



DiSA Limited ("Company" and together with its subsidiaries, the "Group")  
(Company Registration No. 197501110N)

**Unaudited Financial Statements for the financial period ended 30 September 2019**

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

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**PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (1Q, 2Q & 3Q), HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Income Statement

	1st Qtr ended 30 Sep 2019 \$'000	1st Qtr ended 30 Sep 2018 \$'000	Increase/ (Decrease) %
<b>Revenue</b>			
Sales of codes	207	87	N.M.
Services rendered	10	12	(16.7)
	<u>217</u>	<u>99</u>	<u>N.M.</u>
Other income	162	89	82.0
<b>Total revenue</b>	<u>379</u>	<u>188</u>	<u>N.M.</u>
<b>Cost and expenses</b>			
Cost of services	(24)	(15)	60.0
Depreciation and amortisation expenses	(76)	(413)	(81.6)
Employee benefits expenses	(1,247)	(1,343)	(7.1)
Legal and professional expenses	(47)	(71)	(33.8)
Operating lease expenses	(124)	(122)	1.6
Other expenses	(257)	(281)	(8.5)
<b>Total cost and expenses</b>	<u>(1,775)</u>	<u>(2,245)</u>	<u>(20.9)</u>
<b>Loss before interest and tax</b>	<u>(1,396)</u>	<u>(2,057)</u>	<u>(32.1)</u>
Finance costs	(2)	(293)	(99.3)
<b>Loss before tax</b>	<u>(1,398)</u>	<u>(2,350)</u>	<u>(40.5)</u>
Income tax credit	-	59	N.M.
<b>Loss for the financial period</b>	<u>(1,398)</u>	<u>(2,291)</u>	<u>(39.0)</u>
<b>Attributable to:</b>			
Owners of the Company	(1,366)	(2,281)	(40.1)
Non-controlling interests	(32)	(10)	N.M.
	<u>(1,398)</u>	<u>(2,291)</u>	<u>(39.0)</u>

N.M. - not meaningful



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**Statement of Comprehensive Income**

	<b>1st Qtr ended 30 Sep 2019</b>	<b>1st Qtr ended 30 Sep 2018</b>	<b>Increase/ (Decrease)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Loss for the financial period</b>	(1,398)	(2,291)	(39.0)
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
- Foreign currency translation differences from consolidation of foreign subsidiaries	(6)	(2)	N.M.
<b>Other comprehensive income for the financial period</b>	(6)	(2)	N.M.
<b>Total comprehensive loss for the financial period</b>	<u>(1,404)</u>	<u>(2,293)</u>	(38.8)
<b>Attributable to:</b>			
Owners of the Company	(1,372)	(2,283)	(39.9)
Non-controlling interests	(32)	(10)	N.M.
	<u>(1,404)</u>	<u>(2,293)</u>	(38.8)

**1(a)(ii) Loss for the financial period is stated after charging/(crediting) the following:**

	<b>1st Qtr ended 30 Sep 2019</b>	<b>1st Qtr ended 30 Sep 2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expenses	2	293
Interest income	(57)	(69)
Depreciation and amortisation expenses	76	413
Employee share-based payment expense	341	139
Foreign exchange gain, net	(82)	(4)

N.M. - not meaningful



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**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**Statements of Financial Position**

