



DIGILIFE

DIGILIFE TECHNOLOGIES LIMITED

(Incorporated in Singapore)

**Condensed Interim Financial Statements
for the Six Months Period Ended
30 June 2024**

DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

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DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	Six months ended 30 June		%
	2024 (Unaudited)	2023 (Unaudited)	
	S\$'000	S\$'000	Change
Turnover (Note 5)	103,277	108,718	-5.0%
Purchases and changes in inventories and direct service fees incurred	(95,529)	(99,660)	4.1%
Commission and other selling expenses	(129)	(65)	-98.5%
Other income - operating	59	55	7.3%
Operating expenses (Note 6)	(7,403)	(8,555)	13.5%
<i>Earnings (before forex, interest, depreciation, amortisation and taxation)</i>	275	493	-44.2%
Foreign exchange gain	101	101	0.0%
<i>Earnings (before interest, depreciation, amortisation and taxation)</i>	376	594	-36.7%
Other income - non operating (Note 7)	15	40	-61.2%
Other expenses - non operating	-	(15)	100.0%
Interest income from deposits	182	170	7.1%
Finance costs	(21)	(54)	60.7%
Depreciation of property, plant and equipment	(195)	(212)	8.3%
Amortisation of intangible assets	(95)	(98)	2.7%
Profit before taxation	262	425	-38.2%
Taxation	(126)	(279)	54.8%
Profit after tax	136	146	-6.4%
Profit attributable to:			
Owners of the parent	136	146	-6.4%
Non-controlling interest	-	-	N.M.
Total	136	146	-6.4%

N.M. – Not Meaningful

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	Six months ended 30 June		%
	2024 (Unaudited)	2023 (Unaudited)	
	S\$'000	S\$'000	Change
Profit for the period	136	146	-6.4%
Other comprehensive income:			
Items that may be reclassified subsequently to profit and loss:			
Foreign currency translation	1,438	1,137	26.5%
Other comprehensive income for the period	1,438	1,137	26.5%
Total comprehensive income for the period	1,574	1,283	22.7%
Total comprehensive income attributable to:			
Owners of the parent	1,574	1,273	23.7%
Non-controlling interest	-	10	N.M.
Total	1,574	1,283	22.7%

N.M. – Not Meaningful

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Current Assets	32,927	29,891	5,822	3,217
Inventories (Note 11)	9,811	8,916	-	-
Trade receivables (Note 12)	5,802	4,102	46	47
Other receivables and deposits	2,905	2,824	268	245
Prepayments	638	620	24	4
Due from subsidiaries	-	-	248	240
Cash and cash equivalents (Note 13)	8,463	9,014	5,236	2,681
Fixed deposits	4,280	3,560	-	-
Tax recoverable	1,028	855	-	-
Non-current Assets	6,293	6,640	14,020	20,649
Property, plant and equipment (Note 14)	1,565	1,256	1	2
Investment properties (Note 15)	2,959	3,278	-	-
Intangible assets (Note 16)	935	1,030	-	9
Investments in subsidiaries	-	-	13,579	19,892
Financial assets FVPL	-	285	-	285
Long-term loans and advances to subsidiaries	-	-	440	461
Deferred tax assets	318	313	-	-
Other receivables and deposits	105	76	-	-
Fixed deposits	411	402	-	-
Total Assets	39,220	36,531	19,842	23,866
Current Liabilities	5,572	4,442	7,943	5,156
Trade creditors	1,011	576	47	46
Other creditors and accruals	2,501	2,752	411	640
Contract liabilities	491	538	-	-
Lease obligations	-	3	-	5
Loans and bank borrowings (Note 17)	1,418	440	-	-
Due to subsidiaries	-	-	7,485	4,465
Tax payable	151	133	-	-
Non-current Liabilities	1,886	1,901	10	6,378
Lease obligations	51	30	10	5
Provision for employee benefits	820	797	-	-
Contract liabilities	356	357	-	-
Deferred tax liabilities	549	595	-	-
Loans and bank borrowings (Note 17)	110	122	-	-
Long-term loans and advances from subsidiaries	-	-	-	6,373
Total Liabilities	7,458	6,343	7,953	11,534
Equity attributable to the owners of the parent				
Share capital (Note 18)	549,704	549,704	549,704	549,704
Treasury shares (Note 19)	(1,399)	(1,399)	(1,399)	(1,399)
Accumulated losses	(498,338)	(498,474)	(525,116)	(524,673)
Other reserves	(6,530)	(6,530)	(11,300)	(11,300)
Translation reserve	(11,623)	(13,061)	-	-
	31,814	30,240	11,889	12,332
Non-controlling interest	(52)	(52)	-	-
Total Equity	31,762	30,188	11,889	12,332
Total Liabilities and Equity	39,220	36,531	19,842	23,866

