September 2023.

Mr Hor is currently the Independent Director of Edition Ltd, CosmoSteel Holdings Limited, and Memiontec Holdings Ltd, which are listed on the SGX.

Mr Hor has more than 40 years of experience in the fields of finance, administration and general management in public-listed companies, multi-national corporations, government-linked companies, small and medium sized enterprises as well as in the public sector. He last held the appointment of Chief Financial Officer for Albedo Limited. He has served as a volunteer in various capacities with government agencies as well as professional and non-profit organisations.

Mr Hor graduated from the University of Singapore with a Bachelor of Accountancy degree and MacQuarie University, Sydney, Australia, with a Master of Business Administration degree. He is a Fellow member of the Association of Chartered Certified Accountants ("ACCA") and Life and Fellow member of the Institute of Singapore Chartered Accountants ("ISCA"). He is also a professional life member of the Singapore Human Resources Institute ("SHRI").

BOARD OF DIRECTORS

YAP MING CHOO

Independent Non-Executive Director

Ms Yap Ming Choo was appointed to the Board as Independent Non-Executive Director on 4 April 2023.

Ms Yap was the Chief Financial Officer of TA Corporation Ltd from 2011 to May 2022. Through the course of her career, Ms Yap had been, *inter alia*, the Finance Director of Banyan Tree Capital, Group Financial Controller of Amara Holdings Ltd and Chief Financial Officer of BBR Holdings Ltd.

Ms Yap holds a Master degree in Business Administration from University of Leicester, United Kingdom. She is also a Fellow member of the Association of Chartered Certified Accountants ("ACCA").

YUEN PEI LUR, PERRY

Independent Non-Executive Director

Mr Perry Yuen was appointed to the Board as Independent Non-Executive Director on 31 July 2023.

Mr Perry Yuen is currently the Independent Director of Sunmoon Food Company Limited and a practising Advocate & Solicitor in Singapore. He is a Partner at Shook Lin & Bok LLP, covering namely mergers and acquisitions (both public and private companies, and in Singapore and the region), equity capital markets, advising on securities regulations and corporate governance.

Before joining Shook Lin & Bok LLP, he was a partner at Pinsent Masons LLP from 2014 to 2020, where he headed the transaction services team based in Singapore. Prior to Pinsent Masons LLP, he was a partner at Khattar Wong LLP where he was also concurrently a Registered Professional at KW Capital Pte Ltd acting as the continuing sponsor for 7 companies listed on SGX Catalist.

Mr Yuen graduated from Brown University with a Bachelor of Science (Applied Mathematics and Economics), and also from Oxford University with a Bachelor of Arts (Jurisprudence) and Master of Arts.

MANAGEMENT

YEE CHIA HSING

Chief Executive Officer

Mr Yee Chia Hsing joined Datapulse as Executive Director on 1 August 2022 and was re-designated as Chief Executive Officer on 31 July 2023.

Mr Yee, a First-Class Honours graduate in Accountancy from Nanyang Technological University Singapore, has significant experience in corporate finance, capital markets and management.

Prior to joining Datapulse, Mr Yee was the Director of Corporate Affairs at iX Biopharma Ltd and General Manager of its nutraceutical business from 2021 to 2022 and Head of Catalist, CIMB Bank Berhad, Singapore Branch from 2011 to 2021.

Mr Yee is currently the Independent Director of SGX-listed First Sponsor Group Limited and Beng Kuang Marine Limited. He also serves on the Audit Committee of Ren Ci Hospital (a Singapore charity).

Mr Yee was a Member of Parliament of Chua Chu Kang GRC ("Nanyang division") from 2015 to 2020.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Ang Kong Meng

Chairman of the Board and Non-Independent
Non-Executive Director

Hor Siew Fu

Lead Independent Director

Yap Ming Choo

Independent Non-Executive Director

Yuen Pei Lur, Perry

Independent Non-Executive Director

AUDIT COMMITTEE

Hor Siew Fu

Chairman

Yap Ming Choo

Member

Yuen Pei Lur, Perry

Member

NOMINATING COMMITTEE

Yap Ming Choo

Chairman

Ang Kong Meng

Member

Hor Siew Fu

Member

Yuen Pei Lur, Perry

Member

REMUNERATION COMMITTEE

Yuen Pei Lur, Perry

Chairman

Ang Kong Meng

Member

Hor Siew Fu

Member

Yap Ming Choo

Member

CHIEF EXECUTIVE OFFICER

Yee Chia Hsing

JOINT COMPANY SECRETARIES

Yeo Sock Koon, Maggie

Lau Yin Whai

REGISTERED OFFICE

Company Registration No. 198002677D

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#13-10 International Plaza

Singapore 079903

Tel: (65) 6382 7989

Email: ir@datapulse.com.sg

Website: www.datapulse.com.sg

SHARE REGISTRAR

B.A.C.S. Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

AUDITORS

Mazars LLP

135 Cecil Street

#10-01

Singapore 069536

Partner-in-charge: Quek Siew Eng

Date of appointment: Since financial year ended 31 July 2021

PRINCIPAL BANKERS

Hongkong and Shanghai Banking Corporation Limited

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited



SUSTAINABILITY REPORT 2023

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SUSTAINABILITY REPORT 2023

BOARD STATEMENT

Dear Stakeholders,

The Board of Directors (the “**Board**”) of Datapulse Technology Limited (“**Datapulse**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to present its sixth annual Sustainability Report (“**Report**”), covering the Group’s sustainability performance for the financial year ended 31 July 2023 (“**FY2023**”).

Our commitment to sustainability has never been more vital, especially in the backdrop of a challenging environment posed by the COVID-19 pandemic. The Group’s resilience during these times has been evident, especially given the primary losses faced by our hospitality assets, namely Travelodge Myeongdong City-Hall (“**TLMC**”) in Seoul, South Korea, and our additional investments in Seoul and Singapore. We are, however, optimistic as the hospitality sector in South Korea demonstrates promising signs of recovery, driven by the return of international tourists.

Even as the industry rebounds, we acknowledge that challenges persist, such as foreign exchange risks, inflationary pressures, and geopolitical tensions. Yet, our resilience is evident in our financial standing. We reported an increased revenue of \$4.5 million for FY2023 from our Hotel operations, a significant improvement from the \$1.5 million of the previous year. The Group remains in a robust financial position with minimal bank borrowings and an encouraging net cash of \$11.9 million at the close of FY2023.

In alignment with our sustainability principles, we have made responsible financial moves, like reducing investments in debt and equity securities, to mitigate increased market volatility. These strategic decisions not only reflect our dedication to ensuring long-term profitability but also showcase our commitment to our stakeholders’ interests, as we navigate both economic and global challenges.

Our sustainability journey has not been without its hurdles. Yet, with your unwavering support, we continue to persevere, making strategic and sustainable choices to secure our collective future. As we chart our course into FY2024 and beyond, we remain dedicated to our sustainability objectives and look forward to walking this journey with you.

Sincerely,

The Board of Directors



SUSTAINABILITY REPORT 2023

ABOUT THIS REPORT

As a responsible business, Datapulse is committed to presenting the impacts of our actions in a broad, transparent and systematic manner. This marks our 6th Sustainability Report, within which we describe our approach to and performance on our most material Environmental, Social, and Governance (“**ESG**”) issues over the past year.

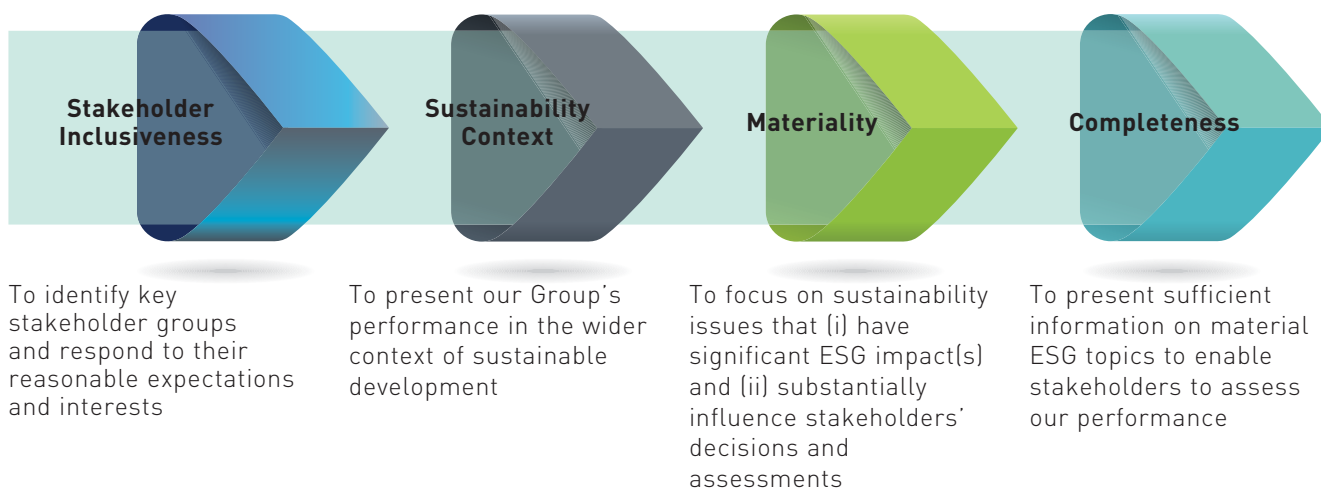
REPORTING SCOPE AND PERIOD

This Report focuses primarily on operations wholly owned and/or directly managed by Datapulse. This includes our Investment Business located in Singapore, and segments of our Property Business – particularly the management of our hotel, Travelodge Myeongdong City Hall (“**TLMC**”), in Seoul, South Korea. Information in this report covers our financial year dated 1 August 2022 to 31 July 2023 (“**FY2023**”), and relevant historical performance data has been included for comparison where available.

We have not sought external assurance for this Report. However, CLA Global TS Risk Advisory Pte Ltd (“**CLA**”), the internal auditor of the Company had conducted an internal review of the sustainability reporting process of the Group during FY2023. All performance data presented in this Report are derived from internal data systems and original records, and we have relied on internal verification to ensure the accuracy of the Report.

REPORTING STANDARDS AND PRINCIPLES

This Report has been prepared in compliance with the Mainboard Listing Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and all applicable provisions set out in SGX-ST’s Practice Note 7.6 Sustainability Reporting Guide. This Report has also been prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards 2021, as follows:



The Group is not amongst the industries designated by SGX for compulsory Taskforce on Climate-related Financial Disclosures (“**TCFD**”) disclosures. Therefore, this report does not contain climate-related disclosures. However, we have plans to include them progressively in future sustainability reports.

If you have any comments, questions or suggestions regarding the Report and/or our sustainability initiatives, please contact us at <http://www.datapulse.com.sg/contact-us/>.

SUSTAINABILITY REPORT 2023

ABOUT DATAPULSE

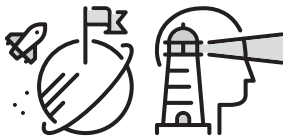
CORPORATE PROFILE

Founded in 1980 with its headquarters in Singapore, the Company initially debuted on the SGX-ST's SESDAQ market in March 1994, subsequently moving to the Mainboard in November 2000.

Presently, Datapulse predominantly operates in the hotel and hospitality property investment sectors in both South Korea and Singapore. Following the acquisition of TLMC in 2018, the Group has since bolstered its standing in the hospitality sector by purchasing a 15 per cent share in Travelodge Myeongdong Euljiro, South Korea, and a 5 per cent share in Travelodge Harbourfront, Singapore.

In alignment with our property investment and asset management business strategy, we will continue to pursue a value-add type investment strategy, identifying undervalued assets situated in prime locations which have the potential for strong operational and physical enhancements.

MISSION & VISION



Our mission is to be one of the pre-eminent real estate investment group and a premier provider of asset management services.

MEMBERSHIP OF ASSOCIATION



The Singapore Business Federation (“**SBF**”) frequently hosts networking events, enabling trade members to discover fresh business prospects and potential collaboration pathways. Being a member of SBF, Datapulse is invited to participate in these sessions. We take these opportunities to exchange views with fellow SBF members and forge significant ties with leading figures in both established and emerging markets.

EXTERNAL INITIATIVES

We aspire to leave a long-term beneficial mark on local communities and the environment. We also plan to gradually channel more resources into corporate social responsibility endeavours. Alongside our employees, we strive to engage in community activities to contribute positively to society.

SUSTAINABILITY REPORT 2023

SUSTAINABILITY APPROACH

OUR COMMITMENT TO SUSTAINABILITY

At Datapulse, our commitment is to integrate sustainability into the very fabric of our organisation. We acknowledge both the strategic and operational imperatives of addressing ESG risks and opportunities, understanding their potential effects on our business framework, the economy, the environment, and the broader society. In response, we embrace a comprehensive strategy towards risk assessment and management.

INFLUENCING OUR VALUE CHAIN

As a Group, we firmly believe that establishing and preserving a sustainable value chain is pivotal for sustained value creation. We uphold the highest standards in ethical and responsible business practices and expect our business partners, who assist in managing our hotels, to mirror this commitment to sustainability.

When considering new vendors, we evaluate based on:

- the excellence and economic value of their products and services;
- their ethical track record and overall reputation; and
- their demonstrated commitment to environmental, health and safety standards.

We also work closely with our existing vendors to discuss and implement continual improvements to our supply chain management practices.



SUSTAINABILITY REPORT 2023

OUR SUSTAINABILITY GOVERNANCE

Effective corporate governance is key to protecting the interests of our stakeholders.

The Board holds ultimate responsibility for the Group's ESG direction, reviewing the effectiveness of our risk management processes, and reviewing the progress we have made against our ESG goals and targets each year.

As of 31 July 2023, the Board comprises the following members:

MR ANG KONG MENG

Chairman of the Board and Non-Independent
Non-Executive Director

MR HOR SIEW FU

Lead Independent Director

MS YAP MING CHOO

Independent Non-Executive Director

MR YUEN PEI LUR, PERRY

Independent Non-Executive Director

Our Independent Directors are of diverse backgrounds, skillsets and experiences which further strengthens the capabilities of the Board and ensures that all strategic decisions made by Management are in the best interest of the Group and its stakeholders. The Board has also adhered to SGX's recent mandate that all Directors complete compulsory sustainability training in FY2023.

SUSTAINABILITY REPORT 2023

STAKEHOLDER ENGAGEMENT

Recognising and addressing the concerns of various stakeholders enable us to gauge the influence of our business operations more accurately on Datapulse's sustainability objectives.

We are constantly seeking constructive feedback from both internal and external stakeholders to cater to their needs and anticipations more effectively. By fostering transparent communication pathways, we cultivate robust, mutually advantageous bonds with vital stakeholders. Additionally, adept engagement with stakeholders empowers the Group to adeptly foresee and adapt to the constantly shifting industry hurdles and regulatory stipulations. This approach undoubtedly bolsters our sustainability outcomes over time.

The table below sets out the Group's key stakeholder groups, their expectations, and the various communication channels used to engage them.

Key Stakeholders	Modes of Engagement	Stakeholders' Expectations
Hotel Guests	<ul style="list-style-type: none"> • Enquiry calls • Corporate website • Guest satisfaction surveys 	<ul style="list-style-type: none"> • Competitive pricing • Personal data security • Good service quality
Employees	<ul style="list-style-type: none"> • Staff orientation • External and internal trainings • Performance evaluation • Internal memos 	<ul style="list-style-type: none"> • Staff benefits and welfare • Equal opportunities for personal development • Good working environment
Suppliers	<ul style="list-style-type: none"> • Regular communication over email and meetings to exchange feedback on areas of concerns 	<ul style="list-style-type: none"> • Competitive pricing • High ethical standards • Compliance with purchasing terms and conditions
Business Partners	<ul style="list-style-type: none"> • Regular meetings and discussions • Periodic operational and financial updates 	<ul style="list-style-type: none"> • Opportunities for brand building to boost economic performance
Investors & Shareholders	<ul style="list-style-type: none"> • Annual General Meeting • Circulars to shareholders • SGX-ST announcements • Annual Report 	<ul style="list-style-type: none"> • Profitability and returns on investment • Ethical, transparent business practices • Compliance with laws and regulations
Government & Regulators	<ul style="list-style-type: none"> • Periodic discussions 	<ul style="list-style-type: none"> • Timely reporting and resolutions of issues • Compliance with laws and regulations

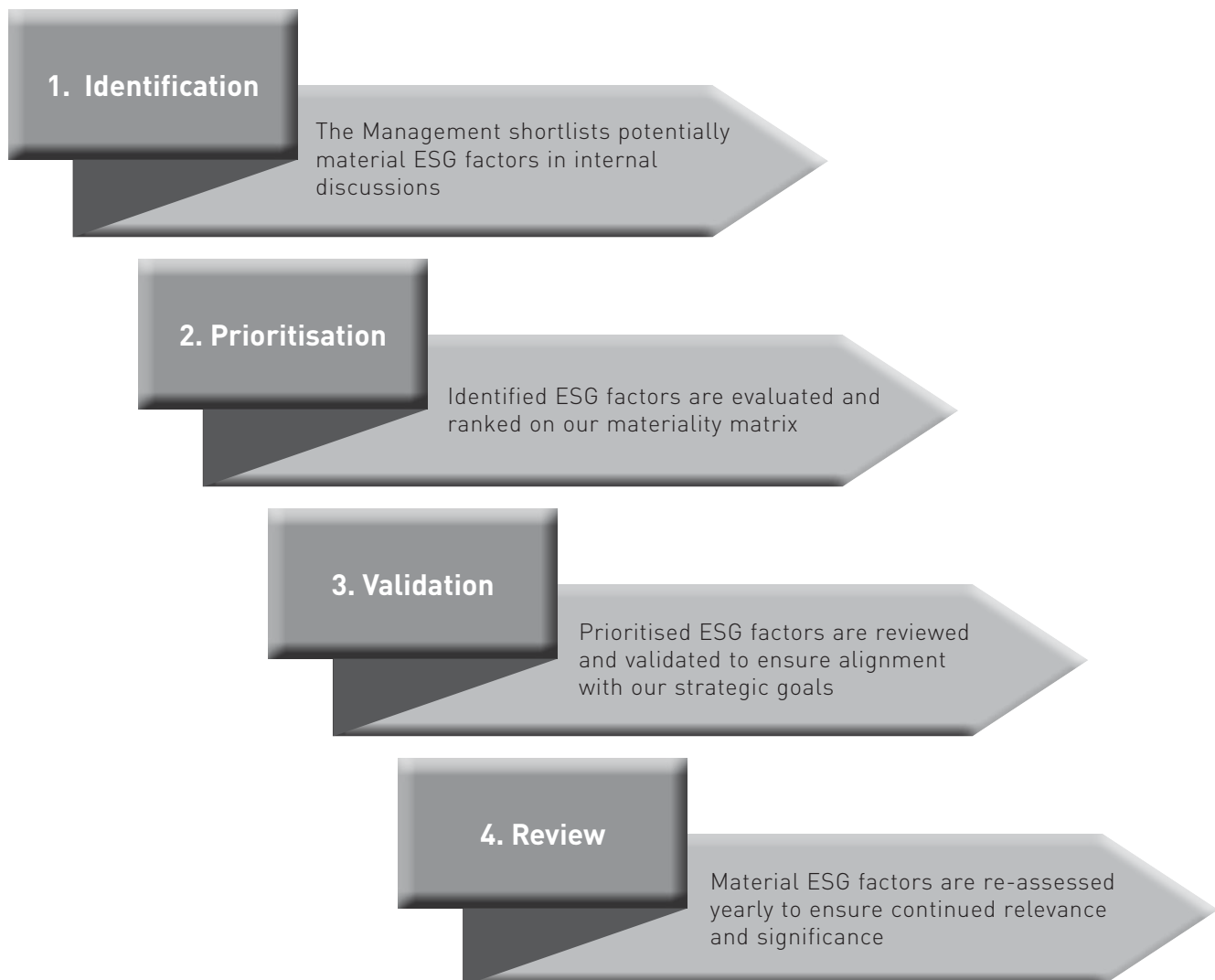
SUSTAINABILITY REPORT 2023

MATERIAL ESG FACTORS

MATERIALITY ASSESSMENT

The foundation of our sustainability strategy is built on our materiality assessment process. It is essential for us to focus our resources on overseeing, handling, and documenting the areas that have the most significant influence and impact on the Group. By doing so, we not only uphold our commitment to sustainability but also ensure that we are efficiently overseeing, managing, and documenting the vital drivers of our operations and sustainability strategy.

The Group employs a structured method to assess our materiality subjects, as depicted below:

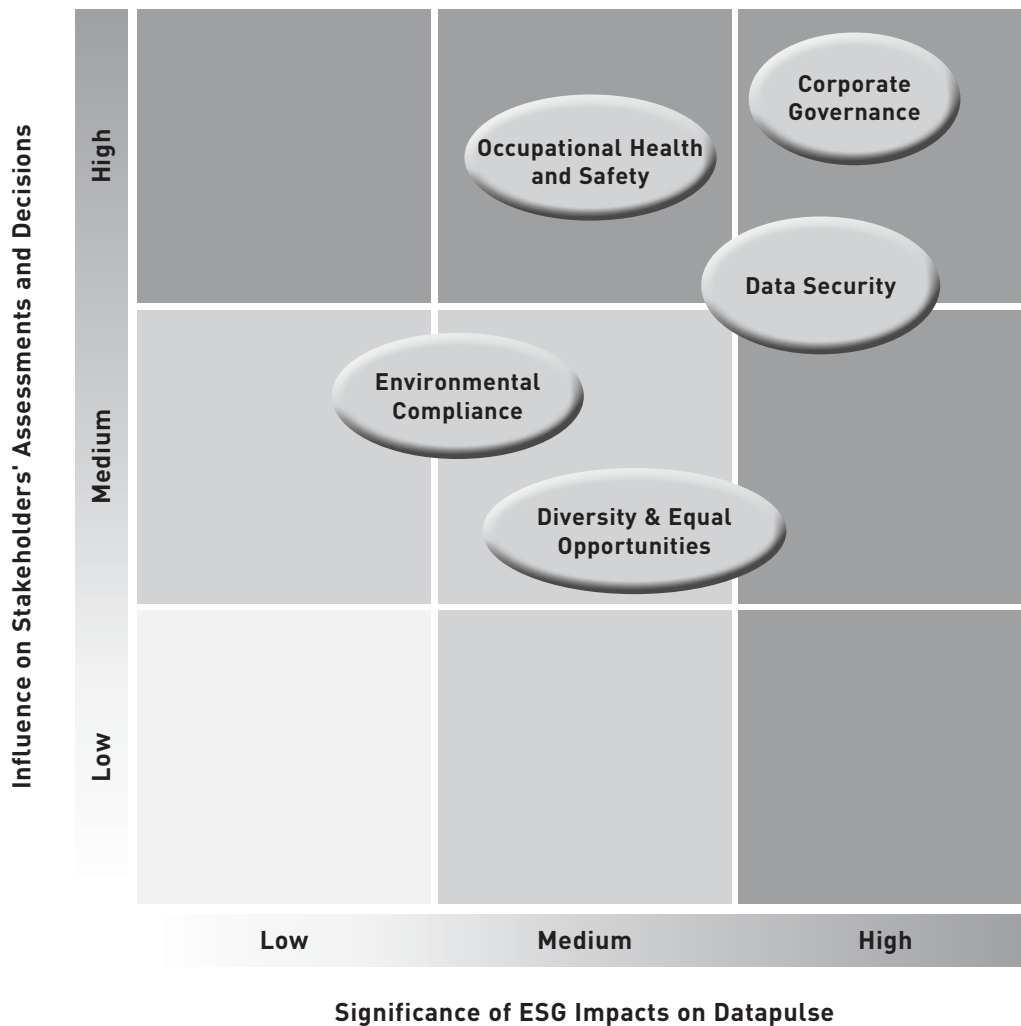


At present, our materiality assessment exercise involves employee representatives from various departments who act as proxies of the key external stakeholder groups they interact with the most. Through their valuable feedback, we are better equipped to effectively identify, assess, and rank material ESG factors based on the significance of the impact they have on Datapulse and the influence they hold over stakeholders' assessments and decisions.