	<b>Group</b>		<b>Company</b>	
	<b>As at 30 Sep 2019 \$'000</b>	<b>As at 30 Jun 2019 \$'000</b>	<b>As at 30 Sep 2019 \$'000</b>	<b>As at 30 Jun 2019 \$'000</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	833	900	443	478
Intangible assets	195	-	-	-
Subsidiaries	-	-	-	-
Other non-current assets	120	120	144	111
Financial assets, at FVOCI (equity)*	150	-	-	-
	<u>1,298</u>	<u>1,020</u>	<u>587</u>	<u>589</u>
<b>Current assets</b>				
Trade and other receivables	117	97	-	-
Other current assets	489	590	207	175
Cash and bank balances	11,765	13,025	8,166	8,709
	<u>12,371</u>	<u>13,712</u>	<u>8,373</u>	<u>8,884</u>
<b>TOTAL ASSETS</b>	<u>13,669</u>	<u>14,732</u>	<u>8,960</u>	<u>9,473</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Borrowings	29	29	29	29
Trade and other payables	1,220	1,232	116	124
Accruals	675	655	559	512
Provisions and other liabilities	534	534	-	-
	<u>2,458</u>	<u>2,450</u>	<u>704</u>	<u>665</u>
<b>Non-current liabilities</b>				
Borrowings	141	149	141	149
	<u>2,599</u>	<u>2,599</u>	<u>845</u>	<u>814</u>
<b>TOTAL LIABILITIES</b>	<u>2,599</u>	<u>2,599</u>	<u>845</u>	<u>814</u>
<b>NET ASSETS</b>	<u>11,070</u>	<u>12,133</u>	<u>8,115</u>	<u>8,659</u>
<b>EQUITY</b>				
Share capital	58,680	58,680	58,680	58,680
Reserves	4,851	4,516	4,112	3,771
Accumulated losses	(42,770)	(41,404)	(54,677)	(53,792)
<b>Equity attributable to owners of the Company</b>	<u>20,761</u>	<u>21,792</u>	<u>8,115</u>	<u>8,659</u>
<b>Non-controlling interests</b>	<u>(9,691)</u>	<u>(9,659)</u>	<u>-</u>	<u>-</u>
<b>TOTAL EQUITY</b>	<u>11,070</u>	<u>12,133</u>	<u>8,115</u>	<u>8,659</u>

\* FVOCI - Fair Value through Other Comprehensive Income

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

**Amount repayable in one year or less, or on demand**

30 September 2019 (\$'000)		30 June 2019 (\$'000)	
Secured	Unsecured	Secured	Unsecured
29	-	29	-

**Amount repayable after one year**

30 September 2019 (\$'000)		30 June 2019 (\$'000)	
Secured	Unsecured	Secured	Unsecured
141	-	149	-

**Details of collateral**

As at 30 September 2019, total borrowings included secured liabilities of \$170,000 (30 June 2019: \$178,000) for the Group. The secured liabilities are secured by the rights to motor vehicles.



DISA Limited ("Company" and together with its subsidiaries, the "Group")  
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**Unaudited Financial Statements for the financial period ended 30 September 2019**

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(c)(i) Consolidated Statement of Cash Flows

	1st Qtr ended 30 Sep 2019 \$'000	1st Qtr ended 30 Sep 2018 \$'000
<b>Cash flows from operating activities</b>		
Loss before tax	(1,398)	(2,350)
Adjustments:		
- Interest expenses	2	293
- Interest income	(57)	(69)
- Amortisation of intangible assets	9	351
- Depreciation of property, plant and equipment	67	62
- Employee share-based payments expense	341	139
- Exchange differences	(78)	(5)
Operating loss before working capital changes	(1,114)	(1,579)
- Trade and other receivables	(19)	104
- Other current assets	(48)	47
- Trade and other payables	6	(66)
Cash used in operations	(1,175)	(1,494)
Income tax paid	-	-
Net cash used in operating activities	(1,175)	(1,494)
<b>Cash flows from investing activities</b>		
Interest received	57	69
Additions to intangible assets	(205)	-
Proceeds from redemption of financial assets, at FVPL *	-	2,222
Net cash (used in)/from investing activities	(148)	2,291
<b>Cash flows from financing activities</b>		
Interest paid	(2)	(234)
Repayment of finance lease	(7)	(4)
Net cash used in financing activities	(9)	(238)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(1,332)	558
<b>Cash and cash equivalents at beginning of the financial period</b>	12,975	30,544
<b>Effects of exchange rate changes on cash and cash equivalents</b>	72	1
<b>Cash and cash equivalents at end of the financial period (Note A)</b>	<b>11,715</b>	<b>31,103</b>