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Equity attributable to the owner of the parent						Non-controlling interest SS'000	Total Equity SS'000
	Share capital SS'000	Treasury Shares SS'000	Accumulated losses SS'000	Other reserves SS'000	Translation reserve SS'000	Total SS'000		
The Group								
Balance as at 1 January 2024 (Audited)	549,704	(1,399)	(498,474)	(6,530)	(13,061)	30,240	(52)	30,188
Total comprehensive income for the period	-	-	136	-	1,438	1,574	-	1,574
Balance as at 30 June 2024 (Unaudited)	549,704	(1,399)	(498,338)	(6,530)	(11,623)	31,814	(52)	31,762
Balance as at 1 January 2023 (Audited)	549,704	(1,098)	(499,105)	(6,394)	(12,823)	30,284	(63)	30,221
Total comprehensive income for the period	-	-	146	-	1,127	1,273	10	1,283
Share buy-back costs	-	(301)	-	(3)	-	(304)	-	(304)
Balance as at 30 June 2023 (Unaudited)	549,704	(1,399)	(498,959)	(6,397)	(11,696)	31,253	(53)	31,200

	Share capital SS'000	Treasury Shares SS'000	Accumulated losses SS'000	Other reserves SS'000	Translation reserve SS'000	Total SS'000
The Company						
Balance as at 1 January 2024 (Audited)	549,704	(1,399)	(524,673)	(11,300)	-	12,332
Total comprehensive loss for the period	-	-	(443)	-	-	(443)
Balance as at 30 June 2024 (Unaudited)	549,704	(1,399)	(525,116)	(11,300)	-	11,889
Balance as at 1 January 2023 (Audited)	549,704	(1,098)	(523,923)	(11,164)	-	13,519
Total comprehensive loss for the period	-	-	(233)	-	-	(233)
Share buy-back costs	-	(301)	-	(3)	-	(304)
Balance as at 30 June 2023 (Unaudited)	549,704	(1,399)	(524,156)	(11,167)	-	12,982

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before taxation	262	425
Adjustments for:		
Depreciation and amortisation	290	310
Allowance/(Reversal) for/ write off of doubtful trade debts, net	32	(4)
Allowance for/ write off of inventory obsolescence, net	43	105
Interest income from deposits	(182)	(170)
Gain on disposal of property plant and equipment	(4)	(10)
Fair value gain for financial assets, at FVPL	-	(30)
Gain on disposal for financial assets, at FVPL	(5)	-
Finance cost	21	54
Unrealised loss on exchange differences	1,598	925
Operating profit before working capital changes	2,055	1,605
Changes in working capital:		
(Increase) / Decrease in inventories	(938)	594
Increase in trade receivables	(1)	(697)
Increase in other receivables and deposits	(1,817)	(1,290)
Increase in prepayments	(18)	(139)
Increase/(Decrease) in trade creditors	436	(884)
(Decrease)/Increase in other creditors and accruals	(251)	493
Increase in contract assets	(49)	(24)
Cash used in operating activities	(583)	(342)
Interest paid	(21)	(54)
Income tax paid	(242)	(353)
Net cash used in operating activities	(846)	(749)
Cash flows from investing activities		
Interest income received from deposits	182	170
Proceeds from disposal of property, plant and equipment	91	25
Purchase of property, plant and equipment	(502)	(237)
Proceed from disposal of financial assets, at FVPL	290	-
Net cash generated from / (used in) investing activities	61	(42)
Cash flows from financing activities		
(Placement)/Withdrawal of cash and bank deposits pledged	(681)	2,050
Proceed/(Repayment) of loans and bank borrowings	967	(1,622)
Payment for Share buy back costs	-	(304)
Repayment of lease obligations	(2)	(36)
Net cash generated from financing activities	284	88
Net decrease in cash and cash equivalents	(501)	(703)
Cash and cash equivalents at beginning of the period	7,475	7,311
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-
Cash and cash equivalents at end of the period (Note 13)	6,974	6,608

