DIGILIFE

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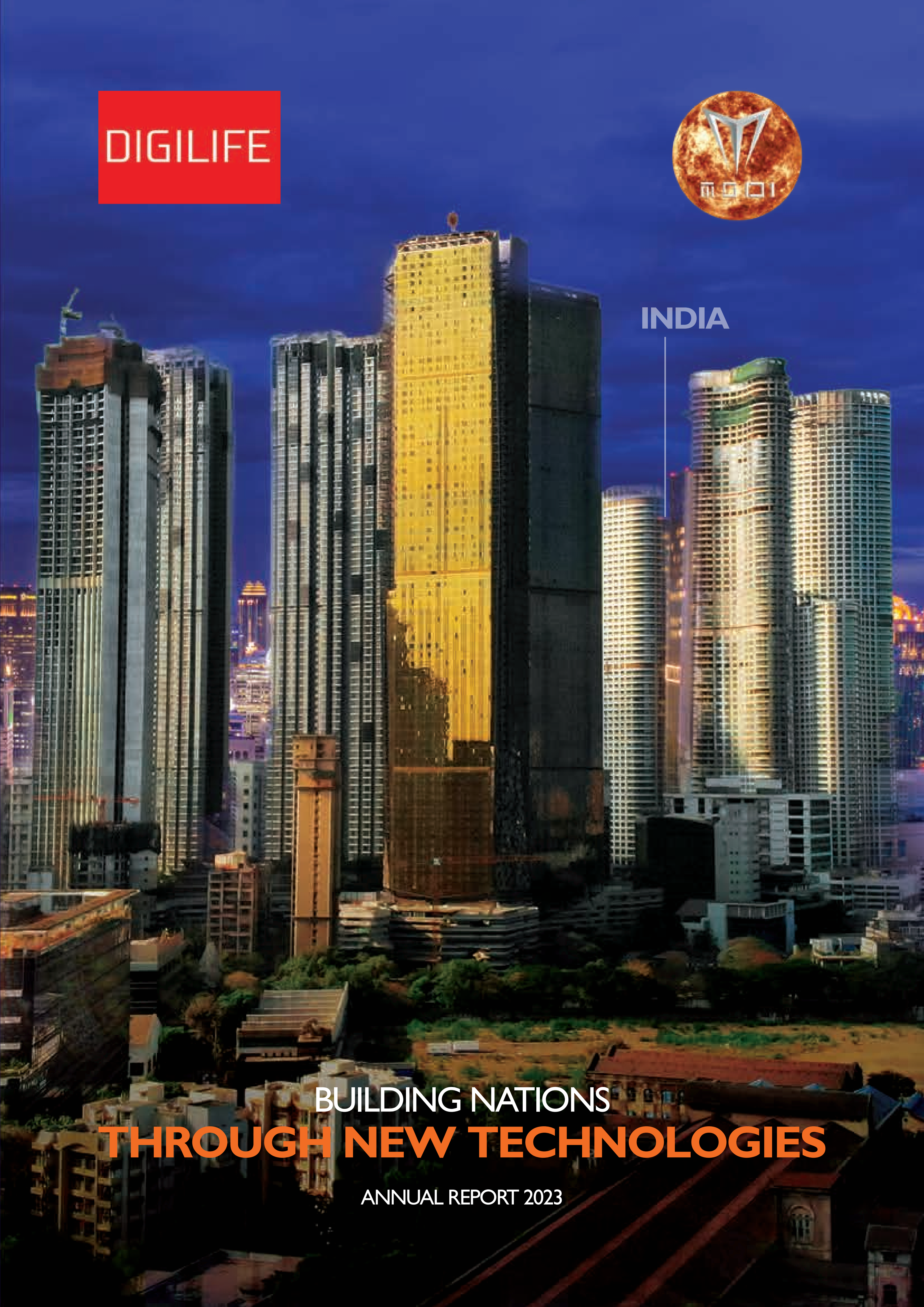


BUILDING NATIONS THROUGH NEW TECHNOLOGIES

ANNUAL REPORT 2023

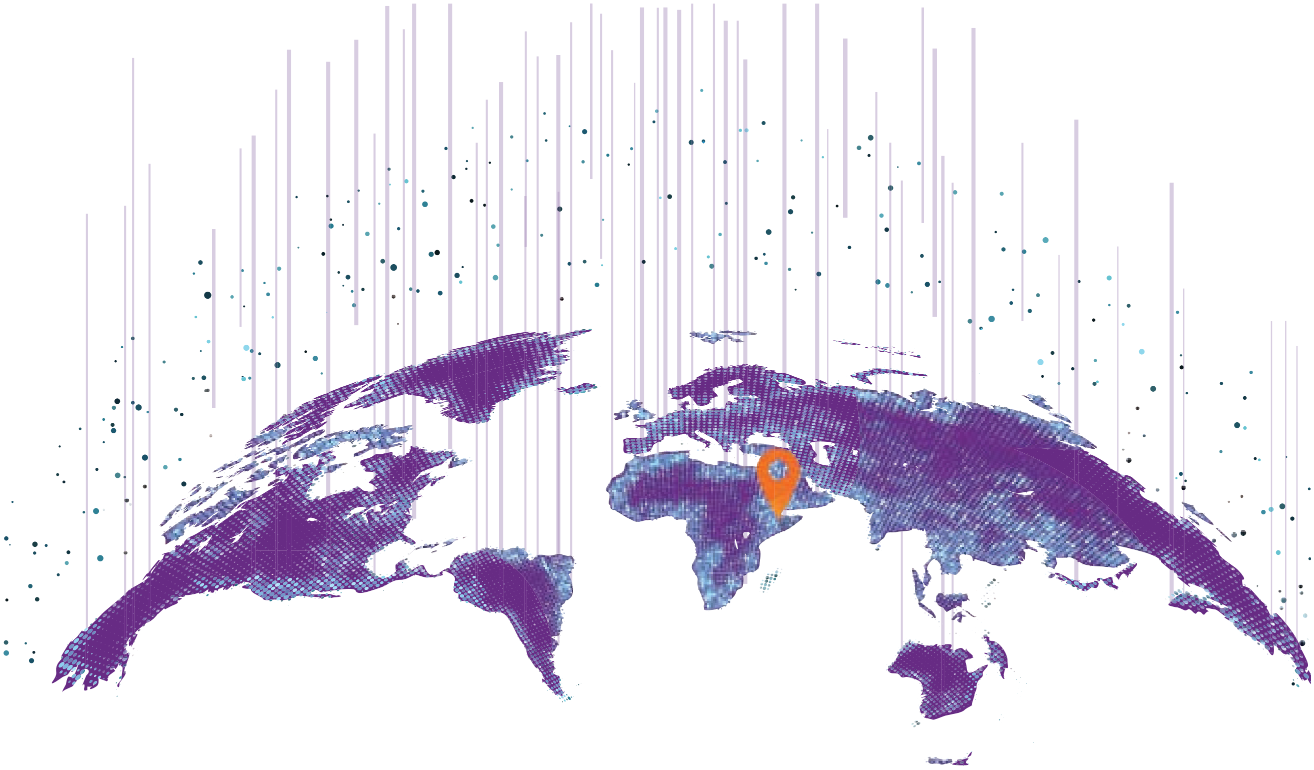
CONTENTS

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartnersCorporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

CORPORATE PROFILE



Digilife Technologies Limited (formerly known as Sevak Limited) was incorporated in Singapore on 15 July 1993. The Company moved to the Catalist exchange from the mainboard w.e.f 26 February 2021 and trades under ticker symbol (BAI).

The Company's business operations have been broadly classified into two operating segments as below:

- Telecom (this includes the distribution of telecom operator products in Indonesia)
- Technology (this includes the Information Communications and Technology (ICT) Distribution and managed services business in India

In Indonesia, the Company mainly distributes mobile prepaid cards as authorized distributors of the well- established telecom operators namely PT Telekomunikasi Selular (Telkomsel), PT Indosat ("**Airtime Business**"). The Company has a network of more than 25,000 resellers along with large number of branch offices and sub branch offices across Indonesia. The Group continues to sell multi-brand, MNC mobile devices through its retail shops in Indonesia, as this also aids in its Airtime Business. The Company is digitizing its distribution network with the aim to transform into a digital distribution company that provide solutions for multiple products through a streamlined distribution channel.

In the technology segment in India, the Company provides both hardware infrastructure and business service integration for governments and corporate clients. The Company offers integrated one stop ICT solutions ranging from consultancy to maintenance and disaster recovery services and also undertakes projects on Networking, Data Hosting, and Managed Service solutions. The Company has enhanced its focus on services driven business and key innovative offerings to improve margins.

The Company is now working to enter into new age light construction market product. The developing markets provides huge opportunity in this segment.

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

As we reflect on the past year, I am here to address our performance for the financial year 01 January 2023 to 31 December 2023 ("**FY2023**"). It is with a sense of responsibility and resolve that I present to you the Annual Report of Digilife Technologies Limited, ("**Company**" and together with its subsidiaries the "**Group**"), for FY2023 encapsulating our journey through the intricate landscape of the telecom and information technology industry.

This year saw the resignation of Dr. Bhupendra Kumar Modi as Director and Chairman of the Company. On behalf of the entire board and our employees, I extend our profound gratitude for his visionary leadership and immense contributions to the Company. During the year, our Independent Directors, Mr. Doraraj S and Mr. Tushar, retired in FY2023, as they have been with the Company for the last many years and would like to focus on other commitments. To fill in the vacant positions created due to retirement of Mr. Doraraj S and Mr. Tushar, the Company appointed new Independent Directors on our Board namely Mr. Rajesh Pahwa and Mr. Tay Wee Meng. Considering the vast experiences and the intellect of both the new Independent Directors, the Company is hopeful to receive crucial inputs which may help in the Company's success.

In financial performance parameter, for continuing operations, the Group recorded a turnover of S$217.14 million in the FY2023 as against S$174.59 million for the financial period covering nine months from 01 April 2022 to 31 December 2022 ("**FY2022**"). The Group made a profit before tax of S$1.20 million in FY2023 as against a profit before tax of S$1.13 million in FY2022.

The Group's strategic focus on cultivating profitable revenue streams has yielded tangible results, culminating in the achievement of profitability for the current fiscal year. While the legacy business environment continues to be challenging, the Company has focused to keep the costs optimized to remain profitable.

Telecom business in Indonesia was slightly down last year. The industry is competitive with margins under continuous pressure. The subsidiary of the Company has ceased to be the distributor of PT XL Axiata in Indonesia. Please refer to the announcement dated 20 February 2024.

Similarly, the Technology business in India is operating within a legacy industry, which has subjected the business to persistent margin pressures driven by intense competition. In response to this landscape, the Group is proactively exploring new avenues for growth and profitability.

Moving forward, the Group remains steadfast in its commitment to innovation and agility, continuously seeking out promising technology ventures that align with its vision for sustainable growth and profitability in an ever-evolving business environment.

As we embark on the path ahead, it is imperative that we remain vigilant and proactive in our approach. The evolving landscape of the telecommunications and information technology industries demands nothing less than our utmost diligence and ingenuity. Through prudent decision-making and prudent risk management, we are poised to overcome challenges and seize opportunities that lie on the horizon. As part of our strategic business plan, the Company will also explore, amongst others, to segregate its regional businesses existing in India and Indonesia. By leveraging local expertise and understanding unique market nuances, the Company aims to tailor the offerings to meet the diverse needs of consumers in both countries.

I extend my deepest gratitude to our shareholders, whose unwavering support and trust have been instrumental in our journey thus far. I also extend my heartfelt appreciation to our dedicated employees, whose hard work and dedication serve as the bedrock of our success.

Looking ahead, I am confident in our company's ability to weather storms, capitalize on opportunities, and emerge stronger and more resilient than ever before. Together, let us chart a course towards a future defined by innovation, sustainability, and prosperity.

Thank you

Ms. Chada Anitha Reddy
Executive Director and Chairperson
Digilife Technologies Limited

OPERATIONAL & FINANCIAL REVIEW

OPERATIONAL REVIEW

Digilife Technologies Limited ("**Digilife**", and together with its subsidiaries, collectively, the "**Group**" or "**Company**"), primarily operates in the Telecom and Technology segments.

1. Telecom – Distribution of Operator Products and Services

The Company operates in the Telecom segment in Indonesia and primarily distributes mobile prepaid cards as authorized distributors of PT Telekomunikasi Selular (Telkomsel), PT XL Axiata and PT Indosat ("**Airtime Business**"). The Company operates with a large network of branches and sub branch offices covering a network of more than 25,000 resellers. The Company is also working as an aggregator for Telkomsel to sell their products to other B2B players. In its bid to transform itself into a digital distribution company by digitizing its distribution network in Indonesia, the Company has also started an application for selling the telecom products online. These steps can help for distribution of multiple products using the distribution channel. The Company also sells multi-branded mobile devices through its retail shops in Indonesia, as this aids in its Airtime Business.

Telecom business in Indonesia was slightly down last year; there are anticipated challenges on the horizon. Margins are under pressure due to aggressive marketing tactics, sales programs, and product discounts initiated by competitors in the market and change in distribution strategies of the Telecom operators. As announced by the Company on 20 February 2024, due to the change in overall distribution strategy of one of the telecom operator in Indonesia, XL Axiata, the Company ceased to be the distributor for XL Axiata with effect from 29 February 2024. For more information, please refer to the announcement dated 20 February 2024.

2. Technology – ICT distribution and managed services

In recent years, the Company made the decision to discontinue its operations in Singapore within this particular sector due to consistent financial losses and diminishing profit margins. However, the Company maintains its presence within this segment in India, where it provides comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in Networking, Data Hosting, and Managed Services. Despite being categorized as a conventional business, the Company's operations in India remain profitable. To improve profit margins, the Company has intensified its emphasis on service-oriented initiatives and introduced innovative offerings in line with its principal's strategic vision. Additionally, the Company remains steadfast in its commitment to serving, expanding, and retaining its current client base, primarily composed of government and public sector entities.

The operations within this sector continue to show stability, yet profit margins face challenges due to intense competition. Additionally, the Indian Government's efforts to bolster small and medium-sized enterprises result in some business redirection towards emerging competitors. In response, the Group is forging fresh partnerships within the service sector, anticipating a positive revenue stream that will contribute to the overall profitability of the Group.

Moving forward, the Group remains steadfast in its commitment to innovation and agility, continuously seeking out promising technology ventures that align with its vision for sustainable growth and profitability in an ever-evolving business environment.

FINANCIAL REVIEW

FINANCIAL REVIEW

The Company changed its financial year from 31 March to 31 December, therefore the Group's performance is for the period of 12 months from 1 January 2023 to 31 December FY 2023 ("**FY 2023**"), while the comparative period is for the period of 9 months from 1 April 2022 to 31 Dec 2022 ("**FY 2022**").

For continuing operations, the Group recorded a turnover of S$217.13 million for FY 2023 as against S$174.59 million recorded for FY 2022. As set out above, the comparative figures are not comparable due to shorter financial period, accordingly, the review against comparative figures might not be meaningful.

For FY 2023, the revenue from Telecom business was S$204.47 million as against S$163.93 million for FY 2022. As mentioned above, the review of the Group's performance might not be comparative due to change in financial year end.

ICT Distribution and Managed Services ("**ICT**") segment recorded a revenue of S$12.67 million for FY 2023 against a revenue of S$10.66 million for FY 2022. However, as mentioned above, due to change in financial year end, the review against comparative figures might not be meaningful.

For continuing operations, the Group made operating profit (before exchange gain/loss, interest, depreciation, amortisation and taxation) of S$1.16 million for FY 2023 against operating profit of S$1.01 million for FY 2022. As mentioned above, the review of the Group's performance might not be comparative due to change in financial year end.

For continuing operations, the Group incurred net profit before tax of S$1.20 million for FY 2023 against net profit before tax of S$1.13 million for FY 2022. As mentioned above, the review of the Group's performance might not be comparative due to change in financial year end.

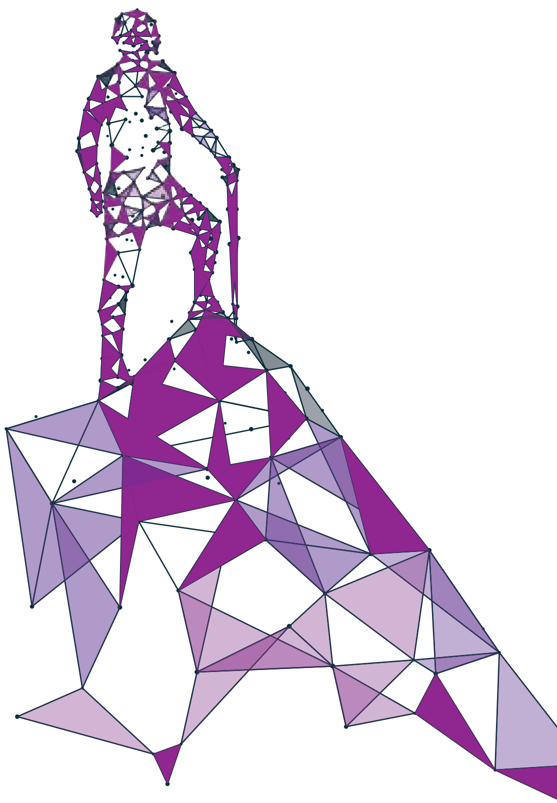
For FY 2023, the Group's net cash generated from operating activities of S$3.51 million, was mainly due to decrease in inventories, and trade receivables, partially offset by increase in other receivables, deposits, and decrease in trade creditors. The net cash used in investing activities of S$1.12 million was mainly due to purchase of PPE and placement of fixed deposits, but offset by interest. The net cash used in financing activities of S$0.97 million, mainly due to repayment of bank borrowings and cash outflow for buyback of shares partially offset by withdrawal of cash and bank deposits pledged.

OUTLOOK

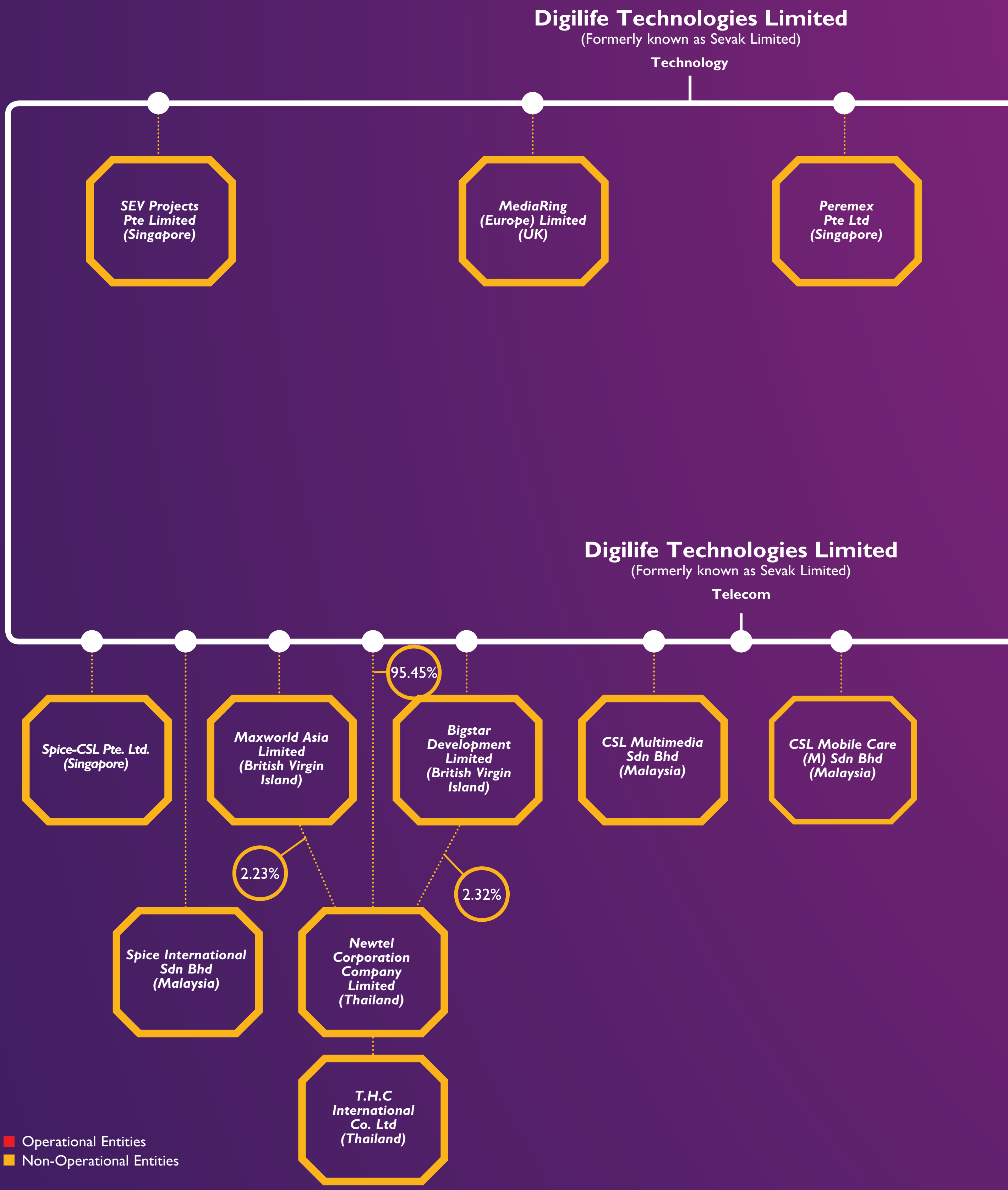
The Group remains steadfast in its commitment to driving profitable revenue and venturing into new lucrative business opportunities, particularly in emerging construction material technologies. With consistent revenues and streamlined costs, the business has sustained profitability. Additionally, efforts are underway to secure new distribution contracts in the telecom sector to counterbalance the impact on financial performance resulting from the non-renewal of distribution contract by XL Axiata, a telecom operator in Indonesia. Despite challenges such as marketing initiatives, sales programs, and product discounts initiated by telecom operators, margins persistently face pressure. Nevertheless, the Telecom business continues to operate profitably. Meanwhile, the Technology business in India maintains a stable revenue stream. However, within the legacy industry, margins remain under strain due to intense competition.

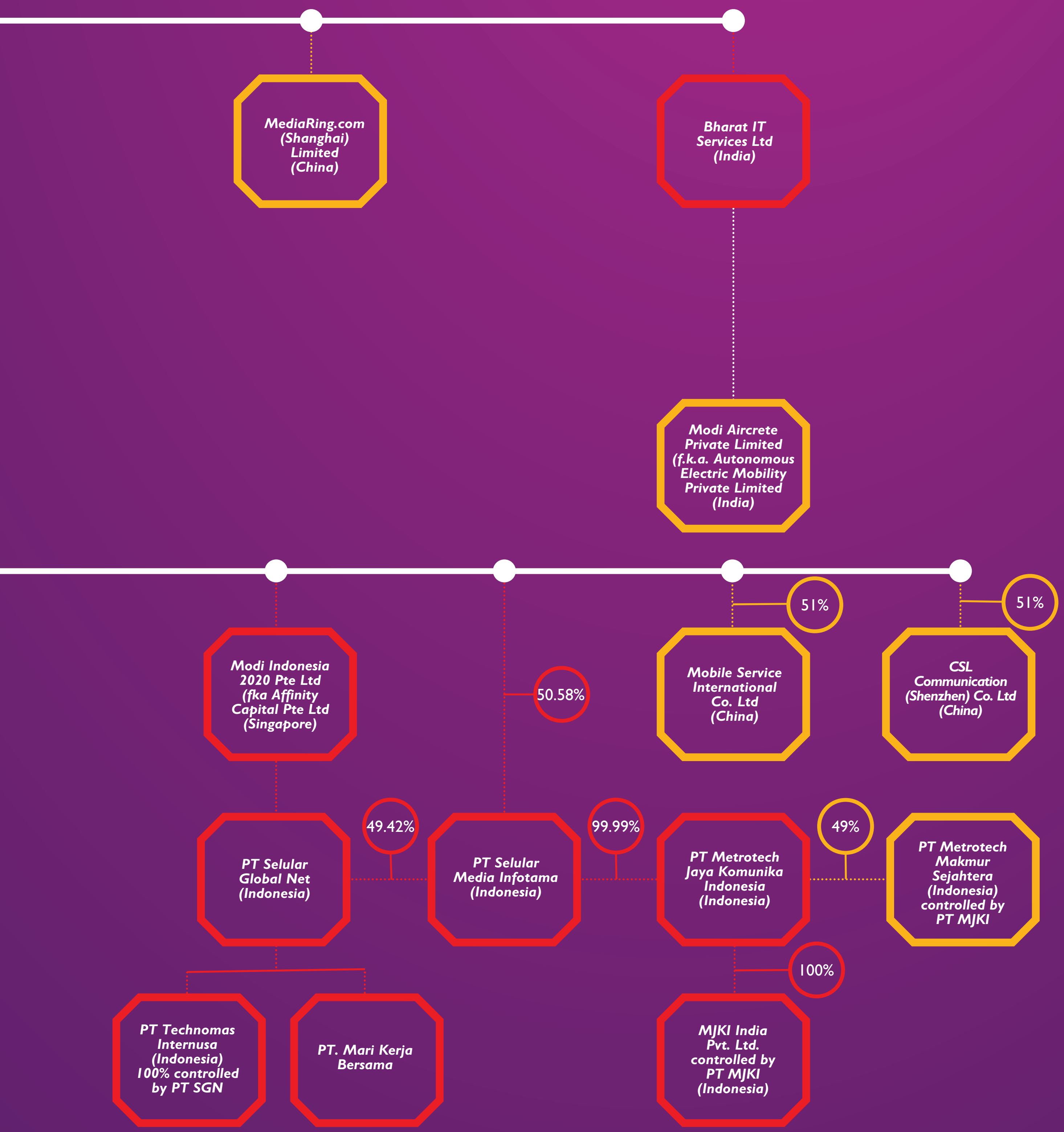
The Group's prudent cash management approach has resulted in a S$1.19 million increase in the cash balance as of December 31, 2023, compared to the previous period ending on the same date, even after repaying S$1.77 million in borrowing. Overall, our business remains stable, and we anticipate they will continue to do so for the year, barring any unforeseen circumstances.

The Company is considering entering the new age construction material technologies sector, particularly in the expansive real estate market of India. With our parent group's extensive experience and strong brand equity in India, we believe we have the potential to establish a successful business in this sector. We are currently in the process of developing plans and will announce them once we have material information and are reasonably certain of their implementation.



CORPORATE STRUCTURE

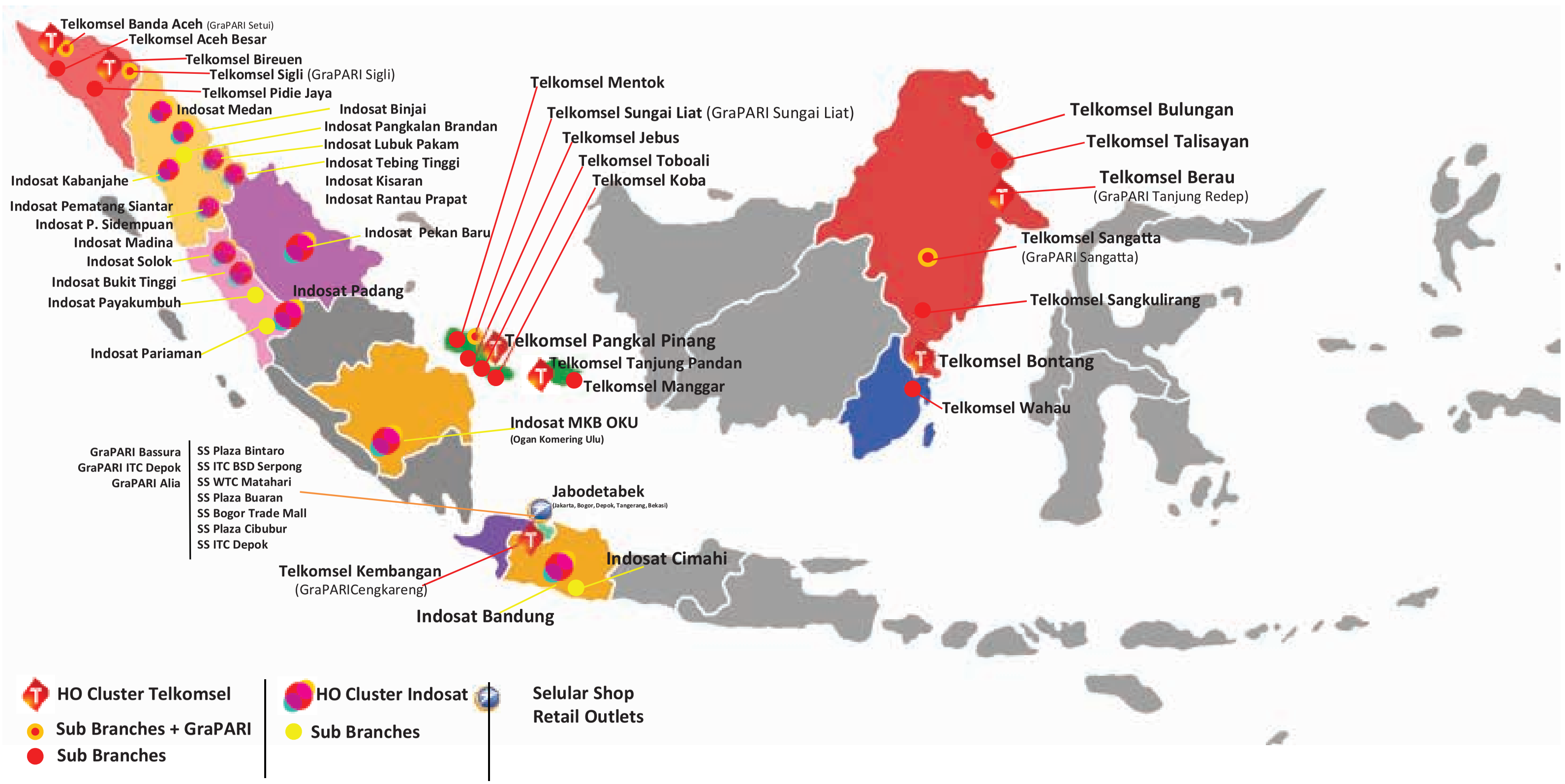



MediaRing.com (Shanghai) Limited (China)
Bharat IT Services Ltd (India)
Modi Aircrete Private Limited (f.k.a. Autonomous Electric Mobility Private Limited (India)
51%
51%
Modi Indonesia 2020 Pte Ltd (fka Affinity Capital Pte Ltd (Singapore)
50.58%
Mobile Service International Co. Ltd (China)
CSL Communication (Shenzhen) Co. Ltd (China)
49.42%
99.99%
49%
PT Selular Global Net (Indonesia)
PT Selular Media Infotama (Indonesia)
PT Metrotech Jaya Komunika Indonesia (Indonesia)
PT Metrotech Makmur Sejahtera (Indonesia) controlled by PT MJKI
100%
PT Technomas Internusa (Indonesia) 100% controlled by PT SGN
PT. Mari Kerja Bersama
MJKI India Pvt. Ltd. controlled by PT MJKI (Indonesia)

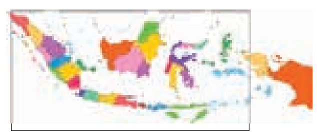
OUR DISTRIBUTION STRENGTH IN MAJOR OPERATIONS

AIRTIME & RETAIL BUSINESS
INDONESIA

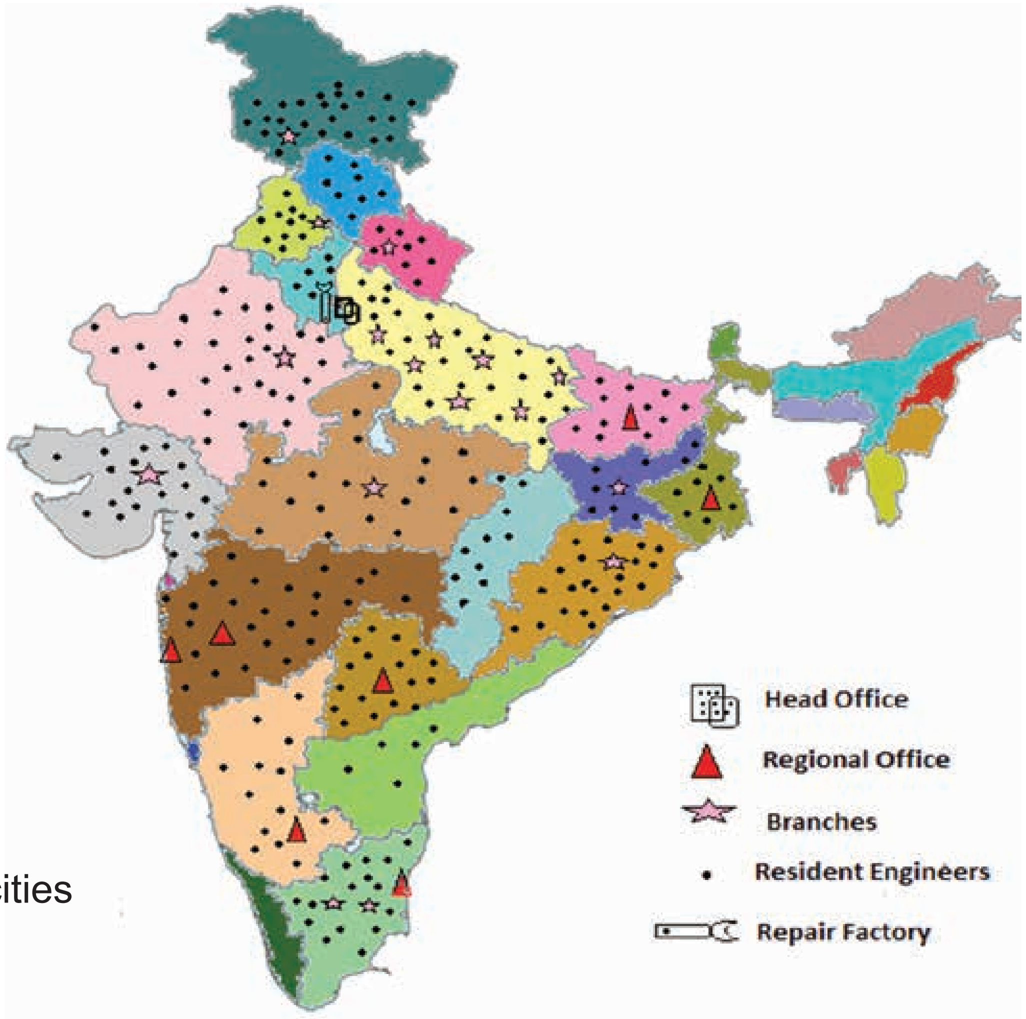
CLUSTER MAPPING



1. Head office in Jakarta
2. 42 Branch offices
3. 7 retail outlets, 3 Selular Shop synergy with OPPO, VIVO at GraPARI Telkomsel
4. Over 25,000 reseller points



Our Presence in India



- Head Office at Noida
- 6 Regional Offices
- 11 Branch offices
- Presence in more than 150 cities

BOARD OF DIRECTORS

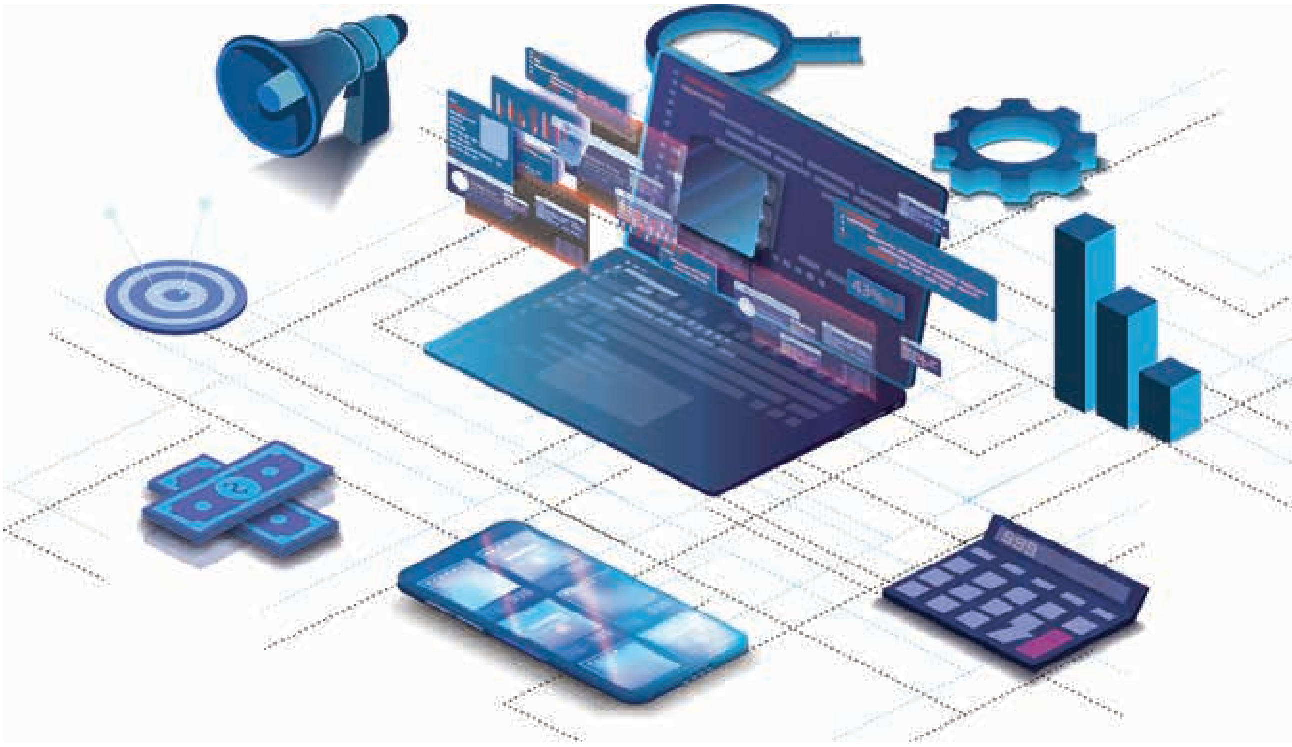
MS. CHADA ANITHA REDDY
Executive Director and Chairperson

Ms. Chada Anitha Reddy ("**Ms. Chada**") was appointed as Executive Director and subsequently with effect from 23 June 2023, has been redesignated as Executive Chairperson of the Company. Prior to this, she had been leading the companies Human Resources Department. She has over 25 years of managerial experience.