\* FVPL - Fair Value through Profit or Loss



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**1(c)(ii) Notes to Consolidated Statement of Cash Flows**

**Note A:**

For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	1st Qtr ended 30 Sep 2019 \$'000	1st Qtr ended 30 Sep 2018 \$'000
Cash at banks and on hand	1,371	3,103
Short-term bank deposits	10,394	28,050
Cash and bank balances per Group statement of financial position	11,765	31,153
Less: Deposits placed with banks as security	(50)	(50)
Cash and cash equivalents as presented in consolidated statement of cash flows	<b>11,715</b>	<b>31,103</b>

**1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Statements of Changes in Equity**

**Group**

	Share capital \$'000	Equity component of convertible bonds \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>FY 2020</b>									
Balance as at 1 July 2019	58,680	-	9	3,530	977	(41,404)	21,792	(9,659)	12,133
Loss for the financial period	-	-	-	-	-	(1,366)	(1,366)	(32)	(1,398)
Other comprehensive income									
- Foreign currency translation differences from foreign subsidiaries	-	-	(6)	-	-	-	(6)	-	(6)
Other comprehensive loss for the financial period	-	-	(6)	-	-	-	(6)	-	(6)
Total comprehensive loss for the financial period	-	-	(6)	-	-	(1,366)	(1,372)	(32)	(1,404)
Transactions with owners, recorded directly in equity									
Employee share-based payment expenses	-	-	-	341	-	-	341	-	341
Total transactions with owners, recorded directly in equity	-	-	-	341	-	-	341	-	341
Balance as at 30 September 2019	<b>58,680</b>	<b>-</b>	<b>3</b>	<b>3,871</b>	<b>977</b>	<b>(42,770)</b>	<b>20,761</b>	<b>(9,691)</b>	<b>11,070</b>



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**Group**

	Share capital \$'000	Equity component of convertible bonds \$'000	Foreign currency translation reserve \$'000	Share option reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	<b>Total \$'000</b>	Non-controlling interests \$'000	<b>Total equity \$'000</b>
<b>FY 2019</b>									
Balance as at 1 July 2018	58,680	82	9	1,830	895	(24,442)	<b>37,054</b>	(9,800)	<b>27,254</b>
Loss for the financial period	-	-	-	-	-	(2,281)	<b>(2,281)</b>	(10)	<b>(2,291)</b>
Other comprehensive income									
- Foreign currency translation differences from foreign subsidiaries	-	-	(2)	-	-	-	<b>(2)</b>	-	<b>(2)</b>
Other comprehensive loss for the financial period	-	-	(2)	-	-	-	<b>(2)</b>	-	<b>(2)</b>
Total comprehensive loss for the financial period	-	-	(2)	-	-	(2,281)	<b>(2,283)</b>	(10)	<b>(2,293)</b>
Transactions with owners, recorded directly in equity									
Employee share-based payment expenses	-	-	-	139	-	-	<b>139</b>	-	<b>139</b>
Total transactions with owners, recorded directly in equity	-	-	-	139	-	-	<b>139</b>	-	<b>139</b>
Balance as at 30 September 2018	<b>58,680</b>	<b>82</b>	<b>7</b>	<b>1,969</b>	<b>895</b>	<b>(26,723)</b>	<b>34,910</b>	<b>(9,810)</b>	<b>25,100</b>