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED 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.

These condensed interim consolidated financial statements as at and for six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group are distribution of telecom operator’s products and services, rendering ICT managed services and products distribution.

2 Basis of Preparation

The condensed interim consolidated financial statements for the six months ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last condensed interim financial statements for the financial year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial period which were in accordance with SFRS(I)s.

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

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Uses of Estimates and Judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) 1-34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2 Basis of Preparation (cont'd)

2.2 Uses of Estimates and Judgements (cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next reporting period are included in the following notes:

Note 12 *Inventories*

Note 13 *Trade Receivables*

3. Seasonal operations

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

4 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:

- I. the nature of the products;
- II. the type or class of customer for their products and services; and
- III. 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.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

b. Technology

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.

	2024			
	Six months ended 30 June 2024			
	Telecom	Technology ICT distribution and managed services	Inoperative companies	Group total (S\$'000)
Turnover	97,261	6,016	-	103,277
Profit/(loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	751	393	(85)	1,059
Depreciation and amortisation	(149)	(131)	-	(280)
HQ costs (country)	(202)	-	-	(202)
Non operating items (net)	4	6	-	10
Taxation	(58)	(68)	-	(126)
Profit/(Loss) after taxation	346	200	(85)	461
Unallocated HQ costs - Group (Net)	-	-	-	(325)
Net Profit/(Loss) for the period	346	200	(85)	136

	2024				
	Six months ended 30 June 2024				
	Telecom	Technology ICT distribution and managed services	Inoperative companies	IHQ (Unallocated)	Group total (S\$'000)
Segment assets	19,690	11,649	736	7,145	39,220
Segment liabilities	2,986	3,302	775	395	7,458
Capital expenditure	-	502	-	-	502

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2023				
	Six months ended 30 June 2023				
	Telecom	Technology ICT distribution and managed services	Inoperative companies	Group total (S\$'000)	
Turnover	101,471	7,247	-	108,718	
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	959	349	(83)	1,225	
Depreciation and amortisation	(164)	(128)	-	(292)	
HQ costs (country)	(182)	-	-	(182)	
Non operating items (net)	9	(14)	-	(5)	
Taxation	(213)	(66)	-	(279)	
Profit / (Loss) after taxation	409	141	(83)	467	
Unallocated HQ costs - Group (Net)	-	-	-	(321)	
Net Profit / (Loss) for the period	409	141	(83)	146	
	2023				
	Year ended 31 December 2023				
	Telecom	Technology ICT distribution and managed services	Inoperative companies	International headquarters (Unallocated)	Group total (S\$'000)
Segment assets	21,021	11,516	722	3,272	36,531
Segment liabilities	2,324	2,599	770	650	6,343
Capital expenditure	-	235	-	-	235

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. Segment Reporting (cont'd)

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.

	Turnover		Assets		Capital Expenditure	
	Six months ended	Six months ended	30 June 24	31 December 23	Six months ended	Year ended
	30 June 24	30 June 23			30 June 24	31 December 23
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Southeast Asia	97,261	101,471	27,571	24,937	-	-
South Asia	6,016	7,247	11,649	11,516	502	235
Others	-	-	-	78	-	-
Total from continuing operations	103,277	108,718	39,220	36,531	502	235

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5 Turnover

Turnover comprises the following:

	Six months ended 30 June		%
	2024	2023	
	S\$'000	S\$'000	Change
Distribution of operator products and services	97,261	101,471	-4.1%
ICT distribution and managed services	6,016	7,247	-17.0%
Total Turnover	103,277	108,718	-5.0%