Ms. Chada has held various senior management positions where she held leadership roles in Corporate Administration, Corporate Image & International Business Relationships, Events Management, Personnel/Human Resource Development, Communication, Public Relations. She was also actively involved in providing matrix leadership for teams in Finance, Human Resources, Policy development and Administration and led various teams during group initial acquisitions, restructuring operations and new spinoffs in Singapore, Thailand, Malaysia and Indonesia.

Ms. Chada also takes keen interest and is actively involved in community development and service, coordinating and conducting charity and community events. She held various positions in the community centres of Singapore and cultural associations and was awarded long service award by the community centres of Singapore in appreciation of her dedicated voluntary service.

Ms. Chada holds a Master of Business Administration degree.



MR. SUDIP BANDYOPADHYAY
Lead Independent Director

Mr. Sudip Bandyopadhyay ("**Mr. Sudip**") was appointed as Independent Non-Executive Director with effect from 16 August 2022 subsequently with effect from 9 November 2022, he has been redesignated as Lead Independent Director. He is also a Chairman of Audit Committee, Remuneration Committee and Nominating Committee of the board with effect from 9 November 2022. His area of expertise includes lending, capital markets, commodity and currency markets, wealth management, asset management, insurance, investment banking, remittance, forex and distribution of financial products. He is currently the Group Chairman of Inditrade (JRG) Group of Companies. Sudip acquired control of Inditrade Group from Barings India Private Equity Fund in 2015. Inditrade has significant presence in Agri Commodity Financing, MSME Lending and Micro Finance business.

Mr. Sudip sits on the Boards of a number of listed and unlisted Indian companies. He has been guiding many large listed and unlisted Companies as Independent Director and Audit Committee Chairman (VST Industries Limited, AGS Transact Technologies Limited etc). Mr. Sudip is also an investor in many Fintech and other Technology related ventures.

During Mr. Sudip's 16 years stint with ITC Limited as Head of Treasury and Strategic Investments, he managed investments in excess of $1.5 billion. He managed all the treasury operations including capital, currency and money markets for ITC. Mr. Sudip was also responsible for the acquisition of strategic stakes in EIH, VST and several other companies, by ITC.

Post ITC, he was the Managing Director of Reliance Securities (Reliance Money) and also on the Board of several Reliance ADA Group companies. He was instrumental in leading Reliance Anil Dhirubhai Ambani Group's foray, amongst others, into Equity and Commodity Broking, Financial Products Distribution, Commodity Exchanges, Gold Coin Retailing, Money Changing and Money Transfer. Under his leadership, Reliance Money had aggressively expanded its footprint in India and across the globe. Sudip was also responsible for the acquisition of AMP Sanmar through which Reliance launched its Life Insurance business.

Afterwards Mr. Sudip was the Managing Director and CEO of Destimoney, a full-service financial organization, promoted by New Silk Route – an Asia focused growth capital private equity firm with over $1.4 billion under management.

Mr. Sudip has significant presence in business media through his regular interaction on leading business channels, business newspapers and magazines.

Mr. Sudip is a gold medalist from University of Calcutta and is also a qualified Chartered Accountant and a Cost Accountant with over 34 years of rich and diverse experience in various areas of finance and financial services.

MR. MUKESH KHETAN
Executive Director and Group CEO

Mr. Mukesh Khetan ("**Mr. Mukesh**") is appointed as an Executive Director and Group Chief Executive Officer of the Company with effect from 23 June 2023. Mr. Mukesh is a seasoned business professional with over 15 years of extensive experience in Strategy, Business, Compliance & Legal, Financial Planning and Governance functions. He has been associated with the group for more than 10 years. His career spans across both domestic and global corporations, with a particular focus on South and Southeast Asia, including significant contributions in India, Singapore, and Indonesia. With a comprehensive understanding of corporate operations, C-level strategy, and legal frameworks. Mr. Mukesh has played pivotal roles in various corporate successes. Notably executed complex corporate actions and spearheaded business turnarounds and successfully running a large business in Indonesia profitably for more than 8 years. Mr. Mukesh expertise extends to strategic leadership, cash flow management, and driving profitability within challenging business environments.

Prior to his current role, Mr. Mukesh held key positions at Modi Group, where he served as a Strategic Advisor to the Chairman. In this capacity, he managed the secretarial, legal, and compliance functions of the group companies across multiple countries. Prior to this he also worked with companies like Wall Street Finance Limited and Provogue (India) Limited, where he headed compliance, legal, and secretarial departments, managing listing compliances, RBI compliances, and overseeing corporate actions. His tenure at Vaibhav Gems Limited saw him independently handling financial and secretarial matters for the company, including issues of GDR, preference shares, and implementation of ESOP schemes. Throughout his career, Mr. Mukesh has demonstrated exceptional leadership, strategic acumen, and a strong commitment to ensuring corporate governance, listing and regulatory compliance.

His strategic leadership, coupled with hands-on experience in managing complex corporate actions, underscores his invaluable contribution to an organisation's success. With a rich educational background, including an MBA in Finance and Company Secretary certification, Mr. Mukesh brings a blend of academic prowess and practical expertise with him. Beyond his professional endeavors, Mr. Mukesh actively engages in social initiatives, serving on governing boards and contributing to community development efforts, reflecting his commitment to making a meaningful impact beyond the boardroom.

BOARD OF DIRECTORS

MR. RAJESH PAHWA
Independent Director

Mr. Rajesh Pahwa ("**Mr. Pahwa**") is an Independent Non-Executive Director appointed on the Board of the Company with effect from 11 May 2023. Rajesh Pahwa, a Singaporean national, resides in Singapore and holds a significant role as a director. Mr. Pahwa embodies stability and commitment. His professional endeavors are likely to reflect these traits, making him a reliable and trusted figure in his field.

Mr. Pahwa academic journey began with a Bachelor of Commerce (Honours) from the University of Delhi, India, in 1985, laying a solid foundation for his subsequent professional endeavors. Mr. Pahwa continued to pursue excellence by obtaining the prestigious Chartered Accountant designation from the Institute of Chartered Accountants of India in 1989. This rigorous qualification reflects his expertise in accounting principles and financial management, establishing him as a trusted authority in the field. Collectively, these educational and professional achievements underscore Pahwa's dedication to continuous learning and mastery of his craft, contributing significantly to his successful career trajectory.

Mr. Pahwa's educational and professional qualifications are impressive and diverse, reflecting his commitment to excellence in the fields of finance and management. He obtained his Master of Business Administration (MBA) with a specialization in Banking and Finance from the Nanyang Business School at Nanyang Technology University, Singapore, in 2004. This advanced degree equipped him with comprehensive knowledge and skills relevant to the financial industry. In 1998, Pahwa also earned certification as a SAP Certified Consultant from Sapient College, Singapore, further enhancing his proficiency in technology-driven financial systems.

Rajesh Pahwa boasts a distinguished career marked by extensive expertise across various industries. Transitioning to roles in taxation and corporate law at SITA World Travels Ltd and N S Kang Advocates & Solicitors, respectively, he honed his financial and legal acumen, contributing significantly to the operational efficiency of both organizations.

In 1999, Mr. Pahwa assumed the pivotal role of Financial Controller at the National Parks Board, where he oversaw comprehensive financial management and strategy initiatives. His adept leadership and strategic planning abilities ensured robust budgeting, cost reduction, and investment strategies, driving the board's financial stability and operational excellence. Since 2010, as the Managing Partner at Finedge Capital Pte Ltd, Mr. Pahwa continues to leverage his vast expertise to advise clients on corporate strategy, mergers and acquisitions, capital-raising, and organizational development, solidifying his reputation as a trusted advisor and leader in the finance and management sphere.

MR. TAY WEE MENG
Independent Director

Mr. Tay Wee Meng ("**Mr. Tay**") is an Independent Non-Executive Director appointed on the Board of the Company with effect from 28 July 2023. Mr. Tay Wee Meng is an esteemed professional currently holding the position of Associate Professor (Practice) at the UN Sustainable Development Goals Research Lab, within the United Nations Institute for Training and Research (UNITAR). In addition to his role at UNITAR, Mr. Tay serves as a lecturer across various prestigious academic institutions, including the National University of Singapore (NUS) and Nanyang Technological University (NTU). At NUS, he imparts knowledge to students enrolled in the Master of Science in Venture Creation program at the School of Continuing and Lifelong Education, as well as delivers guest lectures on Materials & Sustainability within the College of Design and Engineering. Furthermore, Mr. Tay extends his expertise to NTU's Nanyang Business School, where he instructs on Green Finance and Impact Assessment in the Career Competence Class. Notably, he also contributes to Singapore Management University's (SMU) Academy by teaching in the Advanced Certificate in Venture Capital program, showcasing his commitment to fostering knowledge and innovation across a diverse range of disciplines.

Mr. Tay Wee Meng, also known as A/Prof Edward Tay, has made remarkable strides in the realm of deep tech investment and sustainability advocacy. Notably, he has played a pivotal role in nurturing four deep tech unicorns, including Rebel foods, Licious, Infra. Market, and Uniphore, each valued at billions of dollars. With a background in mechanical engineering from the National University of Singapore (NUS), Mr. Tay's expertise extends beyond investment to senior management roles in global tech MNCs such as IBM and British Telecommunications across multiple Asian gateway cities over three decades. As the founder of the Green Tree Initiative, he champions sustainability knowledge dissemination through industry partnerships, while his involvement in the Sustainable Tropical Data Centre Testbed and the Asia Sustainability Forum underscores his commitment to driving innovation and energy efficiency in the region. Additionally, Mr. Tay serves as a prominent figure in various capacities, including as an Ambassador for Singapore Week of Innovation and Technology, Chairperson of Infracrowd Capital, and Co-Chairman for Huawei Sparks Advisory Council Asia Pacific, solidifying his influential presence in the sustainability and tech sectors.

Mr. Tay's impact transcends borders, as evident from his frequent participation in international forums and engagements, where he shares his expertise on sustainability, innovation, and technology. Beyond his professional endeavors, he dedicates his time to mentoring social enterprises, volunteering for non-profit organizations, and contributing to initiatives promoting lifelong learning and entrepreneurship among Singaporean youth. Mr. Tay's multifaceted contributions, ranging from investment mentorship to sustainability advocacy, position him as a key influencer driving positive change in the realms of technology, innovation, and sustainability on both local and global scales.

SENIOR MANAGEMENT

MR. GURVINDER PAL SINGH
Chief Financial Officer,
Digilife Technologies Limited

Mr. Gurvinder Pal Singh ("**GP**") is an experienced Chartered Accountant who has been associated with Modi Group for 27 years. Over the years, GP has played a pivotal role in helping shape the Group's strategy across its verticals and his deep expertise in finance has been vital to the Group achieving its financial objectives of wealth creation.

As the Chief Financial Officer of Mobile Telephony Business, GP led the business and strategic planning to restructure the company. GP drove expansion of telecom network operations, while ensuring cost optimization, resulting in higher EBITDA to ensure that company was ready for public listing. GP orchestrated Spice Communication's journey to IPO.

GP was also responsible for promoter group since its infancy stage. He took the company to breakeven with his two-pronged strategy of focus on revenue growth and cost optimization.

Prior to joining the Group, GP worked as Head of Accounts with Fujitsu India Telecom, a Japanese JV company manufacturing Digital Switching Systems. He has also worked as Head of Accounts & Finance with the Prestige Group, a manufacturer of wall clocks and other electronic items.

GP is a member of The Institute of Chartered Accountants of India and Bachelor of Commerce (Honours) from University of Delhi.

MR. ARUN SETH
CEO & Executive Director,
Bharat IT Services Ltd

As the CEO of Bharat IT Services Ltd, Mr. Arun Seth ("**Mr. Arun**") brings with him a rich experience spanning 36+ years in the Electronics and Information Technology Industry in India, having held senior and responsible positions throughout his career.

Mr. Arun Seth commenced his career with the IT industry and served DCM Data Products and Spice Limited in various senior capacities.

He joined Modi Olivetti Ltd in 1990 as General Manager. During the initial years of his tenure with the Company, Mr. Arun Seth proved to be a consistent performer and his geographic domain remained the highest revenue generating region in the country for many years.

In 1996, Mr. Arun Seth was given the complete responsibility of the organization and was capped as Chief Executive Officer of Modi Olivetti. Mr. Arun Seth remained in vanguard and transformed the organization with a select team to support him.

Even though Olivetti exited the PC business worldwide, Mr. Arun Seth was able to build a substantial business under the Spice Banner in the IT Systems, Services and Peripherals area.

Establishing strong bonds with Technology Owners, within India or outside, has been Mr. Arun Seth's key to success. When Olivetti sold out it's Banking & Postal Business to China based Olicom, Mr. Arun Seth was successful in ensuring continuity in operations and a smooth transition, thus protecting the commercial interests of Bharat IT in India operations.

Bharat IT's foray in the Cheque Truncation area by associating with ARCA Technologies S.R.L of Italy as their Indian Distributor, has gone a long way in making us a prominent player in this category in India.

This business has been instrumental in shoring up our bottom line over the past few years. Under his stewardship, the company successfully created a vertical niche for itself in the self-service segment in the Banking, Financial Services and Insurance sector ("**BFSI**") sector and has been generating decent revenues from supply of suitable product for self service kiosks in the Banking Industry.

India is the hub of IT Services and with the explosion in usage of IT Hardware in the country, there was a dire need to provide basic IT services to various user segments.

Our service business in the IT sector was developed to cater to the service support needs of the domestic BFSI segment. However this business has shown regular and encouraging growth over the years and today our IT Services Business caters to all User segments across the vast geography of our country.

Today we have a 1200+ strong team of skilled service professionals operating out of 20 offices and catering to 200 locations across the country. A long and prestigious list of customers are availing our services to keep their IT Infrastructure up and running.

Mr. Seth is adept at scouting around for and spotting suitable opportunities for business enhancement and growth.

That is how Bharat IT quickly established a foothold in the IT System Integration space in India when some leading and prominent players were moving out of this domain.

Building and managing teams of successful professionals is Mr. Arun Seth's forte.

Creating and nurturing customers with long term relationships is a keystrength.

MR. RUSLI SUFIANTO
Chief Operating Officer, Selular Group

Mr. Rusli Sufianto ("**Mr. Rusli**") is the Chief Operating Officer of the Selular Group in Indonesia. He has been instrumental and has proven track record in developing business strategies, Sales Plans and Performance Targets of the Airtime business unit. Currently, he is also responsible for the Retail business of the Selular Group.

He has over 13 years of professional experience in the field of telecommunications. Prior to joining Selular Group in 2011 as General Manager of Sumatera and Kalimantan Area, he had outstanding record in working with some reputed and established companies in Indonesia like PT. Grant Surya Multi Sarana and PT. Landseair Transport.

He has good understanding of Indonesia's Telco industry. He maintains good relationships with Telco operators, dealers and partners. He also has strong business leadership skills and people management skills which make him an asset to the organization.

Mr. Sufianto is a literary language graduate from University Methodist-Indonesia.

MR. R.V.S. MINHAS
Business Head- Service, Bharat IT Services Ltd

Mr. R.V.S. Minhas ("**Mr. Minhas**") has over three decades of experience in the leadership role in the field of IT Service Business Development and IT Service Delivery operations.

Mr. Minhas has worked in Large Corporate Enterprises in India and led the successful execution of IT service delivery projects for leading public sector Banks, financial Institutions and Insurance companies. He has also led rollout of mission critical services for Govt of India's Defence departments.

In addition, for 5 years, he has handled the function of IT Services distribution business covering the service products of IBM, HP, DELL and Lenovo.

He has been with Bharat IT Services for 7 years in his earlier stint.

Mr. Minhas is an Engineering Graduate in Electrical Engineering and has done Masters in Business Management.

MR. RUDI RIYADI HINDARWANTO
Senior Vice President, Selular Group

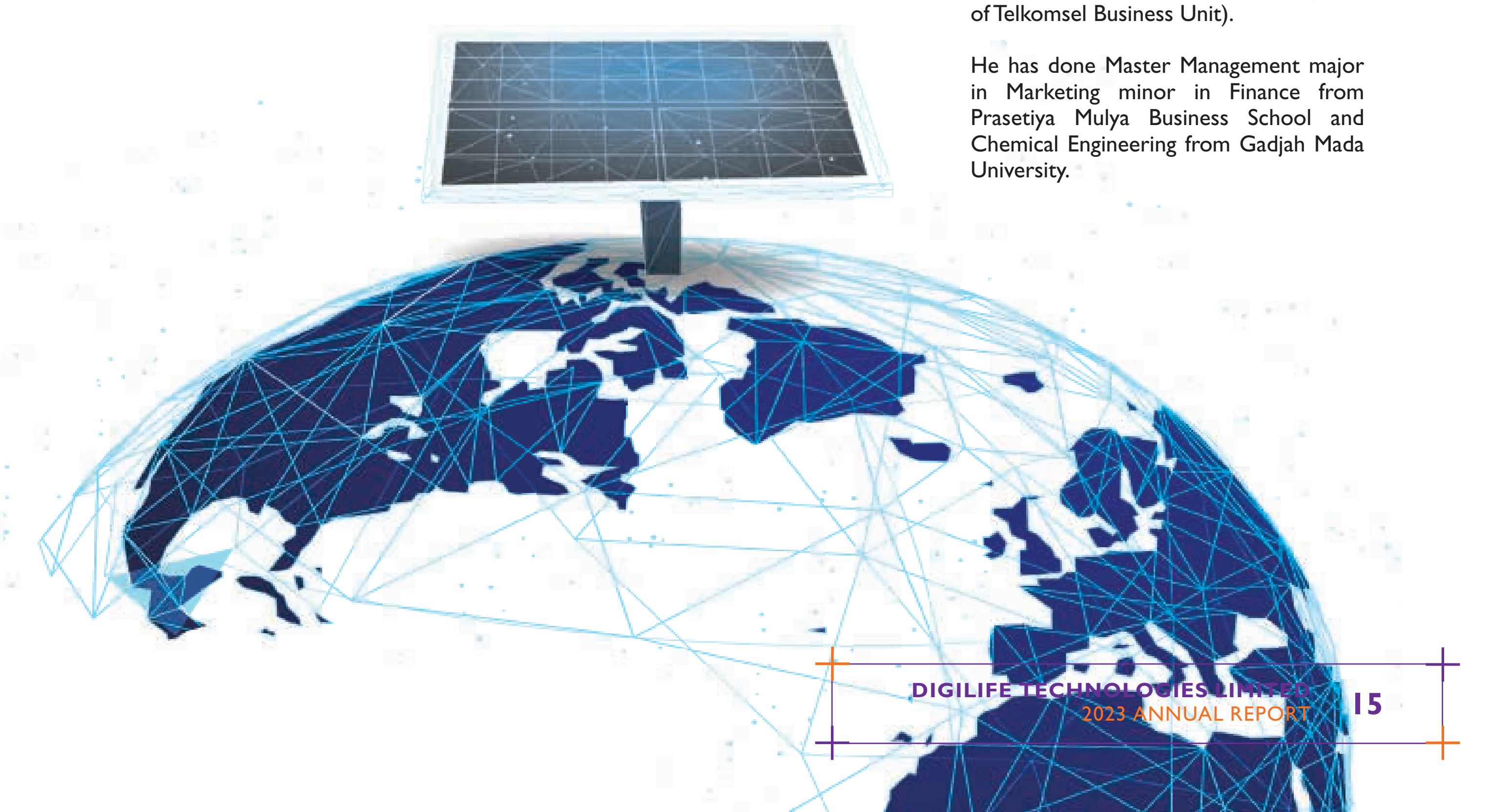
Mr. Rudi Riyadi Hindarwanto is the Senior Vice President, Selular Group. He has been associated with group since 2004. He has been Designing and implementing business unit, strategies, plans and procedures to achieve the targets, Establish comprehensive goals for performance and growth of business unit.

He establishes harmonious relations & collaboration with Telkomsel, comply Telkomsel requirement as Strategic Business Partner, Key Performance Indicator, Talent Pool, PKS Grapari Mitra.

He has over 25 years of professional experience.

He worked in Yogyakarta Chamber of Commerce Industry (1997-1999), Worked in Center of Excellence AMC//CMA (Anyer Merak Cilegon Chemical Manufacturing Association) as Business Head (1999-2000), Worked in PT Modern Putra Indonesia (2001-2003) as Product Manager Telco, Worked in PT Modern Photo Fuji Film, Tbk (2003-2004) as National Marketing Manager, Worked in Selular Group from 2004 until now. He Started as GM Area Jabotabek-Jawa Bali and now as Senior Vice President (Head of Telkomsel Business Unit).

He has done Master Management major in Marketing minor in Finance from Prasetiya Mulya Business School and Chemical Engineering from Gadjah Mada University.



SENIOR MANAGEMENT

MR. SANDIP RAI
Chief Financial Controller
Digilife Technologies Limited

Mr. Sandip Rai ("**Mr. Sandip**") is a highly accomplished finance professional with over 15 years of extensive experience, including six years within listed companies, where he has excelled in diverse financial functions. Armed with a fellowship from both The Institute of Chartered Accountants of India and the Institute of Company Secretaries of India, complemented by a robust commerce background. Sandip brings a wealth of expertise to the table. His proficiency spans the spectrum of financial management, from meticulous maintenance of books of accounts to strategic MIS reporting, treasury operations, budget formulation, ERP integration, and liquidity management.

Mr. Sandip has also served as Chief Financial Officer (CFO) in his previous roles within public limited companies, where he played a pivotal role in steering financial strategy and ensuring regulatory compliance. He has been instrumental in driving key strategic initiatives such as mergers, corporate restructuring, and fundraising endeavors, showcasing his adeptness in navigating complex financial landscapes. His involvement in taxation assessments, compliance, and the timely announcement of financial results underscores his commitment to ensuring regulatory adherence and transparency. Beyond routine responsibilities, Sandip has led numerous special projects aimed at enhancing operational efficiency, reducing costs, and driving organizational growth.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Chada Anitha Reddy, Executive Director and Chairperson
Mr. Sudip Bandyopadhyay, Lead Independent Director
Mr. Rajesh Pahwa, Non-Executive Independent Director
Mr. Tay Wee Meng, Non-Executive Independent Director
Mr. Mukesh Khetan, Executive Director and Group CEO

COMPANY SECRETARY

Ms. Ngiam May Ling

AUDIT COMMITTEE

Mr. Sudip Bandhopadhay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

NOMINATING COMMITTEE

Mr. Sudip Bandhopadhay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

REMUNERATION COMMITTEE

Mr. Sudip Bandhopadhay, Chairman
Mr. Rajesh Pahwa
Mr. Tay Wee Meng

REGISTERED OFFICE

1 North Bridge Road,
#19-04/05 High Street Centre
Singapore 179094
Tel: (65) 6514 9458
Fax: (65) 6441 3013
http://www.digilifelimited.com/

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632

STATUTORY AUDITORS

Moore Stephens LLP
10 Anson Road
#29-15 International Plaza
Singapore 079903
Date of appointment of Auditors: 25 August 2014
Partner-in-charge: Ms. Chong Jia Yun, Michelle
Date of appointment of Partner-in-charge: 30 April 2021

INTERNAL AUDITORS

BDO Advisory Pte Ltd.
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

CATALIST SPONSOR

PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay #10-00 Collyer Quay Centre
Singapore 049318

CORPORATE GOVERNANCE

Digilife Technologies Limited ("**the Company**", together with its subsidiaries "**the Group**") are committed to achieve and maintain high standards of corporate governance. While there will always be business and other external risks which affects any organization, we believe that good corporate governance is the cornerstone to build a sound corporation in the best interests of the shareholders. We believe that given the Group's size and stage of development, the overall corporate governance we have in place is appropriate. This corporate governance report describes the Company's corporate governance framework with specific references to the principles and provisions set out in the Code of Corporate Governance 2018 (the "**Code**"). Reasons for deviations on any guidelines of the Code are explained within this report. The Company has complied with the spirit and requirements of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: 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 principle role of the Board of Directors (the "**Board**") is to decide on matters in respect of strategic direction, performance, resources, standard of conduct, corporate planning, major investments, divestments and restructuring. The Board oversees and reviews key operational activities, sets Company values with a code of conduct and ethics in place and business strategies (including sustainability issues), annual budget, management performance, adequacy of internal controls and risk management and stakeholder engagement as stakeholder perception affects the Company's reputation. The Board also approves the release of the financial results announcement to the SGX-ST, major funding and borrowings, investment proposals, and ensures effective human resources and management leadership of high quality and integrity are in place. Directors are fiduciaries who exercise reasonable due diligence and independent judgement in the best interest of the Company and the shareholders, and holds the Management accountable for performance. The Directors recuse themselves from any discussions and decisions concerning a matter in which they may be in a conflict-of-interest situation.

To assist the Board in its discharge of oversight function, the Board has delegated specific responsibilities to various board committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") and these committees have their respective clear written terms of reference setting out their composition, authorities and duties, including reporting back to the Board.

The details of the AC, NC and RC can be found on pages 23 to 30 of this report.

During the financial year from 1 January 2023 to 31 December 2023 ("**FY2023**"), a total of 3 Board meetings were held. The Company's Constitution allows for participation in a meeting of the Board by means of conference, telephone or similar communications equipment. The number of meetings of the Board of Directors, general meetings, AC, RC and NC held in FY2023, as well as the attendance of each Board member at these meetings are set out in the table below:

Number of meetings held in FY2023	Board	AC	RC	NC	Annual General Meeting ("AGM")	Extraordinary General Meeting
	3	3	1	1	1	–
Name of Director	**Number of meetings attended in FY2023**					
Dr. Bhupendra Kumar Modi[(i)]	2	–	–	–	–	–
Mr. Sudip Bandyopadhyay	3	3	1	1	1	–
Mr. Mukesh Khetan[(ii)]	1	1	–	–	–	–
Mr. Doraraj S[(iii)]	2	2	1	1	1	–
Mr. Tushar s/o Pritamlal Doshi[(iv)]	2	2	1	1	1	N.A.
Ms. Chada Anitha Reddy[(v)]	3	3	1	1	1	N.A.
Mr. Rajesh Pahwa[(vi)]	1	1	N.A.	N.A.	N.A.	N.A.
Mr. Tay Wee Meng[(vii)]	1	1	N.A.	N.A.	N.A.	N.A.

Notes:
(i) Resigned as Executive Chairman and Group Chief Executive Officer ("CEO") w.e.f. 23 June 2023.
(ii) Appointed as Executive Director and Group Chief Executive Officer ("CEO") w.e.f. 23 June 2023.
*(iii) Retired as Independent Non-Executive Director at the Annual General Meeting of the Company held on 28 April 2023 ("**AGM 2023**").*
(iv) Retired as Independent Non-Executive Director at the AGM 2023.
(v) Re-designated from Executive Director to Executive Chairperson w.e.f. 23 June 2023.
(vi) Appointed as Independent Non-Executive Director w.e.f. 11 May 2023.
(vii) Appointed as Independent Non-Executive Director w.e.f. 28 July 2023.

A Director with multiple directorships is expected to ensure that sufficient time and attention are given to the affairs of the Company.

Prior to each Board or board committee meeting and as well as on an ongoing basis, the Management provides the Board and the relevant board committees with complete, adequate and timely information, relating to matters to be brought before them to make well informed decisions and to discharge their duties and responsibilities. Periodical reports providing updates on key performance indicators and financial analysis on the performance of the Group are also circulated to the Board for their information. This enables the Board and the board committees to make well informed, sound and appropriate decisions and keep abreast of key challenges and opportunities as well as developments for the Group.

The Board has independent and direct access to Senior Management at all times. Frequent dialogues and interactions take place between Senior Management and the Board members on pertinent developments in the Group's business, changes in regulations and applicable laws, and industry-related matters so to enable them to make well informed decisions in their expected roles and responsibilities. The Board also has separate and independent access to the Company Secretary who attends all Board meetings. The Company Secretary is responsible for advising the Board through the Chairman to ensure that the Board procedures are followed and that the applicable requirements of the Companies Act 1967 (the "**Companies Act**") and the Catalist Rules are complied with. The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole.

The Directors may take independent external advice, at the Company's expense, as and when necessary, to enable them to discharge their responsibilities effectively.

The Board oversees and communicates to Management on matters that require board approval and clearly communicates this to Management in writing. The Board has adopted a set of internal guidelines setting out management authority limits (including Board's approval) for capital and operating expenditure, investments and divestments, bank facilities and cheque signatories.

The Company arranges a detailed induction program for newly appointed Directors, setting out various information including their duties, obligations and responsibilities as Directors including management presentations on the Group's businesses and strategic plans and objectives. The Directors are provided with regular updates on regulatory changes and any new applicable laws and are also encouraged to attend training programs, seminars and workshops organised by professional bodies and organisations at the Company's expense, so as to enable them to develop, maintain their skills and knowledge and properly discharge their duties as Board or Board Committee members. If a newly appointed Director does not have prior experience as director of a listed company, the Company will arrange for such person to undertake training organized by the Singapore Institute of Directors ("**SID**") as required under Catalist Rule 406(3)(a) so to familiarise such person with the roles and responsibilities of a director of a listed company as well as the relevant rules and regulations. The Company provides funding for the training of Directors as required. During FY2023, the Directors were briefed about the regulatory updates and the new guidelines on various subjects as and when released by the regulatory bodies. The Company's directors attended several Mandatory training programmes including topics like Board Performance, Stakeholder Engagement, Environmental, Social and Governance Essentials and Board and Directors Fundamentals (BDF). The Directors are also encouraged to attend training on specific topics of interest.

Board Composition and Guidance

Principle 2: 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.

The Directors of the Company as at the date of this report are:

1) Ms. Chada Anitha Reddy ("**Ms. Chada**")[i] (Executive Director and Chairperson)

2) Mr. Sudip Bandyopadhyay ("**Mr. Sudip**") (Lead Independent Director)

3) Mr. Rajesh Pahwa ("**Mr. Pahwa**")[(ii)] (Independent Non-Executive Director)

4) Mr. Tay Wee Meng ("**Mr. Tay**")[(iii)] (Independent Non-Executive Director)

5) Mr. Mukesh Khetan ("**Mr. Khetan**")[(iv)] (Executive Director and Group CEO)

Notes:
(i) Ms. Chada was re-designated from Executive Director to Executive Chairperson w.e.f. 23 June 2023.
(ii) Mr. Pahwa was appointed as Independent Non-Executive Director w.e.f. 11 May 2023.
(iii) Mr. Tay was appointed as Independent Non-Executive Director w.e.f. 28 July 2023.
(iv) Mr. Khetan was appointed as Executive Director and Group CEO w.e.f. 23 June 2023.

The Board comprises of five Directors. The Independent Directors constituted majority of the Board.

In the Board meeting of the Company held on 15 March 2023, Mr. Doraraj S and Mr. Tushar decided not to be re-elected as Directors and retired from the Board immediately upon the conclusion of the AGM 2023.

Consequently, Mr. Doraraj S and Mr. Tushar retired upon the conclusion of AGM 2023 and their positions were replaced by Mr. Pahwa and Mr. Tay on 11 May 2023 and 28 July 2023 respectively. The NC considered the profiles of Mr. Pahwa and Mr. Tay and reviewed their vast experiences in the different areas and recommended their appointment to the Board of Directors for their approval.

Mr. Pahwa has been a seasoned professional who has done Chartered Accountancy from Institute of Chartered Accountant of India ("**ICAI**"), SAP Certified Consultant from Sapient College, Singapore and Master of Business Administration (Banking and Finance). He has been guiding the corporations in accounting, restructuring of the corporate strategies like merger, acquisitions, financial management.

Mr. Tay had been involved in funding the companies which turned out tech unicorns and also designated as Associate Professor (Practice) in UN Sustainable Development Goals Research Lab, United Nations Institute for Training and Research (UNITAR). He has also been involved in mentoring social enterprises such as Stag Match, School of Concepts, Cyber Land and volunteered in non-for-profit organisation such as Red Cross, Singapore Children Society etc.

The Board took note of their vast experiences and approved their appointment on the Board and as member in Board committees i.e. NC, RC and AC, anticipating their crucial contribution in the success of the Company.

With the resignation of Dr. Modi, Mr. Khetan was proposed to be elected as an Executive Director and a Group CEO and Ms. Chada as the Executive Chairperson. The NC considered these resolutions of appointment of Mr. Khetan as Executive Director and Group CEO and re-designation of Ms. Chada as the Executive Chairperson of the Company and recommended to the Board for their approval.

Mr. Khetan has been a seasoned professional in field of compliance, legal, corporate strategies restructuring, managing corporate affairs, who has done Company Secretaryship from Institute of Company Secretaries of India and Masters in Business Administration in Finance from ICFAI university. He had been involved in managing legal profiles in multinational companies and also heading the compliance functions.

The Board took note of the recommendation of NC and approved the appointment of Mr. Khetan as the Executive Director and Group CEO and redesignation of Ms. Chada as Executive Chairperson of the Company.

Whilst, the Chairman of the Board is executive, the independent directors make up a majority of the Board. Profiles of the Directors are provided on pages 10 to 13 of this Annual Report.

The NC continues to hold the view that as warranted by circumstances, the Board may form additional board committees to look into specific areas of oversight. The Chairmen and the members in the AC, RC and NC are all Independent Directors.

The NC had reviewed the size of the Board in FY2023 taking into account the nature and scope of the Group's operations. The Board members comprise competent Directors who are able to address the relevant industry and business needs of the Group. The Board consists of individuals who are respected business leaders and professionals, whose collective core competencies and experience are extensive, diverse and relevant to the principal activities of the Group. The NC was satisfied that the Board in the FY2023 was comprised of the Directors who as a whole provided core competencies and diversity of skills, experience, gender, age and knowledge such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board to be effective.

The Company has adopted a Board Diversity Policy ("**Policy**"). The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Policy which endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity that support the Company in the pursuit of its strategic and business objectives, and its sustainable development. The Policy seeks to promote the inclusion of different perspectives, ideas and insights and ensure that the Company can benefit from all available sources of talent.

In determining the optimum composition and size of the Board and each Board committee, the policy provides for the NC to consider a combination of factors such as skills, knowledge, experience, educational background, gender, age, nationalities, independence and length of service. The skills, knowledge and experience to be considered include finance, accounting, business acumen, management experience, industry knowledge, strategic planning, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls.

A skills matrix is used to help identify the gaps. The skills matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories such as industry knowledge; financial markets; regulation, compliance and/or government relations; leadership; and technology; environmental, social and governance (ESG), and also where such skills, knowledge and professional experience were acquired or utilised geographically.

Suitable candidates will then be identified, including through external search firms. As required, external search firms can be engaged and can be instructed that diversity is a key criterion in the search and in particular, gender diversity. Female candidates are therefore required to be included for consideration. Selection of candidates will be based on a range of diversity perspectives. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Following its assessment of the candidates, the NC will then interview the short-listed candidates. The NC will thereafter make its recommendations to the Board including appointments to the appropriate Board committee(s) after matching the candidates' skills-set to the needs of each Board committee. The Board, taking into account the views of the NC, will consider if its Directors meet the criteria under its Policy and possess the necessary competencies to govern the Company effectively.

The Board recognises the importance and value of gender diversity in the composition of the Board. With the appointment of Ms. Chada as Director on 23 June 2022, there is currently one female Director on the Board.

With the appointment of Mr. Sudip, Mr. Tay, Mr. Khetan and Mr. Pahwa, the Board is satisfied with the current level of diversity on the Board in view that the Board's target to have diversity of educational background, skills, knowledge, independence and in-depth understanding and experience in various areas of finance and financial services has been met.

In terms of gender representation, the current Board consists of four men and one woman, or is 80% male and 20% female, and, as among the independent Directors, the female gender representation is 0%.

The Board also recognises that gender diversity is only one aspect of Board diversity. In terms of qualifications and competencies, members of the Board include seasoned professionals in chemical engineering, business administration, economics, investment, finance, accounting and legal fields. The Board believes that its members' different backgrounds, experience, age, gender, tenure of service, and skill sets provide a diversity of perspectives which contribute to the quality of its decision-making. The profiles of the Directors are on pages 10 to 13 of this Annual Report.

