



DISA Limited
 (Company Registration No. 197501110N)
 (Incorporated in the Republic of Singapore)
 (“Company” and together with its subsidiaries, the “Group”)

DISA RECORDS A 12-FOLD INCREASE IN REVENUE IN FY2020

Singapore, 27 August 2020 – DISA Limited is pleased to announce its financial results for the 12 months ended 30 June 2020 (“FY2020”).

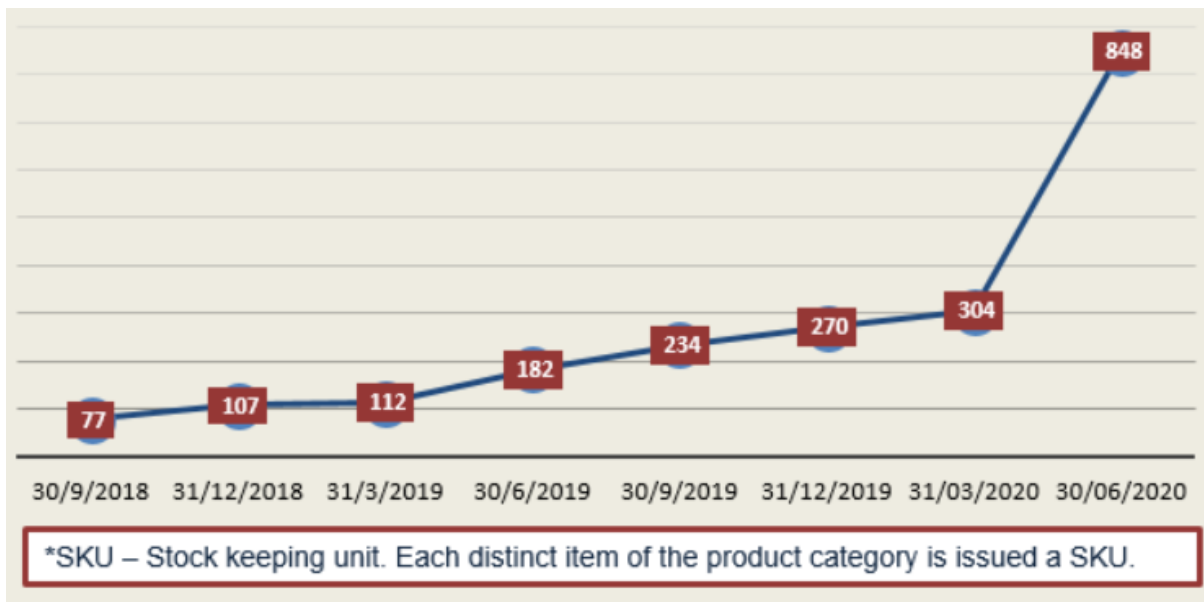
Sales of Goods and Services

The Group recorded a sales of goods and services of \$3.03 million in the fourth quarter ended 30 June 2020 (“4Q FY2020”), an increase of 15-fold from \$0.19 million in 4Q FY2019, contributed mainly by the increase in the sales of coded and non-coded chips as well as from the sales of DiSa codes, an increase of 123.4% as compared to the same period last year.

On the year-on-year basis, the Group achieved a 12-fold increase in sales of goods and services from \$0.51 million in the 12 months ended 30 June 2019 (“FY2019”) to \$6.64 million in FY2020.

The increase in sales of goods and services was driven mainly by the increase in the sales of coded and non-coded chips. The Group began selling coded chips in the second quarter ended 31 December 2019 (“2Q FY2020”) and expanded into selling non-coded chips in the third quarter ended 31 March 2020 (“3Q FY2020”) as an extended service to the existing customers who used these non-coded chips in their products.

There was also an increase of 62.5% in the sales of DiSa codes in FY2020 as compared to FY2019 as the number of brand owners adopting our 3S (Single-Scan-Serialization) solution increases. Accordingly, the number of SKUs increased by more than 3-fold from 182 SKUs as of 30 June 2019 to 848 SKUs as of 30 June 2020.



* A stock-keeping unit (SKU) is a scannable bar code, most often seen printed on product labels in a retail store. The label allows vendors to automatically track the movement of inventory.

The number of 3S-Enabled product categories has been extended further from personal mobility devices to apparel and automobile accessories since the end of last financial year.

Operating Expenses

Operating expenses for 4Q FY2020, excluding one-off expenses of \$0.64million (4Q FY2019: \$9.19 million) as stated below, was \$2.04 million, a reduction of 37.4% as compared to the same period last year. The decrease was mainly coming from the lower amortization cost for intangible assets, which the Group had written off in 4Q FY2019 and the reduction in payroll related costs as part of the cost control measures in light of COVID-19 situation.

One-off Expenses	4Q FY2020	4Q FY2019	FY2020	FY2019
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Impairment loss on intangible assets	-	9,131	-	9,131
Impairment (gain)/loss on financial assets	(126)	38	(126)	38
Write-off of goodwill	-	17	-	17
Loss on disposal of subsidiaries	767	-	8,283	-
Total	641	9,186	8,157	9,186

On the year-on-year basis, the operating costs was reduced by 34.9% from \$10.13 million in FY2019 to \$6.60 million in FY2020. The decrease was driven mainly by the same factors as explained above.

Finance costs

Finance cost has decreased significantly from \$0.57 million in FY2019 to \$0.08 million in FY2020 with the repayment of redeemable convertible bonds on 23 December 2018.

Overall performance

Despite the challenging business environment globally, the Group has managed to bring down its losses, excluding the one-off expenses as mentioned above, by 33.4% in FY2019 and a further 28.6% in FY2020. The Group will continue to focus on its technology related business opportunities and take further measures to reduce its operating expenses for FY2021.



This press release is to be read in conjunction with the financial results announcement on 27 August 2020, which can be downloaded via <https://www.sgx.com/securities/company-announcements>.

About DISA Limited

DISA Limited (SGX: 532), is a publicly-traded company on the Singapore Catalist Stock Exchange. With decades of experience as a multifaceted manufacturer and retailer, the Company has grown to center its principle activity on the technology business for digital asset protection known as PoSA Solution. More information is available at <http://www.digital-safety.com>.

This press release has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor").

This press release has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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