	Six months ended 30 June	
	2024	2023
	S\$'000	S\$'000
Turnover from the sale of goods	103,277	108,718
Turnover from the rendering of services	-	-
Total Turnover	103,277	108,718

Disaggregation of revenue from contracts with customers

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>Six months ended 30 June 2024</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	97,261	-	97,261
Technology			
ICT distribution and managed services			
- India	2,533	3,483	6,016
Total Turnover	99,794	3,483	103,277

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5 Turnover (cont'd)

Disaggregation of revenue from contracts with customers (cont'd)

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>Six months ended 30 June 2023</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	101,471	-	101,471
Technology			
ICT distribution and managed services			
- India	3,902	3,345	7,247
Others			
- Singapore	-	-	-
Total Turnover	105,373	3,345	108,718

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

6 Operating Expenses

	Six Months ended 30 June	
	2024	2023
	S\$'000	S\$'000
Personnel costs (Note 6)	(5,229)	(5,818)
Infrastructure costs (Note 7)	(270)	(270)
Marketing expenses (Note 8)	(310)	(559)
Other expenses - operating (Note 9)	(1,594)	(1,908)
Total operating overheads	(7,403)	(8,555)

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

7 Other Income – Non-Operating

	Six months ended 30 June		%
	2024	2023	
	S\$'000	S\$'000	Change
Gain on disposal for Financial assets at FVPL	5	-	N.M.
Gain on disposal of property, plant & equipment	4	10	-60.0%
Others	6	30	-80.0%
Total other income - non operating	15	40	-62.5%

8 Other Expenses – Operating

	Six months ended 30 June		%
	2024	2023	
	S\$'000	S\$'000	Change
Bank charges	(33)	(49)	32.7%
Collection service fees	(14)	(11)	-27.3%
Equipment maintenance	(36)	(43)	16.3%
Equipment rental	(79)	(94)	16.0%
Freight and postage charges	(38)	(39)	2.6%
Printing & stationery	(15)	(28)	46.4%
Professional fees	(457)	(511)	10.6%
(Provision)/write back of allowance of doubtful trade debts	(31)	4	N.M.
Allowance for stock obsolescence	(43)	(105)	59.0%
Telecommunication expenses	(63)	(90)	30.0%
Travelling & entertainment expenses	(446)	(574)	22.2%
Insurance	(33)	(33)	0.0%
Others	(306)	(336)	9.1%
Total other expenses - operating	(1,594)	(1,909)	16.5%

N.M.- Not Meaningful

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

9 Earnings per Share

Basic earnings per share is calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share is calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial 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.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial period:

	Group	
	Half year ended 30 June	
	2024	2023
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
i) Based on weighted average number of ordinary share in issue (S\$ cent)	1.02	1.08
ii) On a fully diluted basis (S\$ cent)	1.02	1.08
Net profit attributable to ordinary shareholders for computing basic and diluted earnings per share (S\$'000)	136	146
Weighted average number of ordinary shares ('000 shares)	13,388	13,448

The weighted average number of ordinary shares as at 30 June 2024 was 13,387,513 (30 June 2023: 13,448,090), excluding treasury shares. The outstanding number of ordinary shares as at 30th June 2024 was 13,387,513 (30 June 2023: 13,387,513), excluding treasury shares.

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these condensed interim financial statements.

10 Net Asset Value per Share

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Net asset value per ordinary share (S\$ cent)	248.09	236.34	99.25	102.57

Net asset value per ordinary share is calculated based on 13,387,513 (31 December 2023: 13,387,513) ordinary shares (excluding treasury shares) in issue at the end of the period under review and of the immediate preceding financial year.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11 Inventories

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Inventories	9,811	8,916	-	-

Inventories as of 30 June 2024 increased by S\$0.90 million as a result of increase of inventories by S\$1.03 million in distribution of operator products and decrease of inventories by S\$0.13 million in ICT distribution and managed services on account of business cycle.