**Company**

	Share capital \$'000	Equity component of convertible bonds \$'000	Share option reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	<b>Total equity \$'000</b>
<b>FY 2020</b>						
Balance as at 1 July 2019	58,680	-	3,530	241	(53,792)	<b>8,659</b>
Loss for the financial period	-	-	-	-	(885)	<b>(885)</b>
Total comprehensive loss for the financial period	-	-	-	-	(885)	<b>(885)</b>
Transactions with owners, recorded directly in equity						
Employee share-based payment expenses	-	-	341	-	-	<b>341</b>
Total transactions with owners, recorded directly in equity	-	-	341	-	-	<b>341</b>
Balance as at 30 September 2019	<b>58,680</b>	<b>-</b>	<b>3,871</b>	<b>241</b>	<b>(54,677)</b>	<b>8,115</b>
<b>FY 2019</b>						
Balance as at 1 July 2018	58,680	82	1,830	159	(37,025)	<b>23,726</b>
Loss for the financial period	-	-	-	-	(956)	<b>(956)</b>
Total comprehensive loss for the financial period	-	-	-	-	(956)	<b>(956)</b>
Transactions with owners, recorded directly in equity						
Employee share-based payment expenses	-	-	139	-	-	<b>139</b>
Total transactions with owners, recorded directly in equity	-	-	139	-	-	<b>139</b>
Balance as at 30 September 2018	<b>58,680</b>	<b>82</b>	<b>1,969</b>	<b>159</b>	<b>(37,981)</b>	<b>22,909</b>



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**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**A) Changes in share capital during the financial period**

There were no changes to the Company's issued and paid up share capital during the three months ended 30 September 2019.

**B) Share options - DISA Employee Share Option Scheme 2010 ("ESOS")**

As at beginning of the period  
Add: Share options granted  
Less: Share options forfeited  
As at end of the period

<u>1Q FY2020</u>	<u>1Q FY2019</u>
764,500,000	272,000,000
16,000,000	64,000,000
(49,000,000)	(24,000,000)
<u>731,500,000</u>	<u>312,000,000</u>

**C) Convertibles**

As at 30 September 2019, there were no outstanding convertibles (30 September 2018 : 1,213,636,362).

Saved as disclosed, there were no other outstanding convertibles, treasury shares and subsidiary holdings as at 30 September 2019 and 30 September 2018.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Total number of ordinary issued shares excluding treasury shares of the Company

<u>30 Sep 2019</u>	<u>30 Jun 2019</u>
<u>10,038,683,403</u>	<u>10,038,683,403</u>

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company does not have any treasury shares as at 30 September 2019 and 30 September 2018.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

The Company does not have any subsidiary holdings as at 30 September 2019 and 30 September 2018.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

The figures have not been audited or reviewed by our auditors.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed under paragraph 5 below, the Group has applied the same accounting policies and methods of computation for the current financial year compared with the audited financial statements for the financial year ended 30 June 2019.



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5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new/revised Singapore Financial Reporting Standards (International) SFRS (I) that are effective for annual periods beginning on or before 1 July 2019. The adoption of these new/revised SFRS(I) did not result in any change to the Group's accounting policies or any significant impact on the financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

**Earnings per ordinary share (cents per share)**

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis

- Weighted average number of ordinary shares in issue

- Adjusted weighted average number of ordinary shares in issue for diluted earnings per share

Group	
1st Qtr ended 30 Sep 2019	1st Qtr ended 30 Sep 2018
(0.01)	(0.02)
(0.01)	(0.02)
10,038,683,403	10,038,683,403
10,038,683,403	10,040,183,403

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-  
(a) current financial period reported on; and (b) immediately preceding financial year.

Group		Company	
As at 30 Sep 2019	As at 30 Jun 2019	As at 30 Sep 2019	As at 30 Jun 2019
0.21	0.22	0.08	0.09

Net asset value per ordinary share (Cents)

The net asset value per ordinary share attributable to owners of the Company is computed based on 10,038,683,403 issued shares (excluding treasury shares) as at 30 September 2019 (30 June 2019: 10,038,683,403).





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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**(A) Income Statement (First Quarter Ended 30 September 2019 ("1Q FY2020") versus First Quarter Ended 30 September 2018 ("1Q FY2019"))**

**i) Revenue**

The Group's technology segment recorded an increase of \$120,000 or 137.9% from \$87,000 in 1Q FY2019 to \$207,000 in 1Q FY2020, due to a record number of codes sold in 1Q FY2020. Our codes are embedded in an increasing range of products that our customers sell.