SUSTAINABILITY REPORT 2023

To ensure that the material ESG factors remain pertinent and vital to both the Group’s operations and our stakeholders, we undertake an annual review of these topics. During this review, we strive to incorporate stakeholders’ feedback, emerging sustainability trends, and changes to our business operations and industry landscape into our reporting.

As highlighted in the materiality matrix that follows, we have identified a total of five (5) material ESG subjects for disclosure in this year’s Sustainability Report. Our primary focus for this year continues to be on the material sustainability topics that were reported in our FY2022 sustainability report, except for ‘Environmental Compliance’ (GRI 307) which has been withdrawn and replaced with Disclosure 2-27 ‘Compliance with laws and regulation’ in the revised GRI Universal Standards 2021.



SUSTAINABILITY REPORT 2023

As detailed in the subsequent table, we have devised robust management strategies for our material ESG factors. We will provide further clarifications on the topic-specific disclosures in the following sections of the Report.

Topic	Description of Key Initiatives	Page Reference
Corporate Governance	As an organisation, we uphold the principles of good governance, namely accountability, trust, and transparency. Our actions, in all facets of our business, are steered by our Code of Conduct and overarching policies, ensuring lawful and honest practices. Additionally, we maintain active engagement with our stakeholders, offering them consistent, prompt, and precise updates on significant developments.	Pages 20 – 21
Environmental Compliance	Datapulse is committed to achieving our environmental objectives by complying with all environment-related laws and regulations that apply to the jurisdictions we operate within. As owners of a hotel, our aim is to offer guests the travel experience they seek, whilst mitigating potential environmental harm. In our hotel, we have launched various eco-friendly initiatives to reduce our carbon footprint.	Pages 22
Diversity & Equal Opportunities	We actively strive to cultivate a workplace that celebrates diversity, inclusivity, and fairness, creating an environment where employees can flourish. The varied experiences and viewpoints of our employees are invaluable assets that we believe, drive the Group's progress.	Page 23
Data Security	Data privacy is paramount, both for adhering to rigorous regulations and for respecting our customers' rights. We have implemented various measures to safeguard personal data at the corporate level as well as within our hotel operations. Furthermore, we acknowledge the significance of full transparency with our customers regarding our handling of the data they provide to us.	Pages 24
Occupational Health & Safety	The health, safety and wellbeing of our employees is of the utmost importance to Datapulse. We strive to provide our employees and hotel guests with a safe and healthy environment to work and stay in.	Page 25

SUSTAINABILITY REPORT 2023

CORPORATE GOVERNANCE

As a responsible corporate business, Datapulse is dedicated to upholding the principles of ethical compliance. We have a steadfast policy against any instances of fraud, corruption, or malpractice, ensuring our operations align with all relevant legislations and standards.

MANAGEMENT APPROACH

Aligned with the standards set out in the Code of Corporate Governance 2018, we have established a corporate governance framework, with underlying policies and procedures, which apply across the Group. All employees are bound to adhere to these internal guidelines, as validated and set forth by our Board, which include:

Whistleblowing Policy

Our Whistleblowing Policy extends a secure avenue for both internal and external stakeholders to disclose suspicions of misconduct or irregularities, ensuring confidentiality and protection from any form of retaliation. The Audit Committee is the recipient of these reports and ensures that every claim is impartially, thoroughly, and promptly investigated. More information on our whistleblowing policy can be found on our company's website at <http://www.datapulse.com.sg/investor/corporate-governance/>.

Conflict of Interest Policy

In accordance with our Code of Ethics, upon joining and then annually, all employees must complete a Conflict-of-Interest Declaration Form. Any alterations in their status or potential conflicts should be relayed promptly to the Human Resources Department. New joiners attend training on this policy during orientation, and reminders, along with any updates, are regularly communicated to all employees.

Related Parties Policy

The Related Parties policy mandates the disclosure of any transaction or agreement wherein a related individual holds a direct or indirect material interest in. This policy defines the processes for stakeholders to report any such related party engagements they partake in.

Dealing in Securities Policy

This policy restricts Directors, Management, and specific employees from trading the Group's securities whilst possessing sensitive price-related information. This covers the period commencing one month before the announcement of our full year financial results and two weeks before the announcement of Company's results for each of the first three quarters, ending on the date of announcement of the relevant results.

SUSTAINABILITY REPORT 2023

Investor Relations Policy

Datapulse strives to communicate significant information regarding the Group's performance, stance, and future outlook to the public in a prompt, precise, impartial, and transparent fashion. Our Investor Relations policy establishes the appropriate structure, methods, and practices to guarantee accurate communication to the investment community. This approach facilitates a clearer comprehension for our investors about the Group's business and operations, assisting them in making enlightened investment choices.

Financial Reporting Policy

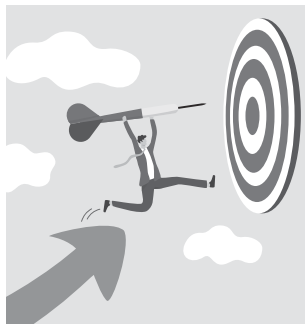
This policy outlines the roles and responsibilities of the Directors and Management in ensuring that the Group's financial reporting is completed in accordance with all relevant accounting standards, legal and ethical requirements. It also describes the procedures and internal controls in place for financial reporting.

Board Diversity Policy

Datapulse is steadfast in its commitment to bolstering diversity and inclusivity within its Board. This policy seeks to optimise the collective strength of the Board by having members who possess diverse abilities, knowledge, perspectives and professional experiences. The Board's Nominating Committee is responsible for promoting and achieving our diversity goals by appointing willing and able Directors of different profiles. Such an approach is aimed at fostering innovation, giving the Group a competitive advantage that would sustain Datapulse's long-term growth and success.

All new employees are briefed on the abovementioned policies during their induction. The Group's corporate service provider will also provide updates on relevant changes in the SGX-ST listing rules or the Companies Act to the Management, who will then circulate the relevant information to Directors and the employees.

PERFORMANCE AND TARGETS



In FY2023, no violations concerning the SGX-ST's listing rules have been reported. Similarly, no instances of employee malpractice or validated cases of corruption were reported. Our goal is to maintain this track record for FY2024.

The Group will continue to periodically review and enhance our corporate governance policies and Code of Ethics. Our whistleblowing policy has been revised to reflect SGX-ST's mandatory enhancements to issuers' whistleblowing policies. Beyond instituting the necessary safeguards, we also consistently emphasise to our employees the importance of upholding the pinnacle of ethical standards.

SUSTAINABILITY REPORT 2023

ENVIRONMENTAL COMPLIANCE

MANAGEMENT APPROACH

As a Group, our commitment to environmental stewardship extends beyond compliance with environmental laws and regulations. We are dedicated to minimising Datapulse's ecological footprint in our daily operations by actively reducing energy and water consumption as well as waste generation within our hotel activities. By integrating eco-friendly practices into our routines, we not only anticipate long-term cost savings but also aim to attract environmentally conscious travelers.

Our hotel continues our 'going-green' initiatives of energy-efficient lighting and appliances in hotel rooms, encouraging guests to conserve energy and water, employing district cooling technologies for air-conditioning, reducing disposable product usage, and promoting responsible waste recycling. We also uphold a strong commitment to educate our employees about environmental laws and regulations, including the Waste Management Act and Environmental Impact Assessment Act in South Korea.

The hotel has launched a notable initiative this year to combat the pervasive issue of single-use plastics. Recognising the environmental challenges posed by disposable items, the hotel has made a conscious decision to discontinue the provision of two complimentary plastic water bottles in each room. Instead, we have installed drinking water dispensers on every floor, allowing guests easy access to fresh water.

This move not only significantly reduces the hotel's plastic waste but also emphasises our dedication to sustainable practices, encouraging guests to be more eco-conscious during their stay.

In alignment with our dedication to a cleaner and more sustainable future, we actively engage in energy-reduction campaigns and recognise the importance of communicating our strategies to employees and guests, fostering collaboration with stakeholders to enhance environmental compliance and bolster our sustainability efforts. To minimise the environmental impact of cleaning products and water usage, the hotel has implemented a policy where rooms are tidied up every third day and undergo a comprehensive cleaning on the sixth day. Guests are duly informed of this arrangement during their check-in. This conscientious approach not only curtails the consumption of water and detergents but also significantly reduces the environmental footprint associated with linen and towel cleaning. The hotel has also enhanced its infrastructure by upgrading the boilers. This strategic move not only minimises emissions but also aligns the hotel with local environmental regulations.

As a Group, we remain steadfast in safeguarding the environment by ensuring compliance with all relevant environmental laws and regulations. Taking this a step further, we strive to not simply comply but to also reduce any adverse environmental impacts Datapulse might incur in our day-to-day operations.

PERFORMANCE AND TARGETS



In FY2023, the Group did not identify any incidence of non-compliance with local environmental laws and regulations. We seek to sustain our strong compliance record by performing regular reviews of our policies and practices and internal checks on our operations to ensure that employees are abiding by the protocols we have put in place. We are also constantly looking for ways to improve upon our environmental performance, in alignment with industry best practices and voluntary guidelines and to continue our record of zero non-compliance incidents in FY2024.

SUSTAINABILITY REPORT 2023

DIVERSITY & EQUAL OPPORTUNITIES

MANAGEMENT APPROACH

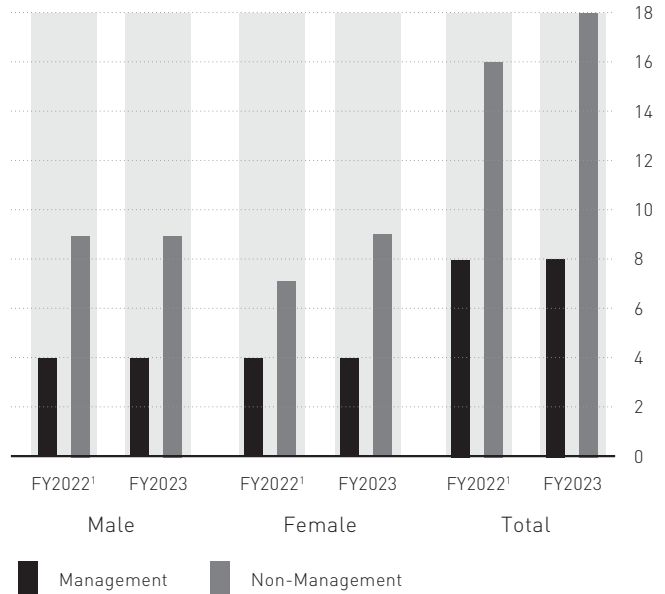
We appreciate and respect the individual contributions from those of diverse backgrounds, experiences, and viewpoints. We stand firmly against any kind of discrimination, bullying, or harassment within our workspace.

As outlined in our Human Resource Policy, our dedication lies in ensuring equal opportunities to all our employees in every phase of their professional journey, including equitable recruitment, pay, training, promotions, and termination practices. Every year, our employees undergo a performance evaluation to determine their performance levels and based on the results, we make decisions regarding salary adjustments, bonuses, and potential career progression opportunities.

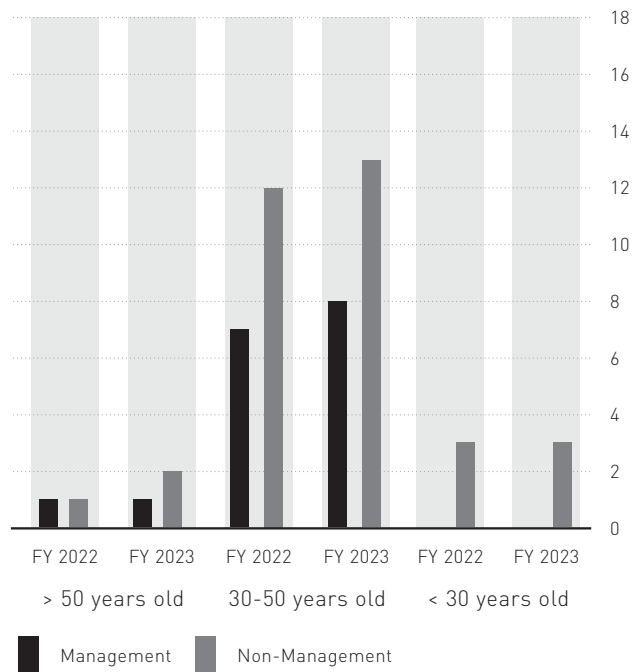
PERFORMANCE AND TARGETS

In FY2023, Datapulse employed a total of 26 employees for our investment operations in Singapore and our hotel operations in Korea. On top of accurate records on employee diversity, we strive to maintain a balanced gender ratio at all levels in our workforce. A detailed breakdown of our employees by age and gender is as follows:

EMPLOYEE PROFILE BY GENDER



EMPLOYEE PROFILE BY AGE



¹ For FY2022 under 'Employee Profile by Gender', there is a restatement of the employment figures for non-management.

SUSTAINABILITY REPORT 2023

DATA SECURITY

MANAGEMENT APPROACH

The Group consistently prioritises the protection of our customers' personal information, ensuring its responsible collection, usage, and handling. In the hospitality sector, the security of data is of utmost importance. We understand that the preservation of our customers' trust and safeguarding their interests are fundamental to the Group's ongoing success. We strictly adhere to privacy-focused laws and regulations, including, but not limited to, Singapore's Personal Data Protection Act ("**PDPA**") and South Korea's Personal Information Protection Act ("**PIPA**").

In line with the PIPA in South Korea, we have set in place a range of measures to protect the personal details of our hotel guests, including establishing robust access protocols. When we gather information from our guests through online reservations, queries, or during hotel check-ins, we will clearly inform them about the type of data we are collecting and its intended use, securing their consent beforehand. Our Group has a firm policy against using personal data for purposes other than the stated intent, and any superfluous data is securely disposed of. We organise yearly training sessions for our hotel staff to keep them informed about regulatory obligations and any policy updates. New hotel staff are acquainted with the latest data protection procedures during their orientation, ensuring guest privacy remains uncompromised.

For our operations in Singapore, we have designated a Data Protection Officer ("**DPO**"). This individual oversees the collection, use, disclosure, and care of personal data within the Group and ensures full compliance with the PDPA. Keeping pace with evolving data protection standards in Singapore, the DPO takes charge of periodically reviewing and refreshing the Group's data protection guidelines as required.

As part of our data security initiative in FY2023, we enhanced the protection of our digital infrastructure by upgrading the anti-virus software on all computers utilised by all staff of the Group. Starting from 1 June 2023, TLMC has also integrated a new antivirus system, reinforcing our commitment to safeguarding data and ensuring the integrity of our IT systems.

PERFORMANCE AND TARGETS



We are pleased to report that the Group did not receive any substantiated complaints concerning privacy breaches or data loss in FY2023. Furthermore, no instances of non-compliance with the relevant laws and regulations concerning customers' privacy (including but not limited to the PDPA and PIPA) have been reported or brought to our attention.

As we progress, we shall continue to evaluate and enhance our personal data protection policies and methods, ensuring our employees are consistently informed about these protocols. We strive to foster a safe, secure and reliable environment for our hotel guests. In addition, we aim to continue the record of zero non-compliance incidents in FY2024.

SUSTAINABILITY REPORT 2023

OCUPATIONAL HEALTH & SAFETY

MANAGEMENT APPROACH

As a Group, our highest priority is to provide our employees and our guests with a safe and healthy environment. In light of the recent pandemic, we continue to maintain enhanced health and sanitisation measures at our hotel to reassure our employees and customers that they are being well cared for. Hand sanitisers are prominently placed at the reception desks, near the elevators on each floor and in the office, for staff and guests' use. To improve employee wellbeing, we also send our employees for an annual medical check-up.

Datapulse's health and safety management system is in compliance with all local regulations and guidelines, and we look to protect the safety and wellbeing of all our employees as far as practicable. We are also involved in a government-led initiative by the Ministry of Labor & Employment and the Korea Occupational Health and Safety Corporation, where a government-nominated occupational nurse visits our premises once a year to provide us with technical services that can help prevent occupational injuries and illness and improve the workplace environment, on a complimentary basis.

To further our employees' knowledge and ability to maintain a safe workplace, we provide our employees with regular training on a range of occupational health and safety topics, including the below topics:

- Occupational Safety and Health Education
- Sexual harassment prevention education in the workplace
- Workplace bullying prevention education
- Personal Information Protection Training
- Education to improve awareness of the disabled in the workplace

Participating in these training sessions empowers our employees with up-to-date knowledge on regulatory changes and a deeper understanding of their rights in the workplace. The Health and Safety Centre, operating under the Occupational Health & Nursing Association, supports us in assessing our employees' training requirements and recommending the most fitting programs for them to attend.

PERFORMANCE AND TARGETS



In FY2023, we are pleased to share that we have been fully compliant with local health and safety regulations and there has been zero cases of work-related injuries and zero instances of work-related ill health among our employees. We strive to maintain these records, and we will continue to conduct periodic training for our employees to enhance their understanding of occupational health and safety-related matters.

SUSTAINABILITY REPORT 2023

GRI CONTENT INDEX

Statement Of Use	Datapulse Technology Limited has reported with reference to the GRI Standards for the period starting 1 August 2022 to 31 July 2023.
GRI 1 Used	GRI 1: Foundation 2023

GRI Standard/Disclosure		Page Reference
The Organisation and Its Reporting Practices		
2-1	Organisational details	13
2-2	Entities included in the organisation's sustainability reporting	12 – 14
2-3	Reporting period, frequency and contact point	12
2-4	Restatements of information	23
2-5	External assurance	12
Activities and Workers		
2-6	Activities, value chain and other business relationships	14
2-7	Employees	23
2-8	Workers who are not employees	N.A.
Governance		
2-9	Governance structure and composition	15
2-10	Nomination and selection of the highest governance body	37
2-11	Chair of the highest governance body	36 – 37
2-12	Role of the highest governance body in overseeing the management of impacts	15
2-13	Delegation of responsibility for managing impacts	15
2-14	Role of the highest governance body in sustainability reporting	15
2-15	Conflicts of interest	20
2-16	Communication of critical concerns	20
2-17	Collective knowledge of the highest governance body	35
2-18	Evaluation of the performance of the highest governance body	39
2-19	Remuneration policies	40
2-20	Process to determine remuneration	40 – 42
2-21	Annual total compensation ratio	42 – 43

SUSTAINABILITY REPORT 2023

GRI Standard/Disclosure		Page Reference
Strategy, Policies and Practises		
2-22	Statement on sustainable development strategy	14
2-23	Policy commitments	20 – 25
2-24	Embedding policy commitments	20 – 25
2-25	Processes to remediate negative impacts	10
2-26	Mechanisms for seeking advice and raising concerns	10, 34
2-27	Compliance with laws and regulations	20 – 25
2-28	Membership of associations	13
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	17
2-30	Collective bargaining agreements	N.A.
GRI 3: Material Topics 2021 – Materiality Assessment		
3-1	Process to determine material topics	17
3-2	List of material topics	18
3-3	Management of material topics	19
GRI 205: Anti-Corruption		
3-3	Management of material topics	20 – 21
205-2	Communication and training about anti-corruption policies and procedures	19 – 20
205-3	Confirmed incidents of corruption and actions taken	21
Environmental Compliance		
	Non-compliance with environmental laws and regulations	22
GRI 405: Diversity and Equal Opportunities		
3-3	Management of material topics	23
405-1	Diversity of governance bodies and employees	23, 25
GRI 418: Customer Privacy		
3-3	Management of material topics	24
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	24

SUSTAINABILITY REPORT 2023

GRI Standard/Disclosure		Page Reference
GRI 403: Occupational Health and Safety		
3-3	Management of material topics	25
403-5	Worker training on occupational health and safety	25
403-6	Promotion of worker health	25
403-7	Prevention and mitigation of occupational health and safety impacts directly	25
403-9	Work-related injuries	25
403-10	Work-related ill health	25



SUSTAINABILITY REPORT 2023

TCFD CONTENT INDEX

Disclosure Focus Area	Recommended Disclosure	Page/Remarks/ Reasons for Omission
Governance		
Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	Please refer to our Corporate Governance section in the Annual Report.
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The Group intends to include this in our upcoming Enterprise Risk Management exercise, which is scheduled in FY2024 and will be disclosed in our FY2024 report.
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The Group plans to include this in our subsequent sustainability reports.
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	The Group will apply our Enterprise Risk Management methodology and processes to identify, assess and manage climate-related risks. Please refer to our Corporate Governance section in our Annual Report for more details.
	b. Describe the organisation's processes for managing climate-related risks.	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	The Group plans to include this in our subsequent sustainability reports.
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	

CORPORATE GOVERNANCE REPORT

Datapulse Technology Limited (the “**Company**”) is committed to high standards of corporate governance so as to ensure greater transparency and protect the interests of its employees, customers and shareholders. The board of Directors (“**Board**”) and Management believe that good corporate governance is key to the integrity of the Group and essential to the long-term sustainability of the Group’s businesses and performance.

To discharge its governance function, the Board and its committees have established policies and procedures to govern their activities. The Board and its committees are guided by their respective Terms of References.

The Board is pleased to report to its shareholders on the Company’s corporate governance practices for the financial year ended 31 July 2023 (“**FY2023**”) with specific reference to each provision of the Code of Corporate Governance 2018 (the “**Code**”) issued in August 2018. The Board confirms that the principles and provisions of the Code have been adhered to save as highlighted and explained in this report.

Board Matters

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board oversees the overall strategy and business direction of the Group and is collectively responsible for its success. Management also plays a pivotal role in providing the Board with complete, adequate and timely information to assist the Board in the fulfilment of its responsibilities.

Provision 1.1

Board’s Role

The principal functions of the Board include, inter alia, providing entrepreneurial leadership, setting the appropriate tone-from-the-top and desired organisational culture, monitoring Management’s performance, establishing a framework for prudent and effective internal controls to manage risk, safeguarding shareholders’ interests and the Company’s assets as well as setting values and standards (including ethical standards) for the Company. The Board is also mindful of the Company’s social responsibilities.

The Board sets the directions for the Company where ethics and values are concerned. This helps to nurture an environment where integrity and accountability are key.

The Board’s Conduct of Affairs

The principal functions of the Board include, inter alia:

- (a) Reviewing and monitoring the Group’s policies and practices for compliance with legal and regulatory requirements;
- (b) Monitoring and ensuring the training and continuous professional development of Directors and Management;
- (c) Setting long-term strategic goals, and reviewing and assessing the strategies of the Group from time to time, and monitoring the progress towards achieving these goals;
- (d) Approving the appointment of key management positions;

CORPORATE GOVERNANCE REPORT

- (e) Approving the compensation packages and incentive payment structure for key management positions;
- (f) Reviewing and approving significant acquisitions and divestments by the Group;
- (g) Setting the dividend policy of the Group and declaring dividends, where appropriate;
- (h) Determining and reviewing the Company's risk profile, risk tolerance level and risk strategy; and
- (i) Conducting an annual, rigorous assessment of the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, the effectiveness of its internal audit, risk management and compliance functions, and the adequacy of the resources allocated to these functions.