12 Trade Receivables

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	7,671	6,306	496	495
Less: Allowance for impairment	(1,869)	(2,204)	(450)	(448)
Net trade receivables	5,802	4,102	46	47

Trade receivables are non-interest bearing and are generally on 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"). 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 year. None of the trade receivables that have been written off is subject to recovery process.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

13 Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed deposits	2,283	3,838	796	2,299
Cash and bank balances	6,180	5,176	4,440	382
	8,463	9,014	5,236	2,681
Less: Cash and bank deposits pledged	(1,489)	(1,539)	-	-
Cash and cash equivalents per statement of cash flows	6,974	7,475	5,236	2,681

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.

14 Property, Plant and Equipment

As at period end, the Group acquired assets amounting to S\$501,713 (31 December 2023: S\$237,000) and disposal of assets amounting to S\$90,531 (31 December 2023: S\$25,000).

15 Investment Properties

	Group	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000
At fair value		-
Balance at the beginning of financial period	3,278	3,221
Gain from fair value adjustments	-	80
Translation difference	(319)	(23)
Balance at the end of financial period	2,959	3,278

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Investment Properties (cont'd)

The Group's policy is for investment property to be measured at fair value for which the Group completes property valuations at least annually by independent registered valuers at the end of the year. The Group did not engage an independent valuer to determine the fair value of the properties as at 30 June 2024. However, the Management had taken into considerations those underlying factors that would have impact to the fair value of the investment properties since the last valuation completed in December 2023; including any tenant changes, assessing market rentals, etc. There are no major aspects that could affect the fair value of the investment properties as at 30 June 2024.

16 Intangible Assets

	Goodwill	Software, licensing, patents and trademarks	Customer contracts	Order backlog	Customer relationship	Marketing rights	Deferred development costs	Total
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2023 (Audited)								
Cost	130,754	25,959	53	631	52,710	5,086	3,615	218,808
Accumulated amortisation and impairment	(130,754)	(25,944)	(53)	(631)	(52,710)	(4,071)	(3,615)	(217,778)
Net carrying amount	-	15	-	-	-	1,015	-	1,030
6 months ended 30 June 2024 (Unaudited)								
Opening net carrying amount	-	15	-	-	-	1,015	-	1,030
Amortised charge	-	(9)	-	-	-	(86)	-	(95)
Closing net carrying amount	-	6	-	-	-	929	-	935
As at 30 June 2024 (Unaudited)								
Cost	130,754	25,959	53	631	52,710	5,086	3,615	218,808
Accumulated amortisation and impairment	(130,754)	(25,953)	(53)	(631)	(52,710)	(4,157)	(3,615)	(217,873)
Net carrying amount	-	6	-	-	-	929	-	935

No impairment indicators were identified as at 30 June 2024 based on the business performance. The Group performed its annual impairment test in December 2023. The key assumptions used to determine the recoverable amount for the intangible assets were the same as those disclosed in the Company's annual report for the year ended 31 December 2023.

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16 Intangible Assets (cont'd)

	Licensing, patents and trademarks	Deferred development costs	Total
Company	S\$'000	S\$'000	S\$'000
As at 31 December 2023 (Audited)			
Cost	2,446	3,660	6,106
Accumulated amortisation and impairment	(2,437)	(3,660)	(6,097)
Net carrying amount	9	-	9
6 months ended 30 June 2024 (Unaudited)			
Opening net carrying amount	9	-	9
Amortised charge	(9)	-	(9)
Closing net carrying amount	(0)	-	(0)
As at 30 June 2024 (Unaudited)			
Cost	2,446	3,660	6,106
Accumulated amortisation and impairment	(2,446)	(3,660)	(6,106)
Net carrying amount	(0)	-	(0)

17 Loans and Bank Borrowings

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Loans and bank borrowings - current	1,418	440	-	-
Loans and bank borrowings - non current	110	122	-	-
Total	1,528	562	-	-

The current loans of the Group bear interest rates of between 8% and 11% (31 December 2023: 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 period bears interest rate of between 2.25% and 7% (31 December 2023: 2.25% and 7%) per annum and is repayable within the next 5 years.