CORPORATE GOVERNANCE

The Board views that Board renewal is an ongoing process to ensure good governance, and to maintain relevance to the changing needs of the Group and business. The Non-Executive Directors and/or the Independent Directors, led by the Lead Independent Director, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate. The Independent Non-Executive Directors constructively challenge and assist in development of proposals on strategy, assist the Board in reviewing the performance of Management in meeting agreed goals and objectives, and monitor the reporting of performance. When necessary, the Independent Non-Executive Directors will have discussions and meet amongst themselves without the presence of Management. For FY2023, the Non-Executive Directors and Independent Directors have met once without the presence of Management.

Chairman and CEO

Principle 3: 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.

On 23 June 2023, Dr. Modi ceased to be an Executive Chairperson and Group CEO of the Company and Ms. Anitha took the role of Executive Chairperson and Mr. Mukesh Khetan took the role of Group CEO of the Company, considering the recommendations of Provision 3.1 of the Code which provides that the Chairman (also referred to as Chairperson) and the CEO should be separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision-making.

All strategic and major decisions relating to the business and management of the Group are collectively made by the Board. As such, there is a balance of power, authority and responsibility and to ensure accountability and Board independence and no one individual controls or dominates the decision making process of the Company. All major decisions involving the Company are only executed upon approval by a majority of the Board.

The Board makes independent decisions as the majority of the Board comprises non-executive directors and independent directors. The Company has Mr. Sudip as the Lead Independent Director, who is independently available to shareholders along with other independent directors like Mr. Pahwa and Mr. Tay.

Following the above changes, the composition of the Board as at date of this report is as follows:

Ms. Chada Anitha Reddy	(Executive Director and Chairperson)
Mr. Sudip Bandyopadhyay	(Lead Independent Director)
Mr. Rajesh Pahwa	(Independent Non-Executive Director)
Mr. Tay Wee Meng	(Independent Non-Executive Director)
Mr. Mukesh Khetan	(Executive Director and Group CEO)

Role of Chairman and CEO

The Chairman of the Company is Ms. Chada Anitha Reddy. She plays a pivotal role at the Board to ensure its effective and comprehensive deliberations on matters brought to the Board, including strategic issues. At meetings, she promotes a culture of open dialogue and debate, facilitating the effective contribution of all Directors and promotes high standards of corporate governance. The Chairman maintains effective communication with all stakeholders. At shareholder meetings, the Chairman ensures constructive dialogue between shareholders, Directors and Management. In addition, Ms. Anitha is responsible for making strategic proposals to the Board and implementing the Group's strategies and policies as well as the Board's decisions. She assumes the executive responsibility for the day-to-day management of the Group, with the support of Management.

The Group CEO of the Company is Mr. Mukesh Khetan. He plays a pivotal role in corporate governance and business development by providing leadership, making strategic decisions, and ensuring the company's adherence to ethical standards and legal regulations. He is also responsible for execution of plans and strategies formulated by the Board. They set the corporate strategy, manage stakeholder relations, and monitor performance against key metrics. The CEO is responsible for identifying and managing risks, fostering transparency, and promoting accountability throughout the organization. Additionally, they oversee succession planning, represent the company externally, and collaborate closely with the board of directors to fulfill their oversight responsibilities. Through effective leadership and decision-making, the CEO drives the company's success and sustainability in a dynamic business environment.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

The Company has established a NC to, among other matters, make recommendations to the Board on all board appointments and re-appointments and the process and criteria for evaluation of the performance of the Board, its board committees and Directors, and oversee the Company's succession and leadership development plans.

The NC, which is guided by written terms of reference, comprises the following Directors as at the date of this report:

Mr. Sudip Bandyopadhyay	Lead Independent Director (Chairman) (appointed on 9 November 2022)
Mr. Rajesh Pahwa	Independent Non-Executive Director (Member) (appointed on 11 May 2023)
Mr. Tay Wee Meng	Independent Non-Executive Director (Member) (appointed on 28 July 2023)

As at the date of this report, all the NC members including the Chairman are Independent Non-Executive Directors.

The NC's key terms of reference includes review of succession plans for directors, in particular the appointment and/or replacement of Chairman, the CEO and key management personnel, evaluation of performance of board, board committees and its directors, identifying and selecting new Directors, review of training and professional development programmes for the Board and its directors and ensuring equitable distribution of responsibilities among Board members to optimise the effectiveness of the Board. Board renewal is an ongoing process to ensure good governance, and maintain relevance to the changing needs of the Group and business. The search for candidates for the Board is conducted through a broad network of contacts. Candidates should have good reputation, integrity and have expertise that complements the existing skill sets of the Board members. The candidate should also be able to devote time to the affairs of the Company and commit to duties as a Director of the Company.

The NC reviews and assesses the nominations for the selection, appointment, re-appointment or re-election of Directors before making recommendations of the same to the Board. Consideration for assessment of Board is given to diversity of experience, appropriate skills, gender, age, track record, potential contributions to the needs and goals of the Group, as well as to whether there are any conflicts of interests. The NC also ensures that new Directors are aware of their duties and obligations and evaluates the Directors' availability to commit them to carrying out the Board's duties and activities having regard to director's contribution and performance (such as attendance, preparedness, participation and candour). The NC Chairman is an Independent Director and is not, or the one who is directly associated with, a Substantial Shareholder (with interest of 5% or more in the voting shares of the Company).

With reference to the considerations set out in Practice Guidance 4 relating to multiple board memberships, the Company currently does not set a limit to the number of directorships and principal commitments. The Board is of the view that the number of listed company directorship should be assessed on a case-by-case basis, including and not limited to the person's track record, capacity, nature of responsibilities and time commitments to be able to devote sufficient time and attention to the affairs of the Company. Each of the Directors is required to make his or her own self-assessment and assess their respective capacities to commit to devote sufficient time and attention to the Company's affairs. Prior to accepting any invitation for appointment as director of another entity or offer of a full time executive appointment, the Independent Directors are required to consult the NC.

In accordance with Regulation 89 of the Company's Constitution, at least one-third of the Directors (or, if the number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation at every Annual General Meeting ("**AGM**") and each Director is subject to retirement at least once in every three years. All re-appointments of Directors are subject to recommendation of the NC. The NC meets at least once a year. Additional meetings are scheduled when the Chairman of the NC deems necessary. Newly appointed Directors are required to submit themselves for re-election at the next AGM following their appointments.

CORPORATE GOVERNANCE

At the forthcoming AGM, Mr. Rajesh Pahwa, Mr. Tay Wee Meng and Mr. Mukesh Khetan will be retiring from office pursuant to Regulation 88 and Ms. Chada Anitha Reddy will be retiring from office pursuant to Regulation 89 of the Constitution of the Company. Being eligible for re-election, all the above mentioned directors have offered themselves for re-election. The NC has recommended, and the Board has agreed for the directors to be put forward for re-election at the forthcoming AGM.

Ms. Anitha, Mr. Mukesh, Mr. Pahwa and Mr. Tay had abstained from participating in the discussion and recommendation on their nomination. In making the recommendation of above directors, the NC had considered, amongst others, their respective experience, competency, commitment and overall contribution to the Board (in conjunction with their Director Profile set out in pages 10 to 13 of this Annual Report, their respective additional information is set out in Appendix 7F of the Catalist Rules as disclosed in pages 161 to 173 of this Annual Report).

The Board noted that Provision 2.2 of the Code requires the Independent Directors to make up majority of the Board, when the Chairman is not independent. The Board has majority of Independent Directors in its composition. The Board further notes that the majority of the members of the AC, NC and RC should be independent. All the members in our AC, NC and RC are independent non-executive directors. Rule 406(3)(c) of the Catalist Rules requires Independent Directors to make up at least one-third of the Board and the listing applicant should endeavour to fill the vacancy within two months, but in any case, not later than three months. Rule 704(7) of the Catalist Rules requires that, in the event of any retirement or resignation which renders the AC unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case, not later than three months.

The NC had reviewed the independence of the Independent Directors who were present on the Board in FY2023 and found them to be independent. Currently, none of the Independent Directors have served on the Board for more than nine years from their respective date of their respective first appointments.

The NC assesses the Board size and composition and each director's independence annually. The NC reviews the "**independence**" status of the Directors annually having regard to the circumstances set forth in Provision 2.1 in the Code, its Practice Guidance, taking into consideration whether the Directors falls under the circumstances set out in Rule 406(3)(d) of the Catalist Rules. The Independent Directors are required to submit their confirmation of independence annually for the NC's reviews. Mr. Sudip, Mr. Rajesh Pahwa and Mr. Tay Wee Meng have declared that they are independent. The NC has reviewed the independence of the Board was satisfied that Mr. Sudip, Mr. Pahwa and Mr. Tay are considered to be independent. The Board concurred with the NC's review assessment. Each independent Director had recused himself in the determination of his own independence in the review.

There are no Alternate Directors appointed in the Company.

Key information of the Directors are set out in the following pages of this Annual Report: academic, professional qualifications, directorships and principal commitments are set out on pages 10 to 13 of this Annual Report; age, date of first appointment as well as last re-election are set out in the table below.

Name	Age	Position	Date of Initial Appointment	Date of Last Re-election/ re-appointment
Ms. Chada Anitha Reddy(i)	52	Executive Director and Chairperson	23 June 2022	Due for re-election at this AGM
Mr. Sudip Bandyopadhya	60	Lead Independent Director	16 August 2022	28 April 2023
Mr. Rajesh Pahwa(ii)	60	Independent Non-Executive Director	11 May 2023	Due for re-election at this AGM
Ms. Tay Wee Meng(iii)	50	Independent Non-Executive Director	28 July 2023	Due for re-election at this AGM
Mr. Mukesh Khetan(iv)	40	Executive Director and Group CEO	23 June 2023	Due for re-election at this AGM

Notes:

(i) Re-designated as Executive Chairman of the Company w.e.f. 23 June 2023.

(ii) Appointed as Independent Non-Executive Director w.e.f. 11 May 2023.

(iii) Appointed as Independent Non-Executive Director w.e.f. 28 July 2023.

(iv) Appointed as Executive Director and Group CEO of the Company w.e.f. 23 June 2023.

Information on the shareholdings in the Company of each Director is set out on page 54 of the Directors' Statement.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Company believes that Board performance is ultimately reflected in the performance of the Group. The Board, through the delegation of its authority to the NC, ensures that Directors appointed to the Board possess the background, experience, industry knowledge and skills critical to the Group's business so as to enable the Board to make sound and well-considered decisions.

During FY2023, the NC assessed the performance of the Board as a whole, board committees and individual Directors. The assessment of the Board and the board committees is done via a confidential questionnaire, covering areas such as Board composition, Board processes, managing the Group's performance and the effectiveness of the Board in its monitoring role and the effectiveness of the board committees. The assessment of the individual Directors is done through peer assessments through a confidential questionnaire completed by each Director. The assessment parameters include attendance and contributions during Board and board committee meetings as well as commitment to their role as Directors. The evaluation questionnaire were circulated and results were aggregated by the Company Secretary and reported to the Chairman of the NC to ensure objectivity and transparency in the process. No external facilitator was used in the evaluation process.

Each Director is required to complete the board and its committees with the individual performance evaluation questionnaire. The results of the evaluation are prepared and consolidated for the Board and the findings of the evaluation are discussed by the NC with recommendation to the Board for any need for improvements to be made.

The Chairman, with recommendation of the NC would act on the results of the performance evaluation, with the view of strengthening the Board as a whole, its committees and individual director to enhance its effectiveness and performance. Throughout the FY2023, the Board has maintained open lines of communication directly with Senior Management on matters within their purview, over and above their attendance at convened meetings. The Board has also constructively challenged and assisted in developing proposals on strategy and reviewed the Management's performance in meeting set goals and objectives. The Board has also provided valuable inputs, knowledge and raised insightful issues at Board and board committees' meetings.

Based on the review of the Board, in concurrence with the NC, is satisfied that the Board, individual directors and its respective board committees' performance in FY2023, were found to be operating effectively and contributing to the overall effectiveness of the Board. The Board's performance objectives for the year were met.

REMUNERATION MATTERS

Procedures for developing remuneration policies

Principle 6: 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 personnels. No director is involved in deciding his or her own remuneration.

Level and mix of remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnels are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The remuneration policy is aimed to attract, retain and motivate talent to achieve the strategic objectives of the Company. The compensation is linked to the achievement of the organization and individual performance objectives and that it is benchmarked against comparative compensation in the market.

Disclosure on remuneration

Principle 8: 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.

Remuneration Committee

The RC comprises of the following Directors as at the date of this report:

Mr. Sudip Bandyopadhyay	Lead Independent Director (Chairman) (appointed on 9 November 2022)
Mr. Rajesh Pahwa	Independent Non-Executive Director (Member) (appointed on 11 May 2023)
Mr. Tay Wee Meng	Independent Non-Executive Director (Member) (appointed on 28 July 2023)

As at the date of this report, all the members of the RC including the Chairman are Independent Non-Executive Directors.

The main responsibilities of the RC which are guided by its written terms of reference, include:

(i) reviewing policy on executive remuneration and for determining the remuneration packages of individual Directors and Key Management personnel; and

(ii) reviewing and making recommendation to the Board for endorsement of a framework for remuneration which covers all aspects of remuneration including Directors' fees, salaries, allowance, bonuses, options and benefits in kind, the specific remuneration packages and termination terms for each Director.

In setting an appropriate remuneration structure and level, the RC takes into consideration industry practices and norms in compensation as well as the Group's relative performance. The compensation structure is designed to enable the Company to stay competitive and relevant.

There is no remuneration criteria for the Independent Directors, however the framework for their remuneration is based on separate fixed fees which is line with the market price for holding a chairman position and being a member, as well as serving on board committees. The Independent Directors receive their fees in accordance with their level of contributions, taking into account factors such as their responsibilities, effort and time spent for serving on the Board and the board committees. The framework is as follows:

Fees of Independent Directors for FY2023	Chairman (S$ per annum)	Member (S$ per annum)
Board	–	20,000
Audit Committee	11,000	5,000
Nominating Committee	7,500	4,000
Remuneration Committee	7,500	4,000

Share awards are granted from time to time as decided by the RC. The policy takes into account the effort and time spent and the responsibilities assumed by each Independent Director. Directors' fees are subject to the shareholders' approval at the forthcoming AGM. No Director is involved in the decision concerning his own fee.

The RC has recommended to the Board a total amount of S$102,851.08 as Directors' fees for FY2023. This recommendation has been endorsed by the Board and would be tabled at the forthcoming AGM for shareholders' approval.

The level and mix of each of the Directors' and CEO remuneration are set out below for the FY2023:

No.	Name	Designation	Fees %	Salary %	Bonus %	Share-based payment %	Salary Range in S$
1	Ms. Chada Anitha Reddy[(i)]	Executive Director and Chairperson	–	100	–	–	0 – 250,000
2	Mr. Mukesh Khetan[(ii)]	Executive Director and Group CEO	–	100	–	–	

Name	Designation	Fees %	Salary %	Bonus %	Share-based Payment %	Total S$
S$250,000 and below						
Mr. Sudip Bandyopadhya	Non-Executive Director	100	–	–	–	46,000.00
Mr. Rajesh Pahwa[(iii)]	Non-Executive Director	100	–	–	–	21,112.90
Mr. Tay Wee Meng[(iv)]	Non-Executive Director	100	–	–	–	14,104.84
Mr. Doraraj S[(v)]	Non-Executive Director	100	–	–	–	10,816.67
Mr. Tushar s/o Pritamlal Doshi[(vi)]	Non-Executive Director	100	–	–	–	10,816.67

(i) Redesignated as Executive Chairperson w.e.f. 23 June 2023.
(ii) Appointed as Executive Director and Group CEO w.e.f. 23 June 2023.
(iii) Appointed as Independent Non-Executive Director w.e.f. 11 May 2023.
(iv) Appointed as Independent Non-Executive Director w.e.f. 28 July 2023.
(v) Ceased as Independent Non-Executive Director w.e.f. 28 April 2023.
(vi) Ceased as Independent Non-Executive Director w.e.f. 28 April 2023.

The Company adopts long-term incentive schemes such as Employee Share Option Schemes 2014 ("**ESOS**") and The Digilife Technologies Performance Share Plan 2021 ("**PSP**") that reward Directors and employees who contribute to the Group and are valuable to retain, using vesting schedules.

For key management personnel, the Group commensurate to the industry and market practice. The RC can engage experts to give advice on executive compensation, as and when the need for such services arises. There was no external remuneration consultant appointed in FY2023 to assist in the review of compensation and remuneration packages.

Information on the Group's ESOS and PSP is set out in the Directors' Statement on pages 55 to 56.

The level and mix of the top five key management personnel of the Company (who are not directors or the CEO) for FY2023 are set out below:

No.	Name	Designation	Basic %	Variable Pay %	Total %	Salary Range in S$
1	Mr. Rusli Sufianto	Chief Operation Officer, Selular Group	79	21	100	0 – 200,000
2	Mr. Arun Seth	CEO & Executive Director, Bharat IT	100	–	100	
3	Mr. Rudi Riyadi Hindarwanto	Senior Vice President, Selular Group	86	14	100	
4	Mr. RVS Minhas	Business Head – Service, Bharat IT	100	–	100	
5	Mr. Sandip Rai	Chief Financial Controller, Digilife	100	–	100	

The aggregate remuneration (excluding statutory taxes and share awards) paid to the above key executives in FY2023 was S$542,845.95.

The Company is of the view that due to confidentiality and sensitivity attached to remuneration matters; it would not be in the best interest of the Company to disclose the exact details of the remuneration of each of the key management personnel including Chairman and CEO as recommended by the Code. The information on performance conditions of the key management personnel including Chairman and CEO in FY2023 are not disclosed due to confidentiality and sensitivity attached to remuneration matters.

There is no termination, retirement and post-employment benefits granted to the Directors, the Group CEO or the key executives apart from the applicable laws. There is no contractual provision in the terms of employment of the Group CEO, Executive Directors and the key management personnel to reclaim incentive components of their remuneration paid in prior years.

The RC would review the Company's obligations arising in the event of termination of any executive director and/or key executive contracts of service, to ensure that the termination clauses are fair and reasonable.

There is no family relationship between any of our Directors, CEO and/or key management personnel, and there is no employee who is an immediate family member of a Director, the CEO or substantial shareholder whose remuneration exceeds S$100,000 in the Group's employment for FY2023.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: 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.

The Group does not have a separate Risk Management Committee. However, Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management also reviews all significant policies and procedures and will highlight all significant matters to the AC and the Board.

The AC is delegated the full responsibility to review, together with the Company's auditors, at least once a year, the effectiveness and adequacy of the Group's system of internal accounting controls, operational, compliance and information technology controls and risk management policies.

The AC also monitors Management's responses to audit findings and actions taken to correct any noted deficiencies. The key internal controls covered under such a review include:

(i) identification of risks and implementation of risk management policies and measures;

(ii) establishment of policies and approval limits for key financial and operational matters, and the rules relating to the delegation of authorities;

(iii) documentation of key processes and procedures;

(iv) ensuring the integrity, confidentiality and availability of critical information;

(v) maintenance of proper accounting records;

(vi) ensuring the effectiveness and efficiency of operations;

(vii) safeguarding of the Group's assets; and

(viii) ensuring compliance with applicable laws and regulations.

The Company's internal control system ensures that assets are safeguarded, proper accounting records are maintained, and that financial information used within the business and for publication is reliable. The Group has also put in place policies on proper employee behaviour and conduct which includes the observance of confidentiality obligations on information relating to the Group and customers, and the safeguarding of system integrity.

The internal audit function assists the AC and the Board in evaluating internal controls, financial and accounting matters, compliance, financial risk management, operational and information technology controls.

The Board has received assurance from (1) the Group CEO and the Chief Financial Officer ("**CFO**") that the financial records have been properly maintained and the financial statements for the financial year from 1 January 2023 to 31 December 2023 ("**FY2023**") give a true and fair view of the Group's operations and finances; and (2) regarding the adequacy and effectiveness of the Group's risk management and internal control systems, addressing the financial, operational, compliance and information technology risks.

Based on the internal controls and risk management systems established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the AC concurs and the Board is of the opinion that Group's internal controls and risk management systems, addressing financial, operational, compliance and information technology risks, are adequate and effective.

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

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Audit Committee

The AC comprises the following Directors as at the date of this report:

Mr. Sudip Bandyopadhyay	Lead Independent Director (Chairman)
Mr. Rajesh Pahwa	Independent Non-Executive Director (Member) (Appointed on 11 May 2023)
Mr. Tay Wee Meng	Independent Non-Executive Director (Member) (Appointed on 28 July 2023)

As at the date of this report, all members of the AC including the Chairman are Independent Non-Executive Directors. No former partner or Director of the Company's existing auditing firm or auditing corporation is a member of the AC and they have no financial interest in such auditing firm. During FY2023, the Company has Mr. Rajesh Pahwa and Mr. Tay Wee Meng on 11 May 2023 and 28 July 2023 respectively, in place of the vacant positions due to the retirement of Mr. Doraraj S and Mr. Tushar, to strengthen the Board composition and its committees.

The AC has explicit authority to conduct or authorize investigation into any matter within its terms of reference. It has full access to and co-operation by the Management and full discretion to invite any Director or executive officer to attend its meetings and reasonable resources to discharge its functions properly.

The AC held two meetings in FY2023. The number of the Directors' participation and attendance at the AC meetings held during the FY2023 can be found on page 18 of this Annual Report.

The role of the AC is documented in the terms of reference approved by the Board. At the Nominating Committee (NC) and Board meetings on 28 February 2023, the NC and Board agreed that the AC shall assist the Board in driving the sustainability and climate-related agenda of the Company as well as providing oversight for environmental, social and governance matters relevant to the businesses of the Company and its subsidiaries. As such, the terms of reference of the AC were amended accordingly. The duties of the ARC now include:

(i) maintaining adequate accounting records;

(ii) reviewing the scope and results of the internal audit reports as well as Management's responses to the findings of the internal audit reports;

(iii) reviewing the quarterly and full-year financial statements and the integrity of financial reporting of the Company;

(iv) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management system, addressing financial, operational, compliance and information technology risks;

(v) reviewing the interested party transactions;

(vi) making recommendations to the Board on (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;

(vii) reviewing findings of internal investigations into matters where there is suspected fraud, irregularity, failure of internal controls or violation of any law likely to have a material impact on the financial reporting or other matters;

(viii) Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;

(ix) Reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

(x) Reviewing the assurance from the CEO and CFO on the financial records and financial statements;

(xi) Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit functions; and

(xii) Oversight responsibilities for the Company's sustainability vision, mission, strategy, policies, practices and initiatives.

The AC members take measures to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements through updates from the external auditors and the Management from time to time.

During FY2023, the AC reviewed the half-yearly and annual financial statements; the results of the audits performed by the internal and external auditors and reviewed the register of interested person transactions.

The AC noted that there were no non-audit services provided by the auditors of the Company. The external auditors have confirmed their independence and the AC is satisfied on the independence of the external auditors.

The AC had met with internal and external auditors, without the presence of Management, at least once during FY2023.

The financial statements of the Company and its key subsidiaries are audited by Moore Stephens LLP. Both the AC and the Board have reviewed the appointment of auditors and/or significant associated companies and were satisfied that the appointment of Moore Stephens LLP as the external auditors of the Group would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company has complied with Rules 712 and 715 of the Catalist Rules. The AC, has therefore, recommended Moore Stephens LLP to be re-appointed as external auditors at the forthcoming AGM.

The Company has put in place a whistleblowing framework ("**Whistleblowing Policy**") endorsed by the AC where the employees of the Group or any other person may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured email address (sudip@inditrade.com) has been set up to allow whistleblowers to contact the AC Chairman directly. In the Whistleblowing Policy, it has designated an independent function to investigate whistleblowing reports made in good faith and ensures that the identity of the whistleblower is kept confidential and the Company is committed to ensure protection of the whistleblower against reprisal, detrimental or unfair treatment. The AC is responsible for oversight and monitoring of whistleblowing policy and processes.

Details of the Whistleblowing Policy and arrangements have been made available to all employees of the Group. The AC and the Board will ensure that independent investigations and any appropriate follow-up actions are carried out.

There were no reported incidents pertaining to whistle blowing during FY2023.

Financial Matters:

In review of the financial statements, the AC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with Management and the external auditors and were reviewed by the AC:

Significant matters:

Significant Matters	**How the AC reviewed these matters and what decisions were made**
A. Revenue recognition	The AC considered the scope of accounting standards relevant to revenue recognition by the Group and the Group's revenue recognition practices. Please refer to page 58 of this Annual Report for the audit report on the matter. The AC discussed with Management in relation to the internal controls that exist over revenue recognition, and the assessment of those controls by the internal auditors. The AC also obtained an understanding of the work performed by the external auditors, including their assessment of the key controls in operation in relation to the internal control systems. The AC was satisfied with the appropriateness of the revenue recognized in the financial statements.
B. Valuation of inventories	The AC reviewed Management's judgements in assessing the required level of inventories provisioning and considered the method of estimating the carrying value of inventory remains appropriate. The AC also discussed with the external auditors on their review of the reasonableness of the allowances for inventories obsolescence. Please refer to page 59 of this Annual Report for the audit report on the matter. The AC concurred with Management's assessment of the allowance for inventory obsolescence and concluded that the disclosures in the financial statements were appropriate.
C. Valuation of trade and other receivables and loan receivable	The AC assessed the reasonableness of the recoverability of the amount due from trade and other receivables. The AC considered the observations and findings presented by the external auditors with reference to the Group's credit policy, and evaluation of the processes for identifying impairment indicators, the payment track records and credit worthiness. Please refer to page 60 of this Annual Report for the audit report on the matter. The AC reviewed the impairment computations and obtained assurance from Management that detailed impairment testing had been undertaken using appropriate methodology and assumption. The AC also discussed with the external auditors on their review of the reasonableness and relevance of the assumptions used in the impairment assessment. The AC concurred with Management's assessment of the allowance for impairment of trade and other receivables and concluded that the disclosures in the financial statements were appropriate.

Internal Audit

In line with the Code and Rule 719(3) of the Catalist Rules which require issuers to establish and maintain on an ongoing basis, an effective IA function that is adequately resourced and independent of the activities it audits, the Company has engaged BDO Advisory Pte Ltd. ("**BDO**") as the Company's independent internal auditors to provide an independent resource and perspective to the Board and the AC, on the processes and controls that help to mitigate major risks. BDO reports functionally and administratively to the AC.

BDO performs its work according to the Global BDO IA Methodology which is consistent with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. BDO is given full access to documents, records, properties and personnel, including access to the AC.

The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company.

The AC reviews the adequacy and effectiveness of the internal audit function at least once a year. The AC is satisfied that BDO is independent and effective, has the adequate resources to perform its functions and has appropriate standing within the Company, with numerous years of experience and is requisite qualification. The internal auditor reports its findings and recommendations for improvement of any internal control weakness to the AC. The AC reviews and makes recommendations to the Board to adopt the internal audit plan drawn up on an annual basis and ensures that the approved audit recommendations are adequately performed.

The AC relies on reports from the Management and external and internal auditors on any material non-compliance and internal control weaknesses. Thereafter, the AC oversees and monitors the implementations thereto.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder rights and conduct of general meetings

Principle 11: 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.

Shareholders are entitled to participate and vote at general meetings of shareholders. The Board welcomes questions from institutional and retail shareholders who have an opportunity to raise issues either formally at or informally after the general meeting to allow shareholders to communicate their views on various matters affecting the Company. The respective Chairmen of the AC, RC and NC are expected to be available at AGMs to answer questions relating to the work of these committees.

The Company, presents separate resolutions on each issue at Shareholders' meetings, with voting on each resolution is carried out systematically by poll, with proper recording of the votes cast and the resolutions passed. The results of the electronic poll voting on each resolution, including the total number of votes cast for or against each resolution, were also announced via SGXNet after the conclusion of the Shareholders' meetings. The Company tabled separate resolutions on each substantially separate issue at the AGM 2023. There were no resolutions which were bundled.

At each AGM, shareholders are encouraged to participate in the question and answer session. The Board of Directors, the external auditors and the Senior Management are present to respond to shareholders' questions about the conduct of audit and the preparation and content of the auditors' report. The Directors' attendance at the previous AGM held on 28 April 2023 is disclosed on page 18 of this Annual Report.

If any shareholder is unable to attend the AGM, the Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote on his or her behalf at the AGM. A relevant intermediary, which has the meaning in the Companies Act, is allowed to appoint more than two proxies. The Company has not implemented absentia voting methods such as voting via mail, e-mail or fax etc. until security, integrity and other pertinent issues are satisfactorily resolved.

The Company Secretary prepares minutes of shareholders' meetings which incorporates substantial comments and responses from the Board and Management. These minutes include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Chairman, Board members and Management are available to shareholders. The Company publishes such minutes of the meetings on SGXNet and its corporate website at the link https://digilifelimited.com/index.html.

The Company does not have a dividend policy. The Board in considering dividend payments will take into account factors such as the Company's earning, financial condition, capital requirements, business expansion plans and cash flow. No dividend has been declared for FY2023 as the Group intends to conserve cash for future investments. The Group has not raised any money from shareholders after 2011, however it has paid back cash in the form of capital reduction and share buyback. The Group continues to be conservative in respect of borrowings. The Company is conserving cash for supporting increase in revenues both from existing business and new business streams.

Engagement with Shareholders

Principle 12: 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.

The Board has adopted the formal investor relations policy ("**IR Policy**") which sets out the mechanism governing the communication channel through which its stakeholders who may contact the Company and through which the Company shall announce its financial results, general announcements, press release, answers to its stakeholders queries etc. The IR Policy allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with stakeholders. The IR Policy is available on its corporate website, **www.digilifelimited.com**. The Company maintains the highest professional and ethical standards in dealings with its stakeholders and ensures that the best interests of the Company are served.

The Board will provide timely and fair disclosures to all stakeholders. Where there are inadvertent disclosures made to a selected group, the Company would make the same disclosure publicly to ensure fair dissemination of news as promptly as possible.

In line with continuous disclosure obligations of the Company pursuant to the Catalist Rules, it is under the IR Policy that the shareholders are informed of all major developments that significantly affect the Group. The Management will then address the queries raised by institutional and retail investors or shareholders emails. Shareholders are welcome to send their queries at the Company's email id i.e. investor-relations@digilifelimited.com.

The Board and Management of the Company engage with the shareholders during shareholders meetings and dialogue sessions as and when organized. In addition, the Directors and Management are available to answer any questions which the investors or shareholders may have in relation to the Company. The Company allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Information is communicated to the shareholders on a timely basis through:

(i) Half-year and full-year financial results announcements, announcements of corporate information in accordance with the requirements of SGX-ST, and press releases broadcasted through SGXNet;

(ii) annual reports and circulars that are electronically sent/announced to all shareholders;

(iii) notices and explanatory notes for annual general meetings and extraordinary general meetings;

(iv) The Shareholders are also briefed on the voting procedures and the resolutions that they are voting on;

(v) the websites of the Company (https://digilifelimited.com) at which shareholders and the public may access information on the Group including the annual reports of the Company; and

(vi) The notice of annual general meeting is dispatched to shareholders at least 14 days before the meeting.

The AGM 2023 was held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**") in the midst of COVID pandemic. Shareholders were invited to participate in the virtual AGM 2023 by (a) observing and/or listening to the AGM 2023 proceedings via live audio-and-visual webcast via their mobile phones, tablets or computers or live audio-only stream via telephone (Live Webcast); (b) submitting questions in advance of the AGM 2023 or during the AGM 2023 via an online text box; and/or (c) voting at the AGM 2023 (i) live by the shareholders themselves via electronic means or (ii) appointing the Chairman of the Meeting as proxy to attend and vote on their behalf at the AGM 2023. The Chairman and respective Directors and the CEO were present by way of video conference or in person at the virtual AGM 2023. The forthcoming AGM for FY2023 will be held on 29 April 2024 ("**AGM 2024**") in a wholly physical format. There will be no option for Shareholders to participate virtually.

The Company shall publish the minutes of the AGM 2024 on SGXNet and the Company's website within one (1) month after the date of the AGM 2024.

MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

Principle 13: 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.

The relationships and interests of material stakeholders will impact the Company's long-term sustainability, service and product standards. Material stakeholders are parties who may be affected by the ability of the Company to conduct its activities or vice versa actions who can affect the ability of the Company to conduct its activities.

For full details on the Group's approach to stakeholder engagement and materiality assessment, please refer to the Group's sustainability report for FY2023 (as found in pages 36 to 53 of this Annual Report, the Company has detailed its stakeholder engagement and materiality assessment).

MATERIAL CONTRACTS
(***Rule 1204(8) of Catalist Rules)***

The Company and its subsidiary companies did not enter into any material contracts involving interests of the CEO, Directors or controlling shareholders and no such material contracts subsists at the end of the financial year.

DEALINGS IN THE COMPANY'S SECURITIES
(Rule 1204(19) of Catalist Rules)

In line with the recommended practices on dealings in securities set out under Rule 1204(19) of the Catalist Rules, the Company has a policy in place prohibiting dealings in the Company's securities on short-term considerations. The Company, its Directors and employees are also expected to observe the insider trading laws at all times as prescribed by the Securities and Futures Act 2001. The Company has issued directives to its employees and Directors not to deal in the Company's securities on short-term considerations and while in possession of price-sensitive information. The Company and its officers also abstain from dealing with the Company's securities for the period of one month immediately preceding and ending on the date of the announcement ("**the blackout period**") of the Company's half-year and full-year financial statements.

INTERESTED PERSON TRANSACTIONS
(Rule 1204(17) of Catalist Rules)

The Group has in place procedures governing interested person transactions ("**IPTs**") to ensure that they are properly documented and reported to the AC in a timely matter and are carried out on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

There were no other transactions conducted with interested persons as defined in the Catalist Rules for FY2023 which exceed the stipulated threshold:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of Catalist Rules)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S$100,000)[1]
NIL			

** Refer Financial Statements note 35 on Page No. 128 of this Annual Report.*

Note:
1. There was neither renewal nor new IPT mandate obtained at the AGM 2023.

NON-SPONSOR FEES
(Rule 1204(21) of Catalist Rules)

The Company has PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**") as its continuing sponsor. There were no non-sponsor fees paid/payable to the Company's Sponsor for FY2023.

SUSTAINABILITY REPORT

BOARD STATEMENT

We are pleased to present the annual Sustainability Report of Digilife Technologies Limited ("**Digilife**", the "**Company**", and together with its subsidiaries, the "**Group**", "**we**" or "**our**") for our financial year from 1 January 2023 to 31 December 2023 ("**FY2023**"). This report highlights the key Economic, Environmental, Social and Governance ("**EESG**") related initiatives carried out in FY2023, whilst its comparative period is financial year 2022 ("**FY2022**") from 1 April 2022 to 31 December 2022.

The Group primarily operates as the authorised distributor for well-established telecom operators in Indonesia, boasting a network of more than 25,000 resellers currently. Additionally, we provide system integration and related business services in India. Our overarching objective is to ensure that our products and services can help to improve people's accessibility to technology, while minimising the impact on the environment at the same time.

Sustainability has always been an integral part of our wider strategy, aiming at creating long-term value for all our stakeholders. As such, the Management diligently identifies and reviews the key material EESG factors that are relevant to the Group. The Board of Directors of the Group (the "**Board**") holds the responsibility for the oversight and monitoring of the material factors, which are taken into consideration when determining the Group's strategic direction and policies. Moreover, the Management works closely with the Board to identify emerging trends and best practices regarding material EESG factors, allowing the Board to proactively address climate-related risks and capitalise on relevant opportunities. In line with this commitment, the Company has engaged our internal auditors to perform an internal review of this Sustainability Report.

Moving forward, we are dedicated to leveraging our core strengths while maintaining flexibility and resilience in our business development. Our focus remains on improving performance in our two essential pillars, namely sustainability and innovation, aiming to achieve even greater heights and reach new milestones

REPORTING FRAMEWORK, PERIOD AND SCOPE

This report is prepared in compliance with the requirements of Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Rules 711A and 711B, with reference to the Global Reporting Initiative ("**GRI**") Standards 2021. The adoption of the GRI Standards is based on its international recognition and comprehensive coverage of sustainability disclosure. This structured framework enables us to provide a transparent and comprehensive account of the Group's material matters and the management of its impacts, ensuring a thorough and balanced representation of our sustainability performance.

Currently, the Company will identify the risks and opportunities associated with its material sustainability issues and climate change. As a result, for the Sustainability Report in FY2023, the Company's disclosure of risks and opportunities will be presented on an "**Explain**" basis, in accordance with the "**Comply or Explain**" provision.

FEEDBACK

We value the input of our stakeholders and consider their feedback crucial in driving continuous improvement in our sustainability initiatives, policies, systems and results. We encourage you to share your comments and suggestions with us by reaching out to investor-relations@digilifelimited.com.

Last but not least, we would like to extend our gratitude to our staffs and partners for their support and commitment. We hope you find our report insightful and engaging. If you are a potential partner interested in collaborating with us, we look forward to the opportunity to work together as we continue to strive for value creation for our shareholders and the betterment of the community.

09 April 2024

OUR APPROACH TO SUSTAINABILITY

STAKEHOLDERS ENGAGEMENT

In order to align our business objectives and sustainability strategies with the appropriate priorities and meet the interests of our key stakeholders, as well as staying in line with the industry's best practices, we place great emphasis on engaging with both internal and external stakeholders. This engagement encompasses a wide range of individuals and groups, including customers, suppliers, employees, and regulators.

By utilising various platforms for engagement, we actively seek to gain a comprehensive understanding of the needs and expectations of our key stakeholders. This enables us to effectively incorporate their perspectives into our business strategies, ultimately aiming to create mutually beneficial outcomes for all our key stakeholders.