The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group and works with Management to take objective decisions in the interest of the Group.

The Group has a conflict-of-interest policy for the objective review and approval of potentially conflicting relationships so that transactions which may be unfair or create the appearance of favoritism will be avoided and those which are fair and in the interests of the Group can continue to be enjoyed in the future. Any Director who has a conflict of interest which is likely to impact his or her independence or conflict with a subject under discussion by the Board is required to immediately declare his or her interest to the Board, remove himself or herself from the information flow and recuse from participating in any further discussion or voting on the subject matter.

Provision 1.2

Continuous Training and Development of Directors

To ensure that the Directors keep pace with regulatory changes that will have an important bearing on the Company's or Directors' obligations, the Directors are updated on such changes in between or during Board meetings and/or on specially convened sessions by professionals. The Company Secretary informs the Directors of upcoming conferences and seminars relevant to their roles as directors of the Company.

The Directors are also encouraged to read up on and actively engage in informal discussions on subjects which are relevant to the Group's business.

Orientation for New Directors

Orientation programmes will be organised during the year for new incoming Directors to ensure that they are familiar with the Company's key businesses and corporate governance practices. This also allows the new Director(s) to get acquainted with Management, thereby facilitating board interaction and independent access to Management. The Directors may also at any time request further explanations, briefings and informal discussions on any aspect of the Company's operations or business. For newly appointed Directors with no prior experience as a Director of a listed on SGX, they are required to attend training as prescribed by the SGX. In light of this requirement, Mr Ang Kong Meng and Ms Yap Ming Choo had participated in the Listed Entity Director ("LED") Programme conducted by the Singapore Institute of Directors in July 2023. In compliance with Rule 720(7) of the Listing Manual, all the Directors have undergone training on sustainability matters conducted by the Singapore Institute of Directors as prescribed by SGX in FY2022.

Provision 1.3

Internal Guidelines on Matters Requiring Board Approval

The Company has adopted internal guidelines governing matters that require the Board's approval.

CORPORATE GOVERNANCE REPORT

Matters which are specifically reserved to the Board for approval include but are not limited to:

- (a) Annual plans, risk appetite and performance targets for the Group;
- (b) The establishment of effective procedures for monitoring and control of operations including internal procedures for audit, risk and compliance;
- (c) Strategic business plans and policies of the Group;
- (d) Material acquisitions and disposals by the Group; and
- (e) Terms of reference of the Board and its Committees.

The matters which are specifically decided on and approved by the Board are clearly documented in the minutes of meetings and kept with the Company.

Provision 1.4

Delegation of Authority to Board Committees

The Board is supported by a number of committees which assist it in the discharge of its responsibilities and also enhance the Company's corporate governance framework. These committees include the Nominating Committee ("**NC**"), the Remuneration Committee ("**RC**") and the Audit Committee ("**AC**"). Each Board committee has its own specific Terms of Reference setting out the scope of its duties and responsibilities, rules and regulations, and procedures governing the manner in which it is to operate and how decisions are to be taken.

Provision 1.5

Meetings of Board and Board Committees

The Board and its committees meet regularly through scheduled meetings and as warranted by particular circumstances. If Directors are unable to attend meetings in person, telephonic means of communication are allowed under the Constitution of the Company. To enable members of the Board and its committees to prepare for the meetings, agendas are circulated in advance, with board papers and related materials dispatched before the meetings.

The Board normally meets at least two times a year with additional meetings convened as and when necessary.

During FY2023, the Company has held five (5) Board Meetings.

Multiple Board Representations

All Directors are required to declare their Board Representations. The NC will review the multiple board representations held by the Directors on an annual basis to ensure that sufficient time and attention is given to the affairs of the Company. The NC considers that the multiple board representations held presently by the Directors do not impede their respective performance in carrying out their duties as a Director of the Company.

The Directors had committed considerable time towards the many board meetings and board committee meetings held in FY2023 and adjusted their schedules to ensure participation in board and board committee meetings for the deliberation of issues. The NC is of the view that the Directors have committed their time effectively to discharge their responsibilities.

CORPORATE GOVERNANCE REPORT

A record of the Directors' attendance at the Board and Board Committee meetings for FY2023 and General Meeting(s) for FY2022 held in 2023 is set out below:

	Board Meetings	Audit Committee	Remuneration Committee	Nominating Committee	General Meeting
Number of meetings held in FY2023	5	3	1	1	1
Name of Director	Number of meetings attended				
Mr Ang Kong Meng ⁽¹⁾	1	–	–	–	–
Mr Hor Siew Fu ⁽²⁾	–	–	–	–	–
Ms Yap Ming Choo ⁽³⁾	1	–	–	–	–
Mr Yuen Pei Lur, Perry ⁽²⁾	–	–	–	–	–
Mr Yee Chia Hsing ⁽⁴⁾	5	–	–	–	1
Mr Aw Cheok Huat ⁽⁵⁾	5	–	–	1	1
Mr Yeung Koon Sang @ David Yeung ⁽⁶⁾	2	2	–	–	–
Mr Choong Chee Peng Bert ⁽⁴⁾	5	3	1	1	1
Mr Lau Yan Wai ⁽⁷⁾	5	3	1	–	1
Mr Teo Choon Kow @ William Teo ⁽⁸⁾	3	1	1	1	1

Notes:

- (1) Mr Ang Kong Meng was appointed as a Non-Executive Non-Independent Director of the Company on 27 March 2023.
- (2) Mr Hor Siew Fu and Yuen Pei Lur, Perry were appointed as Non-Executive Independent Directors of the Company on 31 July 2023. Mr Hor Siew Fu was appointed as Lead Independent Director with effect from 27 September 2023.
- (3) Ms Yap Ming Choo was appointed as a Non-Executive Independent Director of the Company on 4 April 2023.
- (4) Mr Yee Chia Hsing resigned as Executive Director and was re-designated as Chief Executive Officer ("CEO") of the Company on 31 July 2023.
- (5) Mr Aw Cheok Huat and Mr Choong Chee Peng Bert resigned as Directors of the Company on 11 July 2023.
- (6) Mr Yeung Koon Sang @ David Yeung was appointed as Lead Independent Director of the Company on 23 February 2023 and resigned on 11 July 2023.
- (7) Mr Lau Yan Wai resigned as a Non-Executive Independent Director of the Company on 31 July 2023.
- (8) Mr Teo Choon Kow @ William Teo retired as Lead Independent Director of the Company upon the conclusion of the Annual General Meeting of the Company on 29 November 2022.

Provision 1.6

Board's Access to information

Management places a high priority on providing complete, adequate and timely information to the Board on an on-going basis, in order for the Directors to discharge their duties efficiently and effectively. Board members receive half-yearly management reports pertaining to the operational and financial performance of the Group, including updates on the Group's financials, cash flow positions and operational performance of the Group's assets. The Board will also be updated on industry trends and developments. As far as is practicable, Board members will receive all Board papers not less than three business days in advance of the meeting to enable them to have sufficient time to fully consider and deliberate issues to be considered at the meetings. Minutes of the previous meetings are tabled and confirmed at Board meetings for the Directors' information.

CORPORATE GOVERNANCE REPORT

Provision 1.7

Board's Access to Management and Company Secretary

The Board has at all times separate and independent access to Management through electronic mail, telephone and face-to-face meetings and are entitled at all times to request for any additional information needed to make informed decisions. Similarly, key management staff, the Company's auditors or external consultants are invited to attend Board and Board Committee meetings to update and provide independent professional advice on specific issues, where necessary.

Directors have separate and independent access to the Company Secretary through electronic mail, telephone and face-to-face meetings.

The role of the Company Secretary includes the responsibility for ensuring that Board procedures are followed and applicable rules and regulations are complied with. Further, the Company Secretary assists in coordinating the flow of information within the Board and Board Committees as well as between Management and the Board. The Company Secretary also assists the Chairman of the Board and the Board in implementing and strengthening corporate governance practices and processes.

Appointment and Removal of Company Secretary

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Board's Access to Independent Professional Advice

Where required, procedures are also in place for the Board and individual Board Committees to seek independent professional advice, at the Company's expense.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provisions 2.1, 2.2 and 2.3

Independent Element of the Board, Composition of Non-Executive Directors and Independent Directors on the Board

The Board comprises four Directors of which one is a Non-Executive Non-Independent Director and the remaining three directors are Independent Directors, thus providing a strong independent element on the Board, capable of open, constructive and robust debate on pertinent issues affecting the affairs and business of the Company and the Group.

Independence of Directors

The NC, in its determination in respect of the independence of a Director, takes into account, inter alia, the criteria given in the Listing Manual and the Code, the existence of any relationships between such Director and the Group, its related corporations, its substantial shareholders and officers and if applicable, whether such relationships can interfere, or be reasonably perceived to interfere, with the exercise of such Director's independent judgment.

The NC, having considered the declarations made by the Independent Directors in respect of their independence, is of the view that the current Board has an appropriate level of independence to enable it to make decisions in the best interests of the Company.

CORPORATE GOVERNANCE REPORT

The Board confirms that none of the Independent Directors has served on the Board beyond nine (9) years from the date of his first appointment. However, taking into account the need for Board refreshment, the Board may consider formulating a policy on this at an appropriate time.

Provision 2.4

Composition and Size of the Board

The NC conducts an annual review on the composition of the Board which comprises members from different backgrounds and whose core competencies, qualifications, skills and experiences are extensive and other aspects such as gender and age. In line with the Company's Board Diversity Policy, the recent appointment of a female Independent Director had enhanced the gender diversity of the Board. Having reviewed and considered the composition and diversity of the Board and its committees, the NC has determined that the current Board size and structure is adequate for the existing business operations of the Company.

The Board is also well supported by accurate, complete and timely information, and has unrestricted access to the Management.

A summary of the composition of the Board and its Committees as at the date of this report is set out below:

Director	Board	AC	NC	RC
Mr Ang Kong Meng	Chairman, Non-Executive Non-Independent Director	–	Member	Member
Mr Hor Siew Fu	Lead Independent Director	Chairman	Member	Member
Ms Yap Ming Choo	Independent Director	Member	Chairman	Member
Mr Yuen Pei Lur, Perry	Independent Director	Member	Member	Chairman

The NC with the concurrence of the Board, is of the view that the current Board size of four (4) Directors is appropriate and that the Board possesses the appropriate diversity. The NC also takes into account the mix of skills and core competencies of its members, to ensure a good balance and diversity of skills, knowledge and experience. Amongst the directors are legal, accounting and finance professionals who possess the relevant expertise and skill sets in their respective fields for effective decision making.

The Board is committed to ensuring diversity on the Board and Board Committees including but not limited to appropriate balance and mix of skills, knowledge, experience, gender, age and the core competencies of accounting, finance, legal and regulatory, business or management experience, industry knowledge and strategic planning.

The Board has adopted a Board diversity policy and framework for promoting diversity on the Board and the NC is responsible for ensuring that this policy is implemented in an effective and practical manner. The NC will report to the Board periodically on the progress made in achieving the objectives set for promoting diversity.

The Board's internal policy in identifying directors is primarily to have an appropriate mix of members with complementary skills, core competencies and experience that could effectively contribute to the Group, regardless of gender. The Board is mindful that diversity is not specific to gender or certain personal attributes but would extend to sectorial diversity, diversity as to experience and skills across various disciplines and would strive to ensure the diversity would enhance the long-term success of the Group. The objective of the policy is to guard against groupthink and foster robust and constructive debate leading to better decision making. This ensures that the Board composition is adequate to support the Group's needs in the short and long term.

CORPORATE GOVERNANCE REPORT

The Board takes the following steps to maintain or enhance its balance and diversity:

- (a) annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (b) annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the potential gaps in the areas of expertise and competencies of the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors. As the Group's activities continue to grow, the NC will continuously review the composition of the Board and further consider other aspects of diversity such as gender and age so that it will have the necessary competency to be effective.

The Board, in concurrence of the NC, is of the view that the current Directors combined core competencies and experience are adequate to provide Management with a diverse and objective perspective to enable balanced and well-considered decisions to be made. The Directors' profiles are set out in pages 5 to 6 of this Annual Report.

Provision 2.5

Regular Meetings of Non-Executive Directors and Independent Directors

During the year, the Directors communicate among themselves without the presence of Management as and when the need arises and feedback is provided to the Board and/or Management, as appropriate. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board committee meetings.

PRINCIPLE 3: CHAIRMAN AND CEO

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2

Roles and Responsibilities of Chairman and CEO

The functions of the Chairman and the CEO are assumed by two separate individuals so as to ensure effective supervision and maintenance of an appropriate balance of power and authority. There is a clear demarcation between the roles of the Chairman and the CEO, which promotes increased accountability and a greater capacity of the Board for independent decision making.

Mr Ang Kong Meng is the Chairman of the Board. He is responsible for the overall leadership of the Board and engages Management regularly on pertinent issues. He approves the agendas for Board Meetings and promotes a culture of open and free discussion amongst the Board. He also ensures that the Board receives timely and accurate information from Management, and provides valuable insight, guidance and advice on corporate governance systems and processes.

The CEO, Mr Yee Chia Hsing, leads Management and has full executive responsibility for the overall management and performance of the Group's business. He translates the Board's decisions into executive action and is accountable to the Board.

The Chairman and the CEO are not related.

CORPORATE GOVERNANCE REPORT

Provision 3.3

Mr Hor Siew Fu is the Lead independent Director of the Company. He is responsible for providing leadership in situations where the Chairman is conflicted, and is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 and 4.2

NC Membership and Terms of Reference

The NC comprises four (4) members, a majority of whom, including the Chairman, are Independent Directors. The composition of the NC is as follows:

Ms Yap Ming Choo, Chairman	(Independent Director)
Mr Ang Kong Meng	(Non-Independent Non-Executive Director)
Mr Hor Siew Fu	(Lead Independent Director)
Mr Yuen Pei Lur, Perry	(Independent Director)

During FY2023, the NC has held one meeting. Details of the record of the NC's attendance at the NC meeting for FY2023 is outlined at page 33.

The NC is guided by its written Terms of Reference, which sets out its authority and duties. The principal functions of the NC include, inter alia:

- (a) Making recommendations to the Board on all Board appointments and re-appointments;
- (b) Reviewing the multiple board representations of the Directors;
- (c) Formally assessing the effectiveness of the Board as a whole, the effectiveness of the Board Committees and the contribution by each individual Director to the effectiveness of the Board;
- (d) Reviewing the training and professional development programmes for the Board;
- (e) Reviewing the structure, size and mix of expertise and experience of the Board; and
- (f) Assessing the independence of Directors and level of independent element within the Board.

Each NC member shall abstain from voting on any resolution in respect of the assessment of his own performance or re-nomination as a director.

CORPORATE GOVERNANCE REPORT

NC Responsibilities

The key responsibilities of the NC include making recommendations to the Board on relevant matters such as the process for evaluating the performance of the Board as a whole. It also ensures compliance with the provisions of the Constitution of the Company which stipulates that at each annual general meeting of the Company ("**AGM**"), one-third of the Directors (or, if their number is not three or a multiple of three, the number nearest to one-third) shall retire from office by rotation in accordance with the Constitution, and may stand for re-election.

Each member of the NC abstains from voting on any resolution and making any recommendation and/or participating in respect of matters in which he is interested.

In accordance with the Constitution of the Company, new Directors must submit themselves for re-election at the next Annual General Meeting of the Company and one third of the Directors (excluding Directors who were appointed to fill a casual vacancy or as an additional Director) must retire by rotation at each Annual General Meeting and they shall be available for re-election.

The NC has recommended the nomination of Mr Ang Kong Meng, Mr Hor Siew Fu, Ms Yap Ming Choo and Mr Yuen Pei Lur, Perry, the Directors who are retiring pursuant to Regulation 105 of the Constitution of the Company, for re-election at the forthcoming AGM. Upon re-election, Mr Ang Kong Meng, Mr Hor Siew Fu, Ms Yap Ming Choo and Mr Yuen Pei Lur, Perry will remain as Directors of the Company.

Alternate Directors

There are currently no Alternate Directors on the Board.

Provision 4.4

Determining Directors' Independence

Each Independent Director completes a declaration to confirm his independence on an annual basis. The NC has reviewed the independence of the Directors as mentioned at page 34 of this report. In the opinion of the NC, Mr Hor Siew Fu, Ms Yap Ming Choo and Mr Yuen Pei Lur, Perry are independent based, inter alia, on the criteria given in the Listing Manual and the Code and their respective declarations.

Provisions 4.3 and 4.5

Process for the Selection and Appointment of New Directors

The NC evaluates the balance of skills, knowledge and experience of the Directors and determines the suitable size and composition of the Board required to add value to and facilitate effective decision-making of the Company, taking into consideration the scope and nature of the operations of the Company. In respect of an appointment of a new Director, a rigorous search process is undertaken by the NC which includes evaluating the academic and professional qualifications, knowledge and experience of potential candidate(s) in relation to the business of the Group, the independence (if applicable) and other directorships of the candidate(s). After deliberations, the NC would provide its recommendation to the Board in respect of the new Director.

New Directors are presently appointed by way of Board resolution or at a Board meeting, with the Board taking into account the evaluation and recommendation by the NC. Before making a recommendation to the Board, extensive searches on the candidates(s) are conducted and the NC ensures that the potential candidate(s) possesses the necessary skills, knowledge, qualifications, working experience and other relevant factors that could facilitate the Board in making sound and well considered decisions. Incoming Director(s) will also be required to make a declaration as to their interests in and/or independence from the Company. The NC will ensure that the new Directors are aware of their duties and obligations.

CORPORATE GOVERNANCE REPORT

Key Information on Directors

Key information of each Director including directorships and chairmanships in other listed companies, other major appointments and principal commitments, academic/professional qualifications, membership/chairmanship in the Company's Board committees, date of first appointment and last re-election, etc. can all be found under the Directors' Profile section on pages 5 to 6 of this Annual Report.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2

Board Performance

The principal commitments of the directors, if any, and other key information regarding the directors are set out in the Board of Directors' Profile section in page 8 to 9 of this Annual Report.

The Board has an established process to assess and evaluate the effectiveness of the Board as a whole and additionally, has implemented a process to assess and evaluate the effectiveness of individual directors in carrying out their roles, duties and responsibilities on the respective Board committees.

The evaluation process involves each Director completing a questionnaire on the overall effectiveness of the Board covering areas such as board's composition and conduct, board's processes and procedures, board's accountability, and evaluation and succession planning of key executives, as well as each Board committee member completing a self-assessment questionnaire in respect of the effectiveness of their respective Board committees.

The NC is of the view that such evaluation processes provide an opportunity for directors to give their feedback (if any) on the procedures and processes of the Board or Board committees and to identify the areas of improvement or enhancement which can be recommended or made to the Board.

The NC will, taking into account the results of the performance evaluation, for assessing the effectiveness of the Board as a whole, each of the Board Committees and each individual Director to the effectiveness of the Board, and where appropriate, propose a re-composition of the Board.

The current Board of Directors were only appointed at the end of the second half of the financial year. At the recommendation of the NC, all Directors had completed the board evaluation questionnaire to provide their views on the various aspects of the Board's performance for FY2023. As the Directors were newly appointed, the assessment and the outcome of the board performance evaluation were not meaningful to reflect the performance of the current Board and Board Committees for FY2023. The NC will consider the performance of each individual Director, the Board Committees and the Board as a whole for FY2024 and every financial year going forward.

The Company does not engage an external facilitator in respect of the Board Performance Evaluation.

Remuneration Matters

Matters concerning remuneration of the Board, key management personnel and employees who are related to the substantial shareholders, the CEO and/or Directors (if any) are handled by the RC whose primary functions include the development of formal and transparent policies on remuneration matters in the Company.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding on his or her own remuneration.

Provisions 6.1, 6.2 and 6.3

Remuneration Committee and Terms of Reference

The RC comprises four (4) members, a majority of whom, including the Chairman, are Independent Directors. The composition of the RC is as follows:

Mr Yuen Pei Lur, Perry, Chairman	(Independent Director)
Mr Ang Kong Meng	(Non-Independent Non-Executive Director)
Mr Hor Siew Fu	(Lead Independent Director)
Ms Yap Ming Choo	(Independent Director)

During FY2023, the RC held one meeting. Details of the record of the RC's attendance at the RC meeting for FY2023 is outlined at page 33.

The RC is guided by its written Terms of Reference, which sets out its authority and duties. The principal functions of the RC include, inter alia:

- (a) Making recommendations to the Board on the Group's framework of executive remuneration;
- (b) Reviewing and providing a recommendation to the Board on the adequacy and form of compensation of the Directors and key executives of the Group to ensure that the compensation is realistically commensurate with the responsibilities and performance of the Director and/or key executive and the Group;
- (c) Reviewing and recommending to the Board the terms of renewal for those Executive Director(s) whose current employment contracts with the Group has or is due to expire;
- (d) Recommending employee share option schemes or performance share plan and doing all acts necessary in connection therewith;
- (e) Reviewing the fees for Non-Executive Directors before proposing such fees to the Board for approval, taking into account factors such as the effort and time spent by and the responsibilities of such Non-Executive Directors;
- (f) Reviewing and recommending to the Board the talent management and remuneration framework for the Company, including staff development and succession planning; and
- (g) Reviewing and recommending to the Board the engagement of stakeholders with respect to remuneration matters.

Provision 6.4

RC's Access to Advice on Remuneration Matters

The RC has access to the professional advice of external experts in the area of remuneration, where required. No remuneration consultants were engaged by the Company in FY2023.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1

Remuneration of CEO and Key Management Personnel

The Company's remuneration structure for its CEO and key management personnel comprises both fixed and variable components. The variable component is linked to the Group/Company's performance and the individual personnel's performance. Such performance-related remuneration is designed to align with the interests of shareholders and other stakeholders and promote long term success of the Group.

Contractual Provisions Protecting the Company's Interests

The Company does not have any contractual provisions in the employment contracts with the CEO and key management personnel pursuant to which the Company may reclaim the variable components of remuneration from the CEO and key management personnel in exceptional circumstances, such as any misstatement of financial results, or misconduct resulting in financial loss to the Company and the Group. Notwithstanding the foregoing, the CEO owes a fiduciary duty to the Company and the Company should be able to avail itself of the relevant remedies at law against the CEO in the event of such breach of fiduciary duties.

Provision 7.2

Remuneration of Non-Executive Directors

The Company's framework for Non-Executive Directors' fees on per annum basis after taking into consideration of the Group's financial performance and the challenges brought about by the COVID-19 situation (unless otherwise indicated) for FY2023 is as follows:

	Chairman	Member
	\$	\$
Board of Directors	40,000	25,000
Audit Committee	10,000	5,000
Nominating Committee	3,000	2,000
Remuneration Committee	2,000	1,000

Provision 7.3

Remuneration Framework

To attract, retain and motivate Directors and employees to provide good stewardship of the Company, the RC establishes appropriate remuneration packages for the Directors and key management personnel of the Company. Such remuneration packages are based on an established framework and are reviewed periodically to ensure that they remain relevant.