**Table A**

Technology  
Energy Management Services

1st Qtr ended 30 Sep 2019 \$'000	% to total revenue	1st Qtr ended 30 Sep 2018 \$'000	% to total revenue
207	95.4%	87	87.9%
10	4.6%	12	12.1%
217	100.0%	99	100.0%

**ii) Other income**

Other income increased by \$73,000 or 82.0% from \$89,000 in 1Q FY2019 to \$162,000 in 1Q FY2020. This was mainly attributable to unrealised foreign exchange gain resulting from the appreciation of the Group's USD interest bearing deposits against SGD during the quarter. The increase was partially offset by a decrease in fixed deposits interest income as the Group placed less cash in fixed deposits compared to the previous quarter.

**iii) Cost and expenses**

Total cost and expenses for 1Q FY2020 amounted to \$1,775,000 which was 20.9% lower compared to 1Q FY2019. Depreciation and amortisation expenses decreased by \$337,000 or 81.6% from \$413,000 in 1Q FY2019 to \$76,000 in 1Q FY2020 mainly due to lesser amortisation for this quarter. Legal and professional expenses decreased by \$24,000 or 33.8% as there was no spending on lawsuits in 1Q FY2020, but was partially offset by additional spending on professional advisory and public relationship consultancy.

With the repayment of RCB on 23 December 2018, the Group has minimum finance liabilities, and incurred \$2,000 in 1Q FY2020 for finance leases. Finance costs decreased by \$291,000 or 99.3% from \$293,000 in 1Q FY2019 to \$2,000 in 1Q FY2020.

There was no income tax credit in 1Q FY2020 due to the full reversal of deferred tax liabilities as a result of the impairment of intangible assets in FY2019.

Due to the reasons stated above, the net loss attributable to shareholders decreased from \$2,281,000 1Q FY2019 to \$1,366,000 in 1Q FY2020.

**(B) Statements of Financial Position**

Total assets of the Group decreased by \$1,063,000 or 7.2% from \$14,732,000 as at 30 June 2019 to \$13,669,000 as at 30 September 2019, and were mainly due to the following:

- i) Decrease in property, plant and equipment of \$67,000 due to depreciation charges in the quarter.
- ii) Decrease in cash and bank balances of \$1,260,000 over the quarter. Refer to explanation in "8(C) Cash Flows" below.

The decrease in fixed assets and cash and bank balances were partially offset by an addition in intangible assets of \$195,000 as a result of the capitalisation of development cost for the enhancement of the Group's core technology and the transfer of its \$150,000 investment in SCash Technologies Pte Ltd ("SCash") from deposit to financial assets at FVOCI (equity) during the quarter.

Total liabilities of the Group remain unchanged as at 30 September 2019 and 30 June 2019, mainly due to a decrease in trade and other payables and borrowings, but offset by an increase in accruals.



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**(C) Cash Flows**

**i) 1Q FY2020**

Net cash used in operating activities amounted to \$1,175,000 in 1Q FY2020. Net operating cash outflow before working capital changes of \$1,114,000 was mainly due to the loss before income tax for the financial period before adjusting for net working capital outflow of \$61,000. The net working capital outflow was mainly due to an increase in trade and other receivables and other current assets of \$19,000 and \$48,000 respectively, but partially offset by an increase in trade and other payables of \$6,000.

Net cash used in investing activities of \$148,000 was mainly due to an addition to intangible assets of \$205,000, but partially offset by receipt of \$57,000 interest.

Net cash used in financing activities for 1Q FY2020 amounted to \$9,000 and was due to the payment of interest and repayment of finance lease.

Due to the reasons stated above, the Group recorded a net decrease in cash and cash equivalents of \$1,332,000 in 1Q FY2020.

The Group ended 1Q FY2020 with minimum financial obligation and cash and cash equivalents of \$11,765,000, which includes \$50,000 in pledged deposits.