Stakeholders	Engagement Platforms	Frequency	Focus Areas, if any
Customers	• Mixture of physical meetings and virtual meetings • CDMP (Coverage-Distribution-Marketing-Product) • Gathering outlet	Daily Daily Occasionally	• Quality services • Rights protection
	• Rebate Program (Target, Reward)	Monthly	
	• Social Media (WhatsApp/LINE) • Marketing Hotline-Telemarketing	Daily	
	• SMS blast • Brochure, Sticker • Exhibition • Bundling Product	Occasionally	
Suppliers	• Mixture of physical meetings and virtual meetings • Coordinate meetings with branch managers or operations • Review and execute plans for monthly targets • Socialisation products, programs and new regulations • National Gatherings, commitments to next year's targets	Daily Daily Monthly Monthly/Quarterly Annually	• Fair and transparent procurement • Joint development • Contracts fulfilment
	• Vendor Assessment 1. KPI target 2. Agreement renewal	 Monthly 1-3 years	
	• Awards and Reward	Annually	
Employees	• Staff Appraisals	Annually	• Guarantee of basic rights and interests • Employee capabilities and career development • Sense of belonging and recognition
	• Staff Bonding Sessions 1. National Meeting 2. Cluster Gathering 3. Open Fasting on Lebaran 4. Home leave transportation (EID)	 Annually Occasionally Annually Annually	
	• Whistle-blowing policy updates	Annually	

Stakeholders	Engagement Platforms	Frequency	Focus Areas, if any
Bankers	• Face-to-face meetings • Lunches • E-mails/Phone call • Meetings	Quarterly Business update	• Timely fulfilment of financial obligations
Local Communities	• Sponsorship • Donations	Occasionally	• Contribution to the local employment and economic development • Supporting local suppliers • Volunteer activities
Media	• Social Media (Facebook/Instagram)	Weekly	

MATERIALITY ASSESSMENT

In FY2023, the Group took proactive measures to enhance the objectivity of its materiality assessment by engaging its stakeholders through a survey conducted by an independent third-party agency.

Step 1: Impact Identification

Recognising that sustainability risks and opportunities may vary among different businesses and stakeholders with various backgrounds, we conducted an internal assessment to identify potential impacts from the EESG pillars. The categorisations of the potential impacts are defined with reference to the GRI Standards.

Step 2: Stakeholder Identification

We select our key stakeholders based on criteria including their legal obligations, power of influence and their significance to the Group to participate in the engagement. In FY2023, managerial staff and directors, as well as external suppliers and business partners were invited to participate in the engagement process. Their input was instrumental in prioritising the relevant sustainability issues.

Step 3: Significance Evaluation

Taking into consideration the ranking results provided by stakeholders and the weightings applied to each of the EESG pillars, the Group has derived the materiality assessment results, which are outlined below.

Materiality Assessment Outcome

AREAS THAT ARE IDENTIFIED TO BE RELATIVELY MORE IMPORTANT TO EXTERNAL STAKEHOLDERS ONLY

- Economic Performance
- Procurement Practices
- Anti-corruption

AREAS THAT ARE IDENTIFIED TO BE VITAL

- Energy
- Occupational Health and Safety
- Training and Education
- Diversity and Equal Opportunity
- Local Communities
- Customer Privacy

AREAS THAT ARE IDENTIFIED TO BE RELATIVELY INSIGNIFICANT

- Employment
- Labour/Management Relations
- Non-discrimination
- Child Labour
- Forced or Compulsory Labour
- Security Practices
- Customer Health and Safety
- Marketing and Labelling

AREAS THAT ARE IDENTIFIED TO BE RELATIVELY MORE IMPORTANT TO INTERNAL STAKEHOLDERS ONLY

- Water and Effluents
- Emissions
- Waste

CLIMATE CHANGE

In response to increasing concerns expressed by stakeholders, the Group acknowledges the heightened importance of addressing the climate emergency and fulfilling enhanced disclosure obligations. As a result, the Group is fully committed to strengthening its climate change management and disclosures with reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**").

Although the industries in which the Group currently operates may not be identified as posing significant climate risks nor facing immediate direct severe impacts, the Group recognises the importance of identifying applicable climate-related risks and opportunities, as well as their potential impacts on our development. In order to inform our strategy and efforts in climate change mitigation, adaptation and resilience, the Group has planned to conduct a climate assessment in the near future.

To bolster the climate resilience across our operations, the Group is actively working on enhancing our risk management and assessment procedures. We will develop and refine our risk management measures with reference to the latest requirements, while also optimising energy consumption throughout our business operations to showcase our commitment to climate mitigation.

While specific climate-related targets, such as those pertaining to Greenhouse Gas ("**GHG**") emissions, energy and water usage and renewable energy, are still being defined by the Group, we plan to initiate preliminary steps to establish suitable metrics, which will enable us to better understand, track, and monitor our performance in climate mitigation.

SUSTAINABILITY REPORT

ECONOMIC

ECONOMIC PERFORMANCE

The Group places a strong emphasis on financial sustainability and considers the interests of key stakeholders as a fundamental principle. We aim to ensure long-term profitability and maximising shareholder value, while exploring possibilities to align our endeavours with our business strategies and financial performance.

The Group's strategic focus on cultivating profitable revenue streams has yielded tangible results, culminating in the achievement of profitability for the current fiscal year. While the legacy business environment continues to be challenging, the Company has focused to keep the costs optimised to remain profitable.

Telecom business in Indonesia was slightly down last year; there are anticipated challenges on the horizon. Margins are under pressure due to aggressive marketing tactics, sales programs, and product discounts initiated by competitors in the market and change in distribution strategies of the Telecom operators. As announced by the Company on 20 February 2024, due to the change in overall distribution strategy of one of the telecom operators in Indonesia, XL Axiata, the Company will cease to be the distributor for XL Axiata with effect from 29 February 2024. For more information, please refer to the announcement dated 20 February 2024.

Similarly, the Technology business in India is operating within a legacy industry, which has subjected the business to persistent margin pressures driven by intense competition. In response to this landscape, the Group is proactively exploring new avenues for growth and profitability. The Company is exploring extensively its commitment to diversification and pursuit of lucrative opportunities in the emerging markets. The Company will update Shareholders as and when there are any material developments.

Although the Company has not yet linked sustainability performance to its remuneration policy for executive members, the Company may consider adopting additional policies in the future, as the Company acknowledges the importance of providing incentives to enhance sustainability performance. Moving forward, the Group remains steadfast in its commitment to innovation and agility, continuously seeking out promising technology ventures that align with its vision for sustainable growth and profitability in an ever-evolving business environment.

For detailed financial results, please refer to the following sections in our Annual Report for FY2023:

- Operational and Financial Performance Review, pages 4 to 5
- Financial Statements, pages 63 to 150

PROCUREMENT PRACTICES

Considering the nature of the Group's business, its primary engagement is with both domestic and foreign suppliers as a distributor. Bharat IT Services Limited ("**Bharat IT**"), one of the Subsidiary Company of Digilife, directly procures products from two foreign suppliers and multiple domestic suppliers. These products are subsequently sold to customers and business partners. On the other hand, Modi Indonesia 2020 Pte Ltd ("**Modi Indonesia**"), one of the Subsidiary Company of Digilife operates as a retail and distribution company catering to various well-known local telco operators in Indonesia. The Group's procurement policy is clearly defined in its cooperation agreements with suppliers. In selecting new suppliers, the Group prioritizes their ability to provide timely deliveries at the most competitive prices.

In FY2023, Bharat IT allocated 87% of its procurement budget in Service Division and 15% in Product Division and in average as whole 45% for local suppliers (FY2022: Service Division- 87%, Product Division- 25% and as whole 37%) while Modi Indonesia sourced 100% for local suppliers (FY2022: sourced 100% locally). These figures indicate that the Group has achieved its previously set target and aims to continue sourcing a significant portion of its purchases locally in the coming years. This commitment to local sourcing aligns with the Group's objectives and reflects its dedication to supporting the local economy and fostering strong relationships with domestic suppliers.

As the Group progresses, it will explore opportunities to optimise its procurement strategies, while also maintaining a focus on local sourcing. By doing so, the Group aims to enhance supply chain efficiency, minimise potential risks, and contribute to the sustainable growth of the communities in which it operates.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group aims to maintain its percentage of local sourcing budget at a similar level	The Group aims to maintain its percentage of local sourcing budget at a similar level	The Group aims to maintain its percentage of local sourcing budget at a similar level

* *Since the Group is currently at its preliminary stage of establishing medium to long-term targets, it retains the flexibility to modify these targets in subsequent periods.*

ANTI-CORRUPTION

The Group maintains a steadfast commitment to combating corruption in all its forms. We are planning to evaluate our operations for corruption-related risks to enhance risk management and assessment procedures. While this evaluation is still in progress, no significant risks related to corruption have been identified thus far. It is important to note that no incidents of corruption were reported in FY2023, continuing the trend from the previous financial year (FY2022: Nil), and we have achieved our target of zero incidents of corruption within the Group. Our dedication to achieving a zero-tolerance approach to corruption within the Group remains unwavering, and we are determined to sustain this achievement going forward.

To support our commitment, we have implemented a range of initiatives aimed at preventing corruption, including:

- Educating all employees on anti-bribery and anti-corruption to help them recognise and mitigate associated risks; and
- Strengthening controls by reviewing policies and procedures regarding ethical business operations and working towards reinforcing a full compliance culture.

Whistle-blowing policy

The Company recognizes the importance of maintaining a culture of transparency and accountability. In line with this commitment, it has implemented a comprehensive whistle-blowing policy that has received approval from the Board. It is mandatory for all employees to acquaint themselves with the policy and strictly adhere to its guidelines. The whistle-blowing policy serves as a vital mechanism for reporting any potential improprieties, particularly in areas such as financial reporting or other critical matters.

The policy is designed to provide clear instructions on how employees can confidentially raise concerns or report any suspected wrongdoing. This ensures that individuals feel safe and protected when bringing forward information that may be of significant importance to the Company. Employees are encouraged to utilize the designated email address to submit their reports, ensuring confidentiality and anonymity throughout the process. By establishing a confidential reporting channel, we create an environment where employees can freely express their concerns without fear of reprisal.

In FY2023, no whistle-blowing reports were received, maintaining the trend from the previous financial year (FY2022: Nil). This positive outcome indicates the effectiveness of our internal control systems and the ethical standards upheld within the Company. For more detailed information regarding the whistle-blowing policy, please refer to the Corporate Governance Report.

Moving forward, the Group will continue to prioritise anti-corruption efforts, and remain committed to fostering a transparent and ethical business environment, guided by robust compliance practices and a strong corporate governance framework. Our ultimate goal is to maintain a record of zero incidents of corruption, contributing to the trust and confidence placed in us by our stakeholders.

ENVIRONMENTAL

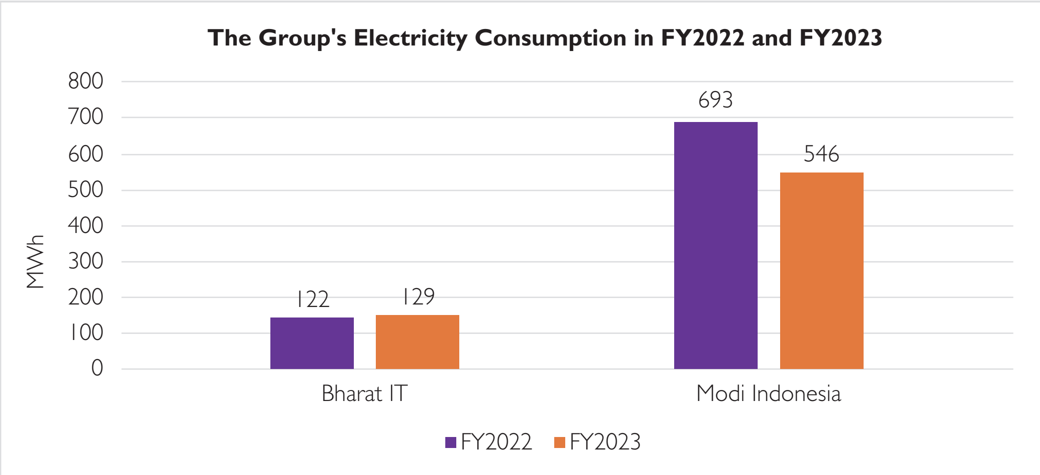
ENERGY

Recognising our responsibility to minimise our environmental impact, the Group is committed to proactively managing its energy consumption and promoting responsible resource usage across all our workplaces. In our ongoing efforts to monitor and reduce energy consumption, we track our energy usage and gain valuable insights that enable us to identify areas for improvement and implement energy-saving initiatives.

In the spirit of transparency, we present the following table summarising the Group's energy consumption and GHG emissions for FY2023, serving as an overview of our environmental performance.

Table 1: The Group's energy consumption and GHG emissions in FY2023.

Types of Resources	Unit	Amount
Electricity[1]	MWh	675 (FY2022: 815)
Diesel	L	2,810 (FY2022: 2,550)
Gasoline	L	215,587 (FY2022: 200,154)
Total	MWh	2,794 (FY2022: 2,782)
Types of GHG Emissions[2]	**Unit**	**Amount**
Scope 1 (Direct Emissions)[3]	Tonnes of CO_2e	517 (FY2022: 480)
Scope 2 (Energy Indirect Emissions)[4]	Tonnes of CO_2e	531 (FY2022: 637)



Our proactive approach is to educating employees on energy-saving practices and implementing measures to reduce energy consumption. At Bharat IT, employees shut down electrical equipment during lunch hours as a regular practice.

Furthermore, Modi Indonesia strive to consume solar energy for transportation/fuel and try to find out different ways to find alternate energy sources having less impact on the environment. By harnessing the power of the sun, Modi Indonesia aim to further reduce our reliance on conventional electricity and minimise overall energy consumption.

Continuing forward, we continue to review historical data and set ambitious targets for energy consumption optimisation.

Timeframe	Short-term	Medium-term	Long-term
Target	Modi Indonesia aims to control its energy consumption at Indonesian Rupiah (IDR) 78/month per head count, or lower for the next financial year	The Group aims to maintain its energy consumption at a similar level	The Group aims to maintain its energy consumption at a similar level

* *Since the Group is currently at its preliminary stage of establishing medium to long-term targets, it retains the flexibility to modify these targets in subsequent periods.*

1 *The Group's electricity consumption only includes Bharat IT's and Modi Indonesia's usage, as the corporate office of Digilife only pays rental charges as tenants without separate utility charges.*
2 *The methodology adopted for reporting on GHG emissions set out above was based on GHG Protocol Corporate Accounting and Reporting Standard and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.*
3 *The Group's Scope 1 (Direct Emissions) included only the emissions arose from the consumption of liquid fuels in motor vehicles.*
4 *The Group's Scope 2 (Energy Indirect Emissions) included only the emissions arose from electricity consumption.*

Modi Indonesia has achieved its target of controlling its energy consumption target to be lower than IDR 98/month, per head count, as set last year, thus is committed to optimising the use of electricity in the future and is determined to maintain its energy consumption target at the same level, reflecting its dedication to sustainable practices and environmental stewardship.

As we move forward, our focus remains on continuously optimising energy usage, exploring renewable energy solutions, and fostering a culture of energy consciousness throughout the organisation. While we are in the early stages of identifying climate-related risks and opportunities, we strive to improve our environmental performance by establishing targets on energy consumption, as we recognise the significant impact of energy consumption on GHG emissions and, consequently, on the climate. We have plans to conduct a climate assessment and develop suitable metrics to evaluate our performance. This process will enable us to identify and understand the potential impacts that climate-related risks and opportunities may have on our business operations, strategy, and financial planning.

SOCIAL

At the core of our values, we deeply appreciate the immense contributions made by each and every employee. We recognise that fostering a collaborative and inclusive team culture is not only beneficial but essential for achieving our long-term corporate objectives. Our unwavering commitment is to create a work environment that is safe, supportive, and rewarding, where equality is upheld and all individuals are treated with fairness and respect. In line with this commitment, we firmly uphold and support the protection of internationally proclaimed human rights. Discrimination in any form, be it in terms of employment or occupation, is strictly prohibited within our organisation. Furthermore, we are resolute in our efforts to eradicate all forms of forced and compulsory labour, including the particularly abhorrent practice of child labour.

In terms of remuneration, the Group is dedicated to providing competitive compensation based on merit, as we believe in recognising and rewarding employees for their hard work, skills, and contributions. Additionally, we respect the right to freedom of association, and our employees are free from any requirement of collective bargaining agreements. We recognise the rights of employees to join or form associations or unions to represent their interests and voice their concerns.

OCCUPATIONAL HEALTH AND SAFETY

The Group places the utmost importance on the health and safety of its employees, and we have implemented a robust set of job safety guidelines to ensure their well-being. In FY2023, Bharat IT remained fully compliant with the Singapore standard for occupational safety and health management system.

At Digilife and Group Companies, our commitment to employee safety and comprehensive workplace security is unwavering. We prioritize the well-being of every member of our team, ensuring a safe and secure environment where everyone can thrive. Through robust safety protocols and proactive measures, we strive to create a workplace that fosters confidence and peace of mind. Your safety is our top priority, and we remain dedicated to upholding the highest standards of security.

We prioritise the safety of our specialised employees who handle physical inventories of servers and IT systems. Employees are regularly directed and educated to follow strict safety protocols and take necessary safety equipment while performing their duties, aiming to minimise the likelihood of accidents or injuries in the workplace. In Bharat IT, we recognise the importance of electrical safety and ensure our employees adhere to safety measures specifically aimed at preventing electrical shocks. To further enhance safety preparedness, Bharat IT maintain readily available emergency kits throughout our organisation, which are easily accessible to all employees and are regularly replenished to ensure they are fully stocked. At Modi Indonesia, although the nature of our business may not pose significant occupational hazards, we remain committed to prioritising the well-being of our employees. As an additional safety assurance, we provide comprehensive health security and medical insurance coverage, which ensures that our employees have access to necessary healthcare services and support in case of any medical emergencies.

In order to ensure a safe working environment, our Human Resource ("**HR**") Team and Head of Department Managers, who are well-equipped with health and safety knowledge, are responsible for leading our investigation team in the event of incidents. The team conducts investigations by collecting information, reviewing, and analysing the root causes, thus subsequently implementing the appropriate actions. During the investigation, the team adheres to the investigation guidelines set forth by the Ministry of Manpower, Singapore through the i-submit reporting system. Our objective is to learn from past mistakes and proactively prevent the recurrence of similar incidents.

In FY2023, no cases of fatalities or work-related injuries were recorded. We are proud to present that we have achieved the target of zero workplace incidents in FY2023 (FY2022: Nil), and we aim to maintain our outstanding performance in the next financial year. We will provide our managers and HR personnel with external trainings on WSH matters as per required.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group strives for zero workplace incidents	The Group strives for zero workplace incidents	The Group strives for zero workplace incidents

TRAINING AND EDUCATION

We recognise the significance of offering tailored training programs to our employees, thus our career development initiatives are designed to align with the unique needs and goals of each individual. The table below provides a summary of the training hours of the Group's employees.

Table 2: Number of training hours provided to the Group's employees in FY2023.

Unit: Training Hours		Position		
Gender	General staff	Middle management	Senior management	Total
Male	826.5	0	0	826.5
Average training hour	0.5	0	0	0.5
Female	409.0	0	12.0	421.0
Average training hour	1.5	0	4.0	5.5
Total	1,235.5	0	12.0	1,247.5
Average training hour	0.6	0	1.3	1.9

In FY2023, we have achieved our target to strengthen our employees' skills through relevant training initiatives. Moving forward, we are committed to continuously providing our employees with opportunities to acquire new skills and embrace emerging technologies, in order to maintain high-performance standards and sustain the Group's competitiveness in the market.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group aims to maintain the amount of training hours provided to its employees in each financial year	The Group aims to maintain the amount of training hours provided to its employees in each financial year	The Group aims to maintain the amount of training hours provided to its employees in each financial year

* *Since the Group is currently at its preliminary stage of establishing medium to long-term targets, it retains the flexibility to modify these targets in subsequent periods.*

Performance Review

We conduct an annual performance review where supervisors collaboratively assess the performance of employees, ensuring a two-way communication that promotes fair evaluation. Employees who demonstrated outstanding performance in their appraisals are offered a range of career advancement opportunities, such as promotions, salary increments, and annual variable bonuses. This review is conducted fairly based on employees' experience, qualifications and performance. In FY2023, 100% of Digilife's and 6% of Bharat IT's employees underwent the annual performance and career development review.

We remain committed to dedicating our efforts to provide opportunities for our employees to acquire new skills and fostering a positive corporate working environment that enables them to thrive and achieve their fullest potential.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group aims to maintain the percentage of employees receiving annual performance and career development review in each financial year	The Group aims to maintain the percentage of employees receiving annual performance and career development review in each financial year	The Group aims to maintain the percentage of employees receiving annual performance and career development review in each financial year

* *Since the Group is currently at its preliminary stage of establishing medium to long-term targets, it retains the flexibility to modify these targets in subsequent periods.*

EMPLOYMENT, DIVERSITY AND EQUAL OPPORTUNITY

The Group deeply values and recognises the importance of our employees as a fundamental asset. We firmly believe that our strong commitment to embracing diversity plays a pivotal role in our overall success. We are dedicated to fostering an inclusive culture that not only celebrates but also leverages the unique perspectives, backgrounds, and qualities of our diverse workforce. We firmly stand against any form of discrimination, including but not limited to race, age, gender, religion, ethnicity, disability, or nationality.

We are committed to treating all employees fairly and ensuring equal opportunities for growth and development at all levels within the organisation. We provide the necessary resources and support to enable each employee to make their fullest contributions to the Group's objectives. In FY2023, we achieved our target of maintaining a record free of discrimination, demonstrating our unwavering commitment to upholding a workplace environment that is free from bias and prejudice. Moving forward, we remain steadfast in our zero-tolerance policy towards discrimination, continuously striving to maintain an inclusive and respectful workplace for all.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group aims to maintain zero record of discrimination	The Group aims to maintain zero record of discrimination	The Group aims to maintain zero record of discrimination

SUSTAINABILITY REPORT

As of 31 December 2023, a total of 2,180 employees were employed under the Group and all are full-time employees. Details of the Group's demographic are shown below.

Table 3: The Group's employee distribution by gender in FY2023.

Gender	Male	Female
Total	1,892	288
Percentage (%)[5]	87	13

Table 4: The Group's employee distribution by age group in FY2023.

Unit: Number of Employees	Age group		
	Under 30 years old	30-50 years old	Over 50 years old
Total	819	1,292	69
Percentage (%)[5]	38	59	3

Table 5: The Group's employee distribution by geographical location in FY2023.

Unit: Number of Employees	Geographical location			
	Singapore	India	Indonesia	Total
Total	1	1,203	976	2,180

There are a total of 987 new hires in FY2023. Details are as follows:

Table 6: The Group's new hires distribution by gender in FY2023.

Gender	Male	Female
Number of new hires	903	84
Percentage (%)[6]	48	29

Table 7: The Group's new hires distribution by age group in FY2023.

Age group	Under 30 years old	30-50 years old	Over 50 years old
Number of new hires	476	496	15
Percentage (%)[6]	58	38	22

5 *The percentage is calculated by dividing the number of employees in each category over the total number of employees of the Group as of the end of FY2023.*

6 *The percentage is calculated by dividing the number of new hires in each category over the number of employees in the corresponding category as of the end of FY2023.*

In FY2023, the total turnover rate was 43% with 931 employees leaving the Group. The tables below show the detailed distribution of turnover:

Table 8: The Group's turnover distribution by gender in FY2023.

Gender	Male	Female
Number of employee turnover	846	85
Percentage (%)[7]	45	30

Table 9: The Group's turnover distribution by age group in FY2023.

Age group	Under 30 years old	30-50 years old	Over 50 years old
Number of employee turnover	415	500	16
Percentage (%)[7]	51	39	23

CUSTOMER PRIVACY

The Group places high priority on ensuring the security of cyber systems and the privacy of data, encompassing not only its own data but also that of its customers, suppliers, business partners, and employees.

To underscore the significance of privacy in all aspects of business operations, the Group has integrated the "Privacy of Customer Communications Policy", serving as a clear guideline for ensuring that customer communications are handled with confidentiality and respect for privacy. As technology continues to advance, the Group remains dedicated to expanding its network infrastructure and enhancing accessibility for its stakeholders. While striving to provide user-friendly products and services that meet market demands, the Group acknowledges the need to address potential privacy concerns. Balancing the desire for seamless accessibility with robust privacy measures is critical for the Group.

Unless permitted by law and the Management of Digilife, employees must refrain from:

- Disclosing customers' information or the location of equipment, circuits, trunks or cables to any unauthorised individuals;
- Tampering with or intruding upon voice, data and related transmissions;
- Listening to or repeating customers' conversations or communications, or allowing them to be monitored or recorded;
- Granting access to any communication transmitted by Digilife; and
- Installing or permitting the installation of any device that enables unauthorised listening, observing or determining that communication has taken place.

Meanwhile, the Group is committed to upholding privacy standards throughout the entire employment process to safeguard the personal information of applicants. We have implemented stringent measures to control access to personal data, ensuring that only authorised personnel with a legitimate need-to-know have access to such information. In compliance with the Personal Data Protection Act ("**PDPA**") policy, we adhere to a minimisation principle when collecting personal information from applicants. For instance, when filling out a job application form, we only require minimal personal details, such as the last four digits and one letter of the applicant's NRIC/FIN number. Our application form explicitly states the purpose of data collection and seeks the applicant's consent for the collection of information. Our standardised procedure ensures that applicants are provided with a PDPA form that outlines the purpose of data collection and seeks their explicit consent before any physical documents, such as identification cards, school and employment certificates, and other relevant references, are collected. We prioritise obtaining applicants' consent and signature before proceeding with any data collection process. All personal information collected is securely stored and protected from unauthorised access. Personal data is retained only if deemed necessary for business or legal purposes, and once it is no longer required, it is promptly destroyed and removed from the Group's systems.

7 *The percentage is calculated by dividing the number of employees left the Group in each category over the number of employees in the corresponding category as of the end of FY2023.*

Furthermore, we have our own PDPA policy in place and appointed a dedicated Data Protection Officer. Our Management has been equipped with the necessary knowledge and expertise to implement relevant practices and measures that ensure strict compliance with the PDPA regulations.

At Bharat IT, our primary focus is providing IT hardware maintenance services to our valued customers as per the terms of our Agreement. As part of our responsibilities, we also handle and maintain the data stored within the IT systems. To ensure data security, our service engineers regularly remind customers about the importance of taking necessary measures to protect their data. Additionally, all our frontline employees are required to sign a Confidentiality Agreement, underscoring their commitment to maintaining the confidentiality and security of customer information.

In FY2023, we successfully achieved our target of zero incidents of non-compliance with PDPA regulations and there were no complaints received regarding breach of privacy or loss of customer data (FY2022: Nil). We remain dedicated to maintaining this high standard and will continue to make effort to enforce and enhance our existing policies. Our goal is to ensure zero incidents of non-compliance and customer complaints by continuously improving our practices and reinforcing our commitment to safeguarding privacy and data security.

LOCAL COMMUNITIES

The Group is committed to community engagement and actively fosters participation in a wide range of Corporate Social Responsibility ("**CSR**") initiatives and environmental conservation programmes. We remain steadfast in our commitment to contribute to the development and improvement of the society in which we operate by dedicating our time and resources to support different activities.

We continuously strive to enhance our CSR approaches and are actively exploring opportunities to incorporate local community engagement, impact assessments, and development programs into our operations. As responsible corporate citizens, we have been regularly contributing on CSR activities. Notably, one of our subsidiaries, Modi Indonesia, has been actively involved in supporting charities and community organisations. In FY2023, Modi Indonesia made monetary donations to orphanages and elderly homes, provided food donations to rural schools, and organized activities during the month of Ramadan.

We are proud of our ongoing efforts to make a meaningful difference in the communities where we operate. We will continue to explore new avenues for community engagement and strive to expand the scope and effectiveness of our CSR programmes, particularly incorporating incorporate more CSR initiatives in Singapore and India when it is feasible to do so.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group will continue to support charities and community organisations by offering donations and organising charity activities	The Group will continue to support charities and community organisations by offering donations and organising charity activities	The Group will continue to support charities and community organisations by offering donations and organising charity activities

* *Since the Group's operations did not meet the threshold of the applicable CSR laws on the requirement on organising CSR initiatives in FY2023, the Group may adjust its targets on community investment in the future.*

AWARDS

Modi Indonesia received the following awards in FY2023:

- The Best Branch Youth Sumbagsel Pangkal Pinang
- The Best Cluster Growth Broadband Revenue Sumbagsel Bangka Utara
- The Best Cluster Growth Total Prepaid Revenue Sumbagsel Bangka Utara
- The Best Cluster Growth Contribution Revenue CVM Sumbagsel Bangka Selatan
- The Best Cluster KPI Mitra SBP Sumbagsel Bangka Selatan
- The Best Manager TAP Kembangan
- The Best Manager TAP Cengkareng
- The Best SF Ahmad Ariyanto TAP Cengkareng
- The Best SF Joko Siswanto TAP Kembangan
- The Best SF Program SCS Wawan Setiawan Area 2 Jabotabek Jabar

GOVERNANCE

COMPLIANCE WITH LAWS AND REGULATIONS

Environmental Compliance

Creating values through our products and services has long been one of our focuses to minimise the impact on the environment. Our subsidiaries have been complying with local regulations on environmental protection.

Modi Indonesia on case to case basis comply with the Indonesian government's regulation, Rule No.: PP-No-101-Tahun-2014 "Management of Hazardous Wastes and Toxic", in case of any incident. As required by the regulation, a certified agent is engaged in managing waste related to mobile phones and computers as may be required. There was no case reported in FY2023.

Currently, there are no environmental compliances applicable to Digilife and Bharat IT. However, as per the 2016 circular released by the Indian Government, Bharat IT has complied with E-Waste (Management) Rules, 2016.

Socioeconomic Compliance

The Group remains committed to staying abreast of the latest labour laws and adhering to work safety and health regulations. By aligning our rules and practices with our work ethics and values, we aim to maintain zero incidents of non-compliance across all departments in significant areas. To ensure strict compliance with government regulations, Bharat IT has engaged a labour law consultant who is responsible for conducting periodic review of our processes.

We have been complying with the applicable rules and regulations in environmental, social and economic aspects. We are proud to inform that we have achieved the target of recording zero incidents of non-compliance with laws and regulations that resulted in significant fines or sanctions in FY2023 (FY2022: Nil). There were no regulatory breaches for any of our entities in Singapore, India or Indonesia. We aim to continue maintaining our outstanding performance in the future.

Timeframe	Short-term	Medium-term	Long-term
Target	The Group aims to maintain zero incidents of non-compliance with laws and regulations that resulted in significant fines or sanctions	The Group aims to maintain zero incidents of non-compliance with laws and regulations that resulted in significant fines or sanctions	The Group aims to maintain zero incidents of non-compliance with laws and regulations that resulted in significant fines or sanctions

SUSTAINABILITY REPORT

CORPORATE GOVERNANCE

The Board and Management of Digilife are dedicated to upholding a high standard of corporate governance within the Group. To ensure sustainable operations, effective self-regulatory practices have been implemented throughout the Group. We believe that striving for corporate excellence is essential in establishing a system that is transparent, accountable and equitable, thereby enhancing long-term shareholders' value.

We have achieved the target we previously set which no cases of non-compliance to the Code of Corporate Governance were reported within the Group in FY2023. We will continue to comply with the Code of Corporate Governance and meet applicable requirements. If any deviations were identified, we will disclose and explain necessary information as required by the Code of Corporate Governance.

For more details, please refer to pages 18 to 35 of the Group's FY2023 Annual Report for the Corporate Governance Report.

RISK MANAGEMENT

The Board places significant emphasis on robust risk management efforts, as evidenced by the thorough internal controls assessment conducted by the internal auditor. This assessment serves as a cornerstone in identifying potential risks and vulnerabilities within our operations. Through meticulous scrutiny and evaluation of internal controls, we proactively address areas of concern and implement effective mitigation strategies. By leveraging the findings from this assessment, we continuously enhance our risk management framework to safeguard against potential threats and ensure the integrity and stability of our business operations.

For detailed disclosure of our risk management, please refer to pages 28 to 29 of our Annual Report for FY2023.

BUSINESS ETHICS AND COMPLIANCE

All staff are reminded of the paramount importance of upholding the highest standards of business ethics throughout operations. Our company fosters a culture of continuous learning and development, actively encouraging employees to stay updated on the latest developments, standards, and regulations in ethics.

Recognising the criticality of ethical business conduct to the Group's operations, the Board has implemented the Code of Conduct and Ethics Policy (the "**Code**"). This Code serves as a guideline to maintain the standards of business conduct within the Group and ensure compliance with legal requirements. By adhering to the Code, the Group strives to enhance the ethical and transparent processes, thus deterring any wrongdoing. The topics covered in the Code are of the utmost importance to the Company, stakeholders and business partners.

All employees are obligated to strictly follow the fundamental guidelines outlined in the Code. It includes policies for Reporting Irregularities, Privacy of Customer Communications, Confidentiality of Company Information, the competitive position of Digilife, Gifts/Entertainment, Outside Employment and Conflict of Interest, and others. The Code of Conduct also clearly states the required standards of integrity that all employees are expected to uphold. In the event of any violation or non-compliance, disciplinary action, including termination, may be taken when deemed necessary.

In FY2023, we have achieved the target of maintaining zero incidents of non-compliance with the Code of Conduct (FY2022: Nil). We are committed to promptly addressing all allegations received and will continue to maintain zero incidents of non-compliance in the coming years.

Memberships

Singapore Indian Chamber of Commerce and Industry
Singapore Business Federation
India Indonesia Chamber of Commerce

GRI STANDARDS CONTENT INDEX

Statement of use	Digilife Technologies Limited has reported with reference to the GRI Standards for the year 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference/Description
GRI 2: General Disclosure 2021		
2-1	Organisational details	Page 17 of the Annual Report
2-2	Entities included in the organisation's sustainability reporting	Page 6 to 7 of the Annual Report
2-3	Reporting period, frequency and contact point	The reporting period is from 01 January 2023 to 31 December 2023. The Sustainability Report is reported on an annual basis. The publication date of this report is same as its Annual Report. For questions regarding the Sustainability Report, please contact: • Mr. Mukesh Khetan (mukesh.khetan@smartgroup.com) • Mr. Rohit Dhingra (rohit@smartgroup.com)
2-4	Restatements of information	The Company has not made any restatement in the Reporting period.
2-5	External assurance	We have yet to conduct external sustainability assurance over this report for FY2023, and may seek external assurance in the future. Our Internal auditors, BDO Advisory Pte Ltd is responsible for our Internal Review of the Company's FY2023 Sustainability Report. Our external auditors, Moore Stephens LLP provided external assurance over our financial reports for FY2023 and is contained in the FY2023 Annual Report.
2-6	Activities, value chain and other business relationships	The Group is operating as the authorised distributor of the well-established telecom operators with a current network of more than 25,000 resellers in Indonesia and carrying out system integration and related business in India. At Digilife, our goal is to ensure that our services and products can help to improve people's accessibility to technology while minimising the impact on the environment. Our suppliers are primarily based out of Indonesia, Singapore, China, and Italy, where they are supplying us our telecom operator and IT distribution products. To ensure that only qualified suppliers are selected during supplier onboarding, track records, suppliers' capacity on timely delivery, competitive prices as well as their commitments towards high quality, health safety standards and sustainability.
2-7	Employees	Page 45 to 47
2-9	Governance structure and composition	Page 18-35, 50
2-22	Statement on sustainable development strategy	Page 36
2-23	Policy commitments	The Group's Code of Conduct and Ethics covers responsible business conduct, including the authoritative intergovernmental instruments that it references, thus stipulating the need to conduct due diligence checks, applying the precautionary principles, and respecting human rights.

GRI Standard	Disclosure	Reference/Description
2-27	Compliance with laws and regulations	Page 49
2-28	Membership associations	Page 50
2-29	Stakeholder engagement	Page 37-38
2-30	Collective bargaining agreements	The Group does not have any collective bargaining agreements in FY2023.
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Page 37-38
3-2	List of material topics	Page 39
3-3	Management of materials topics	Please refer to the management's disclosure in each chapter for details.
Economic Topics		
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	Page 40
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	Page 40
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	As the Group is currently in the progress of developing its risk management and assessment procedures, its operations are yet to be included for assessment on risks related to corruption.
Environmental Topics		
GRI 302: Energy		
302-1	Energy consumption within the organisation	Page 42
Social Topics		
GRI 403: Occupational Health and Safety		
403-2	Hazard identification, risk assessment, and incident investigation	Page 43
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Page 44
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Page 46 to 47
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	The Group's operations are yet to be involved with implemented local community engagement, impact assessments, and development programs
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 47 to 48

The Company is committed to supporting the recommendations by the TCFD and disclosed our Climate-related financial disclosures in the following key areas as recommended by the TCFD: being (list down the key areas).

The company shall endeavour to disclose its compliance in greater detail in its subsequent reports.