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During the year, the RC considered and approved the CEO's remuneration package which included salary, bonus and benefits-in-kind. In addition, the RC reviewed the performance of the key management personnel and considered the CEO's recommendation for bonus and remuneration for the key management personnel.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1 and 8.3

Remuneration Report

Details on the remuneration of Directors and key management personnel for FY2023 are presented in the following table. The framework for directors' fees for the Non-Executive Directors is set out above and the remuneration for the Executive Director is based on his employment contract with the Company.

Remuneration of Directors

The table below shows the breakdown of the remuneration and fees of the Directors for FY2023. Shareholders' approval will be sought at the Annual General Meeting for (i) additional Directors' fees of \$4,000 for FY2023 (from \$146,000 to \$150,000); and (ii) Directors' fees for the financial year ending 31 July 2024.

Name	Remuneration	Fixed component	Variable component	Contributions to Central Provident Fund	Fees	Total
	\$	%	%	%	%	%
Executive Director						
Yee Chia Hsing ⁽¹⁾	234,381	95	–	5	–	100
Non-Executive Directors						
Mr Ang Kong Meng ⁽²⁾	9,945	–	–	–	100	100
Mr Hor Siew Fu ⁽³⁾	104	–	–	–	100	100
Ms Yap Ming Choo ⁽⁴⁾	8,904	–	–	–	100	100
Mr Yuen Pei Lur, Perry ⁽³⁾	93	–	–	–	100	100
Mr Aw Cheok Huat ⁽⁵⁾	39,699	–	–	–	100	100
Mr Yeung Koon Sang @ David Yeung ⁽⁶⁾	14,471	–	–	–	100	100
Mr Choong Chee Peng Bert ⁽⁵⁾	32,137	–	–	–	100	100
Mr Lau Yan Wai ⁽⁷⁾	32,016	–	–	–	100	100
Mr Teo Choon Kow @ William Teo ⁽⁸⁾	12,597	–	–	–	100	100

Notes:

(1) Mr Yee Chia Hsing resigned as Executive Director and was re-designated as CEO of the Company on 31 July 2023.

CORPORATE GOVERNANCE REPORT

- (2) Mr Ang Kong Meng was appointed as a Non-Independent Non-Executive Director of the Company on 27 March 2023.
- (3) Mr Hor Siew Fu and Yuen Pei Lur, Perry were appointed as Non-Executive Independent Directors of the Company on 31 July 2023. Mr Hor Siew Fu was appointed as Lead Independent Director with effect from 27 September 2023.
- (4) Ms Yap Ming Choo was appointed as a Non-Executive Independent Director of the Company on 4 April 2023.
- (5) Mr Aw Cheek Huat and Mr Choong Chee Peng Bert resigned as Directors of the Company on 11 July 2023.
- (6) Mr Yeung Koon Sang @ David Yeung was appointed as Lead Independent Director of the Company on 23 February 2023 and resigned on 11 July 2023.
- (7) Mr Lau Yan Wai resigned as a Non-Executive Independent Director of the Company on 31 July 2023.
- (8) Mr Teo Choon Kow @ William Teo retired as Lead Independent Director of the Company upon the conclusion of the Annual General Meeting of the Company on 29 November 2022.

Remuneration of Key Management Personnel

The details of the remuneration paid to the key management personnel of the Company during FY2023 are set out below in bands (in percentage terms):

Name and Position of Key Management Personnel	Fixed component	Variable component	Contributions to Central Provident Fund	Benefits in kind	Fees	Total
	%	%	%	%	%	%
Below \$250,000						
Mr Yee Chia Hsing ⁽¹⁾ Chief Executive Officer	95	–	5	–	–	100
Lau Yin Whai, Financial Controller	85	5	10	–	–	100

Note:

- (1) Mr Yee Chia Hsing resigned as Executive Director and was re-designated as CEO of the Company on 31 July 2023.

Provision 8.2

Employee(s) related to Directors/CEO/Substantial Shareholders

There is no employee who is a substantial shareholder of the Company or who is an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$50,000 during FY2023.

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ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1

Risk Management and Internal Controls System

The Board recognises the importance of maintaining sound systems of risk management and internal controls to safeguard shareholders' interests and the Group's assets. The AC oversees and ensures that such systems have been appropriately implemented and are monitored.

A summary of the Company's risk management and internal controls system is appended below.

Risk Management

The Group adopts a comprehensive and systematic approach towards Enterprise Risk Management ("ERM") to help identify, measure, prioritise and respond to the risks challenging its objectives, initiatives, and day-to-day operating activities.

As part of the Group's approach towards ERM, the Group has conducted on an annual basis a Risk Assessment exercise where the key risks of the Group have been identified and evaluated. In addition, the Group evaluates its risk exposure based on the likelihood and impact of each risk identified.

The Group recognises risk management as a collective effort beginning with the individual subsidiaries and business units, followed by the operating segments and ultimately Management and the Board, working as a team.

Internal Controls

A system of internal controls has been implemented to enhance the Group's internal control function in areas such as finance, operations, compliance and information technology. The internal control measures aim to ensure that the Group's assets are safeguarded, proper accounting records are maintained, and that financial information used within the business and for reporting is reliable.

Risk Committee

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC with the assistance of the internal auditors. Having considered the Company's business operations as well as its existing internal controls and risk management systems, the Board is of the view that a separate Risk Committee is not required for the time being.

Provision 9.2

Adequacy and Effectiveness of Risk Management and Internal Control Systems

ERM is an essential part of the Group's business planning and monitoring process, and has been incorporated into its business cycle. The Group engages a professional audit firm, CLA Global TS Risk Advisory Pte. Ltd. to conduct internal audit reviews based on the plan approved by the AC.

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During the year, the AC also reviewed reports submitted by the internal auditors relating to the effectiveness of the Group's internal controls, including the adequacy of the Group's financial, operational, compliance and information technology controls.

Board's Comment on Adequacy and Effectiveness of Risk Management and Internal Controls

The Board is satisfied that the Company has worked closely with the internal and external auditors of the Group to implement the recommended measures and procedures, and has strived to achieve high standards in risk management and internal controls.

Based on the framework of risk management and internal controls established and maintained by the Group, the work performed by the internal auditors, as well as the statutory audit review undertaken by the external auditors, the Board with the concurrence of the AC, is of the opinion that the internal controls (including financial, operational, compliance and information technology controls) and risk management systems that the Group has put in place are adequate and effective as at 31 July 2023. However, to meet the changing needs of the Group's business environment, continuous improvements will be required as the Group grows its business. The Board, has received assurance from the CEO and the Financial Controller that:

- (a) the financial records of the Group have been properly maintained and the financial statements for FY2023 give a true and fair view of the Group's operations and finances; and
- (b) the Group's risk management and internal control systems are adequate and effective.

The Board notes that the system of internal controls provides reasonable but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provision 10.1

Roles, Responsibilities and Authorities of AC

The AC is guided by its written Terms of Reference, which sets out its authority and duties. The key functions of the AC include, inter alia:

- (a) Reviewing the financial reports of the Group and the related reporting process;
- (b) Reviewing the Group's risk management framework, system of internal controls and management of financial risks;
- (c) Reviewing the internal and external audit process of the Group, including making recommendations to the Board on the appointment, re-appointment, removal, remuneration and terms of engagement of such auditors and reviewing the annual audit plans (internal and external);
- (d) Reviewing the Company's processes for monitoring compliance with the applicable laws and regulations and code of business conduct;

CORPORATE GOVERNANCE REPORT

- (e) Reviewing significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance;
- (f) If deemed necessary, reviewing the assurance provided that the financial records have been properly maintained, and that the financial statements give a true and fair view of the Company's operations and finances;
- (g) Reviewing the assurance provided on the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems;
- (h) Overseeing the establishment and operation of the whistleblowing process in the Company;
- (i) Commissioning and reviewing the findings of internal investigations conducted where fraud or impropriety is suspected, or where there is a failure of internal controls or infringement of any Singapore law, rule or regulation which is likely to have a material impact on the Group; and
- (j) Considering the various disclosure requirements, particularly those required by regulatory bodies and ensuring that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties.

The AC has explicit authority to investigate any matter within its Terms of Reference. It has full access to, and has had the full co-operation of Management and staff. It also has full discretion to invite any Director or any member of Management to attend its meetings.

The AC reviews all interested person transactions entered into by the Group, including any interested person transactions in accordance with the Company's mandate for Interested Person Transactions which was approved by shareholders at the extraordinary general meeting of the Company on 14 March 2019 and renewed at the annual general meeting of the Company on 29 November 2022. Directors who are interested in the Group's transactions recuse themselves from the deliberation and approval process in both the AC and Board. On a half-yearly basis, the AC also reviewed the financial results announcements of the Company before their submission to the Board for approval.

The AC has explicit authority to investigate whistle-blowing complaints and all whistle-blower complaints are reviewed by the AC and/or the Board pursuant to the Company's Whistle Blowing Policy to ensure independent and thorough investigation and adequate follow-up.

The AC had reviewed the external auditors' audit plan for FY2023 and agreed with the auditors' proposed significant areas of focus and assumptions that impact the financial statements. In its review of the financial statements of the Group for FY2023, the external auditors had discussed with Management the accounting principles that were applied and their judgment of items that could affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC also reviewed and addressed, amongst other matters, the key audit matters as reported by the external auditors for FY2023. The key audit matters can be found on pages 73 to 76 of this Annual Report.

Management reported to and discussed with the AC the changes to the accounting standards and accounting issues which have a direct impact on the financial statements. Directors had also been invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

CORPORATE GOVERNANCE REPORT

AC to Keep Abreast of Changes to Accounting Standards

In addition to the activities undertaken to fulfil its responsibilities, the AC is kept up to date by the Management, external and internal auditors on changes to accounting standards, SGX-ST rules and other codes and regulations which can have an impact on the Group’s business and financial statements.

Independence of External Auditors

The AC oversees the Group’s relationship with its external auditors. It reviews the selection of the external auditors and recommends to the Board the appointment, re-appointment and removal of the external auditors, the remuneration and terms of engagement of the external auditors. The annual re-appointment of the external auditors is subject to shareholders’ approval at each AGM.

The AC has reviewed the independence and objectivity of the external auditors through discussions with the external auditors and an annual review of the nature, extent and charges of non-audit services provided by the external auditors.

In respect of the audit quality indicators, the AC had reviewed, in particular, the following areas: audit hours planned, experience of the team, adequacy of training received by the team, results of internal and third party’s inspection of their work, compliance with independence requirement, quality control, staff oversight, and staff attrition rate.

A breakdown of the fees paid to the Group’s external auditors (including its member firms) is disclosed in the table below:

External Auditor Fees for FY2023	\$’000	% of Total Fees
Total Audit Fees	78	100
Total Non-Audit Fees	–	–
Total Fees	78	100

The AC had recommended and the Board had accepted proposing to the shareholders, the reappointment of Mazars LLP as the independent auditors for the Group in the ensuing year. The Company has complied with Rules 712, 715 and 716 of the Listing Manual in relation to the Company’s appointment of its auditors.

Whistle Blowing Policy

To encourage proper work ethic and facilitate the eradication of any internal improprieties, unethical acts, malpractices, fraudulent acts, corruption and/or criminal activities in the Group, the Company has implemented a Whistle Blowing Policy. The policy provides a mechanism by which concerns about plausible improprieties in, including but not limited to, matters of financial reporting, dishonest practice, suspected fraud, bribery and corruption, may be raised.

The Company’s Whistle Blowing Policy allows not just employees but also external parties to raise concerns and the policy sets out confidentiality clauses to ensure that the identity of the whistleblower will be kept strictly confidential unless disclosure is required by law or regulatory authorities.

CORPORATE GOVERNANCE REPORT

The Company has put in place the following processes:

- (a) The Company has procedures for whistleblower to raise concerns to the AC Chairman via email at whistleblow@datapulse.com.sg and has an independent function comprising the AC Chairman and AC members to investigate whistleblowing reports made in good faith;
- (b) The Company has clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within the Company in a responsible and effective manner;
- (c) The Company has arrangements to facilitate independent investigation of such concerns and for appropriate follow-up action;
- (d) The Company has confidentiality clauses that protect identification of the whistleblower and ensures that the identity of the whistleblower is kept confidential; and
- (e) The Company is committed to ensuring the protection of the whistleblower against any detrimental and unfair treatment, intimidation, retaliation or adverse employment action, for reports made in good faith and without malice.

The AC addresses issues and/or concerns raised and arranges for investigation and/or follow-up of appropriate action. The AC reports to the Board any issues and/or concerns received by it, at the ensuing Board meeting. Should the AC receive reports relating to serious offences, and/or criminal activities in the Group, they and the Board have access to the appropriate external parties, where necessary, who have the required skills and expertise to conduct the relevant investigations. Where appropriate or required, a report shall be made to the relevant governmental authorities for further investigation/action.

The Group takes concerns raised in respect of the integrity and honesty of its employees very seriously. The Whistle Blowing Policy as well as whistle blowing communication channel, has been disseminated to all staff via email on a yearly basis and is also posted on the Company's corporate website. A copy of the Whistle Blowing Policy is also made available at the Company's corporate website at <http://www.datapulse.com.sg/> and in the internal shared drive for staff reference. Staff are encouraged to report any behaviour or action that is reasonably suspicious or against any rules/regulations/accounting standards applicable to the Group (including the Group's internal policies). Whistleblowers may also approach the AC Chairman at whistleblow@datapulse.com.sg in confidence.

The Company treats all information received confidentially and protects the identity and the interests of all whistleblowers. The Group views concerns expressed anonymously as potentially less credible but the AC and/or the Board (where appropriate) nonetheless reserves the right to consider such concerns at their discretion.

All newly recruited employees are briefed on the existence of the Whistle Blowing Policy during the Group's induction programme.

The AC is responsible for the oversight and monitoring of whistleblowing and the Whistle Blowing Policy is reviewed by the AC from time to time to assess the effectiveness of the processes in place and to ensure that the said policy is updated to take into account any related changes in legal and regulatory requirements. The AC is satisfied that adequate arrangements are in place to ensure independent investigation and appropriate follow up actions are taken. The AC is of the view that the Whistleblowing Policy of the Company is in compliance with Listing Rule 1207(18B).

For FY2023 and up to the date of this report, there were no complaints, concerns or issues received by the AC.

CORPORATE GOVERNANCE REPORT

Provision 10.2

Membership

The AC comprises the following three Non-Executive Independent Directors:

Mr Hor Siew Fu, Chairman	(Lead Independent Director)
Ms Yap Ming Choo	(Independent Director)
Mr Yuen Pei Lur, Perry	(Independent Director)

During FY2023, the AC held three (3) meetings. Details of the record of the AC’s attendance at the AC meeting for FY2023 is outlined at page 33.

Expertise of AC Members

The AC members bring with them invaluable professional expertise in the accounting and financial management domains.

The Chairman of the AC is a Fellow of the Association of Chartered Certified Accountants and a Life and Fellow member of the Institute of Singapore Chartered Accountants. The other members of the AC have many years of experience in business management and finance services. The Board is satisfied that the members of the AC have recent and relevant accounting or related financial management expertise and experience to discharge the functions of the AC.

Provision 10.3

Cooling-off Period for Partners or Directors of the Company’s Auditing Firm

No former partner or director of the Company’s existing auditing firm or auditing corporation is a member of the AC.

Provision 10.4

Internal Auditors

The AC’s responsibilities over the Group’s internal controls and risk management are complemented by the work of the Company’s internal auditors (“**IA**”).

The Company has outsourced its internal audit function to CLA Global TS Risk Advisory Pte. Ltd.. The Board has approved the recommendation of the AC to engage CLA as the IA. The AC assesses the adequacy of the Company’s internal audit function through the review of CLA’s audit plan and the quality of its report. The IA has unrestricted access to all the Company’s documents, records, properties and personnel, including access to the AC. The IA’s primary line of reporting is to the Chairman of the AC.

Internal Audit Function

The Company’s internal audit function is independent of the activities it audits. The IA, CLA, is staffed with professionals with relevant qualifications and experience. Our engagement with CLA stipulates that its work shall comply with CLA’s Internal Audit Services Methodology which is aligned with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

CORPORATE GOVERNANCE REPORT

The internal audit was conducted based on an internal audit plan that was approved by the AC. The internal audit plan entails a review of the major functions or business units of the Group.

Having reviewed the audit plan of CLA, the AC is satisfied that the Company's internal audit function is adequately resourced to perform the work for the Group.

Adequacy and Effectiveness of Internal Audit Function

The AC reviews the adequacy of the Company's internal audit function to ensure that internal audits are conducted effectively and that Management provides the necessary co-operation to enable the IA to perform its function. The AC also reviews the IA's reports and remedial actions implemented by Management. The AC was satisfied that the internal control functions were adequate and effective.

Provision 10.5

Meeting with External and Internal Auditors

During FY2023, the Company's internal and external auditors were invited to attend the AC meetings and make presentations as appropriate. The AC meets with the Company's internal and external auditors without the presence of Management at least annually.

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETING

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

Sufficient Information to Shareholders

The Company believes in providing sufficient and regular information to its shareholders. In this respect, the Board adopts a comprehensive policy to provide clear, timely and fair disclosure of information about the Company's business developments and financial performance that may have a material impact on the price or value of its shares.

Providing Opportunity for Shareholders to Participate and Vote at General Meetings

Shareholders are informed of general meetings through notices published in the newspaper, the Company's announcements via SGXNET and the reports/circulars sent to all shareholders. All resolutions tabled at general meetings are put to vote by poll voting, where appropriate.

Shareholders are also informed of the rules and voting procedures governing such meetings.

Effective Shareholders' Participation

To facilitate shareholders' effective participation at General Meetings, the Company holds its General Meetings at a location which is considered convenient and accessible to shareholders. Shareholders of the Company receive the notices of all shareholders' meetings. The annual report and relevant circulars are made available to shareholders on the Company's website at <http://www.datapulse.com.sg/>.

CORPORATE GOVERNANCE REPORT

The Group fully supports the Code's principle to encourage shareholders' participation during the general meetings. The Company's Constitution allows the appointment of not more than two proxies by shareholders to attend the AGM and vote on his/her behalf. Shareholders who hold shares through nominees are allowed to attend the general meetings as proxies without being constrained by the two-proxy requirement.

Provision 11.2

Resolutions at General Meetings

At the general meeting, the Board ensures that separate resolutions are proposed for approval on each distinct issue at General Meetings to the extent possible, (or if not, the appropriate reason(s) therefor). Shareholders can vote either in person or through proxies.

Proxies for Nominee Companies

The Constitution of the Company allows all shareholders (who are not relevant intermediaries as set out in the Companies Act) to appoint up to two proxies to attend general meetings and vote on their behalf. The Companies Act allows relevant intermediaries such as the Central Provident Fund (CPF) agent bank nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF agent banks' proxies.

Provision 11.3

Attendees at General Meetings

The Directors attend all General Meetings of the Company to address issues raised by shareholders. The Company's external auditors are also present to address any relevant queries from shareholders on the conduct of the audit and the preparation and contents of the auditors' report. Appropriate key management executives are also present at the general meetings to respond, if necessary, to operational questions from shareholders.

Directors' attendance at the General Meetings can be found on page 33 of this Annual Report.

Provision 11.4

The Company, however, has not implemented measures to allow shareholders who are unable to vote in person at the AGM the option to vote in absentia, whether by way of mail, electronic mail, facsimile transactions or otherwise as the authentication of shareholder identity and other related security issues still remain a concern.

Provision 11.5

Minutes of General Meetings

The minutes of general meetings will be published on the Company's corporate website at <http://www.datapulse.com.sg/>.

CORPORATE GOVERNANCE REPORT

Provision 11.6

Dividend Policy

The Company has adopted a dividend policy to formalise the principles and practices that the Board applies in considering the level of dividend payments, if any. Pursuant to the Dividend Policy, the Board takes into account, inter alia:

- (a) the Company's actual and expected financial performance;
- (b) the level of cash, gearing, return on equity and retained earnings of the Group;
- (c) any restrictions on payment of dividends that maybe imposed by the Group's financing arrangement;
- (d) the Group's expected levels of capital expenditure and other investment plans; and
- (e) general economic conditions, business cycle of the Group's motion control business and other internal or external factors that may have an impact on the business or financial performance and position of the Company.

The declarations and/or payment of future dividends are subject to the Board's continuing determination that such declaration and/or payment would be in the best interests of the Group and shareholders, and are in compliance with all applicable laws and regulations.

Having considered that the Group is in a loss-making position for FY2023, the Board has therefore recommended that no dividend be declared for FY2023.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions 12.1, 12.2 and 12.3

Communication with Shareholders

In line with the continuous disclosure obligations under the listing rules of the SGX-ST and the Singapore Companies Act 1967, the Board informs shareholders promptly of all major developments that may have material impact on the Group.

The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interests. Material information on the Group is being released to the public through the Company's announcements via SGXNET.

Timely Information to Shareholders

The Company communicates with its shareholders and the investor community through the timely release of announcements to the SGX-ST via SGXNET. Financial results of the Group are released within 45 days from the end of each half-year and within 60 days from the financial year end. In addition, Annual Reports are distributed to shareholders at least 14 days before each AGM.

CORPORATE GOVERNANCE REPORT

Soliciting and Understanding Views of Shareholders

To promote a better understanding of shareholders' views, the Board actively encourages shareholders to participate during the Company's general meetings. These meetings provide excellent opportunities for the Company to obtain shareholders' views on value creation.

All resolutions at AGMs are, where appropriate, put to vote by poll to allow greater transparency and more equitable participation by shareholders. An independent scrutineer will also be appointed by the Company to ensure the satisfactory procedure of the polling process and to direct and supervise the counting of votes during the Company's general meetings.

Regular Dialogue with Shareholders

General meetings have been and are still the principal forum for dialogue with shareholders. The Company also communicates with its shareholders, both institutional and retail, on a regular basis. Annual reports and notices of general meetings are forwarded to all shareholders of the Company. Notices of general meetings are also advertised in the newspaper. All Directors, including chairpersons of the AC, NC and RC are encouraged to be present at the AGM. At the AGM, shareholders are given the opportunity to engage the Board and Management on the Group's business activities, financial performance and other business-related matters. To further enhance its communication with investors, the Company maintains a corporate website.

The Company's corporate website also contains the latest and past annual reports, half-yearly results and announcements.

Shareholders may send their queries and concerns regarding the Company to the Company's investor relations email at ir@datapulse.com.sg.

Investor Relations Policy

The Company has adopted an investor relations policy to formalise the principles and practices that the Company applies to provide current and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field.

The Company is committed to treating all shareholders fairly and equitably, and keep all shareholders and other stakeholders informed of its corporate activities, including changes in the Company or its business which would be likely to materially affect the price or value of its shares, on a timely basis.

The Company's Investor Relations Policy is published on the Company's corporate website at <http://www.datapulse.com.sg/> and sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS' RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1 and 13.2

Relationship with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors.

Provision 13.3

Communications with Stakeholders

The Company's contact information is reflected on the website, to enable stakeholders to contact the Company, if required.

OTHER CORPORATE GOVERNANCE MATTERS

The Company has in place internal codes of conduct and practices for its Board members and employees on securities transactions while in possession of price-sensitive information and their conduct of business activities.

Dealings in Securities – Rule 1207(19) of the Listing Manual

The Company has adopted a policy on securities dealing by Directors and officers of the Company and its subsidiaries (comprising Directors and key management personnel) in the form of a Code of Best Practices on Securities Dealings to govern and regulate transactions relating to securities in the Company. The Code of Best Practices on Securities Dealings is based on the best practices on dealings in securities issued by SGX-ST and has been circulated to all relevant parties.