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Loans and Bank Borrowings (cont'd)

	30 June 2024 (Unaudited)		31 December 2023 (Audited)	
	Secured (S\$'000)	Unsecured	Secured (S\$'000)	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	1,418	-	440	-
Amount repayable after one year	110	-	122	-

Details of any collateral

- a) Subsidiaries' current assets of S\$2.50 million (31 December 2023: S\$5.97 million) and property, plant and equipment with carrying amount of S\$0.06 million (31 December 2023: S\$0.13 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.
- b) Corporate guarantees of S\$NIL million (31 December 2023: S\$1.0 million) were given by the Company to a former subsidiary which had been disposed during Q4 2021, to enable the former subsidiary to obtain insurance bonds from an insurance company.

18 Share Capital

	No. of Shares	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Issued ordinary shares (including treasury shares) at the beginning and end of the period	13,880,384	13,880,384

The details of the outstanding share options and share awards granted under the Employees' Share Option Schemes and Share Plans respectively are as follows:

	No. of Shares	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Options granted under 2014 Digilife Employees' Stock Option plan	-	-
Options granted under 2021 Digilife Performance Share Plan	-	-

There are no outstanding share options and share awards available under the Employees' Share Option Schemes and Share Plans.

Total number of subsidiary holdings in the Company as at 30 June 2024 were Nil (31 December 2023: Nil).

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19 Treasury Shares

	No. of Shares	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Treasury shares		
Treasury shares at the beginning of the period	492,871	360,571
Issue of Treasury Shares	-	132,300
Total treasury shares at the end of the period	492,871	492,871

Treasury shares relate to ordinary shares of the Company that are held by the Company presented as a component within shareholders' equity. There was a purchase of 132,300 ordinary shares for the financial year ended 31 December 2023.

Percentage (%) of number of treasury shares against total number of shares as at 30 June 2024 were 3.55% (31 December 2023: 3.55%).

20 Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023:

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade receivables (Note 12)	5,802	4,102	46	47
Other receivables and deposits	3,010	2,900	268	245
Due from subsidiaries	-	-	248	240
Cash and cash equivalents (Note 13)	8,463	9,014	5,236	2,681
Fixed deposits	4,691	3,962	-	-
Financial assets, at FVPL	-	285	-	285
Tax recoverable	1,028	855	-	-
Long-term loans and advances to subsidiaries	-	-	440	461
Total financial assets	22,994	21,118	6,238	3,959
Financial liabilities				
Trade creditors	1,011	576	47	46
Other creditors and accruals	2,501	2,752	411	640
Lease obligations	51	33	10	10
Loans and bank borrowings (Note 17)	1,528	562	-	-
Due to subsidiaries	-	-	7,485	4,465
Long-term loans and advances from subsidiaries	-	-	-	6,373
Total financial liabilities	5,091	3,923	7,953	11,534

21 Subsequent Events

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

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OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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

The condensed interim statements of financial position of the Group as at 30 June 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

- 2. Whether the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**
(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest financial statement is not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

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

- 4. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The review of the Group's performance for a period of 6 months from 1 January 2024 to 30 June 2024 as set out below might not be comparative and/or meaningful due to:

1. The Company purchased 132,300 shares via the share buyback process, equivalent to approximately SGD 0.304 million during the 6-month ended 30 June 2023.

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4. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. *(Cont'd)*

Statement of Profit or Loss and Other Comprehensive Income

Turnover

The Group recorded a turnover of S\$103.28 million during six months period from January to June 2024 (“**6 months ended 30 June 2024**”) representing a decrease of 5 % or S\$5.44 million from January to June 2023.

Distribution of Operator Products and Services (“**Telecom**”) segment recorded a decrease in revenue of S\$4.2 million, equivalent to 4% during the 6 months ended 30 June 2024 from 6 months ended 30 June 2023. The decrease was mainly due to the appreciation of SGD against IDR for the Group's operations in Indonesia. There was no change in turnover in local currency despite of discontinuation of the distribution agreement of the telecom operator, XL Axiata in Indonesia (“**XL Business**”), as announced by company on 20th February 2024, as the decrease was offset by securing and selling extra allocation of products from Telkomsel in their modern channel category.