Recommendations and Supporting Recommended Disclosures

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organization's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Disclose how the organization identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended Disclosures	**Recommended Disclosures**	**Recommended Disclosures**	**Recommended Disclosures**
a) Describe the board's oversight of climate-related risks and opportunities.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	a) Describe tile organization's processes for identifying and assessing climate-related risks.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	b) Describe the organization's processes for managing climate-related risks.	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and tile related risks.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The directors present their statement to the members together with the audited consolidated financial statements of Digilife Technologies Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 31 December 2023, and the statement of financial position of the Company as at 31 December 2023.

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 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year ended 31 December 2023; 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.

1 Directors

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

Ms. Chada Anitha Reddy	(Executive Chairperson and Director)
Mr. Mukesh Khetan	(Executive Director and Group Chief Executive Officer) (Appointed on 23 June 2023)
Mr. Sudip Bandyopadhyay	(Lead Independent Non-Executive Director)
Mr. Rajesh Pahwa	(Independent Non-Executive Director) (Appointed on 11 May 2023)
Mr. Tay Wee Meng	(Independent Non-Executive Director) (Appointed on 28 July 2023)

2 Arrangements to Enable Directors to Acquire Shares or Debentures

Except as described in this statement, neither at the end of nor at any time during the financial year, was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

3 Directors' Interests in Shares or Debentures

The directors of the Company holding office at the end of the financial year or at the date of this statement had no interests in the shares, share options, performance shares or debentures of the Company and 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 follows:

	Holdings registered in the name of director	
Name of Director and Company	**At the beginning of the financial year/ date of appointment**	**At the end of the financial year**
	Ordinary shares	
Digilife Technologies Limited (the Company)		
Ms. Chada Anitha Reddy	6,690	6,690
Mr. Mukesh Khetan	13,524	13,524

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2024.

4 Share Options

The particulars of share options of the Company are as follows:

(a) Digilife Technologies Stock Option Plan 2014 ("ESOP 2014")

The ESOP 2014 was approved by the shareholders in their meeting held on 15 April 2014 with an objective to gradually phase out the Sevak 1999 Employees' Share Option Scheme and the 1999 Sevak Employees' Share Option Scheme II as no new options can be granted under these schemes. Pursuant to ESOP 2014, the Remuneration Committee ("RC") has the authority to grant options to present and future employees of the Group as well as to other persons who are eligible under ESOP 2014 at the average of the closing prices for the 5 trading days prior to the issuance of the grant, less a discount, if any, to be determined by the RC, which shall not exceed 20% of the then prevailing market price.

ESOP 2014 is administered by the RC who then determines the terms and conditions of the grant of the options, including the exercise price, the vesting periods which may be over and above the minimum vesting periods prescribed by the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the imposition of retention periods following the exercise of these options by the employees, if any.

The RC had on 27 March 2015 granted a total of 274,200,000 stock options to the directors under the ESOP 2014. The options granted at an exercise price of S$0.0024 were to be vested after 2 years from the date of the grant. The options can be exercised up to 10 years from the date of the grant.

All options granted under ESOP 2014 had lapsed.

No other directors were granted options under this Scheme and no participant received 5% or more of the total options available under the Scheme. No unissued shares are under option as at the date of this statement.

During the financial year under review, no options have been granted at a discount.

(b) Digilife Technologies Performance Share Plan 2021 ("PSP 2021")

The PSP 2021 was approved by the shareholders in their meeting held on 19 February 2021 with an objective to promote higher performance goals, recognise exceptional achievement and retain talents within the Group. The PSP 2021 motivates employees of the Company (including the Directors and Group employees) to optimise their performance standards and efficiency as well as to reward them for their significant contributions to the Company. The Company's view is that all deserving and eligible participants (regardless of whether they are Controlling Shareholders or associates) should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

The total number of Shares which may be issued pursuant to the share awards (the "Awards") granted under the PSP 2021 on any date, when added to: (a) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares Released and/or to be Released in the form of cash in lieu of Shares, pursuant to Awards granted under the Plan; and (b) the number of Shares issued and issuable in respect of all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed thirty (30) per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the day preceding the date of the relevant Award.

On 1 March 2021, a total of 804,634 Awards has been granted to Dr. Bhupendra Kumar Modi, a controlling shareholder of Company in accordance with the PSP 2021. The Awards were vested immediately after the grant. For details, please refer to the announcement dated 01 March 2021.

4 **Share Options** (Continued)

(b) Digilife Technologies Performance Share Plan 2021 ("PSP 2021") (Continued)

On 8 July 2021, a total of 863,954 Awards has been granted to 23 employees of the Group, including the Directors, Chief Executive Officer and Chief Financial Officer. The Awards were vested immediately after the grant. For details, please refer to the announcement dated 8 July 2021.

During the financial year under review, no shares awards was granted.

5 **Audit Committee**

The Audit Committee ("AC") at the date of this statement comprises the following Directors:

Mr. Sudip Bandyopadhyay	(Chairman and Lead Independent Non-Executive Director)
Mr. Rajesh Pahwa	(Member and Independent Non-Executive Director)
Mr. Tay Wee Meng	(Member and Independent Non-Executive Director)

The AC performs the functions set out in section 201B (9) of the Singapore Companies Act 1967. In performing those functions, the AC reviewed the overall scope of the internal audit function, external audit function and the assistance given by the Company's officers to the auditors. The AC met with the auditors to discuss the results of their audit and their evaluation of the systems of internal controls. The AC also reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2023, as well as the external auditor's report thereon.

The AC has noted that there are no non-audit services provided by the auditors and as such the independence of the auditors is not affected.

A full report on the functions performed by the AC is included in the report on Corporate Governance.

6 **Independent Auditors**

The independent auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

....

Sudip Bandyopadhyay
Lead Independent Director

....

Chada Anitha Reddy
Executive Director and Chairperson

Singapore
09 April 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Digilife Technologies Limited (the "Company") and its subsidiaries (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated 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 consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated 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 *Auditor's 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 for our opinion.

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 period. 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.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>

Revenue recognition

We refer to Note 2(r) and Note 4 to the financial statements.

For the financial year ended 31 December 2023, the Group recorded revenue amounting to S$217.14 million from its continued operations.

We have identified revenue recognition to be significant because of the high volume of transactions and the varying sales and contractual terms. Revenue recognition is susceptible to the higher risk that the revenue is recognised when the control of goods has not been transferred to the customers. Accordingly, we have identified revenue recognition as a key audit matter.

</td><td>

Our audit response

We have performed the following key audit procedures:

- Updated our understanding of the Group's control environment over the sales process and the relevant systems including the design of key controls over the capture and recording of revenue transactions. We have performed tests of key controls as appropriate;
- Performed sample testing on revenue and checked that the revenue recognition criteria are appropriately applied;
- Performed analytical review procedures and enquired with management for any significant or unusual fluctuations noted;
- Tested the revenue to be recognised in the relevant accounting period by performing cut-off tests at the year end;
- Tested journal vouchers for any unusual adjustments made to the revenue account; and
- Reviewed the adequacy of the disclosures relating to revenue in Note 2(r) and Note 4 to the financial statements.

Our audit findings

We found the Group's revenue recognition to be consistent with its accounting policy as disclosed in Note 2(r) to the financial statements. We also found that the relevant disclosures on revenue in the financial statements to be adequate.

</td></tr>
</table>

Key Audit Matters (Continued)

Key Audit Matter	**How our audit addressed the Key Audit Matter**
Valuation of inventories We refer to Note 2(k), Note 3(b)(ii) and Note 11 to the financial statements. As at 31 December 2023, the total carrying amount of inventories was S$8.92 million. The assessment of the carrying amount of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Reviews are made periodically by management on inventories for obsolescence and decline in net realisable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.	**Our audit response** We have performed the following key audit procedures: • Tested and analysed the ageing of the inventories; • Reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventories obsolescence; • Conducted a detailed discussion with the Group's key management and considered their views on the adequacy of allowances for inventories obsolescence in light of the current economic environment; • Reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sampling basis at the reporting date; and • Reviewed the adequacy of the disclosures relating to inventories in Note 2(k), Note 3(b)(ii) and Note 11 to the financial statements. **Our audit findings** We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence and the relevant disclosures in the financial statements to be adequate.

Key Audit Matters (Continued)

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>
Valuation of trade and other receivables and loan receivable

We refer to Note 2(i), Note 3(a)(ii), Note 12, Note 13, Note 23 and Note 40(a) to the financial statements.

As disclosed in Notes 12, 13, 23 and 40(a) to the financial statements, the Group assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.

The carrying amount of trade and other receivables and loan receivable of the Group was S$7.86 million as at 31 December 2023. We focused on this area because of its significance and the degree of judgement required to estimate the expected credit loss and determining the carrying amount of trade and other receivables and loan receivable as at the reporting date.
</td><td>
Our audit response

We have performed the following key audit procedures:

• Updated our understanding of the Group's processes and key controls relating to the monitoring of trade and other receivables and loan receivable and assessment of ECL, including the process for identifying impairment indicators;

• Reviewed and tested the aging of trade and other receivables and loan receivable;

• Reviewed and challenged management's assessment on the credit worthiness of selected customers. Discussed with the key management and the component auditors on the adequacy of the allowance for impairment recorded by the Group and reviewed the supporting documents provided by management in relation to their assessment;

• Checked the mathematical accuracy of management's computation of the expected credit loss;

• Checked the subsequent receipts from major debtors after the year end and obtained documentary evidence, representation and explanations from management to assess the recoverability of long outstanding debts, where applicable; and

• Reviewed the adequacy of the disclosures relating to trade and other receivables and loan receivable in Note 2(i), Note 3(a)(ii), Note 12, Note 13, Note 23 and Note 40(a) to the financial statements.

Our audit findings

Based on our audit procedures performed, we found management's assessment of the recoverability of trade and other receivables and loan receivable to be reasonable and the relevant disclosures in the financial statements to be adequate.
</td></tr>
</table>

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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 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, 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.

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 a 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.

Auditor's 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 auditor's 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 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 period 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 those 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 auditor's report is Ms Chong Jia Yun, Michelle.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
09 April 2024

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group Year ended 31.12.2023 S$'000	 Period from 1.4.2022 to 31.12.2022 S$'000
Continuing operations			
Turnover	4	**217,137**	174,587
Operating expenses			
Purchases and changes in inventories and direct service fees incurred	4(a)	**(198,983)**	(160,623)
Commissions and other selling expenses		**(133)**	(227)
Other income – operating	5	**129**	236
Personnel costs	6	**(11,662)**	(8,591)
Infrastructure costs		**(575)**	(450)
Marketing expenses		**(1,072)**	(660)
Other expenses – operating		**(3,322)**	(2,724)
Other income – non-operating	5	**111**	48
Other expenses – non-operating		**(66)**	(65)
Interest income from cash deposits	5	**323**	199
Finance costs – interest expense		**(66)**	(115)
Depreciation of property, plant and equipment	17	**(402)**	(341)
Amortisation of intangible assets	19	**(223)**	(147)
Profit before taxation from continuing operations	7	**1,196**	1,127
Taxation	8	**(561)**	(591)
Profit for the year/period from continuing operations		**635**	536
Profit for the year/period from discontinued operations	9	**–**	4
Total profit for the year/period		**635**	540
Profit attributable to:			
Owners of the parent		**631**	540
Non-controlling interest		**4**	–
Total		**635**	540
Earnings per share			
From continuing and discontinued operations			
– Basic and diluted (cents per share)	10	**4.69**	3.99
From continuing operations			
– Basic and diluted (cents per share)	10	**4.69**	3.96
From discontinued operations			
– Basic and diluted (cents per share)	10	**–**	0.03

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Profit for the year/period	**635**	540
Other comprehensive loss, net of income tax:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**(231)**	(3,284)
Total comprehensive income/(loss) for the year/period	**404**	(2,744)
Total comprehensive income/(loss) attributable to:		
Owners of the parent	**393**	(2,740)
Non-controlling interest	**11**	(4)
Total comprehensive income/(loss) for the year/period	**404**	(2,744)

The accompanying notes form an integral part of the financial statements

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		Group		Company	
	Note	2023	2022	2023	2022
		S$'000	S$'000	S$'000	S$'000
Assets					
Current assets					
Inventories	11	**8,916**	12,285	**–**	–
Trade receivables	12	**4,102**	4,456	**47**	47
Other receivables and deposits	13	**2,824**	2,377	**245**	209
Prepayments	14	**620**	666	**4**	4
Due from subsidiaries	15	**–**	–	**240**	174
Cash and cash equivalents	16	**9,014**	7,820	**2,681**	3,900
Fixed deposits	16(a)	**3,560**	3,606	**–**	–
Tax recoverable	13	**855**	1,181	**–**	–
		29,891	32,391	**3,217**	4,334
Non-current assets					
Property, plant and equipment	17	**1,256**	1,093	**2**	11
Investment properties	18	**3,278**	3,221	**–**	–
Intangible assets	19	**1,030**	1,226	**9**	32
Investment in subsidiaries	20	**–**	–	**19,892**	19,892
Investment in associate	21	**–**	–	**–**	–
Long-term loans and advances to subsidiaries	24	**–**	–	**461**	465
Deferred tax assets	25	**313**	297	**–**	–
Other receivables	13	**76**	50	**–**	–
Financial assets, at FVPL	22	**285**	295	**285**	295
Fixed deposits	16(a)	**402**	779	**–**	–
		6,640	6,961	**20,649**	20,695
Total assets		**36,531**	39,352	**23,866**	25,029

The accompanying notes form an integral part of the financial statements

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group 2023 S$'000	Group 2022 S$'000	Company 2023 S$'000	Company 2022 S$'000
Liabilities					
Current liabilities					
Trade creditors	26	**576**	1,344	**46**	47
Other creditors and accruals	27	**2,752**	2,908	**640**	428
Contract liabilities	4	**538**	618	**–**	–
Lease liabilities	36	**3**	52	**5**	5
Loans and bank borrowings	28	**440**	2,182	**–**	–
Due to subsidiaries	15	**–**	–	**4,465**	4,635
Tax payable		**133**	299	**–**	–
		4,442	7,403	**5,156**	5,115
Non-current liabilities					
Lease liabilities	36	**30**	54	**5**	10
Provision for employee benefits	34(b)	**797**	649	**–**	–
Contract liabilities	4	**357**	366	**–**	–
Deferred tax liabilities	25	**595**	509	**–**	–
Loans and bank borrowings	28	**122**	150	**–**	–
Long-term loans and advances from subsidiaries	15(a)	**–**	–	**6,373**	6,385
		1,901	1,728	**6,378**	6,395
Total liabilities		**6,343**	9,131	**11,534**	11,510
Equity attributable to owners of the Company					
Share capital	29	**549,704**	549,704	**549,704**	549,704
Treasury shares	30	**(1,399)**	(1,098)	**(1,399)**	(1,098)
Accumulated losses	31	**(498,474)**	(499,105)	**(524,673)**	(523,923)
Other reserves	32	**(6,530)**	(6,394)	**(11,300)**	(11,164)
Translation reserve	33	**(13,061)**	(12,823)	**–**	–
		30,240	30,284	**12,332**	13,519
Non-controlling interest		**(52)**	(63)	**–**	–
Total equity		**30,188**	30,221	**12,332**	13,519
Total liabilities and equity		**36,531**	39,352	**23,866**	25,029

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Attributable to owners of the Company							
	Share capital S$'000	Treasury shares S$'000	Accumulated losses S$'000	Other reserves S$'000	Translation reserve S$'000	Total S$'000	Non-controlling interest S$'000	Total S$'000
Group								
2023								
Balance at 1 January 2023	**549,704**	**(1,098)**	**(499,105)**	**(6,394)**	**(12,823)**	**30,284**	**(63)**	**30,221**
Profit for the year	**–**	**–**	**631**	**–**	**–**	**631**	**4**	**635**
Other comprehensive (loss)/income, net of tax	**–**	**–**	**–**	**–**	**(238)**	**(238)**	**7**	**(231)**
Total comprehensive income/(loss) for the year	**–**	**–**	**631**	**–**	**(238)**	**393**	**11**	**404**
Buy-back of shares	**–**	**(301)**	**–**	**(136)**	**–**	**(437)**	**–**	**(437)**
Balance at 31 December 2023	**549,704**	**(1,399)**	**(498,474)**	**(6,530)**	**(13,061)**	**30,240**	**(52)**	**30,188**
2022								
Balance at 1 April 2022	549,704	(1,098)	(499,645)	(6,394)	(9,543)	33,024	(59)	32,965
Profit for the period	–	–	540	–	–	540	–	540
Other comprehensive loss, net of tax	–	–	–	–	(3,280)	(3,280)	(4)	(3,284)
Total comprehensive income/(loss) for the period	–	–	540	–	(3,280)	(2,740)	(4)	(2,744)
Balance at 31 December 2022	549,704	(1,098)	(499,105)	(6,394)	(12,823)	30,284	(63)	30,221

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Cash Flows from Operating Activities		
Profit before taxation from continuing operations	**1,196**	1,127
Profit before taxation from discontinued operations	**–**	4
Total profit before taxation	**1,196**	1,131
Adjustments for:		
Depreciation and amortisation	**625**	580
Write off of non-trade debts	**–**	71
Allowance for impairment loss of trade debts	**18**	15
Allowance for inventory obsolescence and write-off	**107**	168
Interest income from cash deposits	**(323)**	(199)
(Gain)/Loss on revaluation of investment properties	**(80)**	31
Fair value loss/(gain) for financial assets, at FVPL	**10**	(12)
Gain on disposal of property, plant and equipment	**(12)**	(34)
Loss on disposal of subsidiaries	**–**	45
Finance costs	**66**	133
Unrealised foreign exchange differences	**136**	(794)
Operating cash flows before working capital changes	**1,743**	1,135
Decrease/(Increase) in inventories	**3,264**	(1,747)
Decrease in trade receivables	**410**	813
(Increase)/Decrease in other receivables and deposits	**(522)**	519
Decrease in prepayments	**46**	165
(Decrease)/Increase in trade creditors	**(767)**	471
(Decrease)/Increase in other creditors and accruals	**(158)**	453
Decrease in contract liabilities	**(89)**	(19)
Cash flows generated from operating activities	**3,927**	1,790
Interest paid	**(66)**	(133)
Income tax paid	**(353)**	(558)
Net cash flows generated from operating activities	**3,508**	1,099

The accompanying notes form an integral part of the financial statements

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Cash Flows from Investing Activities		
Interest income received from cash deposits	**323**	199
Proceeds from disposal of property, plant and equipment	**35**	77
Purchase of property, plant and equipment	**(588)**	(744)
(Placement)/Withdrawal of fixed deposits	**(893)**	1,343
Purchase of investment properties	**–**	(843)
Cash flow (net) consequent to disposal of investment in subsidiaries	**–**	1,523
Net cash flows (used in)/generated from investing activities	**(1,123)**	1,555
Cash Flows from Financing Activities		
Withdrawal/(Placement) of cash and bank deposits pledged	**1,314**	(690)
Proceeds of loans and bank borrowings	**–**	178,993
Repayment of loans and bank borrowings	**(1,770)**	(178,941)
Share buy-back cost	**(437)**	–
Repayment of lease liabilities	**(73)**	(496)
Net cash flows used in financing activities	**(966)**	(1,134)
Net increase in cash and cash equivalents	**1,419**	1,520
Effect of exchange rate changes on cash and cash equivalents	**(227)**	(833)
Cash and cash equivalents at the beginning of the year/period	**6,283**	5,596
Cash and cash equivalents at the end of the year/period (Note 16)	**7,475**	6,283

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

1 GENERAL

Digilife Technologies Limited (the "Company") is a limited liability company, incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 26 February 2021, the Company transferred its listing from the Main Board to the Catalist of the SGX-ST.

The registered office and principal place of business of the Company is located at 1 North Bridge Road, #19-04/05 High Street Centre, Singapore 179094.

The principal activities of the Company are rendering of telecommunication services and distribution of telecommunication handsets. The principal activities of the subsidiaries are disclosed in Note 20 to the financial statements.

The financial statements for the financial year ended 31 December 2023 were approved and authorised for issue by the board of directors in accordance with a resolution of the directors on the date of the Directors' Statement.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(b) Basis of Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when all three elements of control are present: (a) power over the entity; (b) exposure or rights to variable returns from its involvement with the entity; and (c) ability to use its power to affect the amount of its returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company. On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in the income statement.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Consolidation (Continued)

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual agreements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in consolidated income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with SFRS(I) 9 *Financial Instruments* either in income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Consolidation (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the subsidiaries financial statements to ensure consistency of accounting policies with that of the Group.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated income statement.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statements of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(c) Transactions with Non-Controlling Interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the statements of financial position, separately from equity attributable to owners of the Company.

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

(d) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. Equity in an associate is accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is carried in the statements of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the associate in the period in which the investment is acquired.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Associates (Continued)

The profit or loss reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

The Group's share of the profit or loss of its associates is the profit attributable to equity holders of the associate and, therefore is the profit or loss after tax and non-controlling interests in the subsidiaries of associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's net investment in its associate. The Group determines at each financial year end whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are accounted for at cost less any impairment losses.

(e) Foreign Currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency"). For the purpose of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in Singapore Dollar ("S$"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions.

At the financial year end, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Foreign Currencies (Continued)

Transactions and balances (Continued)

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the financial year end are recognised in the consolidated income statement, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. These currency translation differences are recognised in the foreign currency translation reserve in the consolidated financial statements and transferred to the consolidated income statement as part of the gain or loss on disposal of the foreign operation.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

Translation of Group entities' financial statements

The results and financial position of each of the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

– Assets and liabilities are translated at the closing exchange rate at the financial year end;

– Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of transactions); and

– All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the Group are reclassified to the consolidated income statement.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the consolidated income statement.

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 at the financial year end.

(f) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2(n) to the financial statements. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

(f) Property, Plant and Equipment (Continued)

Buildings

Buildings are initially recorded at cost and are subsequently carried at revalued amounts. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period. Revaluation will be based on valuation by professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in the income statement. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases in carrying amounts are recognised in the consolidated income statement.

Work in Progress

Work in progress comprises of other miscellaneous tools and parts that are not capable of being used during the current financial year. These assets are carried at cost, less any recognised impairment losses. Depreciation of these assets commences when the assets are ready for their intended use.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The carrying amounts 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 residual values, useful lives and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate. This ensures that the method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the item of property, plant and equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture, fixtures and fittings	3 – 10 years
Computer equipment	2 – 5 years
Office equipment	3 – 8 years
Motor vehicles	3 – 10 years
Leasehold improvement	3 – 20 years
Buildings	20 years

Computer equipment includes office computers, telecommunication equipment and network equipment. Fully depreciated property, plant and equipment are retained in the consolidated financial statements until they are no longer in use.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Property, Plant and Equipment (Continued)

Disposal

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated income statement. Any amount in revaluation reserve is transferred to accumulated losses directly. No transfer is made from the revaluation reserve to accumulated losses except when an asset is derecognised.

(g) Investment Properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest-and-best use basis. Gains and losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the period in which they arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in the income statement. The cost of maintenance, repairs and minor improvements is recognised in the consolidated income statement when incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in the income statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in the consolidated income statement.

When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Intangible Assets

i. Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

ii. Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial acquisition intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in profit or loss through the 'amortisation of intangible assets' line item.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying amount may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2 **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (CONTINUED)

(h) Intangible Assets (Continued)

ii. Other intangible assets (Continued)

a. Patents, trademarks and licences

The initial costs of acquiring patents, trademarks and licences are capitalised and charged to profit or loss over the license period from 3 to 10 years. The costs of applying for and renewing patents and licences are charged to profit or loss.

The carrying amounts of patents, trademarks and licenses are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment in amount is provided in full.

b. Customer contracts, order backlog, customer relationship and marketing rights

Customer contracts, order backlog, customer relationship and marketing rights acquired through business combinations are measured at fair value as at the date of acquisitions. Subsequently, customer contracts, order backlog, customer relationship and marketing rights are amortised on a straight-line basis over their estimated useful lives of 1 to 20 years.

The carrying amounts of customer contracts, order backlog, customer relationship and marketing rights are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment in amount is provided in full.

c. Research and development costs

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of 3 years from the completion of the related project on a straight-line basis.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Financial Assets

Classification and Measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives, if any, are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

<u>Initial recognition</u>

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

<u>Subsequent measurement</u>

i. Debt instruments

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other income/other expenses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income", if any.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Financial Assets (Continued)

Classification and Measurement (Continued)

Subsequent measurement (Continued)

i. Debt Instruments (Continued)

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income/ other expenses", if any.

Debt instruments mainly comprise cash and cash equivalents, including fixed deposits and trade and other receivables measured at amortised cost.

ii. Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other income/other expenses", except for those equity securities which are not held for trading which is presented in other comprehensive income. Movements in fair values of investments classified as FVOCI are presented as "gains/losses on fair value changes" in OCI, if any.

Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings, if any.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Financial Assets (Continued)

Impairment

The Group assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession(s) that the lender(s) would not consider otherwise (e.g. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise);
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in income statement.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Contract Costs

The Group capitalises costs incurred in fulfilling a contract with the customer only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligation in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are recognised as an asset (i.e. Contract costs – fulfilment) in the statements of financial position. Upon fulfilment of the performance obligation and recognition of revenue, these costs will be recognised in the profit or loss.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

(l) Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial year end and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

The Group recognises other borrowing costs as an expense in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(o) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(p) Leases

i. When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract 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. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

2 **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (CONTINUED)

(p) Leases (Continued)

i. When the Group is the lessee (Continued)

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets in “Property, plant and equipment” and lease liabilities in “Lease liabilities” in the statements of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group’s assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Leases (Continued)

i. When the Group is the lessee (Continued)

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

(q) Impairment of Non-financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group based its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, the Group has used cash flow projections based on detailed budgets and forecast calculations that is deemed reliable and accurate.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the profit and loss unless the asset is measured at revalued amount, in which case the reversal in excess of impairment loss previously recognised through the profit and loss is treated as a revaluation increase.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue Recognition

Revenue of the Group comprises fees earned from telecommunication and internet service provider ("ISP") services rendered, sale of software licences, distribution of telecom operator products and services, distribution of telecommunication handsets, related products and services, and the supply, rental, maintenance and servicing of computer hardware and peripheral equipment and systems integration service relating to computer equipment and peripherals, storage systems and networking products. These revenues are categorised into operating segments (Note 38) as detailed in Note 2(u) to the financial statements.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The specific recognition criteria must also be met before revenue is recognised for goods and services sold.

<u>Goods and Services Sold</u>

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer which coincides with delivery of goods or rendering of services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for the time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

The Group considers certain services to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. A portion of the transaction price is therefore allocated to the maintenance services based on the stand-alone selling price of those services. Discounts are not considered as they are only given in rare circumstances and are never material. Revenue from the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Revenue from distribution of operator products and services is recognised at a point in time when goods are delivered and services are rendered respectively.

Revenue from ICT distribution is recognised at a point in time when goods are delivered and revenue from maintenance services is recognised over time when services provided progressively.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Revenue Recognition (Continued)

Financing Component

The Group does not have any significant financing component in its contracts with customers.

(s) Employee Benefits

i. Defined contribution plans

The Group has complied with the mandatory contribution schemes including national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund Scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

ii. Employee leave entitlements

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

iii. Employee share incentive plan

Employees (including senior executives and Directors) of the Group receive remuneration in the form of share options and performance shares as consideration for services rendered ('equity-settled transactions').

The cost of equity-settled share-based transactions with employees is measured by reference to the fair value at the date on which the share options and performance shares are granted which takes into account market conditions and non-vesting conditions. The Group has plans that are time-based and performance-based. In valuing the performance-based plans, no account is taken of any performance conditions.

The cost of equity-settled share-based transactions is recognised in the income statement, together with a corresponding increase in the employee share-based payment reserve, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and the end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation. The employee share-based payment reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share-based payment reserve is transferred to share capital if new shares are issued.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Employee Benefits (Continued)

iv. Defined benefit plan

The Group provides additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the respective jurisdiction, in accordance to the local legal regulations.

The said additional provisions are estimated using actuarial calculations based on the report prepared by independent actuary firms. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in accumulated losses and will not be reclassified to the consolidated income statement. Past service cost is recognised in the consolidated income statement in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

(a) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

(b) Net interest expense or income; and

(c) Remeasurement.

The Group presents the first two components of defined benefit costs in the consolidated income statement in the line item 'personnel costs'. Curtailment gains and losses are accounted for as past service costs.

(t) Taxes

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

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary 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.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Taxes (Continued)

Deferred tax (Continued)

Such deferred tax 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 for taxable temporary differences associated with 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.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the financial year end 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the financial year end, to recover or settle the carrying amount of its assets and liabilities.

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.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition when a business combination is initially accounted for but is subsequently realised, the acquirer shall recognise the resulting deferred tax income in profit or loss or a reduction to goodwill (as long as it does not exceed goodwill) if incurred during the measurement period.

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, 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 the accounting for the business combination.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Segment Reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:

1. the nature of the products;

2. the type or class of customer for their products and services; and

3. methods used to distribute their products to the customers or provide their services.

   i. Operating Segments

      The main operating segments of the Group are:

      a. Telecom:

         (i) Distribution of mobile prepaid cards; and

         (ii) Sale of mobile handsets, related products and services.

      b. Technology

         1. Information and Communications Technology ("ICT") distribution & managed services:

            (i) Supply, rental, maintenance and servicing of computer hardware and peripheral equipment;

            (ii) Systems integration service related to computer equipment and peripherals, storage systems, networking products, customised solutions and software products; and

            (iii) Networking and routing solutions for large enterprise networks with related switches, monitors, solutions, hardware and facilities management services.

         2. Battery electric vehicles comprising:

            (i) Business of battery electric vehicles and passenger land transport. This segment had been disposed on 29 April 2022.

   ii. Geographical Information

      The Group has organised geographical segments according to the region in which the reporting Company is incorporated in. Assets and capital expenditure are based on the location of the assets.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Share Capital and Share Issue Expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are shown separately under other reserves.

(w) Related Parties

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 the 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 apply:

   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); or

   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.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(x) Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

(y) Treasury Shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount comprising of the consideration paid and any directly attributable incremental cost is presented as two components within equity attributable to the Company's equity holders as treasury shares and other reserves respectively, until they are cancelled, sold or re-issued.

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 retained earnings of the Company if the shares are purchased out of the earnings of the Company.

When treasury shares are subsequently sold or re-issued, the cost of treasury shares is reversed from the treasury shares and other reserves accounts respectively and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

(z) Discontinued Operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and;

i. Represents a separate major line of business or geographical area of operations; or

ii. is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or

iii. is a subsidiary acquired exclusively with a view to resale.

When a component of an entity qualifies as a discontinued operation, the comparative consolidated income statement is retrospectively restated to segregate the results of all operations that have been discontinued by the end of the latest reporting period.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(aa) Contingencies

A contingent liability is:

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

ii. a present obligation that arises from past events but is not recognised because:

   (a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (b) 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 by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and the fair values can be reliably determined thereof.

(bb) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at each financial year end. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial year end are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 2 to 20 years. The carrying amounts of the Group's and the Company's property, plant and equipment at 31 December 2023 are approximately S$1,256,000 and S$2,000 (2022: S$1,093,000 and S$11,000) respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key Sources of Estimation Uncertainty (Continued)

i. Depreciation of property, plant and equipment (Continued)

If depreciation on property, plant and equipment increases/decreases by 10% (2022: 10%) from management's estimate, the Group's results before taxation from continuing operations will decrease/increase by approximately S$40,000 (2022: S$34,000).

ii. Impairment of trade and other receivables and loan receivable

As at 31 December 2023, the Group's trade and other receivables and loan receivable amounted to S$7,857,000 (2022: S$8,064,000), net of allowance for impairment, arising from the Group's different revenue segments as disclosed in Note 2(u).

Based on the Group's historical credit loss experience, trade and other receivables exhibited different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected credit loss rates by grouping the receivables across geographical regions in each revenue segment.

An allowance for impairment of S$6,691,000 (2022: S$6,854,000) for trade and other receivables and loan receivable was recognised as at 31 December 2023.

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. There is no major customer in financial difficulties during the financial year.

The Group's and the Company's credit risk exposure for trade and other receivables and loan receivable by different revenue segment are set out in Note 40(a).

iii. Impairment of investment in subsidiaries

The Company follows the guidance of SFRS(I) 1-36 in determining the recoverability of its investment in subsidiaries. The recoverable amount of investment in subsidiaries has been determined based on management's assessment of the fair value of the subsidiaries' assets and liabilities as at the financial year end. The measurement was categorised as a Level 2 fair value, as defined in Note 41 to the consolidated financial statements. The significant assumptions used refer to the fair value of the subsidiaries' investment properties and property, plant and equipment (Notes 18 and 17).

iv. Defined benefits plan

The cost of defined benefit pension plans and other post-employment medical benefits as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return of assets, future salary increases, mortality rates and future pension increases. The carrying amount of the Group's employee benefits liabilities as at 31 December 2023 is S$797,000 (2022: S$649,000). Further details are given in Note 34(b) to the financial statements.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Key Sources of Estimation Uncertainty (Continued)

v. Impairment of property, plant and equipment

The Group and the Company assess impairment of property, plant and equipment at each year end by evaluating conditions specific to the Group and the Company that may lead to impairment of assets.

Impairment assessment of property, plant and equipment includes considering certain indications such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant under-performance relative to the expected historical or future operating results and significant negative industry or economic trends.

Where there are indications of impairment of its assets, the management estimates the recoverable amounts of these assets to determine the extent of the impairment loss, if any. The recoverable amounts of these assets are determined based on the higher of fair value less cost to sell and value-in-use.

No additional impairment loss on property, plant and equipment has been recognised for the current financial year ended 31 December 2023 (2022: Nil). The carrying amount of the Group's property, plant and equipment as at 31 December 2023 is S$1,256,000 (2022: S$1,093,000) as disclosed in Note 17 to the financial statements.

(b) Critical Judgements made in applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have a significant effect on the amounts recognised in the financial statements:

i. Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. 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 and the entities' process of determining sales prices.

ii. Allowance for inventories obsolescence

Reviews are made periodically by management on inventories for inventory obsolescence and decline in net realisable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving experiences. Allowances for inventories are written back upon subsequent sale of the inventories.

During the financial year ended 31 December 2023, the Group has recognised an allowance of S$105,000 for inventory obsolescence (2022: S$31,000) and wrote off inventories of S$2,000 (2022: S$137,000).

The carrying amount of the Group's inventories as at 31 December 2023 was S$8,916,000 (2022: S$12,285,000).

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Critical Judgements made in applying Accounting Policies (Continued)

iii. Income taxes

The Group has exposure to income 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 tax payable, tax recoverable, deferred tax assets and deferred tax liabilities as at 31 December 2023 were S$133,000, S$855,000, S$313,000 and S$595,000 (2022: S$299,000, S$1,181,000, S$297,000 and S$509,000) respectively.

iv. Control over PT Technomas Internusa as a subsidiary

Note 20 to the financial statements describes that PT Technomas Internusa ("TIN") is a subsidiary of the Group although the Group does not own any equity interest in TIN. Based on the contractual arrangements between the Group and the shareholders of TIN, the Group has the power to direct the relevant activities of TIN and the Group has contractual rights and obligations to all the assets and liabilities of TIN. Therefore, the directors concluded that it has the practical ability to direct the relevant activities of TIN unilaterally and have exposure to variable returns and hence the Group has control over TIN.

4 TURNOVER AND CONTRACT LIABILITIES

Turnover from continuing operations comprises the following:

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Telecom		
Distribution of operator products and services	**204,468**	163,927
Technology		
ICT distribution and managed services	**12,669**	10,660
	217,137	174,587
Turnover from the sale of goods	**210,062**	169,613
Turnover from the rendering of services	**7,075**	4,974
	217,137	174,587

4 TURNOVER AND CONTRACT LIABILITIES (CONTINUED)

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	At a point in time S$'000	Over time S$'000	Total S$'000
2023			
Telecom			
Distribution of operator products and services			
– Indonesia	**204,468**	**–**	**204,468**
Technology			
ICT distribution and managed services			
– India	**5,594**	**7,075**	**12,669**
Total	**210,062**	**7,075**	**217,137**

	At a point in time S$'000	Over time S$'000	Total S$'000
2022			
Telecom			
Distribution of operator products and services			
– Indonesia	163,927	–	163,927
Technology			
ICT distribution and managed services			
– India	5,686	4,974	10,660
Total	169,613	4,974	174,587

Revenue from the maintenance services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Contract balances

	Group 2023	2022
Contract liabilities – current		
– ICT managed services	**538**	618
Contract liabilities – non-current		
– ICT managed services	**357**	366
	895	984

Contract liabilities relate to the Group's obligation to perform services to customers for which the Group has received consideration from customers for mainly ICT managed services. Contract liabilities are recognised as revenue as the Group performs under the contract.

4 TURNOVER AND CONTRACT LIABILITIES (CONTINUED)

Contract balances (Continued)

Significant changes in the contract liabilities balances during the reporting period are disclosed as follows:

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Revenue recognised in the current year/period that was included in the contract liability balance at the beginning of the year/period	**(984)**	(960)
Increase due to cash received, excluding amounts recognised as revenue during the year/period	**911**	941
Exchange differences	**(16)**	(103)

No revenue is recognised during the financial year ended 31 December 2023 from performance obligations satisfied (or partially satisfied) in the previous periods, due to changes in transaction price.

Transaction price allocated to remaining performance obligations

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2023 is S$6,037,000 (2022: S$5,896,000).