The Company issues circulars informing the Directors and key management personnel that they, while in possession of price-sensitive information, must not trade in the listed securities of the Company one month before the announcement of the Company's full year results and two weeks before the announcement of Company's results for each of the first three quarters and ending on the date of the announcement of such results. They are also informed not to deal in the Company's securities on short-term considerations.

The Directors are required to notify the Company of any dealings in the Company's securities (during the open window period) within two (2) business days of the transactions. The Board is satisfied with the Group's commitment in compliance with the Code.

The Directors and Management are aware, and a new Director or management staff will be briefed, that the Company should comply with the best practice pursuant to Rule 1207(19)(c) of the Listing Manual in not dealing in its securities during the restricted trading periods. The Company has complied with Rule 1207(19)(c) of the Listing Manual.

CORPORATE GOVERNANCE REPORT

Material Contracts

The Group has not entered into any material contracts for FY2023.

Interested Party Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported to the AC and the transactions are carried out at arm's length and under normal commercial terms. The details of interested person transactions for FY2023 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) ⁽¹⁾ \$'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. ⁽²⁾ – Mr Aw Cheok Huat who is a controlling shareholder of ICP Ltd. ⁽³⁾	Nil	351

Notes:

- (1) The Company had on 29 November 2022 obtained shareholders' approval for the renewal of a general mandate authorising the Group to enter into certain interested person transactions with ICP Ltd and its subsidiaries ("**IPM Mandate**").
- (2) 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 24 August 2023.
- (3) 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.

CODE OF CONDUCT AND PRACTICES

The Group recognises the importance of integrity, professionalism on the conduct of its business activities. Employees are expected to embrace, practise and adopt these values while performing their duties and always to act in the best interests of the Group and avoid situations that may create conflicts of interest.

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-ELECTION PURSUANT TO RULE 720(6) OF THE LISTING MANUAL OF THE SGX-ST – APPENDIX 7.4.1 TO THE LISTING RULES

Pursuant to Rule 720(6) of the Listing Rules, the information as set out in Appendix 7.4.1 to the Listing Rules relating to Mr Ang Kong Meng, Mr Hor Siew Fu, Ms Yap Ming Choo and Mr Yuen Pei Lur, Perry, Directors who are standing for re-election at the forthcoming AGM is set out on pages 56 to 67 of this Annual Report and below:

Name of Director	Ang Kong Meng	Hor Siew Fu
Date of Appointment	27 March 2023	31 July 2023
Date of Last Re-Appointment	Not applicable	Not applicable
Age	72	72
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Pursuant to Mr Ang Kong Meng's request for a board seat, Mr Ang was appointed as Non-Independent Non-Executive Director of the Company. Mr Ang is a substantial shareholder of the Company with a 76.37% direct interest in shares of the Company.	The Board has accepted the recommendations of the Nominating Committee of the Company, having reviewed and considered the qualifications, work experience and independence of Mr Hor, and is of the opinion that he is suitable for the role of Lead Independent Director in compliance with Provision 3.3 of the Code of Corporate Governance 2018. The Board considers Mr Hor to be independent.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Board Chairman Member of Nominating and Remuneration Committees	Lead Independent Director Audit Committee Chairman Member of the Nominating and Remuneration Committees
Professional Qualifications	Fellow member of Institute of Singapore Chartered Accountants (ISCA) Fellow member of Association of Chartered Certified Accountants (ACCA) Accredited Tax Advisor of Singapore Institute of Accredited Tax Professionals (SCTP) Associate of Insolvency Practitioners Association of Singapore	Fellow Chartered Accountant – Institute of Singapore Chartered Accountants Fellow Member – Association of Chartered Certified Accountants

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
Working experience and occupation(s) during the past 10 years	Ang & Co PAC – Public Accountant Lee Boon Song & Co PAC – Public Accountant	Albedo Limited – Chief Financial Officer 2014 – 2016 Cosmosteel Holdings Limited – Chief Financial Officer 2007 – 2013
Shareholding interest in the listed issuer and its subsidiaries	Direct interest – 183,009,816 shares and 55,535,469 warrants in Datapulse Technology Limited	None
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Past (for the last 5 years)	Director, HKE Holdings Limited (listed on HKSE) Director, New Lenn International Pte Ltd Director, Klaven (M) Sdn Bhd Director, Ritzo Cosmetic (M) Sdn Bhd	Plastoform Holdings Limited – Director 2019 – 2022 Sundav Business Solutions Pte. Ltd. – Director 2004 – 2019 Q Industries & Trade Pte. Ltd. – Director 2016 – 2020

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
Present	<p>Director, AKM Investment Pte Ltd</p> <p>Director, Ang & Co PAC</p> <p>Director, Hwa Koon Engineering Pte Ltd</p> <p>Director, Lee Boon Song & Co PAC</p> <p>Director, Lenn International Pte Ltd</p> <p>Director, Way Company Pte Ltd</p> <p>Director, AKM Properties Pte Ltd</p> <p>Director, Asian American Medical Group Ltd (listed on ASX)</p> <p>Director, Anone Holdings Pte Ltd</p> <p>Director, Weiker Enterprise Pte Ltd</p> <p>Director, Asian American Healthcare Ventures Pte Ltd</p> <p>Director, Hiap Yew Holdings Pte Ltd</p> <p>Director, Dalen Marketing Pte Ltd</p> <p>Director, Klaven (S) Pte Ltd</p> <p>Director, Ritzo Cosmetic (S) Pte Ltd</p> <p>Director, Skylight Illumination Limited</p> <p>Director, Philosophy Global Limited</p> <p>Director, Asian American Medical Group Inc.</p> <p>Director, Wayco Manufacturing (M) Sdn Bhd</p> <p>Director, Wayco Trading (M) Sdn Bhd</p>	<p>Memiontec Holdings Ltd. – Independent Director 2019 – Present</p> <p>Cosmosteel Holdings Limited – Independent Director 2018 – Present</p> <p>Edition Ltd. – Independent Director 2016 – Present</p>

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Ang Kong Meng	Hor Siew Fu
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Yap Ming Choo	Yuen Pei Lur, Perry
Date of Appointment	4 April 2023	31 July 2023
Date of Last Re-Appointment	Not applicable	Not applicable
Age	65	52
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has accepted the recommendations of the Nominating Committee of the Company, having reviewed and considered the qualifications, work experience and independence of Ms Yap, and is of the opinion that she is suitable for the role. The Board considers Ms Yap to be independent.	The Board has accepted the recommendations of the Nominating Committee of the Company, having reviewed and considered the qualifications, work experience and independence of Mr Yuen, and is of the opinion that he is suitable for the role. The Board considers Mr Yuen to be independent.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director Chairman of Nominating Committee Member of Audit and Remuneration Committees	Independent Non-Executive Director Chairman of Remuneration Committee Member of Audit and Nominating Committees
Professional Qualifications	Fellow member of the Association of Chartered Certified Accountants (ACCA)	Advocate & Solicitor, Singapore
Working experience and occupation(s) during the past 10 years	TA Corporation Ltd – Chief Financial Officer 2010 – 2022	Shook Lin & Bok LLP – Partner 2020 – Present Pinsent Masons LLP – Partner 2014 – 2020 Khattar Wong LLP – Partner 2011 – 2014 KW Capital Pte Ltd 2012 – 2014
Shareholding interest in the listed issuer and its subsidiaries	None	None

CORPORATE GOVERNANCE REPORT

Name of Director	Yap Ming Choo	Yuen Pei Lur, Perry
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Past (for the last 5 years)	None	Pinsent Masons LLP – Partner 2014 – 2020
Present	None	Shook Lin & Bok LLP – Partner 2020 – Present Sunmoon Food Company Limited – Independent Non-Executive Director 2022 – Present
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Yap Ming Choo	Yuen Pei Lur, Perry
<p>(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</p>	No	No
<p>(c) Whether there is any unsatisfied judgment against him?</p>	No	No
<p>(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?</p>	No	No
<p>(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?</p>	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Yap Ming Choo	Yuen Pei Lur, Perry
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Yap Ming Choo	Yuen Pei Lur, Perry
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p>	No	No
<p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p>	No	No
<p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p>	No	No
<p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere</p>	No	No

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Datapulse Technology Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 31 July 2023.

1. Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Ang Kong Meng	(Appointed on 27 March 2023)
Hor Siew Fu	(Appointed on 31 July 2023)
Yap Ming Choo	(Appointed on 4 April 2023)
Yuen Pei Lur, Perry	(Appointed on 31 July 2023)

3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraphs 4 and 5 below.

4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as disclosed below:

	Direct interest		Deemed interest	
	At date of appointment	At end of financial year	At date of appointment	At end of financial year
The Company				
<u>Ordinary shares</u>				
Ang Kong Meng	10,310,300	61,574,805	41,631,705	-
<u>Warrants</u>				
Ang Kong Meng	14,549,900	50,000,053	20,815,853	-

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures *(Continued)*

By virtue of Section 7 of the Act, Ang Kong Meng is deemed to have an interest in all wholly owned subsidiaries of the Company.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 August 2023, except the ordinary shares of the Company held by Ang Kong Meng had increased to 103,496,338.

5. Share options

There were no options granted by the Company during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under options granted by the Company as at the end of the financial year.

6. Warrants

On 24 November 2022, the Company issued 109,537,422 warrants at an issue price of \$0.01 for each warrant, pursuant to a renounceable non-underwritten rights issue on the basis of one warrant for every two existing ordinary shares held by the shareholders of the Company. 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. On 28 November 2022, the warrants were listed and quoted on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST").

At the end of the financial year, details of the outstanding warrants are as follows:

<u>Date of issue</u>	<u>Warrants issued</u>	<u>Warrants exercised</u>	<u>Warrants outstanding</u>	<u>Date of expiry</u>
24 November 2022	109,537,422	20,553,068	88,984,354	28 November 2027

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).

7. Audit committee

At the date of this statement, the Audit Committee ("AC") comprises of three members, of whom all, including the Chairman, are independent non-executive directors and have recent and relevant accounting and/or related financial management expertise or experience. The members are as follows:

Hor Siew Fu	Chairman, Independent Non-Executive Director
Yap Ming Choo	Member, Independent Non-Executive Director
Yuen Pei Lur, Perry	Member, Independent Non-Executive Director

The AC performs the functions specified by Section 201B(5) of the Singapore Companies Act, 1967, the SGX Listing Manual and the Code, and assists the Board in the execution of its corporate governance responsibilities within its established terms of reference.

DIRECTORS' STATEMENT

7. Audit committee *(Continued)*

The AC has held 3 meetings during the last financial year. The AC also oversees the overall policy setting and administration of the Company's whistle blowing policy and procedures, which serves to provide the employees of the Company a formal channel to raise concerns in confidence about possible improprieties in matters of financial reporting and other matters directly to the AC. All concerns can be reported by email or by letter to the AC Chairman's office which will then be forwarded to the AC Chairman of the Company. They will assess whether action or review is required.

In performing its functions, the AC meets periodically with the Company's external and internal auditors and with management to review accounting, auditing and financial reporting matters, as well as the Group's risk management and internal control systems covering financial, operational, compliance and information technology controls. In addition, the AC will meet with the Company's external and internal auditors without the presence of management at least once a year to discuss matters concerning the Group.

The duties of the AC, amongst others, include reviewing the following:

- internal and external auditors' audit plans and the scopes of examination;
- results of the audits and their effectiveness;
- independence and objectivity of the external auditors, taking into account the nature and extent of non-audit services performed by the external auditors;
- adequacy and effectiveness of the Group's risk management and internal control systems, including reporting to the Board at least annually the results of its review;
- making recommendation to the Board on proposals to shareholders on the terms of engagement, appointment, re-appointment, remuneration, and removal of external auditors;
- hiring, re-hiring, removal, evaluation and compensation of out-sourced internal auditors;
- periodic results announcements prior to their submission to the Board for approval;
- audited financial statements of the Group and the Company prior to their submission to the Board for approval;
- significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group;
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual); and
- all cases of whistle blowing, in particular, the adequacy and independence of investigation and resolution for those significant cases.

The AC has full access to management and senior executives, and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or senior executive to attend its meetings.

The AC may also examine, within its terms of reference, any matters pertaining to the Group's affairs and monitor the Group's compliance with legal, regulatory and contractual obligations.

DIRECTORS' STATEMENT

7. **Audit committee** *(Continued)*

In addition to the activities undertaken to fulfil its responsibilities, the AC is kept abreast by management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.

- The AC has reviewed and concurred with external auditors on the key audit matters identified. For more information on the key audit matters, please refer to pages 73 to 76.

For the financial year under review, there are no non-audit services provided by the external auditors. The AC has met with the external and internal auditors without the presence of management. The aggregate amount of audit fees paid and payable by the Group to the external auditors for financial year ended 31 July 2023 was \$78,000. In appointing the audit firm, Mazars LLP, for the audit of financial year ended 31 July 2023, the AC is satisfied that the Company has complied with the requirements of Rules 712, 715 and 716 of the SGX Listing Manual. AC meetings are held regularly before the official announcement of results.

Having reviewed Mazars LLP's performance, the AC has recommended to the Board that Mazars LLP be nominated for re-appointment as auditors for the financial year ending 31 July 2024 at the forthcoming AGM of the Company.

8. **Auditors**

The auditors, Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Ang Kong Meng
Director

Singapore

Hor Siew Fu
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Datapulse Technology Limited (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 July 2023, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2023 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Overview

Audit Approach

We designed a risk-based audit approach in identifying and assessing the risks of material misstatement at both the financial statement and assertion levels.

Materiality

As in all our audits, we exercised our professional judgement in determining our materiality, which was also affected by our perception of the financial information needs of the users of the financial statements, being the magnitude of misstatement in the financial statements that makes it probable for a reasonably knowledgeable person to change or be influenced in his economic decision.

Scope of audit

For the audit of the current financial year's financial statements, we identified 6 significant components which required either full scope audit or specific audit of their financial information, either because of their size or/and their risk characteristics.

These significant components were audited by other Mazars offices as component auditors under our instructions. We determined the component materiality and our level of involvement in their audit necessary for us, in our professional judgement, to obtain sufficient appropriate audit evidence as a basis for our opinion on the Group's financial statements as a whole.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements *(Continued)*

Area of focus

We focused our resources and effort on areas which were assessed to have higher risks of material misstatement, including areas which involve significant judgements and estimates made by directors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter 1	Our audit response
<p>Valuation of investment in unquoted equity investments (refer to Note 3.2, 11 and 21(d) to the financial statements)</p> <p>As at 31 July 2023, the Group has long-term investments in unquoted equity securities amounting to \$4.2 million which are carried at fair value through other comprehensive income in accordance with SFRS(I) 9 <i>Financial Instruments</i>. These investments pertain to a 15% interest and a 5% interest in entities holding hospitality assets, Travelodge Myeongdong Euljiro and Travelodge Harbourfront Singapore located in Seoul and Singapore, respectively.</p> <p>Management has performed the assessment in determining the fair value of these unquoted equity investments.</p>	<p>Our audit procedures included, and were not limited to the following:</p> <p>Obtained an understanding of the process and key controls over the Group's valuation process.</p> <p>Obtained and reviewed management's valuation of the unquoted equity investments by performing the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the valuation methodology in accordance with the requirements of SFRS(I) 13 <i>Fair Value Measurement</i>; • Evaluated the objectivity and competency of the independent valuer and read the terms of engagement to determine whether there were any limitation in the scope of work or matters that might affect the objectivity of the independent valuer;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements *(Continued)*

Key Audit Matters *(Continued)*

Key audit matter 1 (Continued)	Our audit response
<p>Valuation of investment in unquoted equity investments (refer to Note 3.2, 11 and 21(d) to the financial statements)</p> <p>In addition, as disclosed and explained in more detail in Note 3.2 <i>Key sources of estimation uncertainty</i>, there was a level of estimation uncertainty in determining the fair value of the unquoted equity investments as at 31 July 2023 arising from changes in market and economic conditions brought on by macro-economic factors.</p> <p>We have identified the valuation of unquoted equity investments as a key audit matter because of the significance of the carrying amounts and the use of significant management judgement and a range of estimates in determining the fair value of these unquoted equity investments.</p>	<p>We obtained and reviewed management's valuation of the unquoted equity investments by performing the following: (Continued)</p> <ul style="list-style-type: none"> • Read the valuation report, inquired with the management and the independent valuer, obtained explanations to support the selection of valuation methodology, valuation adjustments made in light of the increased estimation uncertainty as well as the key assumptions including the cash flows and capitalisation rates; • Involved our internal valuation resources in assessing the appropriateness of the valuation methodology and the reasonableness of the valuation assumptions and inputs used by management as disclosed in Note 21(d) to the financial statements and performed sensitivity analysis on the fair value by simulating reasonable changes in the key assumptions; and • Reviewed the adequacy of the disclosures in the financial statements relating to key sources of estimation uncertainty, unquoted equity investments, fair value of assets or liabilities, and level 3 fair value measurements, which are fundamental to users' understanding of this matter. They comprise key assumptions, estimation uncertainty and sensitivity of the fair value, including information that the fair value of the unquoted equity investments recorded in the Group's balance sheet as at 31 July 2023 was estimated based on conditions prevailing on that date.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

Key audit matter 2	Our audit response
<p>Impairment assessment of freehold property classified under property, plant and equipment (refer to Note 3.2 and 9 to the financial statements)</p> <p>As at 31 July 2023, the Group's freehold property which comprise the land and building of Travelodge Myeongdong City Hall ("TLMC") in Seoul, South Korea, amounted to \$37.6 million.</p> <p>Management has engaged independent valuer to assist the Group in determining the recoverable amount of the freehold property.</p> <p>In addition, as disclosed and explained in more detail in Note 3.2 <i>Key sources of estimation uncertainty</i>, there was a level of estimation uncertainty in determining the recoverable amount of the freehold property as at 31 July 2023 arising from changes in market and economic conditions brought on by macro-economic factors.</p> <p>We have identified the impairment assessment of freehold property as a key audit matter due to the significance of the carrying amount of the property and the use of significant management judgement and a range of estimates in determining the recoverable amount of the freehold property.</p>	<p>Our audit procedures included, and were not limited to the following:</p> <p>We obtained and reviewed management's assessment of impairment indicators for the Group's freehold property.</p> <p>We obtained and reviewed management's assessment of the recoverable amount of the Group's freehold property by performing the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the methodology used by the independent valuer to estimate the value in use; • Evaluated the objectivity and competency of the independent valuer and read the terms of engagement to determine whether there were any limitation in the scope of work or matters that might affect the objectivity of the independent valuer; • Read the valuation report, inquired with the management and the independent valuer, obtained explanations to support the selection of methodology, adjustments made in light of the increased estimation uncertainty as well as the key assumptions including the cash flows and capitalisation rates;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements *(Continued)*

Key Audit Matters (Continued)

Key audit matter 2 (Continued)	Our audit response
<p>Impairment assessment of freehold property classified under property, plant and equipment (refer to Note 3.2 and 9 to the financial statements)</p>	<p>We obtained and reviewed management's assessment of the recoverable amount of the Group's freehold property by performing the following: (Continued)</p> <ul style="list-style-type: none"> Involved our internal valuation resources in assessing the appropriateness of the methodology and the reasonableness of the assumptions and inputs used by management as disclosed in Note 9 to the financial statements and performed sensitivity analysis on the recoverable amount by simulating reasonable changes in the key assumptions; and Reviewed the adequacy of the Group's disclosures in the financial statements relating to key sources of estimation uncertainty, and property, plant and equipment, which are fundamental to users' understanding of this matter. They comprise key assumptions, estimation uncertainty and sensitivity of the recoverable amount, including information that the impairment recorded in the Group's financial statements as at 31 July 2023 was estimated based on conditions prevailing on that date.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements *(Continued)*

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPULSE TECHNOLOGY LIMITED

Report on the Audit of Financial Statements *(Continued)*

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Quek Siew Eng.