The ICT Distribution and Managed Services (“**ICT**”) segment experienced a revenue decrease of S\$1.2 million, equating to a 17% decline, during the six months ended 30 June 2024 compared to the same period in 2023. This decrease is attributed to changes in the Indian government policy that now only permits the procurement of products made in India, leading to challenges in securing business, especially with Indian government organizations.

Operating Expenses

There was a decrease of S\$1.15 million, equivalent to 13.5% during 6 months ended 30 June 2024 in operating expenses against the corresponding period in the preceding year during 6 months ended 30 June 2023. The decrease in operating expenses is mainly due to the reduction of manpower and other expenses including professional expenses due to discontinuation of XL Business in the Telecom segment.

There was a decrease of 4% during 6 months ended 30 June 2024 in purchases and changes in inventories and direct service fees against the corresponding period in the preceding year during 6 months ended 30 June 2023. The decrease is mainly due to decrease in turnover by 5%.

There was an increase of S\$0.64 million, equivalent to 98% during 6 months ended 30 June 2024 in commission and other selling expenses against the corresponding period in the preceding year during 6 months ended 30 June 2023. The increase is mainly due to ICT business which focused more on service business & prior to discontinuation of XL Business, XL telecom operator imposed certain additional distribution platform charges to their distributors.

Other Income-Operating

There was an increase of 7.3% during 6 months ended 30 June 2024 in other income – operating against the corresponding period in the preceding year during 6 months ended 30 June 2023. The increase is mainly due to increase in rental income from the ICT business.

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Other non-operating expenses

During the six months ended 30 June 2024, other non-operating expenses decreased by S\$0.15 million compared to the same period in the previous year. This reduction is primarily due to the ICT business recording a profit reflected under other income instead of loss reflected in other expense non-operating corresponding period 2023.

Operating profit/(loss) (before exchange gain/loss, interest, depreciation, amortisation and taxation) and loss after tax for the period

The Group made operating profit (before exchange gain/loss, interest, depreciation, amortisation and taxation) of S\$0.275 million during 6 months ended 30 June 2024 against operating profit of S\$0.49 million during the corresponding period of the preceding year.

Profit/(Loss) before taxation

The Group incurred net profit before tax of S\$0.26 million for 6 months ended 30 June 2024 against net profit before tax of S\$0.42 million for the corresponding period of the preceding year.

Statements of Financial Position

Current assets

As of 30 June 2024, the current assets increased by S\$3.04 million. This rise was primarily driven by a S\$0.89 million increase in inventories, due to requirements and nature of the telecom business. Additionally, fixed deposits grew by S\$0.72 million, trade receivables by S\$1.70 million, other receivables and deposits by S\$0.08 million, tax recoverable by S\$0.17 million, and prepayments by S\$0.02 million. However, there was a S\$0.55 million decrease in cash and cash equivalents.

Non-current assets

The non-current assets as at 30 June 2024 decreased by S\$0.35 million mainly due to decrease in investment property by S\$0.32 million due to depreciation and the appreciation of SGD against IDR and the sale of the Group's remaining investment in SEV by S\$0.28 million, ("SEV Disposal"), partially offset by an increase in property, plant and equipment by S\$0.31 million.

Current liabilities

The current liabilities as at 30 June 2024 increased by S\$1.13 million mainly due to increase in trade creditors by S\$0.44 million and loan and bank borrowings by S\$0.98 million, to facilitate the procurement of additional inventories as part of the Group's telecom business, partially set off by decrease of other creditors and accruals by S\$0.25 million on account of working capital.

Non-current liabilities

The non-current liabilities as at 30 June 2024 decreased by S\$0.01 million mainly due to decrease in deferred tax liabilities by S\$0.05 million partially offset by other non-current liabilities.

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Equity

Equity attributable to the owners of the Company increase by S\$1.57 million mainly due to profit during the reporting period ended 30 June 2024 by S\$0.14 million and decrease in translation reserve by S\$1.43 million.