The Group expects to recognise S$3,199,000 (2022: S$3,316,000) as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2023 within one year, and S$2,838,000 (2022: S$2,580,000) after one year.

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods of one year or less, or billed based on time incurred, is not disclosed.

4(a) Purchases and Changes in Inventories and Direct Service Fees Incurred

Purchases and changes in inventories and direct service fees incurred comprise the following:

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Telecom		
Distribution of operator products and services	**192,933**	155,087
Technology		
ICT distribution and managed services	**6,050**	5,536
	198,983	160,623

5 OTHER INCOME FROM CONTINUING OPERATIONS

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Other income – operating:		
– Rental income	**79**	57
– Write-back of trade and sundry payables	**–**	45
– Others	**50**	134
	129	236
Other income – non-operating:		
– Gain on disposal of property, plant and equipment	**12**	34
– Gain on revaluation of investment properties (Note 18)	**80**	–
– Others	**19**	14
	111	48
Interest income:		
– Fixed deposits	**323**	177
– Bank balances	**–**	15
– Others	**–**	7
	323	199

Write-back of trade and sundry payables in the previous financial period was related to certain accruals and liabilities that were no longer required.

6 PERSONNEL COSTS FROM CONTINUING OPERATIONS

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Salaries and allowances	**10,325**	7,553
Central Provident Fund contributions	**625**	495
Defined benefit plan (Note 34(b))	**100**	103
Staff welfare	**316**	234
Insurance	**88**	58
Other personnel costs	**208**	148
	11,662	8,591

Other personnel costs include mainly medical fees, recruitment costs, training costs and provision for unpaid leave balance.

7 PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS

Profit before taxation from continuing operations is stated after charging/(crediting) the following:

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Audit fees paid/payable to:		
– Auditors of the Company	**166**	166
– Other auditors		
– network firms	**104**	102
– non-network firms	**13**	10
Non-audit fees paid/payable to:		
– Other auditors		
– non-network firms	**1**	18
Directors' fees:		
– Directors of the Company	**93**	70
Other professional fees	**749**	565
Equipment rental*	**182**	45
Foreign exchange gain	**(362)**	(542)
Telecommunication expenses	**174**	150
Travelling and entertainment	**1,073**	1,027
Write off of non-trade debts	**–**	71
Impairment loss on trade debts (Notes 40(a) and 12)	**18**	15
Allowance for inventory obsolescence (Note 11)	**105**	31
Write off of inventories (Note 11)	**2**	137
	107	168
(Gain)/Loss on revaluation of investment properties	**(80)**	31
Fair value loss/(gain) for financial assets, at FVPL	**10**	(12)
Interest expense on lease liabilities (Note 36)	**1**	1
Interest expense on loans and borrowings	**65**	114
	66	115

* pertains to short term lease of equipment rental

8 TAXATION

Major components of income tax expense

The major components of income tax expense for the financial year ended 31 December 2023 and financial period ended 31 December 2022 are:

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Consolidated income statement:		
– Current income tax	**492**	509
– Over provision in respect of previous years	**(4)**	(10)
	488	499
Deferred income tax (Note 25)		
– Origination and reversal of temporary differences	**73**	92
Income tax expense	**561**	591

Foreign currency translation movement recognised in profit or loss upon disposal of foreign subsidiaries, if any, presented under other comprehensive income had no income tax impact.

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting results multiplied by the applicable corporate tax rate for the financial year ended 31 December 2023 and financial period ended 31 December 2022 is as follows:

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Profit before taxation from continuing operations	**1,196**	1,127
Profit before taxation from discontinuing operations	**–**	4
	1,196	1,131
Tax at the domestic rates applicable to pre-tax profit or loss in the countries concerned*	**386**	385
Adjustments:		
Tax effect of expenses not deductible for tax purposes	**74**	77
Deferred tax assets not recognised	**129**	170
Income not subject to taxation	**(24)**	(31)
Over provision of income tax in respect of previous years	**(4)**	(10)
Income tax expense recognised in the income statement	**561**	591

* The reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

8 TAXATION (CONTINUED)

The Group, in arriving at the current tax liabilities for the Singapore companies, has taken into account losses to be transferred under the loss transfer system of group relief in Singapore. This is subject to compliance with the relevant rules and procedures and agreement of the Inland Revenue Authority of Singapore. The current year tax expense of the Group is net of the tax effects of the unutilised tax losses transferred.

The use of these tax losses and unabsorbed capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Estimated unutilised tax losses	**117,329**	116,570

The unutilised tax losses do not expire except for unutilised tax losses relating to subsidiaries in Indonesia, Thailand, China and Malaysia which have expiry periods of between 5 and 20 years. The breakdown of unutilised tax losses with expiry thereof is as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Expiry dates		
31 March 2024	**398**	626
31 March 2025	**365**	356
31 March 2026	**201**	382
31 March 2027	**383**	220
31 March 2028 and thereafter	**21,662**	21,577

9 DISCONTINUED OPERATIONS

On 3 December 2021, the Company entered into a share purchase agreement with a buyer to dispose of the Group's subsidiary, Singapore Electric Vehicles Pte. Ltd., which solely runs the Battery Electric Vehicles ("BEV") Business. On 4 April 2022, the Company obtained the shareholders' approval for the disposal at an Extraordinary General Meeting. On 29 April 2022, the Company completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd. ("SEV").

The disposal was consistent with the Group's plan to divest non-strategic/core and/or loss-making entities of the Group.

9 DISCONTINUED OPERATIONS (CONTINUED)

Analysis of profit for the period from discontinued operations of the following disposed entity, SEV:

The results of the discontinued operations included in the consolidated income statement are set out below.

	Group Period from 1.4.2022 to 31.12.2022 S$'000
Turnover	274
Operating expenses	
Purchases and changes in inventories and direct service fees incurred	(107)
Other expenses – operating	(106)
Other income – non-operating	98
Finance costs	(18)
Depreciation of property, plant and equipment	(92)
Profit before tax from discontinued operations	49
Loss on disposal of operations	(45)
Taxation	–
Profit for the period from discontinued operations, net of tax	4
Profit for the period from discontinued operation (attributable to owners of the Company)	4
Cash flows from discontinued operations	
Net cash inflows from operating activities	967
Net cash outflows from investing activities	(300)
Net cash outflows from financing activities	(484)
Net cash inflows	183

10 EARNINGS PER SHARE

	Group	
	Year ended 31.12.2023 Cents per share	Period from 1.4.2022 to 31.12.2022 Cents per share
Basic and diluted earnings per share:		
From continuing operations	**4.69**	3.96
From discontinued operations	**–**	0.03
	4.69	3.99

10 EARNINGS PER SHARE (CONTINUED)

(a) Basic Earnings per Share

Basic earnings per share is calculated by dividing profit, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year/period. The following table reflects the profit and share data used in the basic and diluted earnings per share computation for the following year/period:

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Net profit attributable to ordinary shareholders for computing basic and diluted earnings per share	**631**	540

	Group	
	2023 '000	2022 '000
Weighted average number of ordinary shares (excluding treasury shares) as at 31 December 2023 and 31 December 2022 for the purpose of computing the basic earnings per share as disclosed in Note 29	**13,448**	13,519

(b) Diluted Earnings per Share

Diluted earnings per share is calculated by dividing profit, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year/period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	2023 '000	2022 '000
Weighted average number of ordinary shares (excluding treasury shares) as at 31 December 2023 and 31 December 2022 for the purpose of computing the basic earnings per share as disclosed in Note 29	**13,448**	13,519

11 INVENTORIES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Inventories	**8,916**	12,285	**–**	–

The cost of inventories recognised as an expense amounted to S$198,983,000 (2022: S$160,623,000).

The Group has recognised an allowance of S$105,000 for inventory obsolescence (2022: S$31,000) and wrote off inventories of S$2,000 (2022: S$137,000).

The Group has subject the inventories amounting to S$7,033,000 (2022: S$8,176,000) to collateral charge as security for bank facilities (Note 28).

12 TRADE RECEIVABLES

	Group		Company	
	2023	2022	**2023**	2022
	S$'000	S$'000	**S$'000**	S$'000
Trade receivables	**6,233**	6,750	**490**	490
Less:				
Allowance for impairment	**(2,131)**	(2,294)	**(443)**	(443)
Net trade receivables	**4,102**	4,456	**47**	47
Add:				
Long-term loans and advances to subsidiaries (Note 24)	**–**	–	**461**	465
Other receivables, deposits and tax recoverable (Note 13)	**3,755**	3,608	**245**	209
Cash and cash equivalents (Note 16)	**9,014**	7,820	**2,681**	3,900
Fixed deposits (Note 16(a))	**3,962**	4,385	**–**	–
Due from subsidiaries (Note 15)	**–**	–	**240**	174
Total financial assets carried at amortised cost	**20,833**	20,269	**3,674**	4,795

Trade receivables are non-interest bearing and are generally on 30 to 90 days' (2022: 30 to 90 days') terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Allowance for impairment for trade receivables has always been measured at an amount equal to lifetime expected credit losses ("ECL") as disclosed in the accounting policy in Note 2(i). The Group has recognised a loss allowance of 100% against certain receivables over 365 days past due (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period. None of the trade receivables that have been written off is subject to recovery process.

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group's and the Company's movement in credit loss allowance for impairment and credit risk in relation to trade receivables from contracts with customers under SFRS(I) 9 as at 31 December 2023 are set out in the provision matrix as presented in Note 40(a). The Group's provision for loss allowance is determined based on the default rate by credit rating of customers, obtained from independent credit rating companies.

Receivables pledged as collateral

The Group has pledged trade receivables with a carrying amount of S$753,000 (2022: S$860,000) as collateral to secure a subsidiary's bank loans (Note 28).

13 OTHER RECEIVABLES, DEPOSITS AND TAX RECOVERABLE

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Other receivables and deposits				
Current				
Other receivables				
– Third parties	**4,968**	4,779	**819**	863
– Related parties	**1**	1	**1**	1
	4,969	4,780	**820**	864
Less:				
Allowance for impairment	**(2,722)**	(2,722)	**(804)**	(804)
	2,247	2,058	**16**	60
Deposits	**546**	309	**229**	149
Interest receivable	**31**	10	**–**	–
	2,824	2,377	**245**	209
Non-current				
Other receivables	**76**	50	**–**	–
Total other receivables and deposits	**2,900**	2,427	**245**	209
Tax recoverable				
Current	**855**	1,181	**–**	–

Other receivables mainly relate to value-added tax receivables and accrued performance bonuses for the distribution of operator products and services.

For the purpose of impairment assessment, the Group has recognised a loss allowance of 100% against certain receivables over 365 days past due (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable. The remaining other receivables are considered to have low credit risk as at 31 December 2023 as there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit loss ("ECL") which reflects the low credit risk of the exposures. There is no allowance for impairment arising from these net outstanding balances as the expected credit losses are not material. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

The Group's and the Company's movement in credit loss allowance for impairment and credit risk in relation to other receivables under SFRS(I) 9 as at 31 December 2023 are set out in the provision matrix as presented in Note 40(a).

14 PREPAYMENTS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Other prepaid expenses	**553**	547	**4**	4
Prepaid selling expenses	**67**	119	**–**	–
	620	666	**4**	4

Total prepaid expenses mainly relate to advance payments to vendors by subsidiaries.

15 DUE FROM/(TO) SUBSIDIARIES

Amounts due from subsidiaries to the Company are stated after deducting allowance for impairment of S$317,000 (2022: S$317,000).

Amounts due to subsidiaries of S$4,465,000 (2022: S$4,635,000) are non-trade in nature, unsecured, interest-free and repayable based on normal credit terms. Amounts due from subsidaries of S$240,000 (2022: S$174,000) are non-trade in nature, unsecured, interest-free and repayable on demand.

Movement in the allowance account:

	Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning and the end of the year/period	**317**	317

15(a) Long-Term Loans and Advances from Subsidiaries

The loans are interest-free (2022: carried interest of 4% per annum) and will mature on 30 June 2026. The loan amounts at the end of the financial year were S$6,373,000 (2022: S$6,385,000).

16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Fixed deposits	**3,838**	4,599	**2,299**	3,062
Cash and bank balances	**5,176**	3,221	**382**	838
	9,014	7,820	**2,681**	3,900
Less:				
Cash and bank deposits pledged	**(1,539)**	(1,537)	**–**	–
Cash and cash equivalents per statement of cash flows	**7,475**	6,283	**2,681**	3,900

Fixed deposits with financial institutions mature in varying periods from the financial year end.

Fixed deposits earn interest at the effective interest rates ranging from 2.9% to 3.0% (2022: 2.3%) per annum. The maturity dates are between 11 January 2024 and 15 February 2024 (2022: between 1 January 2023 and 31 January 2023).

Cash at bank earns interest at floating rates based on daily bank deposits ranging from 0% to 2.75% (2022: 0% to 2.75%) per annum.

Fixed deposits of S$1,539,000 (2022: S$1,537,000) are pledged as security for trust receipts, bank guarantees, standby letters of credit and other bank services.

16 CASH AND CASH EQUIVALENTS (CONTINUED)

Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents are presented net of pledged fixed deposits.

16(a) Fixed Deposits

Fixed deposits comprise the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Fixed deposits:				
– mature within one year	**3,560**	3,606	**–**	–
– mature after one year	**402**	779	**–**	–
	3,962	4,385	**–**	–
Less: Fixed deposits pledged				
– mature within one year	**(1,639)**	(2,578)	**–**	–
– mature after one year	**(402)**	(779)	**–**	–
	(2,041)	(3,357)	**–**	–
Unpledged fixed deposits	**1,921**	1,028	**–**	–

Fixed deposits with financial institutions mature in varying periods from the financial year end.

Mature within one year

Fixed deposits earn interest at the effective interest rates ranging from 4.0% to 7.0% (2022: 1.9% to 6.3%) per annum. The maturity dates are between 1 January 2024 and 31 December 2024 (2022: between 1 January 2023 and 31 December 2023).

Mature after one year

Fixed deposits earn interest at the effective interest rates ranging from 4.5% to 7.0% (2022: 4.0% to 7.7%) per annum. The maturity dates are between 1 January 2025 and 16 March 2029 (2022: between 3 January 2024 and 9 December 2028).

Fixed deposits of S$2,041,000 (2022: S$3,357,000) are pledged as security for bank guarantees for projects undertaken in India.

17 PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and fittings S$'000	Computer equipment S$'000	Office equipment S$'000	Motor vehicles S$'000	Leasehold improvement S$'000	Buildings[1] S$'000	Work in Progress S$'000	Total S$'000
Group								
2023								
Cost or valuation								
At 1 January 2023	114	862	313	353	271	1,119	–	3,032
Additions[2]	4	57	20	106	–	161	240	588
Disposals/write-offs	(1)	(6)	(5)	(32)	–	(153)	–	(197)
Translation differences	(6)	(76)	88	(5)	10	(77)	–	(66)
At 31 December 2023	111	837	416	422	281	1,050	240	3,357
Comprising:								
Cost	111	837	416	422	281	–	240	2,307
Valuation	–	–	–	–	–	1,050	–	1,050
At 31 December 2023	111	837	416	422	281	1,050	240	3,357
Accumulated depreciation								
At 1 January 2023	99	748	30	129	249	551	–	1,806
Depreciation charge for the year	4	162	27	43	12	154	–	402
Disposals/write-offs	(1)	(6)	(5)	(32)	–	(130)	–	(174)
Translation differences	(6)	(76)	87	(1)	7	(77)	–	(66)
At 31 December 2023	96	828	139	139	268	498	–	1,968
Accumulated impairment								
At 1 January 2023 and 31 December 2023	6	6	9	–	13	99	–	133
Net carrying amount								
At 31 December 2023	9	3	268	283	–	453	240	1,256

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Furniture, fixtures and fittings S$'000	Computer equipment S$'000	Office equipment S$'000	Motor vehicles S$'000	Leasehold improvement S$'000	Buildings[1] S$'000	Total S$'000
Group							
2022							
Cost or valuation							
At 1 April 2022	124	913	523	375	316	1,179	3,430
Additions[2]	3	64	293	46	–	38	444
Disposals/write-offs	(2)	(48)	(402)	(30)	(18)	–	(500)
Translation differences	(11)	(67)	(101)	(38)	(27)	(98)	(342)
At 31 December 2022	114	862	313	353	271	1,119	3,032
Comprising:							
Cost	114	862	313	353	271	–	1,913
Valuation	–	–	–	–	–	1,119	1,119
At 31 December 2022	114	862	313	353	271	1,119	3,032
Accumulated depreciation							
At 1 April 2022	108	809	271	149	293	550	2,180
Depreciation charge for the period	3	41	223	25	3	46	341
Disposals/write-offs	(2)	(46)	(361)	(30)	(18)	–	(457)
Translation differences	(10)	(56)	(103)	(15)	(29)	(45)	(258)
At 31 December 2022	99	748	30	129	249	551	1,806
Accumulated impairment							
At 1 April 2022 and 31 December 2022	6	6	9	–	13	99	133
Net carrying amount							
At 31 December 2022	9	108	274	224	9	469	1,093

(1) Right-of-use assets arising from buildings are recognised in accordance with SFRS(I) 16 *Leases*. Please see Note 36 for more information.

(2) Included in additions are cash payments of S$588,000 (2022: S$444,000).

The Group has a policy of engaging an independent external valuer to assess the valuation of buildings in Indonesia on a triennial basis or when the carrying amounts are likely to differ materially from their revalued amounts. The Group had engaged an independent external valuer to assess the valuation of buildings in Indonesia in the current financial year.

Right-of-use assets

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 36.

Assets pledged as security

The carrying amount of property, plant and equipment held under lease liabilities as at 31 December 2023 was S$261,000 (2022: S$298,000) for the Group and the Company which the leased assets have been pledged as security for the related leasing arrangement.

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Buildings at fair value

The fair value of the Group's buildings was arrived at on the basis of a valuation carried out by Felix Sutandar and Rekan, an independent valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations in the current financial year/period. The valuation was arrived at by reference to market evidence of transaction prices of similar properties. Management is of the opinion that there is no significant price fluctuation in the property market and the carrying amounts of buildings are not significantly different from the revalued amounts as at 31 December 2023.

Details of the Group's buildings and information about the fair value hierarchy (Note 41) are as follows:

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
2023				
Office buildings – Indonesia	**–**	**453**	**–**	**453**
2022				
Office buildings – Indonesia	–	469	–	469

Level 2 fair value of the Group's buildings have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

Had the buildings been measured at cost less accumulated depreciation, the carrying amount would have been as follows:

	Group	
	2023 S$'000	2022 S$'000
Buildings		
– Cost	**822**	822
– Accumulated depreciation and impairment	**(522)**	(492)
– Net carrying amount	**300**	330

	Furniture, fixtures and fittings S$'000	Computer equipment S$'000	Office equipment S$'000	Total S$'000
Company				
2023				
Cost				
At 1 January 2023	**1**	**102**	**78**	**181**
Disposals	**–**	**(1)**	**–**	**(1)**
At 31 December 2023	**1**	**101**	**78**	**180**
Accumulated depreciation				
At 1 January 2023	**1**	**98**	**71**	**170**
Depreciation charge for the year	**–**	**2**	**7**	**9**
Disposals	**–**	**(1)**	**–**	**(1)**
At 31 December 2023	**1**	**99**	**78**	**178**
Net carrying amount				
At 31 December 2023	**–**	**2**	**–**	**2**

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Furniture, fixtures and fittings S$'000	Computer equipment S$'000	Office equipment S$'000	Total S$'000
Company				
2022				
Cost				
At 1 April 2022	1	109	78	188
Disposals	–	(7)	–	(7)
At 31 December 2022	1	102	78	181
Accumulated depreciation				
At 1 April 2022	1	101	64	166
Depreciation charge for the period	–	2	7	9
Disposals	–	(5)	–	(5)
At 31 December 2022	1	98	71	170
Net carrying amount				
At 31 December 2022	–	4	7	11

18 INVESTMENT PROPERTIES

	Group 2023 S$'000	Group 2022 S$'000
At fair value		
Balance at beginning of year/period	**3,221**	2,633
Additions	**–**	843
Gain/(Loss) from fair value adjustment	**80**	(31)
Translation differences	**(23)**	(224)
Balance at end of year/period	**3,278**	3,221

The fair value of the Group's investment properties as at 31 December 2023 was based on the valuation reports prepared by the external independent valuers, Felix Sutandar and Rekan1 and A2Z Valuers, with appropriate qualifications and experience in the valuation of properties in the relevant locations, based on market data approach. Under the market data approach, the valuation was arrived at by reference to market evidence of transaction prices of similar properties.

Details of the Group's investment properties and information about the fair value hierarchy are as follows:

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
2023				
Commercial property				
– Indonesia	**–**	**2,463**	**–**	**2,463**
– India	**–**	**815**	**–**	**815**
	–	**3,278**	**–**	**3,278**
2022				
Commercial property	–	2,378	–	2,378
– Indonesia	–	843	–	843
– India	–	3,221	–	3,221

18 INVESTMENT PROPERTIES (CONTINUED)

Level 2 fair value of the Group's investment properties have been derived using the market data approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is the selling price per square meter and the usage of the property.

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's consolidated income statement:

	Group	
	Year ended 31.12.2023 S$'000	Period from 1.4.2022 to 31.12.2022 S$'000
Rental income	**79**	57
Direct operating expenses arising from investment properties that generated rental income	**117**	122

19 INTANGIBLE ASSETS

	Goodwill S$'000	Software, licensing, patents and trademarks S$'000	Customer contracts S$'000	Order backlog S$'000	Customer relationship S$'000	Marketing rights S$'000	Deferred development costs S$'000	Total S$'000
Group								
2023								
Cost								
At 1 January 2023 and 31 December 2023	**131,116**	**25,956**	**53**	**631**	**52,710**	**5,086**	**3,615**	**219,167**
Accumulated amortisation and impairment								
At 1 January 2023	**131,116**	**25,917**	**53**	**631**	**52,710**	**3,899**	**3,615**	**217,941**
Amortised during the year	**–**	**51**	**–**	**–**	**–**	**172**	**–**	**223**
Translation differences	**–**	**(27)**	**–**	**–**	**–**	**–**	**–**	**(27)**
At 31 December 2023	**131,116**	**25,941**	**53**	**631**	**52,710**	**4,071**	**3,615**	**218,137**
Net carrying amount								
At 31 December 2023	**–**	**15**	**–**	**–**	**–**	**1,015**	**–**	**1,030**
2022								
Cost								
At 1 April 2022	131,116	25,989	53	631	52,710	5,086	3,615	219,200
Translation differences	–	(33)	–	–	–	–	–	(33)
At 31 December 2022	131,116	25,956	53	631	52,710	5,086	3,615	219,167
Accumulated amortisation and impairment								
At 1 April 2022	131,116	25,938	53	631	52,710	3,764	3,615	217,827
Amortised during the period	–	12	–	–	–	135	–	147
Translation differences	–	(33)	–	–	–	–	–	(33)
At 31 December 2022	131,116	25,917	53	631	52,710	3,899	3,615	217,941
Net carrying amount								
At 31 December 2022	–	39	–	–	–	1,187	–	1,226

19 INTANGIBLE ASSETS (CONTINUED)

Marketing rights were recognised at the time of acquisition of a subsidiary, Bharat IT Services Limited, and valued at S$5,086,000 (2022: S$5,086,000) with an estimated useful life of 15 years.

The remaining amortisation period as at 31 December 2023 is 6 years for marketing rights and between 1 and 3 years for licensing, patents and trademarks.

	Licensing, patents and trademarks S$'000	Deferred development costs S$'000	Total S$'000
Company			
2023			
Cost			
At 1 January 2023 and 31 December 2023	**2,446**	**3,660**	**6,106**
Accumulated amortisation and impairment			
At 1 January 2023	**2,414**	**3,660**	**6,074**
Amortised during the year	**23**	**–**	**23**
At 31 December 2023	**2,437**	**3,660**	**6,097**
Net carrying amount			
At 31 December 2023	**9**	**–**	**9**
2022			
Cost			
At 1 April 2022 and 31 December 2022	2,446	3,660	6,106
Accumulated amortisation and impairment			
At 1 April 2022	2,396	3,660	6,056
Amortised during the period	18	–	18
At 31 December 2022	2,414	3,660	6,074
Net carrying amount			
At 31 December 2022	32	–	32

20 INVESTMENT IN SUBSIDIARIES

	Company	
	2023 S$'000	2022 S$'000
Unquoted equity shares, at cost	**282,456**	282,456
Less: Allowance for impairment	**(262,564)**	(262,564)
	19,892	19,892

On 29 April 2022, the Company completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd.

20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The major classes of assets and liabilities disposed of, the loss on disposal and the net cash flows were as follows:

	SEV S$'000
Consideration received in cash and cash equivalents	2,500
Trade receivables	54
Other receivables and deposits	1,215
Prepayments	195
Cash and cash equivalents	977
Property, plant and equipment	9,252
Trade creditors	(401)
Other creditors and accruals	(2,037)
Contract liabilities	(58)
Lease liabilities	(6,369)
Net assets disposed of	2,828
Total consideration received	2,500
90% of net assets disposed of	(2,545)
Loss on disposal of subsidiary	(45)

The aggregate cash inflow arising from disposal of subsidiary:

	SEV S$'000
Consideration received in cash and cash equivalents	2,500
Cash and cash equivalents balance disposed of	(977)
Aggregate cash inflow arising from disposal of subsidiary	1,523

The details of subsidiaries are as follows:

Name	Principal activities	Country of incorporation and place of business	Percentage of equity interest held by the Group 2023 %	2022 %
Held by the Company				
SEV Projects Pte. Limited[(c)]	Renting and leasing of private cars without operator and development of other software and programming activities	Singapore	**100**	100
MediaRing (Europe) Limited[(e)]	Dormant	United Kingdom	**100**	100
Bharat IT Services Limited[(a)]	To supply, rent, maintain and service computer hardware	India	**100**	100
Spice-CSL Pte. Ltd.[(c)]	Procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories	Singapore	**100**	100

20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name	Principal activities	Country of incorporation and place of business	Percentage of equity interest held by the Group 2023 %	2022 %
Held by the Company (Continued)				
Spice International Sdn. Bhd.[i]	In the business of procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories, computer and electronic equipment and consultancy services	Malaysia	**100**	100
Newtel Corporation Company Limited[g]	Procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories	Thailand	**100**	100
Maxworld Asia Limited[b]	Investment holding	British Virgin Islands	**100**	100
Bigstar Development Limited[b]	Investment holding	British Virgin Islands	**100**	100
Modi Indonesia 2020 Pte. Ltd.[c]	Investment holding and distributor of handphone	Singapore	**100**	100
PT. Selular Media Infotama[a]	Retail and distributor of telecommunication equipment and prepaid phone cards and top up vouchers	Indonesia	**99.99**	99.99
CSL Multimedia Sdn. Bhd[i]	Trading of portable computers and computer accessories	Malaysia	**100**	100
CSL Mobile Care Sdn Bhd[i]	Repairing and maintenance of mobile phones	Malaysia	**100**	100
Mobile Service International Co. Ltd (China)[f]	Technical advice and services and supply chain management services	People's Republic of China	**51**	51
CSL Communication (Shenzhen) Co. Ltd (China)[f]	Trading of mobile handsets	People's Republic of China	**51**	51
MediaRing.com (Shanghai) Limited[d]	To market and sell telecommunication services	People's Republic of China	**100**	100
Peremex Pte. Ltd.[c]	To supply, rent, maintain and service computer hardware and peripheral equipment	Singapore	**100**	100

20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name	Principal activities	Country of incorporation and place of business	Percentage of equity interest held by the Group 2023 %	2022 %
Held by Subsidiaries				
Held by Newtel Corporation Company Limited				
T.H.C. International Co., Ltd[g]	In the business of procurement, OEM, manufacturing, distribution and sale of mobile handsets and accessories	Thailand	**100**	100
Held by Modi Indonesia 2020 Pte. Ltd.				
PT. Selular Global Net[a]	Distributor of prepaid phone cards and top up vouchers	Indonesia	**99.99**	99.99
Held by PT. Selular Media Infotama				
PT. Metrotech Jaya Komunika Indonesia[a]	Distributor of telecommunication equipment	Indonesia	**99.99**	99.99
PT Technomas Internusa[a],[h]	Distributor of prepaid phone cards and top up vouchers	Indonesia	**–**	–
Held by PT. Metrotech Jaya Komunika				
PT. Metrotech Makmur Sejahtera[a],[k]	Distributor of telecommunication equipment	Indonesia	**49**	49
MJKI India Private Limited[j]	In the business of fintech, realtech, wellness related activities	India	**99.99**	99.99
Held by Bharat IT Services Limited				
Modi Aircrete Private Limited (f.k.a. Autonomous Electric Mobility Pvt. Ltd)[a]	Import, manufacture and operate electric vehicles: IT and IT related services	India	**100**	100

[a] Audited by a member firm of Moore Global Network Limited of which Moore Stephens LLP, Singapore is a member
[b] Not required to be audited by the laws of its country of incorporation
[c] Audited by Moore Stephens LLP, Singapore
[d] Audited by Shanghai Huiqiang Certified Public Accountants Co. Ltd.
[e] Audited by Blick Rothenberg Chartered Accountants, United Kingdom
[f] Audited by Shenzhen Long De CPA
[g] Audited by SSV Audit, Thailand
[h] Refer to Note 3(b)(iv) for the assessment of control over PT Technomas Internusa
[i] Audited by Sanjay Consulting (M) Sdn Bhd, Malaysia
[j] Audited by Gupta Garg & Agrawal, India
[k] Management is of the view that they have De Facto control

20 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Impairment testing of investment in subsidiaries

There is no impairment charge recognised during current financial year. The recoverable amount of the investment was determined based on management's assessment of the fair value of the subsidiaries' assets and liabilities as at the financial year end.

Non-controlling interests

There are no material non-controlling interests of non-wholly-owned subsidiaries to be disclosed.

21 INVESTMENT IN ASSOCIATE

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Unquoted shares, at cost	**64**	64	**64**	64
Share of post-acquisition reserves	**(64)**	(64)	**(64)**	(64)
Carrying amount of investments	**–**	–	**–**	–

Name	Principal activities	Country of incorporation and place of business	Percentage of equity interest held by the Group 2023 %	2022 %
Held by the Company				
Vipafone (Proprietary) Limited[(a)]	To market and sell telecommunication services	South Africa	40	40

(a) Not required to be audited by the laws of its country of incorporation

Unrecognised share of losses of associate

The Group has not recognised losses relating to Vipafone (Proprietary) Limited where its share of losses exceeds the Group's interest in this associate as the Group has no obligation in respect of these losses. Based on the information available to the Group, the Group's cumulative unrecognised losses in Vipafone (Proprietary) Limited are not material.

22 FINANCIAL ASSETS, AT FVPL

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning of the year/period	**295**	–
Additions	**–**	283
Fair value (loss)/gain	**(10)**	12
At the end of the year/period	**285**	295

22 FINANCIAL ASSETS, AT FVPL (CONTINUED)

On 29 April 2022, the Company completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd. ("SEV"). Accordingly, management has designated the remaining 10% shareholding interests in SEV as financial assets, to be measured at FVPL as there is no fixed maturity term and held for trading.

During the financial year ended 31 December 2023, the Group recognised a fair value loss on financial assets, at FVPL of S$10,000 (2022: fair value gain of S$12,000).

As disclosed in Note 45, the Group has disposed the remaining 10% shareholding subsequent to year end. The Group has used the consideration as a basis for determining the fair value of the financial asset, at the end of the year.

23 LOAN RECEIVABLE

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
Third party	**1,838**	1,838
Less: Allowance for impairment	**(1,838)**	(1,838)
	–	–

Movement in the allowance account:

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning and the end of the year/period	**1,838**	1,838

24 LONG-TERM LOANS AND ADVANCES TO SUBSIDIARIES

	Company	
	2023	**2022**
	S$'000	**S$'000**
Long-term loans and advances treated as part of net investment in subsidiaries	**1,410**	1,358
Long-term loans to subsidiaries	**41,991**	42,427
Less: Allowance for impairment	**(42,940)**	(43,320)
	461	465

Long-term loans and advances treated as part of the net investment in subsidiaries are quasiequity in nature, unsecured, interest-free and have no fixed terms of repayment.

Long-term loans to subsidiaries are unsecured, interest-bearing between 4% and 5% (2022: between 4% and 5%) per annum and have fixed repayment terms of between 2 and 7 years (2022: between 2 and 7 years).

24 LONG-TERM LOANS AND ADVANCES TO SUBSIDIARIES (CONTINUED)

For the purpose of impairment assessment, expected credit losses ("ECL") are recognised in two stages. For credit exposures for which there has not been a significant increase in the risk of default since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit loss which reflects the low credit risk of the exposures. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to lifetime ECL.

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and estimated the probability of default of the amounts due from subsidiaries as well as the loss upon default and recognised a loss allowance of 100% against certain receivables. There has been no change in the estimation techniques or significant assumptions made during the current reporting year.

Movement in the allowance account:

	Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning of the year/period	**43,320**	46,362
Write-offs	**–**	(1,019)
Exchange differences	**(380)**	(2,023)
At the end of the year/period	**42,940**	43,320

25 DEFERRED INCOME TAX

	Group			
	Provisions	**Revaluation gain on property, plant and equipment**	**Reversal of impairment loss on intangible asset**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Deferred tax assets/(liabilities)				
2023				
At 1 January 2023	**297**	**(252)**	**(257)**	**(212)**
Charged to income statement (Note 8)	**(73)**	**–**	**–**	**(73)**
Exchange differences	**89**	**–**	**(86)**	**3**
At 31 December 2023	**313**	**(252)**	**(343)**	**(282)**
2022				
At 1 April 2022	421	(223)	(290)	(92)
Charged to income statement (Note 8)	(96)	(29)	33	(92)
Exchange differences	(28)	–	–	(28)
At 31 December 2022	297	(252)	(257)	(212)

26 TRADE CREDITORS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Trade creditors	**576**	1,344	**46**	47
Add:				
Other creditors and accruals (excluding employee benefit obligation) (Note 27)	**2,752**	2,908	**640**	428
Lease liabilities (Note 36)	**33**	106	**10**	15
Loans and bank borrowings (Note 28)	**562**	2,332	**–**	–
Due to subsidiaries (Note 15)	**–**	–	**4,465**	4,635
Long-term loans and advances from subsidiaries (Note 15(a))	**–**	–	**6,373**	6,385
Total financial liabilities carried at amortised cost	**3,923**	6,690	**11,534**	11,510

Trade creditors are non-interest bearing and are normally settled on 30 to 120 days' (2022: 30 to 120 days') terms.

27 OTHER CREDITORS AND ACCRUALS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Amounts due to related parties	**7**	7	**7**	7
Other creditors	**318**	663	**21**	79
Accrued operating expenses	**2,371**	2,113	**612**	342
Deposits received	**56**	125	**–**	–
	2,752	2,908	**640**	428

Amounts due to related parties are non-trade in nature, repayable on demand, unsecured, interest-free and are to be settled in cash.

Included in the Group's and the Company's accrued operating expenses are sundry accruals amounting to S$2,371,000 and S$612,000 (2022: S$2,113,000 and S$342,000) respectively. These accruals are non-interest bearing and are to be settled within the next twelve months.

Sundry accruals mainly relate to accruals for payroll expenses, professional fees and administrative expenses.

28 LOANS AND BANK BORROWINGS

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Loans and bank borrowings – current	**440**	2,182	**–**	–
Loan and bank borrowing – non current	**122**	150	**–**	–
	562	2,332	**–**	–

28 LOANS AND BANK BORROWINGS (CONTINUED)

The current loans of the Group bear interest rates of between 8% and 11% (2022: between 8% and 11%) per annum and are repayable within the next 12 months.

The non-current loan of the Group for the current financial year bears interest rate of 8% (2022: 8%) per annum and is repayable within the next 3 years.

Loans amounting to S$440,000 (2022: S$2,182,000) are secured over a subsidiary's trade receivables (Note 12), inventories (Note 11) and fixed deposits pledged (Note 16 and Note 16(a)). Repayment of these loans is due on demand.

The reconciliation of movements of liabilities to cash flow arising from financing activities is presented below:

	Loans and bank borrowings S$'000	Lease Liabilities S$'000
2023		
At 1 January 2023	**2,332**	**106**
Repayments	**(1,770)**	**(73)**
At 31 December 2023	**562**	**33**
2022		
At 1 April 2022	2,382	118
Addition	–	16
Proceeds	178,993	–
Repayments	(178,941)	(28)
	52	(28)
Non-cash changes:		
Exchange differences	(102)	–
At 31 December 2022	2,332	106

29 SHARE CAPITAL

	Group and Company			
	2023		2022	
	Number of shares '000	Share capital S$'000	Number of shares '000	Share capital S$'000
Fully paid ordinary shares:				
At the beginning and the end of the year/period	**13,880**	**549,704**	13,880	549,704

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

There are no cancellation of shares during the current financial year/period.

There is share buy-back by the Company during the current financial year. The weighted average number of ordinary shares as at 31 December 2023 was 13,448,000 (2022: 13,519,000), excluding treasury shares.

30 TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are held by the Company presented as a component within shareholders' equity.