MAZARS LLP

Public Accountants and
Chartered Accountants

Singapore

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

	Note	Group	
		2023 \$'000	2022 \$'000
Revenue	4	4,469	1,921
Other income	5	330	206
		<u>4,799</u>	<u>2,127</u>
Fair value loss on short-term investments at fair value through profit or loss ("FVPL")		-	(307)
Loss on disposal of investments		(18)	-
Staff costs		(1,496)	(1,395)
Depreciation of property, plant and equipment and right-of-use assets		(613)	(998)
Finance costs	6	(51)	(617)
Hotel operating expenses		(2,028)	(867)
Impairment of freehold building		(970)	-
Other operating expenses		(1,013)	(1,285)
Loss before taxation	7	<u>(1,390)</u>	<u>(3,342)</u>
Taxation	8	219	36
Loss for the year		<u>(1,171)</u>	<u>(3,306)</u>
Other comprehensive loss:			
Components of other comprehensive (loss)/income that will not be reclassified to profit or loss, net of taxation			
Remeasurement of defined benefit obligation	18	(13)	-
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income		1,460	(350)
Components of other comprehensive loss that will be reclassified to profit or loss, net of taxation			
Foreign currency translation differences relating to foreign subsidiaries		(1,138)	(3,930)
Total other comprehensive income/(loss), net of taxation		<u>309</u>	<u>(4,280)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(862)</u>	<u>(7,586)</u>
Loss attributable to:			
Owners of the Company		<u>(1,171)</u>	<u>(3,306)</u>
Total comprehensive loss attributable to:			
Owners of the Company		<u>(862)</u>	<u>(7,586)</u>
Loss per share attributable to owners of the Company			
Basic and diluted loss per share (cents)	19	<u>(0.53)</u>	<u>(1.51)</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2023

	Note	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	9	37,885	40,482	15	22
Right-of-use assets	10	45	103	45	103
Investment securities	11	4,208	2,748	-	-
Long-term receivables	13	6,305	6,167	-	-
Subsidiaries	12	-	-	49,646	54,810
Deferred tax assets	16	151	-	-	-
Total non-current assets		48,594	49,500	49,706	54,935
Current assets					
Trade and other receivables	13	323	172	118	50
Prepayment		62	48	47	33
Investment securities	11	498	3,328	498	3,328
Cash and bank balances	14	13,397	8,274	11,579	7,137
Total current assets		14,280	11,822	12,242	10,548
TOTAL ASSETS		62,874	61,322	61,948	65,483
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	35,016	32,992	35,016	32,992
Reserves	15	24,922	25,032	24,531	29,659
Total equity		59,938	58,024	59,547	62,651
Non-current liabilities					
Loans and borrowings	17	1,020	1,500	1,020	1,500
Lease liabilities	10	1	48	1	48
Total non-current liabilities		1,021	1,548	1,021	1,548
Current liabilities					
Trade and other payables	18	813	635	313	204
Current tax payable		555	555	520	520
Loans and borrowings	17	500	500	500	500
Lease liabilities	10	47	60	47	60
Total current liabilities		1,915	1,750	1,380	1,284
Total liabilities		2,936	3,298	2,401	2,832
TOTAL EQUITY AND LIABILITIES		62,874	61,322	61,948	65,483

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

Group	Attributable to owners of the Company						Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value adjustment reserve \$'000	Foreign currency translation reserve \$'000	Warrant reserve \$'000	Retained earnings \$'000	
Balance at 1 August 2022	32,992	(187)	(2,507)	(4,774)	-	32,500	58,024
Total comprehensive loss for the financial year							
Loss for the year	-	-	-	-	-	(1,171)	(1,171)
Other comprehensive (loss)/income							
Remeasurement of defined benefit obligation	-	-	-	-	-	(13)	(13)
Net gain on equity instruments 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)	-	-	1,460	(1,138)	-	(13)	309
Total comprehensive income/(loss) for the financial year	-	-	1,460	(1,138)	-	(1,184)	(862)
Transactions with owners, recognised directly in equity							
Issuance of warrants, net of transaction costs	-	-	-	-	926	-	926
Exercise of warrants	2,024	-	-	-	(174)	-	1,850
	2,024	-	-	-	752	-	2,776
Balance at 31 July 2023	35,016	(187)	(1,047)	(5,912)	752	31,316	59,938

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

Group	Attributable to owners of the Company					Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value adjustment reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	
Balance at 1 August 2021	32,992	(187)	(2,157)	(844)	35,806	65,610
Total comprehensive loss for the financial year						
Loss for the year	-	-	-	-	(3,306)	(3,306)
Other comprehensive loss						
Net loss on equity instruments 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	-	-	(350)	(3,930)	-	(4,280)
Total comprehensive loss for the financial year	-	-	(350)	(3,930)	(3,306)	(7,586)
Balance at 31 July 2022	32,992	(187)	(2,507)	(4,774)	32,500	58,024

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

	Note	Group	
		2023 \$'000	2022 \$'000
Operating activities			
Loss before taxation		(1,390)	(3,342)
Adjustments for:			
– Defined benefit costs		58	46
– Depreciation of property, plant and equipment and right-of-use assets	9, 10	613	998
– Finance costs	6	51	617
– Impairment of freehold building	9	970	–
– Loss on disposal of property, plant and equipment		2	8
– Fair value loss on short-term investment securities		–	307
– Interest income	5	(329)	(102)
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 to retirement benefits		(69)	(61)
Cash generated from operations		2,881	409
Tax refund/(paid)		68	(6)
Net cash flows generated from operating activities		2,949	403
Investing activities			
Shareholder loans to investee companies		(138)	(538)
Interest received		259	102
Proceeds from sale of property, plant and equipment		–	3
Purchase of property, plant and equipment	9	(53)	(33)
Net cash flows generated from/(used in) investing activities		68	(466)
Financing activities			
Interest paid		(49)	(615)
Proceeds from issuance of warrants, net of transaction costs	15	926	–
Proceeds from exercise of warrants	15	1,850	–
Repayment of borrowings		(480)	(20,254)
Repayment of lease liabilities		(62)	(70)
Net cash flow 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	14	13,397	8,274

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

Reconciliation of asset/liabilities arising from financing activities

	1 August 2022 \$'000	Financing cash outflows \$'000	Non-cash movements			31 July 2023 \$'000
			Additions \$'000	Interest expenses \$'000	Foreign exchange movement \$'000	
Liabilities						
Bank borrowings	2,000	(529)	-	49	-	1,520
Lease liabilities	108	(62)	-	2	-	48
	1 August 2021 \$'000	Financing cash outflows \$'000	Non-cash movements			31 July 2022 \$'000
			Additions \$'000	Interest expenses \$'000	Foreign exchange movement \$'000	
Liabilities						
Bank borrowings	23,132	(20,869)	-	615	(878)	2,000
Lease liabilities	60	(70)	116	2	-	108

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

1. GENERAL

Datapulse Technology Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office at 10 Anson Road, #13-10 International Plaza, Singapore 079903.

The principal activities of the Company are investment holding and investment trading. The principal activities of its subsidiaries are disclosed in Note 12 to the financial statements.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 July 2023 were authorised for issue by the directors on the date of Directors’ Statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including the related interpretations of SFRS(I)s (“SFRS(I) INTs”) and are prepared on a historical cost basis except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar (“\$”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 August 2022. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group’s and Company’s accounting policies, and has no material effect on the current or prior year’s financial statement and is not expected to have a material effect on future periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.1 Basis of preparation *(Continued)*

SFRS(I) and SFRS(I) INT issued but not yet effective

At the date of authorisation of these statements, the following SFRS(I) and SFRS(I) INT that are relevant to the Group were issued but not yet effective:

SFRS(I)	Title	Effective date (annual periods beginning on or after)
SFRS(I)1-1	Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I)10, SFRS(I)1-28	Amendments to SFRS(I) 10, SFRS(I) 1-28: Sale or contribution of assets between an investor and its associate or joint venture	To be determined
SFRS(I)1-8	Amendments to SFRS(I) 1-8: Definition of Accounting Estimates	1 January 2023
SFRS(I)1-12	Amendments to SFRS(I) 1-12: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
SFRS(I) 16	Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
Various	Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Various	Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of aforementioned SFRS(I). While they are still determining and finalising the impact, as of the date of preparation of this report, management does not expect a material impact from the adoption of the aforementioned accounting standards on the financial statements of the Group in the period of their initial adoption.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.3 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Exchange differences relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Freehold property*	50 years
Office equipment	3 to 10 years
Furniture and fittings	5 to 10 years
Renovation	15 years

* Freehold land and building are collectively classified as "Freehold property".

No depreciation is charged on work-in-progress as they are not yet in use as at the end of the financial year.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Impairment of non-financial assets

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.6 Financial Instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 *Revenue from Contracts with Customers* ("SFRS(I) 15") in Note 2.12.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial assets *(Continued)*

Initial recognition and measurement *(Continued)*

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost include long-term receivables, trade and other receivables and cash and bank balances.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial assets *(Continued)*

Financial assets held at FVOCI

Investments in quoted corporate bonds are debt instruments and are subsequently measured at FVOCI as these are held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and selling the financial assets. Gains or losses are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains or losses and interest which are recognised in profit or loss. Upon derecognition, the cumulative fair value changes recognised in other comprehensive income is recycled to profit or loss.

At initial recognition, the Group may make an irrevocable election to classify its investment in equity instruments, for which the equity instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3, as subsequently measured at FVOCI so as to present subsequent changes in fair value in other comprehensive income. The election is made on an investment-by-investment basis. The Group has elected to designate investments in unquoted equity instruments at FVOCI. Upon derecognition, the cumulative fair value changes are transferred to accumulated profits.

Dividends from equity instruments are recognised in profit or loss only when the Group's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Financial assets held at FVPL

A financial asset is subsequently measured at FVPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVOCI, or is irrevocably elected at initial recognition to be designated FVPL if, by designating the financial asset as FVPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost and debt instruments measured at FVOCI. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group uses a practical expedient to recognise the ECL for trade receivables, which is to measure the loss allowance at an amount equal to lifetime ECL using an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Equity instruments *(Continued)*

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Treasury shares

When shares recognised as equity are acquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the accumulated profits of the Company if the shares are purchased out of earnings of the Company, or proportionately against the share capital and accumulated profits accounts if the shares are purchased both out of capital and accumulated profits of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

Warrants

Warrants is classified as equity. Incremental costs directly attributable to the issue of warrants are recognised as a deduction from equity.

When the warrants are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the warrants reserve are credited to the share capital account, when new ordinary shares are issued.

Upon expiry of unexercised warrants, the balance previously recognised in the warrants reserve is transferred to retained profits directly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised on trade date – the date on which the Group commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.9). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Financial guarantee contracts

The Company has issued corporate guarantee to bank for banking facilities granted by the bank to certain investee and this guarantee qualify as financial guarantee because the Company is required to reimburse the bank if the investee breaches any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.6 Financial Instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.7 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and demand deposits which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.10 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 Leases ("SFRS(I) 16"). For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office space	2 years
Office equipment	5 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.10 Leases *(Continued)*

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

2.11 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.11 **Income tax** *(Continued)*

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.12 **Revenue recognition**

Revenue is recognised when or as the Group satisfies a performance obligation by transferring a promised goods or service generated in the ordinary course of the Group's activities to its customer, at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods or service and that is allocated to that performance obligation. The goods or service is transferred when or as the customer obtains control of the goods or service.

(a) ***Hotel operations revenue***

Revenue derived from hotel operations include rental of rooms and food and beverage sales.

(i) *Rental of rooms*

Revenue is recognised over time for the occupancy of rooms.

(ii) *Sales of food and beverages*

Revenue is recognised at the point of sales of food and beverages.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.12 Revenue recognition *(Continued)*

(b) **Dividend income**

Dividend income is recognised in profit or loss at a point in time when the Group's right to receive payment is established.

(c) **Interest income**

Interest income is recognised over time using the effective interest method.

(d) **Asset management revenue**

Revenue arising from the provision of asset management services are recognised when services are rendered over time.

(e) **Gains on disposal of investment securities at FVPL**

Profits from sale of investment securities at FVPL are recognised at a point in time upon conclusion of the contract for sale.

2.13 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

2.14 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.14 Retirement benefit costs *(Continued)*

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each financial year. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- Net interest expense or income; and
- Remeasurements.

The Group recognises service costs and net interest expense or income within profit or loss as staff costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by SFRS(I) 1-19:70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered/ reduces service cost by attributing contributions to the employees' periods of service in accordance with SFRS(I) 1-19:70.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

2.15 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

2.16 Contingencies

A contingent liability is:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive director and the board of directors who make strategic decisions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments which has the most significant effect on the amounts recognised in the financial statements:

Classification of equity instruments as FVOCI

The Group intends to hold its unquoted equity instruments for an indefinite period and may sell the investment in response to liquidity needs or in response to changes in the market conditions. Therefore, management has concluded that these equity instruments are not held for trading and has elected to classify and measure these equity instruments at FVOCI.

Determination of functional currency

The Group translates foreign currency items into the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences its revenue streams and the economic environment. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate.

Taxation

The Group has exposure to income and other taxes in various jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's income tax payable as at 31 July 2023 was \$555,000 (2022: \$555,000).

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment assessment for freehold property

The Group carries its freehold property at cost less accumulated depreciation and any accumulated impairment losses. Management reviews the carrying value of the freehold property and assesses if there is any indication of impairment in its freehold property by considering the related hotel asset's operating performance and evaluating if the hotel's performance is in line with the assumptions applied in the most recent hotel valuation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(CONTINUED)*

3.2 Key sources of estimation uncertainty *(Continued)*

Impairment assessment for freehold property *(Continued)*

In addition, management assesses, on an annual basis, whether there are triggering events, such as adverse changes in expected occupancy rates, discount rates, revenue growth rates and the competitive landscape in local markets, indicating potential impairment. Management engages an independent valuer in Singapore to determine the recoverable value of the freehold property. Management reviews the valuation carried out by the external valuer and adopts the valuation as recoverable value.

The determination of the recoverable value of the freehold property involves the use of a range of estimates (amongst others, capitalisation rates and discount rates) made by management and the independent valuer. The recoverable amount of the freehold property was based on its value-in-use and the pre-tax discount rate used was 7.50% (2022: 7.25%) per annum.

The carrying amount of the Group's freehold property at the end of the financial year is disclosed in Note 9 to the financial statements.

Impairment assessment of investment in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired. Where applicable, the Company's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 *Impairment of Assets* by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments in subsidiaries as at 31 July 2023 was \$49,646,000 (2022: \$54,810,000) (Note 12).

Valuation of investments in unquoted equity instruments

The Group carries its investment in unquoted equity instruments at fair value, with changes in fair value being recognised in other comprehensive income.

The determination of the fair value of the unquoted equity instrument involves the use of a range of estimates (amongst others, capitalisation rates and discount rates) made by management and the external valuer. There was a level of estimation uncertainty in determining the valuation of the unquoted equity instrument as at 31 July 2023 arising from the changes in market and economic conditions brought on by macro-economic factors.

The carrying amount and key assumptions used to determine the fair value of the Group's unquoted equity instruments at the end of the financial year are disclosed in Note 21(d) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

4. REVENUE

	Note	Group	
		2023 \$'000	2022 \$'000
Revenue from contracts with customers	(a)	4,419	1,698
Gain on disposal of investment securities at FVPL		-	90
Dividend income from equity investments at FVPL		33	115
Interest income on bond investments at FVPL		17	18
		4,469	1,921

(a) Disaggregation of revenue:

Segments	Hotel operations		Asset management		Total revenue from contracts with customers	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Primary geographical markets						
Singapore	-	-	351	201	351	201
Korea	4,068	1,497	-	-	4,068	1,497
Total revenue from contracts with customers	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
Total revenue from contracts with customers	4,068	1,497	351	201	4,419	1,698

The Group has applied the practical expedient permitted under SFRS(I) 15 for those performance obligations which are part of contracts that have an original expected duration of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

5. OTHER INCOME

	Group	
	2023 \$'000	2022 \$'000
Interest income	329	102
Other income	1	3
Government grants	-	101
	330	206

The Group had been awarded certain government grants for which the grant income was recognised in other income. In the previous financial year, the grant income relating to Jobs Support Scheme amounted to \$37,000, and the corresponding expenses were recognised in staff costs.

6. FINANCE COSTS

	Group	
	2023 \$'000	2022 \$'000
Interest expenses on lease liabilities (Note 10(c))	2	2
Interest expenses on bank borrowings	49	615
	51	617

7. LOSS BEFORE TAXATION

Loss before taxation for the year has been arrived at after charging the following items:

	Note	Group	
		2023 \$'000	2022 \$'000
Audit fees		78	143
Professional fees		143	374
Annual report and annual/extraordinary general meeting expenses		14	15
Central Depository and Singapore Exchange Listing expenses		57	89
Management fee expenses		144	156
Office reinstatement cost		-	24
Impairment of freehold building	9	970	-
Expenses relating to leases of low-value assets	10(c)	8	52
Foreign exchange loss – net		-	25
Directors' fees		150	188
Directors' remuneration other than fees:			
– Directors of the Company		222	118
– Post-employment benefits – CPF contribution		12	6
Staff costs (excluding directors' remuneration)		1,112	1,083
Contributions to defined contribution plans, included in staff costs		54	68
Defined benefit costs, included in staff costs	18	58	46

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

8. TAXATION

	Group	
	2023 \$'000	2022 \$'000
Current tax (credit)/expense		
Withholding tax arising from interest income from subsidiaries	-	46
Overprovision in respect of prior financial years	(68)	(82)
	(68)	(36)
Deferred tax credit		
Benefit arising from previously unrecognised tax losses (Note 16)	(151)	-
Income tax credit	(219)	(36)

The Company is incorporated in Singapore and accordingly is subject to income tax rate of 17% (2022: 17%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. There were no changes in the enterprise income tax of the different applicable jurisdictions in the current year compared to the previous year.

Reconciliation of effective tax rate is as follows:

	Group	
	2023 \$'000	2022 \$'000
Loss before taxation	(1,390)	(3,342)
Tax at the domestic rates applicable to profits in the respective countries	(236)	(568)
Tax effects of:		
- Effect of different tax rates in other countries	25	(151)
- Income not subject to tax	-	(31)
- Non-deductible expenses	224	95
- Effect of previously unrecognised and unused tax losses now recognised as deferred tax assets	(151)	-
- Tax losses for which no deferred tax assets are recognised	113	651
- Utilisation of previously unrecognised deferred tax assets	(133)	-
- Withholding tax arising from interest income from subsidiaries	-	46
- Overprovision in respect of prior financial years	(68)	(82)
- Others	7	4
Total income tax credit for the financial year	(219)	(36)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

9. PROPERTY, PLANT AND EQUIPMENT

<u>Group</u>	<u>Freehold land \$'000</u>	<u>Freehold building \$'000</u>	<u>Office equipment \$'000</u>	<u>Furniture and fittings \$'000</u>	<u>Renovation \$'000</u>	<u>Total \$'000</u>
Cost						
At 1 August 2021	29,683	14,579	222	470	4,940	49,894
Additions	-	-	8	25	-	33
Disposals	-	-	(80)	(13)	-	(93)
Effect of movement in exchange rates	(2,928)	(1,436)	(11)	(42)	(488)	(4,905)
At 31 July 2022	26,755	13,143	139	440	4,452	44,929
Additions	-	-	4	49	-	53
Disposals	-	-	(5)	(4)	-	(9)
Effect of movement in exchange rates	(707)	(347)	(2)	(11)	(118)	(1,185)
At 31 July 2023	26,048	12,796	136	474	4,334	43,788
Accumulated depreciation						
At 1 August 2021	-	681	135	169	889	1,874
Depreciation charge for the year	-	278	18	41	589	926
Disposals	-	-	(80)	(2)	-	(82)
Effect of movement in exchange rates	-	(73)	(3)	(18)	(117)	(211)
At 31 July 2022	-	886	70	190	1,361	2,507
Depreciation charge for the year	-	255	14	42	244	555
Disposals	-	-	(5)	(2)	-	(7)
Effect of movement in exchange rates	-	(23)	(1)	(5)	(33)	(62)
At 31 July 2023	-	1,118	78	225	1,572	2,993
Accumulated impairment loss						
At 1 August 2021 and 31 July 2022	-	1,940	-	-	-	1,940
Impairment loss	-	970	-	-	-	970
At 31 July 2023	-	2,910	-	-	-	2,910
Carrying amounts						
At 31 July 2022	26,755	10,317	69	250	3,091	40,482
At 31 July 2023	26,048	8,768	58	249	2,762	37,885

For the year ended 31 July 2023, management performed a review of the estimated useful lives of the "Renovation" within the Group. Accordingly, the estimates on useful life of the "Renovation" were changed from 8 years to 15 years. As a result, depreciation on the "Renovation" for the year ended 31 July 2023 has reduced by \$297,000. Annual depreciation in the future is also expected to reduce by \$297,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

9. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

During the financial year, the Group carried out a review of the recoverable amount of its freehold property within the hotel segment. An impairment loss of \$970,000 (2022: \$Nil), arising from the independent valuation of the freehold property, was recognised in "Impairment of freehold building" line item of profit or loss for the financial year ended 31 July 2023. The recoverable amount of the relevant assets has been determined on the basis of its value-in-use. The discount rate used in measuring the value-in-use was 7.5% (2022: 7.25%)

<u>Company</u>	<u>Office equipment \$'000</u>	<u>Furniture and fittings \$'000</u>	<u>Total \$'000</u>
<u>Cost</u>			
At 1 August 2021	134	21	155
Additions	–	1	1
Disposals	(81)	(9)	(90)
At 31 July 2022	53	13	66
Disposals	(5)	(4)	(9)
At 31 July 2023	48	9	57
<u>Accumulated depreciation</u>			
At 1 August 2021	113	5	118
Depreciation charge for the year	7	1	8
Disposals	(80)	(2)	(82)
At 30 July 2022	40	4	44
Depreciation charge for the year	4	1	5
Disposals	(5)	(2)	(7)
At 31 July 2023	39	3	42
<u>Net carrying amount</u>			
At 31 July 2022	13	9	22
At 31 July 2023	9	6	15

10. THE GROUP AS A LESSEE

The Group has commercial lease contracts for office space and a photocopier. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The leases generally have lease terms between two and five years. The Group is restricted from assigning and subleasing the leased assets to third parties.

Extension option

The Group has several lease contracts with extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management has exercised judgement in determining that these extension options are not reasonably certain to be exercised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

10. THE GROUP AS A LESSEE (CONTINUED)

(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 \$'000	Office equipment \$'000	Total \$'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 (2022: \$70,000).

(b) Lease liabilities

	Group and Company	
	2023 \$'000	2022 \$'000
Lease liabilities – current	47	60
Lease liabilities – non-current	1	48
	48	108

The maturity analysis of lease liabilities is disclosed in Note 23.

(c) Amount recognised in profit and loss

	Group and Company	
	2023 \$'000	2022 \$'000
Interest expenses on lease liabilities (Note 6)	2	2
Expenses relating to leases of low-value assets (Note 7)	8	52

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

11. INVESTMENT SECURITIES

	Group and Company	
	2023	2022
	\$'000	\$'000
<u>Current</u>		
<i>At fair value through profit or loss (FVPL)</i>		
– Equity and debt investments (quoted)	498	3,328
<u>Non-current</u>		
<i>At fair value through other comprehensive income (FVOCI)</i>		
– Equity investments (unquoted)	4,208	2,748

On 21 June 2019, the Group completed the acquisition of a 15% equity interest in Holiday Inn Express Euljiro, a 224-room midscale hotel located in Seoul, South Korea for a cash consideration of \$4,800,000. The hotel has since been renamed as “Travelodge Myeongdong Euljiro (“TLME”)”.

On 8 August 2019, the Group completed the acquisition of a 5% interest in a hotel located in Singapore that was previously known as “Bay Hotel Singapore”. The Group’s acquisition comprises a 5% equity interest in the parent company of the hotel, PAM Holdings II (BVI) Ltd, for US\$5, and a shareholder loan to PAM Holdings II (BVI) Ltd. Pursuant to the completion, Travelodge Hotels (Asia) Pte Ltd has been appointed as the hotel operator and the hotel has since been rebranded as “Travelodge Harbourfront Singapore (“TLHS”)”.

Investments in equity instrument designated at FVOCI

The fair value of each of the investments in equity instruments designated at FVOCI at the end of the financial year is as follows:

	Group	
	2023	2022
	\$'000	\$'000
<i>At FVOCI</i>		
– Equity investments (unquoted)		
– Korea Investment Private Placement Business Hotel REIT No. AI861	3,404	2,714
– Pinetree Hotel Management LLC	18	18
– Pam Holdings II (BVI) Ltd	786	16
	4,208	2,748

The Group has elected to measure these equity investments at FVOCI due to the Group’s intention to hold these equity instruments for long-term capital appreciation.

Details of valuation techniques and inputs used are disclosed in Note 21(d).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

12. SUBSIDIARIES

	Company	
	2023 \$'000	2022 \$'000
Shares, at cost	2	2
Amounts due from subsidiaries	67,480	67,412
Impairment loss	(17,836)	(12,604)
	<u>49,646</u>	<u>54,810</u>

The amounts due from subsidiaries were non-trade in nature, unsecured and interest-free. The settlement of the amounts was neither planned nor likely to occur in the foreseeable future. These amounts were in substance part of the entity's net investment in the subsidiaries.

The movement in the impairment loss in respect of investment in subsidiaries during the year was as follows:

	Company	
	2023 \$'000	2022 \$'000
Beginning of financial year	12,604	11,354
Impairment losses recognised	5,232	1,250
End of financial year	17,836	12,604

During the year, an impairment loss amounting to \$5,232,000 (2022: \$1,250,000) was made in respect of the Company's amount due from subsidiaries after taking into account the current financial position of the subsidiaries. The Company's exposure to credit risks related to amount due from subsidiaries is disclosed in Note 23.

As at 31 July 2023, other than Datapulse Investment Pte Ltd, the Group's other direct and indirect subsidiaries had net current liabilities.

The Company provided a letter of undertaking not to recall the amounts due from these subsidiaries until their respective cash flows permit, and to continue to provide financial support to enable these subsidiaries to meet their liabilities as and when they fall due, for at least twelve months from the issuance date of the financial statements for the year ended 31 July 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

12. SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activity	Country of incorporation	Effective equity held by the Company	
			2023 %	2022 %
Held directly by the Company				
Datapulse Investment Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
Capiti Investments Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
Capiti Asset Management Pte. Ltd. ⁽¹⁾	Provision of management services	Singapore	100	100
Held through subsidiaries				
Capikor Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
Datapulse Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
KPH Top Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
KPH Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
KPH 2 Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
SPH Top Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
SPH 1 Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100	100
RK One Hotel Management LLC ⁽²⁾	Hotel operations	Republic of Korea	100	100
IGIS Private Placement Real Estate Investment Trust No. 247 ⁽²⁾	Investment holding	Republic of Korea	100	100

(1) Audited by Mazars LLP, Singapore

(2) Audited by overseas member firm of Mazars LLP

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade receivables				
- Third parties	125	33	-	-
Other receivables				
- Deposits	32	34	32	32
- Interest receivables	165	95	83	16
- GST/VAT receivables	-	7	3	2
- Others	1	3	-	-
Trade and other receivables (current):	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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

The trade receivables are unsecured, interest-free and has a credit term of 30 days (2022: 30 days).