**(D) Use of Proceeds**

**i) Warrants**

The Company raised an aggregate of \$25.5 million from the exercise of warrant pursuant to the issue of warrants in 2015. The rights to subscribe for new ordinary shares in the capital of the Company by way of exercise of the warrants had expired on 2 August 2017. The status of the proceeds is as follow:

	<b>Warrants Exercise \$'000</b>
Net proceeds raised	25,497
Less: Utilisations	
- Business expansion <sup>(Note A)</sup>	(10,144)
- Working capital expenditures <sup>(Note B)</sup>	(10,501)
- Repayment of loan <sup>(Note C)</sup>	(1,173)
Balance as at 30 September 2019	<u>3,679</u>

**Note A:** Additional investment in Disa Digital Safety Pte. Ltd.

**Note B:** Working capital expenditures consisted of non-trade payments, purchase of fixed assets, redeemable convertible bonds' interest, staff salaries and related expenses.

**Note C:** Repayment of loans including accrued interest for working capital purposes.

**ii) Convertible bonds**

On 27 December 2016, the Company entered into a RCB agreement with the Investors pursuant to which, the Investors agreed to subscribe for an aggregate subscription amount of \$12 million pursuant to the terms of the RCB agreement. As at 30 September 2019, RCB were fully repaid with interest.

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

No forecast or prospect statement was disclosed to shareholders previously. The Company released the number of codes sold for 1Q FY2020 on 30 October 2019.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period**

The number of codes sold for 1Q FY2020 was 1,599,578, which was an increase of 14.7% from 1,394,727 codes sold in 4Q FY2019. Whereas, the number of stock keeping unit ("SKU") reached 260 as of 29 October 2019, which was an increase of 26 SKUs or 11.1% and 78 SKUs or 42.9% from 30 September 2019 and 30 June 2019 respectively.

Technology segment continues to drive the Group's revenue as evidenced by the increase in 1Q FY2020 revenue. This is another notable achievement with the continuing US-China trade tensions that have dampened consumer sentiment. The slowdown in market demand prevented companies from stocking up and held back aggressive development and expansions. The Group is mindful and will try our best to navigate the external environment, which is not within our control while controlling our operating cost.

The success of our technology segment is based on our strategy of gaining retailers as our partners together with their suppliers (which are essentially our customers) as well as with their products in United States adopting our asset protection technologies. The Group has evolved PoSA solution into a service (PaaS) and continued to enhance our technology, our services and work hard to gain new customers.

The Group is also seeking opportunities in the supply chain either through requests and requirements from our business partners and customers or the Group's own initiatives with the objective of selling more codes. The Company will continue to leverage on our intellectual properties to expand the range of application for more industries such as the cyber theft warranty for the telco industry, cargo insurance, etc.

Barring unforeseen circumstances and the prolonged trade dispute, we expect our momentum to continue.



DISA Limited ("Company" and together with its subsidiaries, the "Group")  
(Company Registration No. 197501110N)

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**Unaudited Financial Statements for the financial period ended 30 September 2019**

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**11. Dividend**

**(a) Current financial period reported on.**

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

**(b) Corresponding period of the immediately preceding financial year.**

Any dividend declared for the corresponding period of the immediately preceding financial year?  
None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been recommended for 1Q FY2020 in view that the Company was loss making and the Board will re-assess the Company's dividend policy as part of its capital allocation decision when it is profitable.

**13. If the group has obtained a general mandate from shareholder for interested person transactions ("IPT"), the aggregate value of such transactions are required under Rule 920 (1)(a)(ii) of the Catalist Rules. If no IPT mandate has**

The Company has not obtained a general mandate from shareholders for IPTs.

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

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

**BY ORDER OF THE BOARD**

**CHNG WENG WAH**  
Managing Director/Chief Executive Officer

8 November 2019

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**NEGATIVE ASSURANCE CONFIRMATION PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST**

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 30 September 2019 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

**CHNG WENG WAH**  
Managing Director/Chief Executive Officer

8 November 2019

**LAU KAY HENG**  
Non-Executive and Independent Director