Statement of Cash Flows

For 6 months ended 30 June 2024, the Group's net cash used in operating activities of S\$0.87 million, mainly due to increase in inventories, other receivables and deposits, trade receivables, and trade creditors, partially offset by decrease in other trade creditors and accruals. The net cash generated from investing activities of S\$0.06 million was mainly due to the cash inflow from disposal of financial assets. The net cash generated from financing activities of S\$0.03 million, mainly cash inflow from proceed of loan and borrowings.

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

There was no forecast or prospect statement disclosed to shareholders previously.

6. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group has maintained profitability despite operating in a competitive landscape across our Indian and Indonesian markets. We have achieved this by focusing on generating profitable revenue streams and optimizing costs at both the headquarters and business unit levels. Our operations in both regions are characterized by traditional distribution models with inherently low margins.

Group experienced a slight decline in revenue during the first half of the year, primarily due to a change in local government policies which adversely affected the performance of the ICT business and the loss of XL operator business in Indonesia. We anticipate that the overall business conditions will remain consistent for the remainder of the year, although margins are expected to remain under pressure.

Telecom Segment

The performance of the Distribution of Operator Products and Services segment has been impacted due to the loss of XL operator business and otherwise remained consistent to the previous year. The Group is trying to offset the loss of business by trying to get additional business from the existing telecom operators. The group adheres to frequently updated key performance indicators as mandated by telecom operators in Indonesia. We diligently follow these directives to ensure business stability and profitability. Given the rapid technological advancements, the traditional physical distribution models are undergoing significant transformation, presenting ongoing challenges. The Group remains vigilant, continuously monitoring these changes and implementing strategies to maintain profitability in this evolving landscape.

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ICT Distribution & Managed Services

The ICT distribution and managed services segment has been marginally impacted this half-year due to changes in local government policies. Nevertheless, we are trying to mitigate this impact by driving increased business from other products and services.

Managed through our wholly owned subsidiary, Bharat IT Services Limited, the segment's operations remain steady. However, margins are under pressure owing to intensified competition and the adverse effects of the government policies on the ICT sector. The Indian Government's focus on supporting small and medium enterprises has further heightened competition from new entrants.

The Board in its meeting held on 2 August 2024, has approved and signed a share purchase agreement (“SPA”) with Smart Co Holding Pte Ltd (the “Purchaser”) for the disposal by the Company of 100% shareholding in Peremex Pte Ltd (the “Target Company”) which owns 100% shareholding of Bharat IT carrying out the ICT distribution and managed services business of the Company in India. Subject to the terms and conditions specified in the SPA, the target completion date of the SPA (“Completion”) is expected to be around October 2024. Following Completion, the Group will cease to be carrying ICT distribution and managed services business. For more details, please refer to the Company’s announcement dated 2 August 2024 in this regard.

7. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?
No dividend is declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

8. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been recommended for the current financial period reported on as the Group intends to conserve cash for future investments.

9. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

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10. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the form set out in appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7H under Rule 720(1) of the Listing Manual.

11. Additional disclosures required pursuant to Rule 706A

There is a change in the shareholding of PT Selular Global Net (Indonesia) from 49.41 % to 49.42% in PT Selular Media Infotama (Indonesia) due to an acquisition of 2,050 shares by PT Selular Global Net in PT Selular Media Infotama on 25th July 2023. Accordingly, the shareholding of PT Selular Global Net (Indonesia) is 49.42% and Digilife Technologies Limited is 50.58% in PT Selular Media Infotama (Indonesia) respectively. The net asset value as on date of transfer for 2050 shares was IDR20.78 million equivalent to S\$1,875.19.

On February 15, 2024, the Company disinvested its remaining 10% shareholding in Singapore Electric Vehicles Pte Ltd (a company incorporated in Singapore). Following this transaction, the Company is no longer a shareholder of Singapore Electric Vehicles Pte Ltd.

12. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to its attention which may render the condensed interim consolidated financial statements for the financial period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Mukesh Khetan
Executive Director and Group Chief Executive
Officer

Chada Anitha Reddy
Executive Chairperson

02 August 2024

This announcement has reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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