The Group and the Company's exposure to credit risks related to trade and other receivables are disclosed in Note 23.

Long-term receivables relate to shareholder loans provided to two investee companies in which the Group has a 15% interest and 5% interest respectively. The long-term receivables are interest free, except for the amount of \$1,421,000 (2022: \$1,283,000) which bears an interest of 3.85% (2022: 3.85%) per annum.

14. CASH AND BANK BALANCES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Fixed deposits	9,573	6,494	9,573	6,494
Cash at bank and on hand	3,824	1,780	2,006	643
Cash and cash equivalents	13,397	8,274	11,579	7,137

The weighted average effective interest rate per annum relating to fixed deposits for the Group and Company is 3.92% (2022: 0.65%). Interest rates reprice upon maturity or rollover of the fixed deposits, at intervals of one to three months.

15. SHARE CAPITAL AND RESERVES

Company	2023	2022	2023	2022
	Number of ordinary shares with no par value		\$'000	\$'000
Issued and fully paid:				
Beginning of financial year	219,904,444	219,904,444	32,992	32,992
Exercise of warrants	20,553,068	-	2,024	-
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, the Company allotted and issued 20,553,068 (2022: Nil) new ordinary shares due to the warrants being exercised at \$0.09 per warrant for each new share amounting to \$1,850,000 (2022: \$Nil). In addition, a proportioning warrant reserve for the exercised warrants amounting to \$174,000 (2022: \$Nil) has been reclassified from the "Warrant reserve" to the Company's "Share capital".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

15. SHARE CAPITAL AND RESERVES *(CONTINUED)*

Use of proceeds from private placement

On 11 June 2015, through a private placement exercise, the Company allotted and issued 65,000,000 new ordinary shares to Lian Beng Group Ltd at an issue price of \$0.11235 per share. The placement took place prior to the Company's share consolidation of every three existing issued ordinary shares in the capital of the Company into one ordinary share on 1 December 2015. Total proceeds of \$7,302,750 were raised, of which \$57,596 was utilised for expenses incurred for the issue of the new ordinary shares. The net proceeds of \$7,245,154 are intended to be used for property related businesses, of which an aggregate amount of \$4,981,712 (2022: \$4,939,570) had been utilised for capital expenditure incurred for TLMC as at 31 July 2023 and 2022.

Use of proceeds from rights issue of warrants

During the year, the Company issued 109,537,422 warrants at an issue price of \$0.01 for each warrant and raised net proceeds amounting to \$926,000 for the Group's general working capital. As at 31 July 2023, \$801,000 (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. The proceeds arising from the exercise of these warrants of approximately \$1,850,000 (2022: \$Nil) has not been utilised.

Reserves

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Treasury shares

The reserve for the Company's own shares comprises the cost of the Company's shares acquired and held by the Group. As at 31 July 2023, the Group held 829,600 (2022: 829,600) of the Company's shares.

Fair value adjustment reserve

The fair value adjustment reserve represents the cumulative fair value changes, net of tax, of equity instruments at FVOCI until they are disposed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

15. SHARE CAPITAL AND RESERVES (CONTINUED)

Reserves (Continued)

Warrant reserve

	Group and Company			
	2023 No. of ordinary shares	2022	2023 \$'000	2022 \$'000
At 1 January				
Issuance of new warrants	109,537,422	-	926	-
Exercise of warrants	(20,553,068)	-	(174)	-
At 31 December	88,984,354	-	752	-

16. DEFERRED TAX

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Deferred tax assets	151	-	-	-

Movements in deferred tax assets of the Group during the financial year are as follows:

	Group Tax losses \$'000	Company Tax losses \$'000
At 1 August 2021 and 31 July 2022	-	-
Credit to profit or loss	151	-
At 31 July 2023	151	-

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets relate to the same tax authority.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

16. DEFERRED TAX (CONTINUED)

The following deductible temporary difference has not been recognised:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Tax losses	10,504	11,005	3,831	3,240

The tax losses are subject to agreement by tax authorities and compliance with tax regulations in the respective countries in which the Company and certain subsidiaries operate. At 31 July 2023, deferred tax assets have not been recognised in respect of the tax losses due to uncertainty in the availability of future taxable profit against which the Group and the Company can utilise the tax losses.

Included in unrecognised tax losses are losses of \$1,767,000, \$2,449,000, \$2,138,000 (2022: \$112,000, \$2,311,000, \$2,668,000, \$2,329,000) that will expire in August 2030, August 2036, August 2037 (2022: August 2029, August 2030, August 2036, August 2037) respectively. Other losses may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined.

17. LOAN AND BORROWING

	Maturity	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current					
2.75% p.a. fixed rate SGD bank loan	2026	500	500	500	500
Non-current					
2.75% p.a. 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

The 2.75% p.a. fixed rate SGD bank loan is repayable over 60 monthly instalments and repayment commences in August 2021.

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

18. TRADE AND OTHER PAYABLES (CONTINUED)

The Group and the Company's exposure to liquidity risks related to trade and other payables are disclosed in Note 23.

The trade payables are unsecured, interest-free and has a credit term of 30 days (2022: 30 days).

The non-trade amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

Retirement benefit obligations

The amount included in the "Trade and other payables" arising from the Group's obligations in respect of its defined benefit retirement benefit plan is as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Present value of defined benefit obligations	118	82	-	-
Fair value of plan assets	(104)	(63)	-	-
Net liability arising from defined benefit obligation	14	19	-	-

Movements in the present value of defined benefit obligation in the year are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Beginning of financial year	82	74	-	-
Current service cost	58	46	-	-
Interest expense	2	1	-	-
Remeasurement loss	11	-	-	-
Benefits paid	(32)	(31)	-	-
Effect of movement in exchange rates	(3)	(8)	-	-
End of financial year	118	82	-	-

Movements in the fair value of plan assets in the year are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Beginning of financial year	63	33	-	-
Contributions	69	61	-	-
Interest income	2	1	-	-
Remeasurement loss	(2)	-	-	-
Benefits paid	(27)	(27)	-	-
Effect of movement in exchange rates	(1)	(5)	-	-
End of financial year	104	63	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

18. TRADE AND OTHER PAYABLES (CONTINUED)

Retirement benefit obligations (Continued)

Amounts recognised in profit or loss in respect of these defined benefit plans are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Service cost	58	46	-	-
Interest expense	2	1	-	-
Interest income	(2)	(1)	-	-
Components of defined benefit costs recognised in profit or loss	58	46	-	-

The principal assumptions used for the purposes of the actuarial valuations are as follows:

	Group Valuation at		Company Valuation at	
	2023 %	2022 %	2023 %	2022 %
Discount rate	4.98	3.89	-	-
Expected rate of salary increases	3.20	3.20	-	-

Significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the financial year, while holding all other assumptions constant.

If the discount rate is 1% (2022: 1%) higher/lower, the defined benefit obligations would decrease/increase by \$80,000/\$94,000 (2022: \$58,000/\$68,000).

If the expected salary growth increases/decreases by 1% (2022: 1%), the defined benefit obligations would increase/decrease by \$94,000/\$79,000 (2022: \$68,000/\$58,000).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

19. LOSS PER SHARE

Basic and diluted loss per share are calculated by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year. The following table reflects the loss and share data used in the computation of basic loss per share:

	Group	
	2023	2022
Loss for the purposes of basic and diluted loss per share (loss for the financial year attributable to owners of the Company) (\$'000)	(1,171)	(3,306)
Weighted average number of ordinary shares (excluding treasury shares) outstanding for basic and diluted loss per share	220,494,069	219,074,844
Basic and diluted loss per share (cents)	(0.53)	(1.51)

The basic and diluted loss per share is the same as the instruments were anti-dilutive.

No shares were assumed to have been issued on the deemed exercise of the Company's outstanding warrants during the year ended 31 July 2023. Accordingly, the diluted loss per share for financial year ended 31 July 2023 and 2022 was the same as the basic loss per share.

The weighted average number of ordinary shares for financial year ended 31 July 2023 was computed based on the issue and allotment of 20,553,068 new ordinary shares as disclosed in Note 15.

20. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the nature of services, with each reportable operating segment representing strategic business units that offers different services and serves different markets. The reportable operating segments are as follows:

- i. The "Investments Holding" segment relates to the holding of long-term investments.
- ii. The "Investments" segment relates to the trading in short-term investments.
- iii. The "Asset Management" segment relates to the provision of asset management services to the Group's hospitality assets.
- iv. The "Hotel" segment relates to hotel operations.

These are managed separately because they require different operating and marketing strategies, given that they operate in and serve customers in different geographical areas. For each of these, the Group's Chief Executive Officer (the chief operating decision-maker) reviews internal management reports on a monthly basis.

Information regarding the results, assets and liabilities of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of these segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

20. SEGMENT INFORMATION *[CONTINUED]*

Segment results, assets and liabilities include items directly attributable to a segment.

Information about reportable segments

	Investment Holding \$'000	Investment \$'000	Asset Management \$'000	Hotel \$'000	Adjustment/ Elimination \$'000	Note	Total \$'000
31 July 2023							
Revenue:							
External customers	-	50	351	4,068	-		4,469
Inter-segment revenue	213	-	-	371	(584)	A	-
Total revenue for reporting segments	213	50	351	4,439	(584)		4,469
Results:							
Loss on disposal of investments	-	(18)	-	-	-		(18)
Interest income	-	311	-	18	-		329
Impairment of freehold building	-	-	-	(970)	-		(970)
Finance costs	(51)	-	-	-	-		(51)
Depreciation of property, plant and equipment and right-of-use assets	(62)	-	-	(551)	-		(613)
Reportable segment (loss)/profit before income tax	(1,171)	343	100	(662)	-		(1,390)
Tax credit	68	-	-	151	-		219
Additions to non-current assets	-	-	-	53	-	B	53
Reportable segment assets	22,433	498	83	39,860	-		62,874
Reportable segment liabilities	2,409	-	6	521	-		2,936
31 July 2022							
Revenue:							
External customers	-	223	201	1,497	-		1,921
Inter-segment revenue	351	-	-	1,257	(1,608)	A	-
Total revenue for reporting segments	351	223	201	2,754	(1,608)		1,921
Results:							
Fair value loss on short-term investments at FVPL	-	(307)	-	-	-		(307)
Interest income	30	60	-	12	-		102
Government grants	37	-	-	64	-		101
Finance costs	(57)	-	-	(560)	-		(617)
Depreciation of property, plant and equipment and right-of-use assets	(81)	-	-	(917)	-		(998)
Reportable segment loss before income tax	(1,454)	(24)	(141)	(1,723)	-		(3,342)
Tax credit	22	-	14	-	-		36
Additions to non-current assets	117	-	-	32	-	B	149
Reportable segment assets	16,494	3,328	92	41,408	-		61,322
Reportable segment liabilities	2,886	-	6	406	-		3,298

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

20. SEGMENT INFORMATION *(CONTINUED)*

Information about reportable segments *(Continued)*

Notes:

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

- A Inter-segment revenues are eliminated on consolidation.
- B Additions to non-current assets consist of additions to property, plant and equipment and right-of-use assets.

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.

	Group	
	2023 \$'000	2022 \$'000
Revenue		
Singapore	401	424
Korea	4,068	1,497
	<u>4,469</u>	<u>1,921</u>
Non-current assets		
Singapore	5,730	5,025
Korea	42,864	44,475
	<u>48,594</u>	<u>49,500</u>

21. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The fair values of applicable assets and liabilities, are determined and categorised using a fair value hierarchy 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(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:

	Group			Total \$'000
	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	
2023				
Assets measured at fair value				
Financial assets				
Investment securities at FVPL				
(Note 11)				
– Quoted debt investments	498	–	–	498
Investment securities at FVOCI				
(Note 11)				
– Unquoted equity investments	–	–	4,208	4,208
Financial assets as at 31 July 2023	498	–	4,208	4,706
2022				
Assets measured at fair value				
Financial assets				
Investment securities at FVPL				
(Note 11)				
– Quoted equity investments	138	–	–	138
– Quoted debt investments	3,190	–	–	3,190
Total quoted securities	3,328	–	–	3,328
Investment securities at FVOCI				
(Note 11)				
– Unquoted equity investments	–	–	2,748	2,748
Financial assets as at 31 July 2022	3,328	–	2,748	6,076

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(b) Assets measured at fair value (Continued)

	Company			Total \$'000
	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	
2023				
Assets measured at fair value				
Financial assets				
Investment securities at FVPL				
(Note 11)				
- Quoted debt investments	498	-	-	498
2022				
Assets measured at fair value				
Financial assets				
Investment securities at FVPL				
(Note 11)				
- Quoted equity investments	138	-	-	138
- Quoted debt investments	3,190	-	-	3,190
	3,328	-	-	3,328

There have been no transfers between Level 1, Level 2 and Level 3 during the financial years ended 31 July 2023 and 2022.

(c) Level 1 fair value measurements

The fair value of quoted investment securities (Note 11) are determined directly by reference to their published market bid price at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(d) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair Value at 31 July 2023	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
<i>Financial assets at fair value through other comprehensive income</i>				
Unquoted equity investment (Travelodge Myeongdong Euljiro)	3,422	Adjusted Net Asset Value ⁽¹⁾ and Income Capitalisation Approach	<ul style="list-style-type: none"> - Capitalisation rate⁽²⁾ - Occupancy rate⁽³⁾ - Long term Average Daily Rate (ADR) growth rate⁽³⁾ - Discount rate⁽²⁾ 	<ul style="list-style-type: none"> - Not applicable - 5.50% - 84% to 88% - 2.8% - 7.50%
Unquoted equity investment (Travelodge Harbourfront Singapore)	786	Adjusted Net Asset Value ⁽¹⁾ and Income Capitalisation Approach	<ul style="list-style-type: none"> - Capitalisation rate⁽²⁾ - Occupancy rate⁽³⁾ - Long term ADR growth rate⁽³⁾ - Discount rate⁽²⁾ 	<ul style="list-style-type: none"> - Not applicable - 3.85% - 88% to 89% - 2% - 5.85%

Description	Fair Value at 31 July 2022	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
<i>Financial assets at fair value through other comprehensive income</i>				
Unquoted equity investment (Travelodge Myeongdong Euljiro)	2,732	Adjusted Net Asset Value ⁽¹⁾ and Income Capitalisation Approach	<ul style="list-style-type: none"> - Capitalisation rate⁽²⁾ - Occupancy rate⁽³⁾ - Long term Average Daily Rate (ADR) growth rate⁽³⁾ - Discount rate⁽²⁾ 	<ul style="list-style-type: none"> - Not applicable - 5.25% - 75% to 86% - 2.8% - 7.25%
Unquoted equity investment (Travelodge Harbourfront Singapore)	16	Adjusted Net Asset Value ⁽¹⁾ and Income Capitalisation Approach	<ul style="list-style-type: none"> - Capitalisation rate⁽²⁾ - Occupancy rate⁽³⁾ - Long term ADR growth rate⁽³⁾ - Discount rate⁽²⁾ 	<ul style="list-style-type: none"> - Not applicable - 3.75% - 75% to 87% - 2% - 5.75%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(d) Level 3 fair value measurements (Continued)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (Continued)

(1) The fair values of unquoted equity investments are determined by reference to the underlying assets value of the investee company. As at 31 July 2023, the underlying assets value of the investee company mainly comprises the land and building, which is valued using the income capitalisation approach (2022: income capitalisation approach) for the respective unquoted investments.

(2) An increase/(decrease) in the capitalisation rate and/or discount rate would result in a (decrease)/increase in the fair value of the unquoted equity investments.

(3) An increase/(decrease) in the occupancy rate and/or long-term ADR growth rate would result in an increase/(decrease) in the fair value of the unquoted equity investments.

A 1% increase/decrease in the property valuation based on management's assumptions would result in a \$94,000 and \$138,000 (2022: \$87,000 and \$132,000) higher/lower fair value measurement of the unquoted equity investments in TLME and TLHS respectively.

(ii) Movements in Level 3 assets measured at fair value

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Financial assets at FVOCI (Unquoted equity investments)	
	2023 \$'000	2022 \$'000
Group		
Beginning of financial year	2,748	3,098
Total gains or losses for the financial year		
– Fair value gain/(loss) recognised in other comprehensive income	1,460	(350)
End of financial year	4,208	2,748

(iii) Valuation policies and procedures

It is the Group's policy to engage external valuation experts to perform the valuation. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement guidance*.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations in light of the prevailing conditions at 31 July 2023 and 2022.

The analysis and results of the external valuations are then reported to the Those Charged with Governance for approval.

During the financial year, there is no change in the applicable valuation techniques.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES *(CONTINUED)*

(e) *Asset and liabilities not carried at fair value and whose carrying amount are a reasonable approximation of fair value*

The carrying amounts of the current financial assets and liabilities, including trade and other receivables, cash and bank balances, and trade and other payables approximate their respective fair values.

The carrying amounts of long-term receivables, lease liabilities and loans and borrowings approximate their fair values because they are repriced to or approximate the market interest rates near the end of the financial year.

22. SIGNIFICANT RELATED PARTIES TRANSACTIONS

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

22. SIGNIFICANT RELATED PARTIES TRANSACTIONS (CONTINUED)

The effect of the Group's and Company's transactions and arrangements with related parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the financial year was as follows:

	Group and Company	
	2023	2022
	\$'000	\$'000
Remuneration of key management personnel		
Short-term employee benefits	350	298
Post-employment benefits	25	30
Directors' fees	150	188
	525	516

Key management personnel are the Directors and key personnel having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

Risk management framework

The Group's activities expose it to credit risk, market risks (including foreign currency risk and equity price risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis indicated below.

Credit risk

Risk management policy

Credit risk is the potential financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(CONTINUED)*

Credit risk *(Continued)*

Risk management policy *(Continued)*

The carrying amounts of financial assets in the statements of financial position represent the Group's and the Company's respective maximum exposure to credit risk. The Group and the Company do not hold any collateral in respect of their financial assets.

The Group has established credit limits for customers and monitors their balances. Cash and fixed deposits are placed with financial institutions which are regulated. Transactions involving derivative financial instruments are allowed only with counterparties that are of high quality.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments that are past due 90 days, based on the Group's historical estimate.

To assess whether there is a significant increase in credit risk, the Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Actual or expected significant changes in the operating results of the counterparty

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- There is a disappearance of an active market for that financial asset because of financial difficulty.

(a) Trade receivables

The Group applied the simplified approach and recognised lifetime expected credit losses for all trade receivables based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on similar loss pattern. The expected credit losses also incorporated forward looking information such as forecast of economic conditions.

The Group has assessed the expected credit losses recognised for the financial years ended 31 July 2023 and 2022 to be insignificant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(CONTINUED)*

Credit risk (Continued)

Risk management policy (Continued)

(b) Other receivables and long-term receivables

As of 31 July 2023, the Group recorded other receivables and long-term receivables amounted to \$198,000 (2022: \$132,000) and \$6,305,000 (2022: \$6,167,000), respectively. The Group assessed those debtors' credit reputation and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group used the general approach and estimated the 12-months expected credit losses and determined that ECL was insignificant.

(c) Amounts due from subsidiaries

As of 31 July 2023, the Company recorded an amount due from subsidiaries of \$67,480,000 (2022: \$67,412,000) consequent to an extension of loans to the subsidiaries. In its assessment of the credit risk of the subsidiaries, the Company considered amongst other factors, the financial position of the subsidiaries as of 31 July 2023. The Company assessed the impairment loss allowance of these amounts on a 12-month ECL basis and consequent to their assessment, concluded that these receivables were of low credit risk other than the credit impaired amount of \$17,836,000 (2022: \$12,604,000).

With reference to Note 25, the Company provides financial guarantee to certain bank in respect of bank facility granted to certain investee. The date when the Company becomes a committed party to the guarantee is considered to be the date of initial recognition for the purpose of assessing the financial asset for impairment. In determining whether there has been a significant risk of a default occurring on the drawn-down facility, the Company considered the change in the risk that the specified debtor (i.e. the applicable subsidiary) will default on the contract. The Company assessed that the credit risk relating to the financial guarantee is insignificant to the Company.

Liquidity risk

Risk management policy

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk on an ongoing basis and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

<u>Group</u>	<u>Effective interest rate %</u>	<u>Less than 1 year \$'000</u>	<u>1 to 5 years \$'000</u>	<u>More than 5 years \$'000</u>	<u>Total \$'000</u>
2023					
<u>Financial assets:</u>					
Investment securities	-	498	4,208	-	4,706
Long term receivables	3.85%	55	219	6,382	6,656
Trade and other receivables*	-	323	-	-	323
Cash and bank balances	-	13,397	-	-	13,397
Total undiscounted financial assets		14,273	4,427	6,382	25,082
<u>Financial liabilities:</u>					
Trade and other payables#	-	(790)	-	-	(790)
Loans and borrowings	2.75%	(535)	(1,029)	-	(1,564)
Lease liabilities	3.00%	(47)	(1)	-	(48)
Total undiscounted financial liabilities		(1,372)	(1,030)	-	(2,402)
Total net undiscounted financial assets		12,901	3,397	6,382	22,680
2022					
<u>Financial assets:</u>					
Investment securities	-	3,328	2,748	-	6,076
Long term receivables	3.85%	-	198	6,286	6,484
Trade and other receivables*	-	165	-	-	165
Cash and bank balances	-	8,274	-	-	8,274
Total undiscounted financial assets		11,767	2,946	6,286	20,999
<u>Financial liabilities:</u>					
Trade and other payables#	-	(635)	-	-	(635)
Loans and borrowings	2.75%	(549)	(1,564)	-	(2,113)
Lease liabilities	3.00%	(60)	(48)	-	(108)
Total undiscounted financial liabilities		(1,244)	(1,612)	-	(2,856)
Total net undiscounted financial assets		10,523	1,334	6,286	18,143

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk (Continued)

<u>Company</u>	<u>Effective interest rate %</u>	<u>Less than 1 year \$'000</u>	<u>1 to 5 years \$'000</u>	<u>Total \$'000</u>
2023				
Financial assets:				
Amount due from subsidiaries	-	49,644	-	49,644
Trade and other receivables*	-	115	-	115
Cash and bank balances	-	11,579	-	11,579
Total undiscounted financial assets		61,338	-	61,338
Financial liabilities:				
Trade and other payables#	-	(313)	-	(313)
Loans and borrowings	2.75%	(535)	(1,029)	(1,564)
Lease liabilities	3.00%	(47)	(1)	(48)
Total undiscounted financial liabilities		(895)	(1,030)	(1,925)
Total net undiscounted financial assets/ (liabilities)		60,443	(1,030)	59,413
2022				
Financial assets:				
Amount due from subsidiaries	-	54,808	-	54,808
Trade and other receivables*	-	48	-	48
Cash and bank balances	-	7,137	-	7,137
Total undiscounted financial assets		61,993	-	61,993
Financial liabilities:				
Trade and other payables#	-	(204)	-	(204)
Loans and borrowings	2.75%	(549)	(1,564)	(2,113)
Lease liabilities	3.00%	(60)	(48)	(108)
Total undiscounted financial liabilities		(813)	(1,612)	(2,425)
Total net undiscounted financial assets/(liabilities)		61,180	(1,612)	59,568

* Excluding GST/VAT receivables

Excluding GST/VAT payables

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and as follows:

	Note	Group	
		2023 \$'000	2022 \$'000
<i>Financial assets at fair value through profit or loss</i>			
Quoted equity investments	11	-	138
Quoted debt investments	11	498	3,190
		498	3,328
<i>Financial assets at amortised cost</i>			
Long-term receivables	13	6,305	6,167
Trade and other receivables	13	323	165
Cash and bank balances	14	13,397	8,274
		20,025	14,606
<i>Financial assets at fair value through other comprehensive income</i>			
Unquoted equity investments	11	4,208	2,748
<i>Financial liabilities at amortised cost</i>			
Trade and other payables	18	813	635
Loans and borrowings	17	1,520	2,000
Lease liabilities	10	48	108
		2,381	2,743
<i>Company</i>			
	Note	2023 \$'000	2022 \$'000
<i>Financial assets at fair value through profit or loss</i>			
Quoted equity investments	11	-	138
Quoted debt investments	11	498	3,190
		498	3,328
<i>Financial assets at amortised cost</i>			
Amount due from subsidiaries	12	49,644	54,808
Trade and other receivables	13	115	48
Cash and bank balances	14	11,579	7,137
		61,338	61,993
<i>Financial liabilities at amortised cost</i>			
Trade and other payables	18	313	204
Loans and borrowings	17	1,520	2,000
Lease liabilities	10	48	108
		1,881	2,312

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

23. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS *(CONTINUED)*

Market risk

Market risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

Equity and debt price risk

The Group is exposed to equity and debt price risk arising from its investment in quoted investment securities. These investment securities are quoted on the SGX-ST in Singapore and are classified as held for trading financial assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Sensitivity analysis for equity and debt price risk

At the end of the financial year, if the price of the shares held had been 2% (2022: 2%) higher/lower with all other variables held constant, the Group's loss before tax would have been \$10,000 (2022: \$67,000) lower/higher, arising as a result of lower/higher fair value losses on quoted investment securities.