	Group and Company			
	2023		2022	
	Number of shares '000	Share capital S$'000	Number of shares '000	Share Capital S$'000
Treasury shares:				
At the beginning of the year/period	**361**	**1,098**	361	1,098
Buy-back of treasury shares	**132**	**301**	–	–
At the end of the year/period	**493**	**1,399**	361	1,098

31 ACCUMULATED LOSSES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
At the beginning of the year/period	**(499,105)**	(499,645)	**(523,923)**	(523,372)
Profit/(Loss) for the year/period	**631**	540	**(750)**	(551)
At the end of the year/period	**(498,474)**	(499,105)	**(524,673)**	(523,923)

32 OTHER RESERVES

	Group		Company	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Reserve on acquisition of non-controlling interest	**3,389**	3,389	**–**	–
Revaluation reserve	**1,381**	1,381	**–**	–
Employee share-based payment reserve	**268**	268	**268**	268
Share issue costs	**(11,054)**	(11,054)	**(11,054)**	(11,054)
Purchase of treasury shares	**(514)**	(378)	**(514)**	(378)
Total other reserves	**(6,530)**	(6,394)	**(11,300)**	(11,164)

(a) Reserve on Acquisition of Non-Controlling Interest

The reserve on acquisition of non-controlling interest relates to the excess of the net recognised amount of the identifiable assets acquired and liabilities assumed over the fair value of the consideration on the acquisition of a non-controlling interest.

	Group	
	2023 S$'000	2022 S$'000
At the beginning and the end of the year/period	**3,389**	3,389

32 OTHER RESERVES (CONTINUED)

(b) Revaluation Reserve

The revaluation reserve arises on the revaluation of property, plant and equipment.

	Group	
	2023	**2022**
	S$'000	**S$'000**
At the beginning and the end of the year/period	**1,381**	1,381

(c) Employee Share-Based Payment Reserve

Employee share-based payment reserve represents the equity-settled share options and performance shares granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the period in which the performance and/or service conditions are fulfilled.

The share options and performance shares granted had lapsed. According to SFRS(I) 2, the Group is not allowed to subsequently reverse the amount recognised for services received from an employee if the vested equity instruments are later forfeited or, in the case of share options, the options are not exercised.

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning and the end of the year/period	**268**	268

(d) Share Issue Cost

Share issue cost represents cumulative expenses incurred for the issuance of shares being capitalised.

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning and the end of the year/period	**(11,054)**	(11,054)

(e) Purchase of treasury shares

The reserve for the Company's treasury shares comprises directly attributable transaction costs in acquiring the treasury shares as disclosed in Note 2(y) to the consolidated financial statements.

	Group and Company	
	2023	**2022**
	S$'000	**S$'000**
At the beginning of the year/period	**(378)**	(378)
Buy-back cost	**(136)**	–
At the end of the year/period	**(514)**	(378)

33 TRANSLATION RESERVE

	Group		Company	
	2023	2022	**2023**	2022
	S$'000	**S$'000**	**S$'000**	**S$'000**
At the beginning of the year/period	**(12,823)**	(9,543)	**–**	–
Exchange differences arising on translating the net assets of foreign operations	**(238)**	(3,280)	**–**	–
At the end of the year/period	**(13,061)**	(12,823)	**–**	–

34 EMPLOYEE BENEFITS

(a) Employee Share Incentive Plan

The Company has employee share incentive plans for granting of non-transferable options to employees.

The particulars of share options of the Company are as follows:

(i) Digilife Technologies Stock Option Plan 2014 ("ESOP 2014")

The ESOP 2014 was approved by the shareholders in their meeting held on 15 April 2014 with an objective to gradually phase out the Sevak 1999 Employees' Share Option Scheme and the 1999 Sevak Employees' Share Option Scheme II as no new options can be granted under these schemes. Pursuant to ESOP 2014, the Remuneration Committee ("RC") has the authority to grant options to present and future employees of the Group as well as to other persons who are eligible under ESOP 2014 at the average of the closing prices for the 5 trading days prior to the issuance of the grant, less a discount, if any, to be determined by the RC, which shall not exceed 20% of the then prevailing market price.

ESOP 2014 is administered by the RC who then determines the terms and conditions of the grant of the options, including the exercise price, the vesting periods which may be over and above the minimum vesting periods prescribed by the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the imposition of retention periods following the exercise of these options by the employees, if any.

The RC had on 27 March 2015 granted a total of 274,200,000 stock options to the directors under the ESOP 2014. The options granted at an exercise price of S$0.0024 were to be vested after 2 years from the date of the grant. The options can be exercised up to 10 years from the date of the grant.

All options granted under ESOP 2014 had lapsed.

No other directors were granted options under this Scheme and no participant received 5% or more of the total options available under the Scheme. No unissued shares are under option as at the date of this statement.

During the financial year under review, no options have been granted at a discount.

34 EMPLOYEE BENEFITS (CONTINUED)

(a) Employee Share Incentive Plan (Continued)

(ii) Digilife Technologies Performance Share Plan 2021 ("PSP 2021")

The PSP 2021 was approved by the shareholders in their meeting held on 19 February 2021 with an objective to promote higher performance goals, recognise exceptional achievement and retain talents within the Group. The PSP 2021 motivates employees of the Company (including the Directors and Group employees) to optimise their performance standards and efficiency as well as to reward them for their significant contributions to the Company. The Company's view is that all deserving and eligible participants (regardless of whether they are Controlling Shareholders or associates) should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

The total number of Shares which may be issued pursuant to the share awards (the "Awards") granted under the PSP 2021 on any date, when added to: (a) the total number of new Shares allotted and issued and/or to be allotted and issued, issued Shares (including treasury shares) delivered and/or to be delivered, and Shares Released and/or to be Released in the form of cash in lieu of Shares, pursuant to Awards granted under the Plan; and (b) the number of Shares issued and issuable in respect of all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed thirty (30) per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the day preceding the date of the relevant Award.

On 1 March 2021, a total of 804,634 Awards has been granted to Dr. Bhupendra Kumar Modi, a controlling shareholder of Company in accordance with the PSP 2021. The Awards were vested immediately after the grant.

On 8 July 2021, a total of 863,954 Awards has been granted to 23 employees of the Group, including the Directors, Chief Executive Officer and Chief Financial Officer. The Awards were vested immediately after the grant.

During the financial year under review, no share awards have been granted.

(b) Post-Employment Defined Benefit Plans

The Group has several defined benefit plans covering eligible employees of the subsidiaries.

The estimated employee benefits liability recognised in the statements of financial position are as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Non-current portion	**797**	649
	797	649

34 EMPLOYEE BENEFITS (CONTINUED)

(b) Post-Employment Defined Benefit Plans (Continued)

The employee benefits expenses recognised in the consolidated income statement are as follows:

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Current service costs	**40**	97
Interest costs	**60**	47
Loss on curtailments and settlements	**–**	(41)
Net employee benefits expense (Note 6)	**100**	103

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

	Group	
	2023 S$'000	**2022 S$'000**
Benefit obligation at the beginning of the year/period	**649**	646
Retirement benefit expenses recognised in profit or loss	**100**	103
Benefits paid	**–**	(51)
Translation differences	**48**	(49)
Benefit obligation at the end of the year/period	**797**	649

The principal assumptions used by independent actuaries in determining the post-employment obligations for certain subsidiaries' plans are as follows:

Annual discount rate	:	7.00% – 7.50%
Annual salary increment rate	:	2% – 5.5%
Annual employee turnover rate	:	5% – 8%
Mortality rate reference	:	IALM[1] 2012-2014 and 100% TMI4[2]
Disability rate	:	0 – 5% TMI3[2]
Retirement age	:	58 – 60 years

1 Indian Assured Lives Mortality

2 Tabel Mortalita Indonesia 4

35 RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the year at terms agreed between the parties.

Compensation of Key Management Personnel

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Short-term employee benefits	**875**	565
Central Provident Funds contributions	**35**	13
Total compensation paid to key management personnel	**910**	578
Comprise amounts paid to:		
Independent directors of the Company – Directors' fees	**103**	67
Executive Director and other key management personnel	**807**	511
	910	578

36 LEASE LIABILITIES

The Group as a Lessee

Nature of the Group's leasing activities and carrying amount of right-of-use ("ROU") assets

The Group entered into leases and makes annual lease payments for the leasing of offices. The lease contracts include an extension option of which the management is unlikely to exercise the option. There is no externally imposed covenant on these lease arrangements. Right-of-use assets acquired under leasing arrangements comprise mainly leasing of motor vehicles and leasing of office space.

Carrying amount of right-of-use assets classified within property, plant and equipment

	Group	
	2023 S$'000	**2022 S$'000**
Buildings	**453**	469

The Group has lease contracts with average tenure of between 2 and 20 years (2022: between 2 and 20 years). The right-of-use assets are depreciated over the period of the lease terms. Depreciation starts at the commencement date of the leases.

Depreciation of right-of-use assets classified within property, plant and equipment

	Group	
	2023 S$'000	**2022 S$'000**
Buildings	**154**	46

36 LEASE LIABILITIES (CONTINUED)

The Group as a Lessee (Continued)

Amounts recognised in profit or loss

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Depreciation of right-of-use assets	**154**	46
Interest expense on lease liabilities	**1**	1
	155	47

Other disclosures

	Group	
	Year ended 31.12.2023 S$'000	**Period from 1.4.2022 to 31.12.2022 S$'000**
Total cash outflow for leases	**73**	496

Carrying amount of lease liabilities

	Group		Company	
	2023 S$'000	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**
Minimum lease payments due:				
– Not later than 1 year	**4**	53	**6**	6
– Later than 1 year but within 5 years	**30**	54	**5**	10
	34	107	**11**	16
Less:				
Future finance charges	**(1)**	(1)	**(1)**	(1)
Present value of financial lease liabilities	**33**	106	**10**	15

The present value of lease liabilities is analysed as follows:

	Group		Company	
	2023 S$'000	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**
Not later than 1 year	**3**	52	**5**	5
Later than 1 year but within 5 years	**30**	54	**5**	10
	33	106	**10**	15

36 LEASE LIABILITIES (CONTINUED)

The Group as a lessor

Nature of the Group's leasing activities

The Group has entered into various non-cancellable lease commitments in respect of lease equipment and properties for a period of 1 to 3 years. The lessee does not have an option to purchase the property at the expiry of the lease period. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Future minimum lease receivables under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2023	**2022**
	S$'000	**S$'000**
Within 1 year	**40**	56
Within 2 to 3 years	**10**	25
	50	81

37 CONTINGENT LIABILITIES AND COMMITMENTS

Continuing financial support

The Company has undertaken to provide continuing financial support to its subsidiaries by not demanding payment for loans and receivables owing by them until they have the financial capability to repay the Company. The Company will also, when required, provide sufficient working capital to enable them to operate as a going concern for a period of at least twelve months from the respective dates of the Directors' reports of the subsidiaries relating to the audited financial statements for the financial year ended 31 December 2023.

Corporate guarantees

	Group	
	2023	**2022**
	S$'000	**S$'000**
Corporate guarantees provided to enable a former subsidiary to obtain credit facilities and banking facilities:		
– Total facilities	**1,000**	1,000
– Total outstanding	**379**	205

38 SEGMENT INFORMATION

(a) Operating Segments

	Telecom S$'000	ICT distribution and managed services S$'000	Inoperative Companies S$'000	Group S$'000
2023				
Turnover – external sales	**204,468**	**12,669**	**–**	**217,137**
Profit/(loss) before taxation (excluding depreciation, amortisation, HQ costs and other non operating items)	**2,492**	**294**	**(201)**	**2,585**
Depreciation and amortisation	**(331)**	**(262)**	**(32)**	**(625)**
HQ costs (country)*	**(319)**	**–**	**–**	**(319)**
Non operating items (net)	**(12)**	**80**	**–**	**68**
Taxation	**(528)**	**(33)**	**–**	**(561)**
Profit/(loss) after taxation	**1,302**	**79**	**(233)**	**1,148**
Unallocated HQ costs – Group (net)*	**–**	**–**	**–**	**(513)**
Net profit/(loss) for the year	**1,302**	**79**	**(233)**	**635**

* includes depreciation and amortisation expenses

	Telecom S$'000	ICT distribution and managed services S$'000	Inoperative Companies S$'000	IHQ (Unallocated) S$'000	Group S$'000
Segment assets	21,021	11,516	723	3,271	36,531
Segment liabilities	2,324	2,599	769	651	6,343
Capital expenditure	–	588	–	–	588

	Telecom S$'000	ICT distribution and managed services S$'000	Inoperative Companies S$'000	Operation related to Disposed Company S$'000	Group S$'000
2022					
Turnover – external sales	163,927	10,660	–	274	174,861
Profit/(loss) before taxation (excluding depreciation, amortisation, HQ costs and other non operating items)	1,572	464	(32)	88	2,092
Depreciation and amortisation	(268)	(194)	(26)	(92)	(580)
HQ costs (country)*	(187)	–	–	–	(187)
Non operating items (net)	(22)	–	13	8	(1)
Taxation	(492)	(99)	–	–	(591)
Profit/(loss) after taxation	603	171	(45)	4	733
Unallocated HQ costs – Group (net)*	–	–	–	–	(193)
Net profit for the period	603	171	(45)	4	540

* includes depreciation and amortisation expenses

38 SEGMENT INFORMATION (CONTINUED)

(a) Operating Segments (Continued)

	Telecom S$'000	ICT distribution and managed services S$'000	Inoperative Companies S$'000	IHQ (Unallocated) S$'000	Operation related to Disposed Company S$'000	Group S$'000
Segment assets	21,913	12,555	531	4,353	–	39,352
Segment liabilities	4,863	3,676	256	336	–	9,131
Capital expenditure	400	44	–	–	300	744

A reconciliation of total assets for reportable segments to total assets is as follows:

	Group 2023 S$'000	Group 2022 S$'000
Total assets for reportable segments	**36,531**	39,352
Elimination of inter-segment assets	**–**	–
Total assets	**36,531**	39,352

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	Group 2023 S$'000	Group 2022 S$'000
Total liabilities for reportable segments	**6,343**	9,131
Elimination of inter-segment liabilities	**–**	–
Total liabilities	**6,343**	9,131

The recognition of right-of-use assets and lease liabilities increased segment assets and segment liabilities as follows:

	Segment assets S$'000	Segment liabilities S$'000
<u>2023</u>		
Telecom	**453**	**33**
<u>2022</u>		
Telecom	469	106

38 SEGMENT INFORMATION (CONTINUED)

(a) Operating Segments (Continued)

The recognition of right-of-use assets and lease liabilities on the statements of financial position resulted in an increase in depreciation and interest expenses in the consolidated income statement as follows:

	Depreciation S$'000	Interest expenses S$'000
2023		
Telecom	**154**	**1**
2022		
Telecom	46	1

(b) Geographical Information

	Turnover		Non-current Assets*		Capital Expenditure	
	2023 S$'000	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**
Southeast Asia[i]	**204,468**	163,927	**3,178**	3,239	**–**	400
South Asia[ii]	**12,669**	10,660	**2,386**	2,301	**588**	44
Disposed companies	**–**	274	**–**	–	**–**	300
	217,137	174,861	**5,564**	5,540	**588**	744

(i) Southeast Asia includes Singapore, Indonesia, Malaysia and Thailand. Indonesia is the largest contributor at 99% (2022: 94%) for turnover. Indonesia is the largest contributor at 98% (2022: 96%) for non-current assets.

(ii) South Asia includes India.

* Non-current assets exclude financial assets and deferred tax assets.

39 DIRECTORS' REMUNERATION

	Number of directors in remuneration bands		
	Executive Directors	**Non-Executive Directors**	**Total**
2023			
S$250,000 and above	**–**	**–**	**–**
Below S$250,000	**2**	**3**	**5**
	2	**3**	**5**
2022			
S$250,000 and above	–	–	–
Below S$250,000	2	3	5
	2	3	5

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments.

The Group's principal financial instruments comprise fixed deposits, cash and bank balances, loans and bank borrowings. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade creditors, which arise directly from its day-to-day operations.

It is the Group's policy not to engage in foreign exchange and/or derivatives speculation or trading for profit purposes. It is not in the interest of the Group to engage in trading for profit or to speculate or trade in treasury instruments.

The key financial risks include credit risk, liquidity risk, interest rate risk, foreign exchange risk and market price risk. The Board reviews and agrees policies for managing these risks which are executed by the Chief Financial Officer. The audit committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current year and previous financial period, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should there be a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group mainly transacts with high credit quality counterparties which are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subjected to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

The carrying amount of trade and other receivables, loan receivable, financial assets, at FVPL, fixed deposits and cash and bank balances represents the Group's maximum exposure to credit risk. Cash and bank balances are placed with banks of good standing. The Group performs ongoing credit evaluation of its customers' financial conditions and maintains an allowance for doubtful trade debts based upon expected collectability of all trade debts.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

At the financial year end, the Group's and the Company's maximum exposure to credit risk is represented by:

i. The carrying amount of each class of financial assets recognised in the statements of financial position; and

ii. Corporate guarantees provided to enable a former subsidiary to purchase goods and/or services from a supplier, to obtain banking facilities and insurance bonds from an insurance company:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
– Total facilities	**1,000**	1,000	**–**	–
– Total outstanding	**379**	205	**–**	–

These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its former subsidiary has a strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

The movements in credit loss allowance for impairment are as follows:

	Trade receivables S$'000	Other receivables S$'000	Total S$'000
Group			
2023			
At 1 January 2023 per SFRS(I) 9	**2,294**	**2,722**	**5,016**
Loss allowance recognised in profit or loss during the year on:			
– Assets that are credit-impaired	**18**	**–**	**18**
– Exchange differences	**(181)**	**–**	**(181)**
	(163)	**–**	**(163)**
At 31 December 2023 per SFRS(I) 9	**2,131**	**2,722**	**4,853**
2022			
At 1 April 2022 per SFRS(I) 9	2,150	2,804	4,954
Loss allowance recognised in profit or loss during the period on:			
– Assets that are credit-impaired	15	–	15
– Exchange differences	129	(82)	47
	144	(82)	62
At 31 December 2022 per SFRS(I) 9	2,294	2,722	5,016

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

The movements in credit loss allowance for impairment are as follows: (Continued)

	Trade receivables S$'000	Other receivables S$'000	Total S$'000
Company			
2023			
At 1 January 2023 and 31 December 2023 per SFRS(I) 9	**443**	**804**	**1,247**
2022			
At 1 April 2022 per SFRS(I) 9	448	804	1,252
Loss allowance recognised in profit or loss during the period on:			
– Exchange differences	(5)	–	(5)
At 31 December 2022 per SFRS(I) 9	443	804	1,247

Cash and cash equivalents, fixed deposits and financial assets, at FVPL are subject to immaterial credit loss.

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on their shared credit risk characteristics and numbers of days past due. The expected credit losses on trade receivables are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money, where appropriate.

Credit risk grading guideline

Management has established the Group's internal credit risk grading to the different exposures according to their degree of default risk. The internal credit risk grading which are used to report the Group's credit risk exposure to key management personnel for credit risk management purposes are as follows:

Internal rating grades	Definition	Basis of recognition of expected credit loss (ECL)
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition (i.e. interest and/or principal repayment are more than 30 days past due).	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired (i.e. interest and/or principal repayments are more than 365 days past due).^	Lifetime ECL (credit-impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

^ There is a rebuttable presumption that default does not occur later than when a financial asset is 365 days past due. Management has based on historical experience and information to demonstrate that a more lagging default criteria is more appropriate given the nature of the Group's business in satisfying a performance obligation and customers generally take longer to make payment when the performance obligation is completed.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

A financial asset is credit-impaired when credit risk has increased significantly since initial recognition due to the following:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Information regarding trade and other receivables and loan receivable that are credit-impaired are disclosed in Notes 12, 13 and 23.

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2023 and 31 December 2022 are set out in the provision matrix as follows:

		Past due						
	Current**	**Within 30 days****	**30 to 60 days^**	**60 to 90 days^**	**90 to 180 days^**	**180 to 365 days^^**	**More than 365 days^^**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Group								
2023								
Telecom								
Expected loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**99%**	**61%**
Trade receivables	**977**	**48**	**8**	**1**	**2**	**–**	**1,716**	**2,752**
Allowance for impairment	**–**	**–**	**–**	**–**	**–**	**–**	**(1,691)**	**(1,691)**
Technology								
ICT distribution and managed services								
Expected loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**85%**	**13%**
Trade receivables	**2,807**	**9**	**44**	**31**	**33**	**42**	**515**	**3,481**
Allowance for impairment	**–**	**–**	**–**	**–**	**–**	**–**	**(440)**	**(440)**
2022								
Telecom								
Expected loss rate	0%	0%	0%	0%	0%	48%	99%	63%
Trade receivables	707	272	27	–	–	31	1,810	2,847
Allowance for impairment	–	–	–	–	–	(15)	(1,785)	(1,800)
Technology								
ICT distribution and managed services								
Expected loss rate	0%	0%	0%	0%	0%	0%	92%	13%
Trade receivables	2,951	16	35	69	170	124	538	3,903
Allowance for impairment	–	–	–	–	–	–	(494)	(494)

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2023 and 31 December 2022 are set out in the provision matrix as follows: (Continued)

		← Past due					→	
	Current**	**Within 30 days****	**30 to 60 days^**	**60 to 90 days^**	**90 to 180 days^**	**180 to 365 days^^**	**More than 365 days^^**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Company								
2023								
Technology								
ICT distribution and managed services								
Expected loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**90%**	**90%**
Trade receivables	**–**	**–**	**–**	**–**	**–**	**–**	**490**	**490**
Allowance for impairment	**–**	**–**	**–**	**–**	**–**	**–**	**(443)**	**(443)**
2022								
Technology								
ICT distribution and managed services								
Expected loss rate	0%	0%	0%	0%	0%	0%	90%	90%
Trade receivables	–	–	–	–	–	–	490	490
Allowance for impairment	–	–	–	–	–	–	(443)	(443)

** rated as performing
^ rated as under-performing
^^ rated as non-performing

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

The Group's and the Company's credit risk exposure in relation to other receivables under SFRS(I) 9 as at 31 December 2023 and 31 December 2022 are set out in the provision matrix as follows:

		← Past due →						
	Current** S$'000	Within 30 days** S$'000	30 to 60 days^ S$'000	60 to 90 days^ S$'000	90 to 180 days^ S$'000	180 to 365 days^^ S$'000	More than 365 days^^ S$'000	Total S$'000
Group								
2023								
Other receivables								
Expected loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**90%**	**55%**
Other receivables	**3,218**	**–**	**–**	**–**	**–**	**5**	**5,092#**	**8,315**
Allowance for impairment	**–**	**–**	**–**	**–**	**–**	**–**	**(4,560)**	**(4,560)**
2022								
Other receivables								
Expected loss rate	0%	0%	0%	0%	0%	0%	96%	56%
Other receivables	3,410	–	–	–	–	6	4,752#	8,168
Allowance for impairment	–	–	–	–	–	–	(4,560)	(4,560)
Company								
2023								
Other receivables								
Expected loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**96%**	**92%**
Other receivables (excluding subsidiaries)	**135**	**–**	**–**	**–**	**–**	**–**	**2,752##**	**2,887**
Allowance for impairment	**–**	**–**	**–**	**–**	**–**	**–**	**(2,642)**	**(2,642)**
2022								
Other receivables								
Expected loss rate	0%	0%	0%	0%	0%	0%	98%	93%
Other receivables (excluding subsidiaries)	145	–	–	–	–	–	2,706##	2,851
Allowance for impairment	–	–	–	–	–	–	(2,642)	(2,642)

** rated as performing

^ rated as under-performing

^^ rated as non-performing

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit Risk (Continued)

Management has assessed other receivables to have low credit risk and there has been no significant increase in the risk of default on the receivables since initial recognition. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition. Accordingly, the 12-month expected credit loss is not material.

\# The remaining receivables (Group) mainly pertain to Goods & Services Tax receivable and tax recoverable from Singapore, Indonesia and Thailand entities respectively. The Group received correspondences from the tax authorities on the recoverability of these amounts. Accordingly, the expected credit loss is not material.

\## The remaining receivables (Company) mainly pertain to rental deposit. As per rental agreement, this deposit will be refunded to the Company on the expiration of the rental. The expected credit loss is not material.

(b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

To manage liquidity risk, the Group and the Company monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents and fixed deposits and secured committed funding facilities from financial institutions. In assessing the adequacy of these funding facilities, management reviews its working capital requirements regularly.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity Risk (Continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the financial year end based on the contractual undiscounted repayment obligations.

	Within 1 year S$'000	1 to 5 years S$'000	After 5 years S$'000	Total S$'000
Group				
2023				
Financial assets:				
Trade and other receivables	**7,781**	**76**	**–**	**7,857**
Financial assets, at FVPL	**285**	**–**	**–**	**285**
Cash and cash equivalents	**9,014**	**–**	**–**	**9,014**
Fixed deposits	**3,564^**	**817***	**–**	**4,381**
Total undiscounted financial assets	**20,644**	**893**	**–**	**21,537**
Financial liabilities:				
Trade and other creditors and accruals	**3,321**	**–**	**–**	**3,321**
Due to related parties	**7**	**–**	**–**	**7**
Lease liabilities	**4**	**30**	**–**	**34**
Loans and bank borrowings	**473**	**131**	**–**	**604**
Total undiscounted financial liabilities	**3,805**	**161**	**–**	**3,966**
Total net undiscounted financial assets	**16,839**	**732**	**–**	**17,571**
2022				
Financial assets:				
Trade and other receivables	8,014	50	–	8,064
Financial assets, at FVPL	295	–	–	295
Cash and cash equivalents	7,820	–	–	7,820
Fixed deposits	3,641^	1,106*	–	4,747
Total undiscounted financial assets	19,770	1,156	–	20,926
Financial liabilities:				
Trade and other creditors and accruals	4,245	–	–	4,245
Due to related parties	7	–	–	7
Lease liabilities	53	54	–	107
Loans and bank borrowings	2,304	161	–	2,465
Total undiscounted financial liabilities	6,609	215	–	6,824
Total net undiscounted financial assets	13,161	941	–	14,102

^ includes interest receivable from fixed deposits of S$4,000 (2022: S$35,000)

* includes interest receivable from fixed deposits of S$415,000 (2022: S$327,000)

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity Risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

	Within 1 year S$'000	1 to 5 years S$'000	After 5 years S$'000	Total S$'000
Company				
2023				
Financial assets:				
Trade and other receivables	**292**	**–**	**–**	**292**
Financial assets, at FVPL	**285**	**–**	**–**	**285**
Due from subsidiaries	**240**	**534^**	**–**	**774**
Cash and cash equivalents	**2,681**	**–**	**–**	**2,681**
Total undiscounted financial assets	**3,498**	**534**	**–**	**4,032**
Financial liabilities:				
Trade and other creditors and accruals	**679**	**–**	**–**	**679**
Amounts due to related parties	**7**	**–**	**–**	**7**
Due to subsidiaries	**4,465**	**6,373#**	**–**	**10,838**
Lease liabilities	**6**	**5**	**–**	**11**
Total undiscounted financial liabilities	**5,157**	**6,378**	**–**	**11,535**
Total net undiscounted financial liabilities	**(1,659)**	**(5,844)**	**–**	**(7,503)**
2022				
Financial assets:				
Trade and other receivables	256	–	–	256
Financial assets, at FVPL	295	–	–	295
Due from subsidiaries	174	561^	–	735
Cash and cash equivalents	3,900	–	–	3,900
Total undiscounted financial assets	4,625	561	–	5,186
Financial liabilities:				
Trade and other creditors and accruals	468	–	–	468
Amounts due to related parties	7	–	–	7
Due to subsidiaries	4,635	7,324#	–	11,959
Lease liabilities	6	10	–	16
Total undiscounted financial liabilities	5,116	7,334	–	12,450
Total net undiscounted financial liabilities	(491)	(6,773)	–	(7,264)

^ includes interest receivable from subsidiaries of S$73,000 (2022: S$96,000)

includes interest payable to subsidiaries of Nil (2022: S$939,000)

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and bank borrowings, lease liabilities, fixed deposits and cash and bank balances.

To manage interest rate risk, surplus funds are placed with reputable banks as fixed deposits.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Interest Rate Risk (Continued)

The following table sets out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk.

	Within 1 year S$'000	1 – 5 years S$'000	After 5 years S$'000	Total S$'000
Group				
2023				
Floating rate				
Cash and cash equivalents	**9,014**	**–**	**–**	**9,014**
Fixed deposits	**3,560**	**402**	**–**	**3,962**
Loan and bank borrowings	**(440)**	**(122)**	**–**	**(562)**
Fixed rate				
Lease liabilities	**(3)**	**(30)**	**–**	**(33)**
2022				
Floating rate				
Cash and cash equivalents	7,820	–	–	7,820
Fixed deposits	3,606	779	–	4,385
Loan and bank borrowings	(2,182)	(150)	–	(2,332)
Fixed rate				
Lease liabilities	(52)	(54)	–	(106)

	Within 1 year S$'000	1 – 5 years S$'000	After 5 years S$'000	Total S$'000
Company				
2023				
Floating rate				
Cash and cash equivalents	**2,681**	**–**	**–**	**2,681**
Fixed rate				
Long-term loans and advances to subsidiaries	**–**	**461**	**–**	**461**
Long-term loans and advances from subsidiaries	**–**	**(6,373)**	**–**	**(6,373)**
Lease liabilities	**(5)**	**(5)**	**–**	**(10)**
2022				
Floating rate				
Cash and cash equivalents	3,900	–	–	3,900
Fixed rate				
Long-term loans and advances to subsidiaries	–	465	–	465
Long-term loans and advances from subsidiaries	–	(6,385)	–	(6,385)
Lease liabilities	(5)	(10)	–	(15)

The other financial instruments of the Group and the Company that are not included in the above tables are not subject to interest rate risks.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Interest Rate Risk (Continued)

Sensitivity analysis for interest rate risk

At the financial year end, if the SGD's and the foreign currencies' interest rates had been 100 (2022: 100) basis points lower/higher with all other variables held constant, the impact to the Group's results before tax would decrease/increase by approximately S$124,000 (2022: S$99,000). There is no significant impact to the Company's results before tax.

(d) Foreign Exchange Risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Indian Rupee ("INR"), Indonesian Rupiah ("IDR"), Thailand – Thai Baht ("THB") and Malaysian Ringgit ("MYR"). The foreign currencies in which these transactions are denominated are mainly USD and SGD.

The Group does not enter into foreign exchange contracts to hedge its foreign exchange risk resulting from cash flows from transactions denominated in foreign currencies. However, the Group reviews periodically that its net exposure is kept at an acceptable level. Approximately 100% (2022: 100%) of the Group's sales are denominated in the functional currency of the operating unit making the sale, while 99% (2022: 99%) of costs are denominated in the respective functional currencies of the Group's entities. The Group's trade and other receivables and trade and other payables balances at the financial year end have similar exposures.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including United States – United States Dollar ("USD"), India – Indian Rupee ("INR"), Indonesia – Indonesian Rupiah ("IDR"), Malaysia – Malaysian Ringgit ("MYR") and Thailand – Thai Baht ("THB").

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Foreign Exchange Risk (Continued)

The Group's foreign currency exposure based on the information provided to key management at the end of the financial year end are as follows:

	USD S$'000	SGD S$'000	INR S$'000	THB S$'000	MYR S$'000	IDR S$'000	Others S$'000	Total S$'000
Group								
2023								
Trade receivables	**47**	**–**	**2,994**	**25**	**–**	**1,036**	**–**	**4,102**
Other receivables and deposits	**28**	**215**	**817**	**30**	**–**	**2,286**	**379**	**3,755**
Cash and cash equivalents	**133**	**2,692**	**679**	**8**	**16**	**5,477**	**9**	**9,014**
Fixed deposits	**–**	**–**	**3,962**	**–**	**–**	**–**	**–**	**3,962**
Trade creditors	**–**	**(46)**	**(489)**	**(15)**	**–**	**(26)**	**–**	**(576)**
Other creditors and accruals	**(3)**	**(620)**	**(1,055)**	**(145)**	**(13)**	**(853)**	**(63)**	**(2,752)**
Lease liabilities	**–**	**(10)**	**(20)**	**–**	**–**	**(3)**	**–**	**(33)**
Loans and bank borrowings	**–**	**–**	**(121)**	**(27)**	**–**	**(414)**	**–**	**(562)**
Net financial assets/ (liabilities)	**205**	**2,231**	**6,767**	**(124)**	**3**	**7,503**	**325**	**16,910**
Net assets denominated in functional currencies	**–**	**(2,231)**	**(6,370)**	**124**	**(3)**	**(7,503)**	**(325)**	**(16,308)**
Net currency exposure	**205**	**–**	**397**	**–**	**–**	**–**	**–**	**602**
2022								
Trade receivables	47	–	3,353	25	–	1,031	–	4,456
Other receivables and deposits	28	358	930	39	–	2,253	–	3,608
Cash and cash equivalents	199	3,917	995	8	17	2,651	33	7,820
Fixed deposits	–	–	4,385	–	–	–	–	4,385
Trade creditors	(830)	(47)	(298)	(15)	–	(154)	–	(1,344)
Other creditors and accruals	(3)	(411)	(1,215)	(146)	(5)	(1,064)	(64)	(2,908)
Lease liabilities	–	(15)	(41)	–	–	(50)	–	(106)
Loans and bank borrowings	–	–	(123)	(27)	–	(2,182)	–	(2,332)
Net financial (liabilities)/ assets	(559)	3,802	7,986	(116)	12	2,485	(31)	13,579
Net assets denominated in functional currencies	–	(3,801)	(6,909)	116	(12)	(2,485)	31	(13,060)
Net currency exposure	(559)	1	1,077	–	–	–	–	519

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Foreign Exchange Risk (Continued)

The Company's foreign currency exposure based on the information provided to key management at the end of the financial year end are as follows:

	USD S$'000	SGD S$'000	THB S$'000	MYR S$'000	Others S$'000	Total S$'000
Company						
2023						
Trade receivables	**47**	**–**	**–**	**–**	**–**	**47**
Other receivables and deposits	**28**	**217**	**–**	**–**	**–**	**245**
Due from/(to) subsidiaries	**1,406**	**(7,219)**	**50**	**91**	**(4,465)***	**(10,137)**
Cash and cash equivalents	**62**	**2,619**	**–**	**–**	**–**	**2,681**
Trade creditors	**–**	**(46)**	**–**	**–**	**–**	**(46)**
Other creditors and accruals	**(3)**	**(633)**	**–**	**–**	**(4)**	**(640)**
Lease liabilities	**–**	**(10)**	**–**	**–**	**–**	**(10)**
Net financial assets/(liabilities)	**1,540**	**(5,072)**	**50**	**91**	**(4,469)**	**(7,860)**
Net assets denominated in functional currencies	**–**	**5,072**	**–**	**–**	**–**	**5,072**
Net currency exposure	**1,540**	**–**	**50**	**91**	**(4,469)**	**(2,788)**
2022						
Trade receivables	47	–	–	–	–	47
Other receivables and deposits	28	181	–	–	–	209
Due from/(to) subsidiaries	1,406	(8,095)	552	118	(4,362)*	(10,381)
Cash and cash equivalents	62	3,838	–	–	–	3,900
Trade creditors	–	(47)	–	–	–	(47)
Other creditors and accruals	(3)	(421)	–	–	(4)	(428)
Lease liabilities	–	(15)	–	–	–	(15)
Net financial assets/(liabilities)	1,540	(4,559)	552	118	(4,366)	(6,715)
Net assets denominated in functional currencies	–	4,559	–	–	–	4,559
Net currency exposure	1,540	–	552	118	(4,366)	(2,156)

* denominated in Renminbi

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Foreign Exchange Risk (Continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's results before tax to a reasonably possible change in the following exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	Group Increase/(Decrease) in results before tax	
	2023	**2022**
	S$'000	**S$'000**
USD/SGD		
– strengthened 5% (2022: 5%)	**10**	(28)
– weakened 5% (2022: 5%)	**(10)**	28

41 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale.

A. Fair value of financial instruments that are carried at fair value

	Level 1	**Level 2**	**Level 3**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Group				
31.12.2023				
Designated at fair value through profit or loss (Note 22)	**–**	**–**	**285**	**285**
31.12.2022				
Designated at fair value through profit or loss (Note 22)	–	–	295	295

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There has been no transfer of financial instruments between Level 1 and Level 2 during the financial years ended 31 December 2023 and 31 December 2022.

41 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

A. Fair value of financial instruments that are carried at fair value (Continued)

Valuation technique and input used in Level 3 fair value measurement

Description	Fair value at S$'000	Unobservable input	Input value S$'000	Relationship of unobservable input to fair value
31.12.2023				
Financial assets, at FVPL	285	Sales transaction value	290	The higher the sales transaction value, the higher the fair value
31.12.2022				
Financial assets, at FVPL	295	Reported net asset value	295	The higher the net asset value, the higher the fair value

B. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, fixed deposits, trade and other receivables, loan receivable, trade and other creditors, amounts due from/(to) subsidiaries, current loans and bank borrowings and current lease liabilities

The carrying amounts approximate fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of non-current other receivables, lease liabilities, loans and bank borrowings, fixed deposits and due from/(to) subsidiaries approximate the fair values.

Determination of fair value

The fair values of other receivables, lease liabilities, loans and borrowings, fixed deposits and due from/(to) subsidiaries are estimated by discounting expected future cash flows at current market incremental lending/deposit rates for similar types of lending, leasing and deposit arrangements at the financial year end and are included in level 2 of the fair value hierarchy.

42 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios and a positive cash position in order to support its business and maximise shareholder value.