Currency risk

Risk management policy

The Group is exposed to currency risk on sales, purchases and cash holdings that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies in which these transactions primarily are denominated are the Korean won ("KRW").

There is no formal hedging policy with respect to foreign exchange exposures. Exposures to currency risk are monitored on an ongoing basis and the Group endeavours to keep the net exposures at an acceptable level, by buying or selling foreign currencies at forward rates when necessary to address short-term imbalances.

The Group's and Company's monetary assets and monetary liabilities exposures to currency risk arise primarily from its bank balances and exposures are insignificant.

24. CAPITAL MANAGEMENT

In managing the capital of the Group, the Board aims to maintain a capital structure which balances the need to maximise the rate of return on capital and at the same time safeguard the Group's ability to continue as a going concern in the long term, maintain investors, creditors and market confidence, and sustain future development of the business.

The Group defines capital as share capital and reserves.

The Group manages the level of capital in proportion to risk and future business development requirements while balancing the need to maximise the return on capital. The Group does not stipulate the desired level of capital. It monitors and manages its capital structure on an ongoing basis and makes adjustments to it in light of changes in economic conditions, risk characteristics of the underlying assets and performance of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2023

24. CAPITAL MANAGEMENT *(CONTINUED)*

As part of the capital management process, the Group may adjust its level of dividends, issue new shares and/or return capital to shareholders, where appropriate. The Board takes into consideration the cash position and business and capital requirements of the Group when determining the level of dividends to pay shareholders. From time to time, the Company may also purchase its own shares from the market or off-market; the timing of these purchases depends on market conditions and prices.

There was no change to the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to any externally imposed capital requirement.

25. CONTINGENT LIABILITIES

Guarantee

The Company has guaranteed its subsidiary's share of contingent liabilities, amounting to \$4,886,000 (KRW4,734,750,000 equivalent) (2022: \$5,021,000 (KRW4,734,750,000 equivalent)) which had been incurred jointly with the investors by the trustee of Korea Investment Private Placement Business Hotel REIT No. AI861. The contingent liabilities pertain to a bank loan undertaken to finance the acquisition of TLME (Note 11).

STATISTICS OF SHAREHOLDINGS

AS AT 26 OCTOBER 2023

NO. OF ISSUED SHARES (INCLUDING TREASURY SHARES)	: 240,457,512
NUMBER/PERCENTAGE OF TREASURY SHARES HELD	: 829,600 (0.35%)
NUMBER/PERCENTAGE OF SUBSIDIARY HOLDINGS HELD	: NIL
NUMBER OF SHARES IN ISSUE (EXCLUDING TREASURY SHARES)	: 239,627,912
CLASS OF SHARES	: ORDINARY SHARES
NUMBER OF SHAREHOLDERS (EXCLUDING SHARES HELD IN TREASURY)	: 4,895
VOTING RIGHTS	: ON A POLL 1 VOTE FOR EACH SHARE HELD The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	195	3.98	9,059	0.00
100 – 1,000	1,477	30.17	1,067,441	0.45
1,001 – 10,000	2,437	49.79	9,898,529	4.13
10,001 – 1,000,000	781	15.96	31,646,759	13.21
1,000,001 & ABOVE	5	0.10	197,006,124	82.21
TOTAL	4,895	100.00	239,627,912	100.00

TOP TWENTY SHAREHOLDERS AS AT 26 OCTOBER 2023	NO. OF SHARES	%
1 ANG KONG MENG	183,009,816	76.37
2 CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	5,743,739	2.40
3 MS VENTURE PTE LTD	4,454,000	1.86
4 DBS NOMINEES PTE LTD	2,612,499	1.09
5 UNITED OVERSEAS BANK NOMINEES PTE LTD	1,186,070	0.49
6 PHILLIP SECURITIES PTE LTD	864,624	0.36
7 KUAN BON HENG	780,999	0.33
8 UOB KAY HIAN PTE LTD	746,532	0.31
9 OCBC NOMINEES SINGAPORE PTE LTD	738,300	0.31
10 CITIBANK NOMINEES SINGAPORE PTE LTD	703,664	0.29
11 YEO AH MOEY	666,666	0.28
12 YAP KOK WA	306,666	0.13
13 WONG CHOO HIN	300,500	0.13
14 MAH HWEE LUAN	233,333	0.10
15 KOH CHENG HAU	228,333	0.10
16 JUAY SZE SIN	227,400	0.09
17 RAFFLES NOMINEES (PTE) LIMITED	210,677	0.09
18 TEO SOON KUAN	203,333	0.08
19 SZE SEE YEE OR ANG SEOK MOEY	200,033	0.08
20 YIT TENG YUET	200,000	0.08
TOTAL:	203,617,184	84.97

STATISTICS OF SHAREHOLDINGS

AS AT 26 OCTOBER 2023

Substantial Shareholders	Direct No. of shares	%⁽¹⁾	Deemed No. of shares	%⁽¹⁾
Ang Kong Meng ⁽²⁾	183,009,816	76.372	-	-

Notes:

- (1) Based on the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of 239,627,912 shares.
- (2) Mr. Ang Kong Meng holds 55,535,469 warrants of the Company, with each warrant carrying the right to subscribe for one new Share.

Shareholdings in the hands of public

The percentage of shareholdings in the hands of the public is approximately 23.6%. Hence, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited which states that an issuer must ensure that at least 10% of its listed securities is at all times held by the public.

STATISTICS OF WARRANTHOLDINGS

AS AT 26 OCTOBER 2023

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 – 99	4	0.95	130	0.00
100 – 1,000	84	20.00	65,679	0.07
1,001 – 10,000	207	49.29	983,073	1.11
10,001 – 1,000,000	120	28.57	6,717,898	7.55
1,000,001 & ABOVE	5	1.19	81,217,574	91.27
TOTAL	420	100.00	88,984,354	100.00

TOP TWENTY WARRANTHOLDERS AS AT 26 OCTOBER 2023	NO. OF WARRANTS	%
1 ANG KONG MENG	55,535,469	62.41
2 CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	21,371,330	24.02
3 PHILLIP SECURITIES PTE LTD	1,687,875	1.90
4 JUAY SZE SIN	1,612,900	1.81
5 LIM KOK KHENG	1,010,000	1.14
6 UOB KAY HIAN PTE LTD	735,000	0.83
7 DBS NOMINEES PTE LTD	562,168	0.63
8 WU CHUNG SHOU	397,400	0.45
9 KUAN BON HENG	390,500	0.44
10 YEO AH MOEY	333,333	0.37
11 LIM AND TAN SECURITIES PTE LTD	236,800	0.27
12 LIM PENG HUAT	202,000	0.23
13 WONG CHOO HIN	152,500	0.17
14 SOH KOK HANG	145,000	0.16
15 TAN POH BENG	133,334	0.15
16 KOH MUI KENG	108,332	0.12
17 YIT TENG YUET	100,000	0.11
18 NG BOON NGUAN	100,000	0.11
19 TAN KOK KANG	90,000	0.10
20 DIANA SNG SIEW KHIM	88,800	0.10
TOTAL:	84,992,741	95.52

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“**AGM**” or the “**Meeting**”) of the Company will be held at Metropolitan YMCA, 60 Stevens Road, Singapore 257854 on **Wednesday, 22 November 2023 at 3.00 p.m.** for the purpose of transacting the following businesses:

ORDINARY BUSINESS

- | | |
|--|---------------------|
| 1. To receive and adopt the directors’ statement and the audited financial statements for the financial year ended 31 July 2023, together with the auditor’s report thereon. | Resolution 1 |
| 2. To approve the payment of additional Directors’ Fees of S\$4,000 for the financial year ended 31 July 2023 (previous approved amount S\$146,000). | Resolution 2 |
| 3. To approve the payment of Directors’ Fees of S\$156,000 for the financial year ending 31 July 2024, payable quarterly in arrears. | Resolution 3 |
| 4. To re-elect Mr Ang Kong Meng who is retiring pursuant to Regulation 105 of the Company’s Constitution.

<i>(See Explanatory Note 1)</i> | Resolution 4 |
| 5. To re-elect Mr Hor Siew Fu who is retiring pursuant to Regulation 105 of the Company’s Constitution.

<i>(See Explanatory Note 2)</i> | Resolution 5 |
| 6. To re-elect Ms Yap Ming Choo who is retiring pursuant to Regulation 105 of the Company’s Constitution.

<i>(See Explanatory Note 3)</i> | Resolution 6 |
| 7. To re-elect Mr Yuen Pei Lur, Perry who is retiring pursuant to Regulation 105 of the Company’s Constitution.

<i>(See Explanatory Note 4)</i> | Resolution 7 |
| 8. To re-appoint Messrs Mazars LLP as the Auditors of the Company and to authorise the directors to fix their remuneration. | Resolution 8 |
| 9. To transact any other ordinary business which may be properly transacted at an AGM. | |

SPECIAL BUSINESS

To consider and, if thought fit, to approve the following Ordinary Resolutions, with or without modifications:

- | | |
|--|---------------------|
| 10. Authority to allot and issue shares | Resolution 9 |
| That pursuant to Section 161 of the Companies Act 1967 (the “ Companies Act ”) and Rule 806 of the Listing Manual of the Singapore Exchange Securities Limited (“ SGX-ST ”), authority be and is hereby given to the directors of the Company (the “ Share Issue Mandate ”) to: | |
| (A) (I) issue shares in the capital of the Company (“ Shares ”) whether by way of rights, bonus or otherwise; and/or | |

NOTICE OF ANNUAL GENERAL MEETING

- (II) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities or other Instruments convertible into Shares; and/or
 - (III) notwithstanding that such authority conferred by this resolution may have ceased to be in force at the time the Instruments are to be issued, issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues, at any time and upon such terms and conditions and for such purposes and to such persons as the directors of the Company may in their absolute discretion deem fit; and
- (B) issue shares in pursuance of any Instrument made or granted by the directors of the Company pursuant to (A)(II) and/or (A)(III) above, notwithstanding that the authority conferred by this resolution may have ceased to be in force at the time the Shares are to be issued,

provided that:

- (I) the aggregate number of shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (II) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (II) below);
- (II) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (I) above, the percentage of total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the time of the passing of this resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting as at the time of the passing of this resolution, provided the options or awards were granted in compliance with the provisions of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

- (III) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company as amended from time to time; and
- (IV) the authority conferred on the directors of the Company pursuant to this resolution may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:
 - (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
 - (b) in the case of shares issued in pursuance of the Instruments, made or granted pursuant to this resolution, until the issuance of such shares in accordance with the terms of the Instruments; or
 - (c) the date on which the authority conferred in this resolution is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting.

(See Explanatory Note 5)

11. Proposed Renewal of Share Purchase Mandate

Resolution 10

That:

- (A) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (I) on-market purchases (each a "**Market Purchase**") transacted through the SGX-ST trading system or on another stock exchange on which the Company's equity securities are listed; and/or
 - (II) off-market purchases (each an "**Off-Market Purchase**") in accordance with an equal access scheme as defined in Section 76C of the Companies Act,
 and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");
- (B) the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:
 - (I) the conclusion of the next annual general meeting of the Company or the date on which such annual general meeting of the Company is required by law to be held;

NOTICE OF ANNUAL GENERAL MEETING

- (II) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or
 - (III) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting;
- (C) in this resolution:
- “Prescribed Limit”** means ten percent (10%) of the issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company as at the date of the passing of this resolution; and **“Maximum Price”** in relation to a Share to be purchased, means an amount (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:
- (I) in the case of a Market Purchase: 105% of the Average Closing Price; and
 - (II) in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price,
- where:
- “Average Closing Price”** means the average of the closing market prices of a Share over the last five (5) Market Days (being days on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) day period;
- “Highest Last Dealt Price”** means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and
- “day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and
- (D) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.

(See Explanatory Note 6)

NOTICE OF ANNUAL GENERAL MEETING

12. **Authority to allot and issue shares under the Datapulse Technology Limited Employee Share Option Scheme (the “ESOS”)** **Resolution 11**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options in accordance with the provisions of the ESOS rules and to allot and issue or deliver from time to time such number of new shares required pursuant to the exercise of the options under the ESOS (provided that the aggregate number of new shares available pursuant to the ESOS, the PSP (as defined below) and any other share-based incentives schemes or share plans of the Company (if any), shall not exceed 15% of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

(See Explanatory Note 7)

13. **Authority to allot and issue shares under the Datapulse Technology Limited Performance Share Plan (the “PSP”)** **Resolution 12**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be and are authorised to offer and grant awards in accordance with the PSP rules and to allot and issue or deliver from time to time such number of new shares required pursuant to the vesting of the awards under the PSP (provided that the aggregate number of new shares available pursuant to the PSP, the ESOS and any other share-based incentive schemes or share plans of the Company (if any), shall not exceed 15% of the total number of issued shares of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

(See Explanatory Note 8)

By Order of the Board

Yeo Sock Koon, Maggie
Company Secretary
Singapore
7 November 2023

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

1. Ordinary Resolution 4 – Mr Ang Kong Meng will, upon re-election as a Director of the Company, remain as the Chairman of the Board and a member of the Nominating and Remuneration Committees. Detailed information on Mr Ang Kong Meng can be found on page 56 of the annual report. Save as disclosed therein, there are no other relationships (including immediate family relationships) between Mr Ang Kong Meng and the other Directors of the Company, the Company or its substantial shareholders.
2. Ordinary Resolution 5 – Mr Hor Siew Fu will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. Detailed information on Mr Hor Siew Fu can be found on page 56 of the annual report. Mr Hor Siew Fu is considered by the Board to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. There are no relationships (including immediate family relationships) between Mr Hor Siew Fu and the other Directors of the Company, the Company or its substantial shareholders.
3. Ordinary Resolution 6 – Ms Yap Ming Choo will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee and a member of Audit and Remuneration Committees. Detailed information on Ms Yap Ming Choo can be found on page 63 of the annual report. Ms Yap Ming Choo is considered by the Board to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. There are no relationships (including immediate family relationships) between Ms Yap Ming Choo and the other Directors of the Company, the Company or its substantial shareholders.
4. Ordinary Resolution 7 – Mr Yuen Pei Lur, Perry will, upon re-election as a Director of the Company, remain as the Chairman of the Remuneration Committee and a member of Audit and Nominating Committees. Detailed information on Mr Yuen Pei Lur, Perry can be found on page 63 of the annual report. Mr Yuen Pei Lur, Perry is considered by the Board to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. There are no relationships (including immediate family relationships) between Mr Yuen Pei Lur, Perry and the other Directors of the Company, the Company or its substantial shareholders.
5. Ordinary Resolution 9 proposed, if passed, will empower the directors of the Company to, from the date of the above annual general meeting until the next annual general meeting or the date by which the next annual general meeting is required by law to be held, or when revoked by the Company in general meeting, or the expiration of such other period as may be prescribed by the Companies Act 1967, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest, allot and issue Shares, to make or grant Instruments, and to issue Shares in pursuance of such Instruments for such purposes as they consider in the interests of the Company. The aggregate number of Shares that the Directors may allot and issue under this Resolution (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of Shares to be issued other than on a pro rata basis shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution), to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for: (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time the proposed Resolution is passed; and (c) any subsequent bonus issue, consolidation or subdivision of Shares.
6. Ordinary Resolution 10 proposed, if passed, will empower the Company to purchase or otherwise acquire issued Shares by way of Market Purchases or Off-Market Purchases, in accordance with the terms and conditions set out in the Addendum.

Please refer to the Addendum for additional information in relation to the proposed renewal of the Share Purchase Mandate.
7. Ordinary Resolution 11 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards in accordance with the provisions of the ESOS.
8. Ordinary Resolution 12 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards in accordance with the provisions of the PSP.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A printed copy of this notice of AGM (the “**Notice**”) will be sent to the members. Printed copy of the Company’s annual report (“**AR**”) will not be sent to members, instead, it will be sent to members by electronic means via publication on the Company’s website at the URL <http://www.datapulse.com.sg/> and made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. Members have the right to elect whether to receive the AR in physical copy by completing the Request Form sent together with the Notice. Please refer to and read the instructions set out in the Request Form carefully.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - (a) if sent personally or by post, be lodged at the office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted by email, be received by the Company’s Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.comin either case, by 3:00 p.m. on 19 November 2023, being not less than seventy-two (72) hours before the time appointed for holding the Meeting (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

Members are strongly encouraged to submit Proxy Form electronically via email.

4. For investors who hold shares through relevant intermediaries, including CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (ie. by 3.00 p.m. on 10 November 2023). CPF investors and/or SRS investors are requested to contact their respective CPF and/or SRS Operators for any queries they may have with regard to the appointment of the Chairman of the Meeting as proxy for the AGM.
5. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.
6. Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
7. A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at this Meeting, but each proxy must be appointed to exercise the rights attached to a different share held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
8. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
9. A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.
10. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the AGM.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT INFORMATION

1. Attendance

The AGM is being convened and will be held physically ("**Physical Meeting**").

2. Voting

Voting on the resolutions tabled at the AGM will be by poll in accordance with the Constitution of the Company.

3. Submission of Questions in Advance

Members may submit their questions in relation to the resolutions of the AGM by:

(a) Email to ir@datapulse.com.sg; or

(b) post to the Company's registered office at 10 Anson Road, #13-10 International Plaza, Singapore 079903.

When submitting questions by post or via email, members should also provide the following details: (i) the member's full name; (ii) the member's email address; and (iii) the manner in which the member holds shares in the Company (e.g., via CDP, CPF/SRS and/or physical scrip), for verification purposes.

All questions must be submitted by 3.00 p.m. on 15 November 2023 ("**Cut-Off Time**").

The Company will endeavour to address all substantial and relevant questions received from members by the Cut-Off Time and publish its response on the SGXNet at URL <https://www.sgx.com/securities/company-announcements> and at the Company's website at URL <http://www.datapulse.com.sg/> not later than 3.00 p.m. on 17 November 2023. Where substantial and relevant questions are unable to be answered prior to the AGM, the Company will address them at the AGM.

Verified members and proxy(ies) attending the Physical Meeting will be able to ask questions in person at the AGM venue.

The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET and the Company's website and the minutes will include the responses to the questions referred to above.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

DATAPULSE TECHNOLOGY LIMITED

(Company Registration No.: 198002677D
 (Incorporated in the Republic of Singapore))

PROXY FORM**ANNUAL GENERAL MEETING****IMPORTANT:**

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Annual General Meeting in person. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Annual General Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name), _____ (NRIC/Passport/Company Registration No.)

of _____ (Address)

being a *member/members of DATAPULSE TECHNOLOGY LIMITED (the "Company"), hereby appoint(s):

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

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or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting ("AGM" or the "Meeting") of the Company to be held at Metropolitan YMCA, 60 Stevens Road, Singapore 257854 on Wednesday, 22 November 2023 at 3.00 p.m. and at any adjournment thereof.

All Resolutions put to the vote at the AGM shall be decided by way of poll.

I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions	For	Against	Abstain
Ordinary Business				
1.	To receive and adoption the directors' statement and audited financial statements for the financial year ended 31 July 2023			
2.	To approve the payment of additional Directors' Fees of S\$4,000 for the financial year ended 31 July 2023 (previous approved amount S\$146,000)			
3.	To approve the payment of Directors' Fees of S\$156,000 for the financial year ending 31 July 2024, payable quarterly in arrears			
4.	To re-elect Mr Ang Kong Meng as a Director of the Company (the "Director")			
5.	To re-elect Mr Hor Siew Fu as a Director			
6.	To re-elect Ms Yap Ming Choo as a Director			
7.	To re-elect Mr Yuen Pei Lur, Perry as a Director			
8.	To re-appoint Mazars LLP as auditors of the Company and to authorise the directors to fix their remuneration			
Special Business				
9.	To authorise the directors to allot and issue shares			
10.	To approve the proposed renewal of share purchase mandate			
11.	To authorised the directors to allot and issue shares under the Employee Share Option Scheme.			
12.	To authorise the directors to allot and issue shares under the Performance Share Plan.			

If you wish to exercise all your votes "For" or "Against", or "Abstain", please mark an "X" in the appropriate box provided. Alternatively, please indicate the number of votes "For" or "Against", or "Abstain" each Resolution in the boxes provided as appropriate.

Dated this _____ day of _____ 2023.

Total no. of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal of Corporate Member(s)

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF



NOTES FOR PROXY FORM

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act 1967 (the "**Companies Act**") a member entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
4. Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediaries is entitled to appoint more than two proxies to attend, speak and vote at the Meeting provided that each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.
7. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - (a) if sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,
in either case, by 3.00 p.m. on 19 November 2023 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.
8. Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be for, against or abstain the Resolutions as set out in the Notice of AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the AGM.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
10. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.
11. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
12. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the AGM.

Personal data privacy:

By submitting this proxy form, the members of the Company accept and agree to the personal data privacy terms as set out in the Notice of AGM dated 7 November 2023.



DATAPULSE
TECHNOLOGY

DATAPULSE TECHNOLOGY LIMITED

Registration No. 198002677D

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#13-10 International Plaza

Singapore 079903

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Website: www.datapulse.com.sg