The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

To maintain a positive cash position, the Group ensures that it has sufficient cash balances and enters into loans when necessary. In order to achieve positive cash position, the Group focuses on deriving positive cash profits as well as through better working capital management.

No changes were made in the objectives, policies or processes during the financial year ended 31 December 2023 and financial period ended 31 December 2022.

42 CAPITAL MANAGEMENT (CONTINUED)

The Group is currently in a net cash position. The Group will continue to be guided by prudent financial policies of which gearing is an important aspect.

	Group	
	2023	**2022**
	S$'000	**S$'000**
Total gross debt		
– Loans and bank borrowings	**562**	2,332
– Lease liabilities	**33**	106
	595	2,438
Shareholders' equity		
– Share capital	**549,704**	549,704
– Treasury shares	**(1,399)**	(1,098)
– Accumulated losses	**(498,474)**	(499,105)
– Other reserves	**(6,530)**	(6,394)
– Translation reserve	**(13,061)**	(12,823)
	30,240	30,284
Gross debt equity ratio	**1.97%**	8.05%
Cash and bank balances and fixed deposits	**12,976**	12,205
Less: Total gross debt	**(595)**	(2,438)
Net cash position	**12,381**	9,767

43 ADOPTION OF NEW STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current year, the Group has adopted all the new and revised SFRS(I)s issued that are relevant to its operations and effective for annual periods beginning on 1 January 2023. The adoption of these new and revised SFRS(I)s has had no material financial impact on the financial performance and financial position of the Group and the Company.

44 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

As at the date of these financial statements, the Group and the Company have not adopted the following amendments to standards that have been issued but are not yet effective:

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements – Classification of Liabilities as current or non-current*	1 January 2024
Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 16 *Lease – Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I) 1-7 and 7 *Statement of Cash Flows and Financial Instruments: Disclosures: Supplier Finance Arrangements*	1 January 2024
Amendments to SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Investments in Associates and Joint Ventures – Sale or contribution of assets between an investor and its associate or joint venture*	Deferred indefinitely, early application is still permitted

The directors of the Company expect the adoption of the amendments above will have no material impact on the consolidated financial statements in the period of initial application.

45 EVENTS OCURRING AFTER THE REPORTING PERIOD

Subsequent to financial year end, the Group entered into a sale & purchase agreement with a third party buyer for the disposal of its remaining 10% shareholding in Singapore Electric Vehicles Pte. Ltd. for a total consideration of S$290,000.

46 COMPARATIVE FIGURES

The consolidated financial statements for the financial year ended 31 December 2023 covers the year from 1 January 2023 to 31 December 2023 and the audited consolidated financial statements for the preceding financial period ended 31 December 2022 covered the period from 1 April 2022 to 31 December 2022. There was only 9 months period covered in 31 December 2022 as the Company changed its financial year end from March to December. As Company wished to align its financial year end with its major subsidiary in Indonesia, it has changed the financial year end to December. With the change of financial year end in the previous period, the amounts presented in this set of consolidated financial statements are not entirely comparable.

STATISTICS OF SHAREHOLDINGS

AS AT 22 MARCH 2024

Class of equity securities	:	Ordinary shares
Number of equity securities (including Treasury Shares)	:	13,880,384
Number of equity securities (excluding Treasury Shares)	:	13,387,513
Number/Percentage of Treasury Shares	:	492,871 (3.55%)
Number/Percentage of subsidiary holding held	:	Nil
Voting rights	:	One vote per Share. The Company cannot exercise any voting right in respect of treasury shares.

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS AS AT 22 MARCH 2024

		No. of Shares			
Name	**Note**	**Direct Interest**	**Deemed Interest**	**Total Interest**	**%[1]**
Dr. Bhupendra Kumar Modi ("BKM")	2	804,634	6,891,465	7,696,099	57.49
Dilip Modi ("DLM")	3	–	5,121,308	5,121,308	38.25
Veena Modi ("VM")	3	–	1,482,387	1,482,387	11.07
S Global Innovation Centre Pte. Ltd.	2a	3,638,921	–	3,638,921	27.18
Smart Co. Holding Pte. Ltd.	2b, 2c, 4	410,660	6,437,805	6,848,465	51.16
S Global Holdings Limited	5	–	5,121,308	5,121,308	38.25
Smart Bharat Private Limited	2e, 6	1,482,387	–	1,482,387	11.07
Spice Bulls Pte. Ltd.	2c, 6	1,316,497	1,482,387	2,798,884	20.91
Global Tech Innovations Ltd.	7	–	5,121,308	5,121,308	38.25
Smart Global Corporate Holding Private Limited	8	–	5,121,308	5,121,308	38.25
Paramount Assets Investments Pte. Ltd.	9, 10	1,414,492	–	1,414,492	10.57
Lee Foundation	9	–	1,414,492	1,414,492	10.57
Lee Pineapple Company (Pte.) Limited	10	–	1,414,492	1,414,492	10.57

Notes:

(1) The above percentages are calculated based on the Company's share capital comprising of 13,387,513 issued and paid-up Shares as at 22 March 2024, excluding treasury shares.

(2) BKM is deemed to be interested in 6,891,465 Shares comprising the following:

(a) 3,638,921 Shares held directly by S Global Innovation Centre Pte. Ltd., as S Global Innovation Centre Pte. Ltd. is controlled by BKM along with DLM. By virtue of Section 7 of the Companies Act, Smart Global Corporate Holding Private Limited, Global Tech Innovations Ltd., S Global Holdings Limited, Prospective Infrastructure Pvt. Ltd. and Spice Connect Private Ltd. are deemed to be interested in the 3,638,921 Shares held through S Global Innovation Centre Pte. Ltd.;

(b) 410,660 Shares held directly by Smart Co. Holding Pte. Ltd. as Smart Co. Holding Pte. Ltd. is wholly-owned by BKM;

(c) 1,316,497 Shares held directly by Spice Bulls Pte. Ltd. as Spice Bulls Pte. Ltd. is wholly-owned by Smart Co. Holding Pte. Ltd., which is in turn wholly-owned by BKM;

(d) 43,000 Shares held directly by Innovative Management Pte. Ltd. as Innovative Management Pte. Ltd. is wholly-owned by BKM; and

(e) 1,482,387 Shares held directly by Smart Bharat Private Limited (formerly known as Smart Entertainment Private Limited), as approximately 99.93% of the shares of Smart Bharat Private Limited are beneficially owned and controlled by BKM, investment vehicles controlled by BKM and his family members.

(3) DLM is the son of BKM. VM is the spouse of BKM and mother of DLM.

DLM is a Substantial Shareholder, as he is deemed to be interested in 3,638,921 Shares through S Global Innovation Centre Pte. Ltd., as S Global Innovation Centre Pte. Ltd. is controlled by BKM, DLM and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and DLM holds no less than 20% of the shares in Smart Global Corporate Holding Private Limited.

VM is a Substantial Shareholder, as she is deemed to be interested in 1,482,387 Shares held through Smart Bharat Private Limited by virtue of her holding of no less than 20% of the shares in Smart Bharat Private Limited.

(4) Smart Co. Holding Pte. Ltd. is deemed to be interested in 6,437,805 Shares comprising the following:

  (a) 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd.;

  (b) 1,316,497 Shares held directly by Spice Bulls Pte. Ltd. as Spice Bulls Pte. Ltd. is wholly-owned by Smart Co. Holding Pte. Ltd: and

  (c) 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and Smart Co. Holding Pte. Ltd. has an indirect interest of no less than 20% of the shares in Smart Global Corporate Holding Private Limited.

(5) S Global Holdings Limited is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as the Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and S Global Holdings Limited has an indirect interest of no less than 20% of the shares in Smart Global Corporate Holding Private Limited.

(6) Pursuant to a sale and purchase agreement dated 23 November 2021 ("SPA") executed between Smart Bharat Private Limited ("Vendor") and Spice Bulls Pte. Ltd. ("Purchaser"), the Vendor shall sell and transfer to the Purchaser, and the Purchaser shall purchase from the Vendor, the 1,482,387 shares in the capital of the Company owned by the Vendor ("Sale Shares"). The purchase price for the Sale Shares shall be the prevailing market price of the Shares on the SGX-ST (as reported by Bloomberg L.P.) as at the Completion Date (as defined in the SPA) as agreed by the Purchaser and the Vendor. The deemed interest in 1,482,387 Shares held by Spice Bulls Pte. Ltd. arises pursuant to the SPA whereby Spice Bulls Pte. Ltd. has agreed to acquire the Sale Shares. Upon completion under the SPA, the deemed interest in 1,482,387 Shares held by Spice Bulls Pte. Ltd. will be reflected as a direct interest in 1,482,387 Shares held by Spice Bulls Pte. Ltd.

(7) Global Tech Innovations Ltd. is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and Global Tech Innovations Ltd. holds no less than 20% of the shares in Smart Global Corporate Holding Private Limited.

(8) Smart Global Corporate Holding Private Limited is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through S Global Innovation Centre Pte. Ltd. and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited.

(9) Lee Foundation, by virtue of its interest in not less than 20% of the total issued share capital of Lee Pineapple Company (Pte.) Ltd., is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.

(10) Lee Pineapple Company (Pte.) Ltd. is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.

PUBLIC FLOAT

As at 22 March 2024, 31.84% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules of SGX-ST which require that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	7,717	68.18	183,759	1.37
100 – 1,000	3,119	27.56	915,650	6.84
1,001 – 10,000	438	3.87	1,123,339	8.39
10,001 – 1,000,000	41	0.36	3,206,011	23.95
1,000,001 AND ABOVE	4	0.03	7,958,754	59.45
TOTAL	**11,319**	**100.00**	**13,387,513**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	S GLOBAL INNOVATION CENTRE PTE LTD	3,638,921	27.18
2	SMART BHARAT PRIVATE LIMITED	1,482,387	11.07
3	PHILLIP SECURITIES PTE LTD	1,422,954	10.63
4	PARAMOUNT ASSETS INVESTMENTS PTE LTD	1,414,492	10.57
5	DBS NOMINEES (PRIVATE) LIMITED	937,232	7.00
6	UOB KAY HIAN PRIVATE LIMITED	637,265	4.76
7	ABN AMRO CLEARING BANK N.V.	435,123	3.25
8	SMART CO HOLDING PTE LTD	260,286	1.95
9	CITIBANK NOMINEES SINGAPORE PTE LTD	71,716	0.54
10	TAN CHIP SIN	69,500	0.52
11	EST OF CHONG YEAN FONG, DEC'D	68,114	0.51
12	TAI TAK SECURITIES PTE LTD	61,700	0.46
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	53,287	0.40
14	BIKASH PODDAR	47,000	0.35
15	OCBC SECURITIES PRIVATE LIMITED	46,769	0.35
16	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	31,600	0.24
17	TUSHAR S/O PRITAMLAL DOSHI	30,075	0.22
18	DORARAJ S	29,323	0.22
19	GOH KIM SENG	28,900	0.22
20	KAM TEOW CHONG	24,200	0.18
	TOTAL	**10,790,844**	**80.61**

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of **DIGILIFE TECHNOLOGIES LIMITED** will be held at The Hive, North Bridge Road, 1 North Bridge Rd, #08-08, Singapore 179094, on Monday, 29 April 2024 at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ending 31 December 2023 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors who will be retiring pursuant to Regulations 88 and 89 of the Constitution of the Company:

   (a) Mr. Rajesh Pahwa, retiring pursuant to Regulation 88 **(Resolution 2(a))**
   (b) Mr. Tay Wee Meng, retiring pursuant to Regulation 88 **(Resolution 2(b))**
   (c) Mr. Mukesh Khetan, retiring pursuant to Regulation 88 **(Resolution 2(c))**
   (d) Ms. Chada Anitha Reddy, retiring pursuant to Regulation 89 **(Resolution 2(d))**

   See Explanatory Note (i)

3. To approve the payment of Directors' fees amounting to S$102,851.08 for the financial year ended 31 December 2023. (Financial Period from 1 April 2022 to 31 December 2022: S$67,499) **(Resolution 3)**

4. To re-appoint Moore Stephens LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 4)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

6. **Share Issue Mandate in accordance with Section 161 of the Companies Act 1967 and Rule 806(2)(a) of Section B: Rules of Catalist of the Listing Manual**

   That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806(2)(a) of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**"), authority be and is hereby given to the Directors of the Company to:

   (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (b) 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 instructions convertible into Shares;

at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit and, notwithstanding the authority conferred by this ordinary resolution, issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this ordinary resolution was in force, provided that:

(c) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this ordinary resolution) to be issued pursuant to this ordinary resolution shall not exceed one hundred percent (100%) of the total number of issued shares (as calculated in accordance with sub-paragraph (d) below), of which the aggregate number of shares to be issued other than on a pro rata basis shall not exceed fifty percent (50%) of the total number of issued shares;

(d) subject to such 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 (c) above, the total number of Issued Shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this ordinary resolution, after adjusting for:

    (i) new Shares arising from the conversion or exercise of any convertible securities;

    (ii) new Shares arising from exercising of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this ordinary resolution; and

    (iii) any subsequent bonus issue, consolidation or subdivision of shares;

(e) in exercising the authority conferred by this ordinary resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all legal requirements under the Companies Act and the Constitution of the Company; and

(f) unless revoked or varied by the Company in a general meeting, such authority shall 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 (ii) **(Resolution 5)**

7. **Authority to issue shares under the 2014 Employee Stock Option Plan**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to grant options under the prevailing 2014 Employee Stock Option Plan ("2014 ESOP") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the terms and conditions under the 2014 ESOP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of ordinary shares available under the Digilife Technologies Performance Share Plan 2021, 2014 ESOP, Sevak Restricted Share Plan and the Sevak Performance Share Plan, collectively shall not exceed thirty per centum (30%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital 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 (iii) **(Resolution 6)**

8. **Authority to issue shares under the Digilife Technologies Performance Share Plan 2021**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to grant awards under the Digilife Technologies Performance Share Plan 2021 (formerly known as Sevak Performance Share Plan 2021) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the terms and conditions under the Digilife Technologies Performance Share Plan 2021, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of ordinary shares available under the Digilife Technologies Performance Share Plan 2021, 2014 ESOP, Sevak Restricted Share Plan and the Sevak Performance Share Plan, collectively shall not exceed thirty per centum (30%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital 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 (iv) **(Resolution 7)**

By Order of the Board

Ngiam May Ling
Company Secretary
Digilife Technologies Limited

12 April 2024

Explanatory Notes:

(i) Resolution 2(a) is for the re-election of Mr. Rajesh Pahwa, a Director of the Company who retires pursuant to Regulation 88 of the Company's Constitution, at this AGM. Mr. Pahwa, will upon re-election as a Director of the Company, remain as a member of the Audit, Remuneration and Nominating Committees and will be considered independent for the purposes of Catalist Rule 704(7).

Resolution 2(b) is for the re-election of Mr. Tay Wee Meng, a Director of the Company who retires pursuant to Regulation 88 of the Company's Constitution, at this AGM. Mr. Tay, will upon re-election as a Director of the Company, remain as a member of the Audit, Remuneration and Nominating Committees and will be considered independent for the purposes of Catalist Rule 704(7).

Resolution 2(c) is for the re-election of Mr. Mukesh Khetan, a Director of the Company who retires pursuant to Regulation 88 of the Company's Constitution, at this AGM. Mr. Khetan, will upon re-election as a Director of the Company, remain as an Executive Director and Group Chief Executive Officer and will be considered non-independent.

Resolution 2(d) is for the re-election of Ms. Chada Anitha Reddy, a Director of the Company who retires by rotation at this AGM. Ms. Chada, will upon re-election as a Director of the Company, remain as Executive Chairperson and will be considered non-independent.

For more information on the abovementioned Directors who are retiring at this AGM is set out in the section titled "Additional Information on Directors Seeking Re-Election" in this Annual Report.

(ii) The proposed share issue mandate falls within the limits set out in Rule 806(2)(a) and 806(2)(b) of the Catalist Rules. For the avoidance of doubt, the adoption of the relevant proposed share issue mandate as set out in Ordinary Resolution 5 is contingent on the relevant thresholds for shareholders' approval being met.

The Ordinary Resolution 5, 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 issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time the Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time when the Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iii) The Ordinary Resolution 6, 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 issue shares in the Company pursuant to the grant of options or awards under the 2014 ESOP, provided always that the aggregate number of shares available under the Digilife Technologies Performance Share Plan 2021, 2014 ESOP, Sevak Restricted Share Plan and the Sevak Performance Share Plan, collectively shall not exceed thirty per centum (30%) of the total number of issued shares, excluding treasury shares and subsidiary holdings, in the capital of the Company from time to time.

(iv) The Ordinary Resolution 7, 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 issue shares in the Company pursuant to the grant of options or awards under the Digilife Technologies Performance Share Plan 2021, provided always that the aggregate number of shares available under the Digilife Technologies Performance Share Plan 2021, 2014 ESOP, Sevak Restricted Share Plan and the Sevak Performance Share Plan, collectively shall not exceed thirty per centum (30%) of the total number of issued shares, excluding treasury shares and subsidiary holdings, in the capital of the Company from time to time.

Notes:

1. The AGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM in person. There will be no option for members to participate virtually.

2. Printed copies of this Notice of AGM and Proxy Form will be sent to members by post. These documents will also be made available on the Company's website at the URL https://digilifelimited.com/investors.html#news, and SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. The Annual Report 2023 will be published on the Company's website at the URL https://digilifelimited.com/investors.html#news and SGX website at the URL https://www.sgx.com/securities/company-announcements in due timelines. Printed copies of the Annual Report 2023 will not be sent to the Members.

4. Any member who wishes to receive a printed copy of the Annual Report 2023 should submit a written request via email at investor-relations@digilifelimited.com by no later than 11:00 a.m. on 21 April 2024 with the following information:

   (i) your CDP Securities Account Number. If your shares are under/through your CPF Investment Scheme Account or physical scrip(s), please indicate as such;

   (ii) your full name; and

   (iii) your mailing address.

5. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy 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 form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

6. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

7. The instrument appointing a proxy(ies) must be submitted in the following manner:

   (a) if electronically, be submitted via email at digilife-agm@ryt-poll.com; or

   (b) if by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903

   and in either case, must be lodged or received (as the case may be) by 11.00 a.m. on Friday, 26 April 2024, being not less than 72 hours before the time appointed for the holding of the AGM.

8. CPF/SRS investors:

   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 11.00 a.m. on Thursday, 18 April 2024 to submit their votes.

9. Members, including CPF/SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM. Such questions must be received by 11.00 a.m. on Friday, 19 April 2024, and be submitted in the following manner:

   (a) via email to digilife-agm@ryt-poll.com; or

   (b) submitted by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903.

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

10. The Company will address all substantial and relevant questions received from members by 19 April 2024 submission deadline by publishing the responses to such questions on the Company's website at the URL https://digilifelimited.com/investors.html#news, and SGX website at the URL https://www.sgx.com/securities/company-announcements after the close of market on Tuesday, 23 April 2024. If questions or follow-up questions are submitted after the 19 April 2024 deadline, the Company will endeavour to address these questions at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

11. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

Personal data privacy:

By submitting an instrument 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 (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) 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 or service providers), 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 or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) 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.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following additional information on Mr. Tay Wee Meng ("**Mr. Tay**") who is seeking re-election as Director at the Annual General Meeting to be held on 29 April 2024, is to be read in conjunction with his biographies on page 13 of the Annual Report 2023.

Name of Director	**Tay Wee Meng**
Date of Appointment	28 July 2023
Date of last re-appointment (if applicable)	Not Applicable
Age	50
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Nominating Committee ("**NC**") reviewed and considered the qualifications, independence, suitability, prior working experience and capability of Mr. Tay and is satisfied that he possesses the requisite experience and capabilities to assume the duties and responsibilities of an Independent Non-Executive Director of the Company. Upon the recommendation of the NC, the Board approved Mr. Tay's appointment and considers Mr. Tay to be independent. Mr. Tay is also member of the Audit Committee, Remuneration Committee and Nominating Committee
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director – Board Member – Audit Committee Member – Remuneration Committee Member – Nominating Committee
Professional qualifications	The National University of Singapore – Degree of Bachelor of Engineering The United Nations Institute of Training and Research (UNITAR) – Associate Professor (Practice)
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	Present: 1. Director, Bog Oak Pte. Ltd since 28 November 2022 2. Chairman, Infracrowd Capital Pte. Ltd since 1 November 2022 3. Associate Professor (Practice), UN SDG Research Lab since 1 October 2022 4. Steering Committee Member, Sustainable Tropical Data Centre Testbed since 1 June 2022 5. Honorary Treasurer, SG Tech, Singapore Enterprise Chapter since 1 September 2021 6. Chairman, Advisory Board, Asia Pacific, Huawei Sparks since 1 August 2021 7. Fellow, Singapore Centre of Social Enterprise since 1 September 2020 8. Director, Blue Ocean Image Sdn. Bhd since 14 December 2011 9. Director, Athena Coffee Malaysia Sdn. Bhd. since 26 November 2009

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	**Tay Wee Meng**
	Past 10 years: 1. Director & CEO, Sistema Asia Capital Pte. Ltd. till 17 November 2022 2. Chairman, Scrutinizing Committee, Singapore Indian Chamber of Commerce till 15 June 2022 3. Director, Singapore Luxury Investment Holdings Pte. Ltd. till 25 February 2020 4. Partner, TGVIST Pte. Ltd. (Struck Off) till 18 October 2019 5. Director, Jupiter Ventures Pte. Ltd. (Struck Off) till 14 June 2019 6. Director, Zenithus Asia Pte. Ltd. (Struck Off) till 17 October 2018 7. Director, Jiang Shan (Singapore) Holdings Pte. Ltd. (Struck off) till 31 March 2017 8. Director, Jiang Shan Power Holdings Pte. Ltd. (Struck Off) till 31 March 2017
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries?	No
Other Principal Commitments Including Directorships	
Past (for the last 5 years)	Directorships: 1. Jiang Shan (Singapore) Holdings Pte. Ltd. (Struck Off) 2. Jiang Shan Power Holdings Pte. Ltd. (Struck Off) 3. Sistema Asia Capital Pte. Ltd. 4. Singapore Luxury Investment Holdings Pte. Ltd. 5. Zenithus Asia Pte. Ltd. (Struck Off) 6. Zheng He Foundation Ltd. 7. Jupiter Ventures Pte. Ltd. (Struck Off) 8. TGVIST Pte. Ltd. (Struck Off)
Present	Directorships: 1. Bog Oak Pte. Ltd. 2. Athena Coffee Malaysia Sdn. Bhd. 3. Blue Ocean Image Sdn. Bhd.
Information Required	
(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/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	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/she was a director or an equivalent person or a key executive, at the time when he/she 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/she 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
(c) Whether there is any unsatisfied judgment against him/her?	No
(d) Whether he/she 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/she is aware) for such purpose?	No

Name of Director	Tay Wee Meng
(e) Whether he/she 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/she is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No
(g) Whether he/she 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
(h) Whether he/she 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
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No
(j) Whether he/she has ever, to his/her 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
(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
(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
(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,	No
in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	
(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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following additional information on Mr. Mukesh Khetan ("**Mr. Khetan**") who is seeking re-election as Director at the Annual General Meeting to be held on 29 April 2024, is to be read in conjunction with his biographies on page 11 of the Annual Report 2023.

Name of Director	**Mukesh Khetan**
Date of Appointment	23 June 2023
Date of last re-appointment (if applicable)	Not applicable
Age	39
Country of principal residence	India
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Nominating Committee ("**NC**") has recommended the appointment of Mr. Khetan in consideration of his experience and his association with the Group for more than 10 years in various senior management positions. Considering, Mr. Khetan's years of experience, his appointment as Executive Director and Group Chief Executive Officer would be essential and in the best interest of the Group for effective implementation of directions set by the Board at this time. Upon the recommendation of the NC, the Board approved Mr. Khetan's appointment and considers him as Executive Director and Group Chief Executive Officer.
Whether appointment is executive, and if so, the area of responsibility	Executive, responsible and in charge of the management and day-to-day operation of the Group
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Group Chief Executive Officer
Professional qualifications	ICFAI University – Master of Business Administration (Finance) The Institute of Company Secretaries of India – Company Secretary University of Commerce College (Rajasthan University) – Bachelor of Commerce
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	Director, Selular Group (Group's Indonesian Business)
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries?	Yes 13,524 ordinary shares in the Company
Other Principal Commitments Including Directorships	
Past (for the last 5 years)	Directorships: 1. Modi Indonesia 2020 Pte. Ltd. 2. Smart EV Pte Ltd (Struck Off) 3. Stradbroke Investments Pte. Ltd.

Name of Director	**Mukesh Khetan**
Present	Directorships: 1. Spice Global Ventures Pte. Ltd. 2. PT Selular Global Net 3. PT Selular Media Infotama 4. PT Metrotech Jaya Komunika Indonesia 5. PT Metrotech Makmur Sejahtera 6. PT Technomas Internusa 7. CSL Communication (Shenzhen) Co. Ltd. 8. Mobile Service International Co. Ltd. 9. Modi Fountainlife Private Limited 10. Bharat It Services Limited
Information Required	
(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/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	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/she was a director or an equivalent person or a key executive, at the time when he/she 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/she 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
(c) Whether there is any unsatisfied judgment against him/her?	No
(d) Whether he/she 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/she is aware) for such purpose?	No
(e) Whether he/she 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/she is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No
(g) Whether he/she 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
(h) Whether he/she 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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Mukesh Khetan
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No
(j) Whether he/she has ever, to his/her 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
(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
(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
(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,	No
in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	
(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

The following additional information on Mr. Rajesh Pahwa ("**Mr. Pahwa**") who is seeking re-election as Director at the Annual General Meeting to be held on 29 April 2024, is to be read in conjunction with his biographies on page 12 of the Annual Report 2023.

Name of Director	**Rajesh Pahwa**
Date of Appointment	11 May 2023
Date of last re-appointment (if applicable)	Not Applicable
Age	60
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Nominating Committee ("**NC**") reviewed and considered the qualifications, independence, suitability, prior working experience and capability of Mr. Pahwa and is satisfied that he possesses the requisite experience and capabilities to assume the duties and responsibilities of an Independent Non-Executive Director of the Company. Upon the recommendation of the NC, the Board approved Mr. Pahwa's appointment and considers him to be independent. Mr. Pahwa is also a member of the Audit Committee, Remuneration Committee and NC.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director on the Board, a Member of Audit Committee, Nominating Committee and Remuneration Committee
Professional qualifications	Nanyang Business School, Nanyang Technology University, Singapore – Master of Business Administration (Banking and Finance) Sapient College, Singapore – SAP Certified Consultant Institute of Chartered Accountants of India – Chartered Accountant Bachelor Of Commerce (Honours) – University Of Delhi, India
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	2010 to Present – Managing Partner, Finedge Capital Pte. Ltd.
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries?	No
Other Principal Commitments Including Directorships	
Past (for the last 5 years)	Directorships: 1. Coinsecure IT Services Pte. Ltd. 2. RPM Securities Private Limited 3. Media Mart Pte. Ltd. 4. ABS Payments Pte. Ltd. (Struck Off) 5. Inspiroan Pte. Ltd. 6. Datagrid Pte. Ltd. 7. VR Enterprises Pte. Ltd. 8. Robin Global Pte. Ltd. 9. Hoopoun Technologies Pte. Ltd. (Struck Off) 10. Brawn Globus Turnkey Solutions Pte. Ltd. (Struck Off) 11. A Design Indi Private Limited (Struck Off)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	**Rajesh Pahwa**
Present	Directorships: 1. Neume Health Pte. Ltd. 2. Techclover Pte. Ltd. 3. Mayfive Consultants Pte. Ltd. 4. Global Tradelink Enterprise Pte. Ltd. 5. One Global Visa Pte. Ltd. 6. 5Sides Projects Pte. Ltd. 7. Securonics Singapore Pte. Ltd. 8. Qlikpay Pte. Ltd. 9. One Incorp Corporate Services Pte. Ltd. 10. Softmining Pte. Ltd. 11. OCG Technologies Pte. Ltd. 12. Itnity Pte. Ltd. 13. Asia-Pacific Holding Co. Pte. Ltd. 14. Nectiq Solutions Pte. Ltd. 15. Finedge Capital Pte. Ltd. 16. Lambourne Projects Pte. Ltd. 17. Elevate Connections Pte. Ltd. 18. Velix ID Solutions Pte. Ltd.
Information Required	
(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/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	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/she was a director or an equivalent person or a key executive, at the time when he/she 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/she 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
(c) Whether there is any unsatisfied judgment against him/her?	No
(d) Whether he/she 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/she is aware) for such purpose?	No
(e) Whether he/she 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/she is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No

Name of Director		Rajesh Pahwa
(g)	Whether he/she 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
(h)	Whether he/she 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?	Yes Disqualified for 5 years w.e.f. 07 November 2016 pursuant to Section 155A of the Companies Act 1967.
(i)	Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No
(j)	Whether he/she has ever, to his/her 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
	(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
	(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
	(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,	No
	in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	
(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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following additional information on Ms. Chada Anitha Reddy ("**Ms. Chada**") who is seeking re-election as Director at the Annual General Meeting to be held on 29 April 2024, is to be read in conjunction with her biography on page 10 of the Annual Report 2023.

Name of Director	**Chada Anitha Reddy**
Date of Appointment	23 June 2022
Date of last re-appointment (if applicable)	26 July 2022
Age	52
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Ms. Chada Anitha Reddy was re-designated to Executive Director and Chairman on 1 December 2022. After the resignation of erstwhile Chairman, based on the experience of Ms. Chada, the Nominating Committee ("**NC**") has assessed Ms. Chada's qualification, experience and present commitments and is of the view that Ms. Chada is suitable and possesses the relevant experience to be appointed as the Executive Chairperson of the Company. The Board assessed the recommendation of the NC and accordingly approved Ms. Chada as the Executive Chairperson of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive, represents the Company as an Executive Chairperson in Singapore and providing vision and strategic directions to the Company along with the Board
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairperson
Professional qualifications	Master of Business Administration
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	December 2022 to present: Executive Director – Digilife Technologies Limited April 2021 to November 2022: Director-General Manager of Spice Global Ventures Pte Ltd April 2020 to March 2021: Director of Smart Co Holding Pte Ltd April 2018 to March 2020: Director of Smart Innovations Global Pte Ltd April 2017 to April 2018: Head – Human Resource Department of Digilife Technologies Limited (formerly known as Sevak Limited and S i2i Ltd) January 2016 to April 2017: Director of Smart Health City Pte Ltd April 2011 to January 2016: Head – Human Resource Department of Digilife Technologies Limited (formerly known as Sevak Limited and S i2i Ltd)
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) Or Appendix 7H (Catalist Rule 706(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries?	Yes 6,690 ordinary shares in the Company

Name of Director	**Chada Anitha Reddy**
Other Principal Commitments Including Directorships	
Past (for the last 5 years)	Directorships: 1. Delteq Pte. Ltd. 2. Delteq Systems Pte. Ltd. 3. Digilife Technologies Limited 4. Cavu Corp Pte. Ltd. 5. Centia Pte. Ltd. 6. Modi Fountainlife Private Limited 7. New Idea Investment Pte. Ltd. 8. Stradbroke Investments Pte Ltd 9. Alpha One Ltd. 10. MediaRing.Com.Inc 11. Smooth Rise Enterprises Pte. Ltd. (Struck Off) 12. Global Women Forum Ltd. (Struck Off) 13. S Mobility Pte. Ltd. (Struck Off) 14. Smart EV Pte. Ltd. (Struck Off) 15. Interweave Ventures Pte. Ltd. (Struck off) 16. Smart Innovations Global Pte. Ltd. 17. S Mobility (HK) Ltd. 18. Alpha One Ltd 19. Modi Fountainlife Private Limited
Present	Directorships: 1. Smart Co. Holding Pte. Ltd. 2. Singapore Electric Vehicles Pte. Ltd. 3. Peremex Pte. Ltd. 4. Innovative Management Pte. Ltd. 5. S Global Services Pte. Ltd. 6. Spice Global Pte. Ltd. 7. Modi Indonesia 2020 Pte. Ltd. 8. Spice Bulls Pte. Ltd. 9. Digi 2020 Pte. Ltd. 10. Spice Vas (Africa) Pte. Ltd. 11. Spice-CSL Pte. Ltd. 12. Smart Health City Pte. Ltd. 13. S Global Innovation Centre Pte. Ltd. 14. Spice Global Ventures Pte. Ltd. 15. Global Citizen Forum Ltd. 16. Omnia Pte. Ltd. 17. Dr.M Pte. Ltd. 18. SEV Projects Pte. Limited 19. Digiwell Pte. Ltd. 20. PT.Selular Global Net 21. PT.Selular Media Infotama 22. PT.Metrotech Jaya Komunika Indonesia 23. PT.Technomas Internusa 24. Spice Digital Bangladesh Ltd. 25. Digispice Nepal Pvt. Ltd. 26. Fast Track IT Solutions Ltd. 27. Beoworld Sdn. Bhd. 28. PT Spice Digital Indonesia 29. Digispice Ghana Ltd. 30. Smart Health FZ LLC 31. Well 2020 DMCC 32. Beyond 100 INC 33. Digiwell INC 34. Beyond 100 New York INC 35. Beyond 100 Holding NIC 36. Saket City Residencies Private Limited 37. Saket Mediciti Private Limited 38. Saket City Medical Office Building Private Limited 39. Bigstar Development Limited BVI 40. Maxworld Asia Limited 41. MediaRing Europe Limited 42. Mediaring.com (Shanghai) Limited 43. Newtel Corporation Co.Ltd 44. T H C International Co Ltd 45. Modi Fountain DMCC

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director		Chada Anitha Reddy
Information Required		
(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/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	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/she was a director or an equivalent person or a key executive, at the time when he/she 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/she 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
(c)	Whether there is any unsatisfied judgment against him/her?	No
(d)	Whether he/she 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/she is aware) for such purpose?	No
(e)	Whether he/she 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/she is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him/her 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/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No
(g)	Whether he/she 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
(h)	Whether he/she 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
(i)	Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No

Name of Director	**Chada Anitha Reddy**
(j) Whether he/she has ever, to his/her 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
(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
(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
(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,	No
in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	
(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

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DIGILIFE TECHNOLOGIES LIMITED
(Company Registration Number: 199304568R)
(Incorporated in Republic of Singapore)

PROXY FORM

IMPORTANT:
1. The Annual General Meeting (the "**AGM**") will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually.
2. This Proxy Form is for use by members wishing to appoint a proxy(ies) for the AGM. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
3. This Proxy Form Is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors:
   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 11.00 a.m. on Thursday, 18 April 2024 to submit their votes.

Personal data privacy
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2024.

I/We (Name) ______________________________ (NRIC/Passport/UEN No.) ______________

of ____ (Address)
being a member/members of DIGILIFE TECHNOLOGIES LIMITED (the "**Company**"), hereby appoint:

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

and/or (delete as appropriate)

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

as my/our proxy(ies) to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at The Hive, North Bridge Road, 1 North Bridge Rd, #08-08, Singapore 179094, on Monday, 29 April 2024 at 11.00 a.m., and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against, or to abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder.

No.	**Resolutions relating to:**	**For***	**Against***	**Abstain***
As Ordinary Business				
1.	Adoption of Directors' Statement and Audited Financial Statements for the financial year 31 December 2023			
2.(a)	Re-election of Mr. Rajesh Pahwa as a Director of the Company			
2.(b)	Re-election of Mr. Tay Wee Meng as a Director of the Company			
2.(c)	Re-election of Mr. Mukesh Khetan as a Director of the Company			
2.(d)	Re-election of Mr. Chada Anitha Reddy as a Director of the Company			
3.	Approval of Directors' fees amounting to S$102,851.08 for the financial year ended 31 December 2023			
4.	Re-appointment of Moore Stephens LLP as Auditors of the Company for the ensuing year and authority for Directors to fix their remuneration			
As Special Business				
5.	Share Issue Mandate pursuant to Section 161 of Companies Act and Rule 806(2)(a) of Catalist Rules			
6.	Authority to issue shares under the 2014 Employee Stock Option Plan			
7.	Authority to issue shares under the Digilife Technologies Performance Share Plan 2021			

* Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes "For" or "Against" a resolution, please tick (√) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please tick (√) within the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy(ies) is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this __________ day of __________________ 2024

Total Number of Shares in:	**Number of Shares**
(a) CDP Register	
(b) Register of Members	

____
Signature of Member(s)
or, Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy 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 form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.

3. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.

4. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy(ies) shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the instrument of proxy, to the AGM.

5. The instrument appointing a proxy(ies) must be submitted in the following manner:

   (a) if electronically, be submitted via email at digilife-agm@ryt-poll.com; or

   (b) if by post, be deposited at the office of Company's AGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903,

   and in either case, must be lodged or received (as the case may be) by 11.00 a.m. on Friday, 26 April 2024, being not less than 72 hours before the time appointed for the holding of the AGM.

   Members who wish to appoint a proxy(ies) can use the printed copy of the Proxy Form (which was sent by post to them), by completing and signing the Proxy Form before submitting it by post to the address provided above or, alternatively, scanning and submitting it via email to the email address provided above.

5. The instrument appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.

6. Where the instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the power of attorney (or other authority under which it is signed, if applicable) or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged together with the instrument, or if the instrument is submitted electronically via email, be emailed together with the instrument, failing which the instrument may be treated as invalid.

7. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, 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(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted, if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

DIGILIFE

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