



DIGILIFE TECHNOLOGIES LIMITED
(Formerly known as Sevak Limited)

(Incorporated in Singapore)

Condensed Interim Financial Statements
for the Three Months and Fifteen Months Ended
31 March 2022

The Company had on 26 January 2022 announced the change of financial year end from 31 December to 31 March. Accordingly, this set of financial statements is in relation to the financial period of three months from 1 January 2022 to 31 March 2022 and fifteen months from 1 January 2021 to 31 March 2022, while the comparative financial statements shown cover the three months from 1 January 2021 to 31 March 2021 and twelve months from 1 January 2020 to 31 December 2020.

Kindly also refer to twelve months financial results covering 1 January to 31 December 2021 as announced on 28 February 2022 as reference.

DIGILIFE TECHNOLOGIES LIMITED
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DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

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

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Turnover (Note 5)	56,997	60,336	-5.5%	298,743	263,156	13.5%
Purchases and changes in inventories and direct service fees incurred	(51,969)	(54,868)	-5.3%	(271,979)	(240,671)	13.0%
Commission and other selling expenses	(108)	(74)	45.9%	(353)	(200)	76.5%
Other income - operating	223	52	N.M.	724	649	11.6%
Operating expenses (Note 6)	(4,364)	(6,538)	-33.3%	(28,288)	(22,226)	27.3%
<i>Earnings (before forex, interest, depreciation, amortisation and taxation)</i>	779	(1,092)	N.M.	(1,153)	708	N.M.
Foreign exchange loss	(102)	(177)	-42.4%	(457)	(229)	99.6%
<i>Earnings (before interest, depreciation, amortisation and taxation)</i>	677	(1,269)	N.M.	(1,610)	479	N.M.
Other income - non operating (Note 7)	(129)	9	N.M.	58	15	N.M.
Other expenses - non operating (Note 9)	(393)	(105)	N.M.	(1,534)	(1,707)	-10.1%
Interest income from deposits	51	64	-20.3%	287	331	-13.3%
Finance costs	(29)	(5)	N.M.	(136)	(146)	-6.8%
Depreciation of property, plant and equipment	(109)	(178)	-38.8%	(679)	(801)	-15.2%
Amortisation of intangible assets	(50)	(48)	4.2%	(242)	(191)	26.7%
Profit/(Loss) before taxation						
From continuing operations	18	(1,532)	N.M.	(3,856)	(2,020)	90.9%
From discontinued operations (Note 10)	(1,994)	(74)	N.M.	(2,628)	(648)	N.M.
Loss before taxation	(1,976)	(1,606)	23.0%	(6,484)	(2,668)	N.M.
Taxation						
From continuing operations	(105)	(176)	-40.3%	(547)	(159)	N.M.
From discontinued operations (Note 10)	-	-	-	-	-	-
Taxation	(105)	(176)	-40.3%	(547)	(159)	N.M.
Net Loss after tax for the period/ year						
From continuing operations	(87)	(1,708)	-94.9%	(4,403)	(2,179)	N.M.
From discontinued operations (Note 10)	(1,994)	(74)	N.M.	(2,628)	(648)	N.M.
Loss after tax	(2,081)	(1,782)	N.M.	(7,031)	(2,827)	N.M.
Loss attributable to:						
Owners of the parent	(2,081)	(1,782)	16.8%	(7,031)	(2,827)	N.M.
Non-controlling interest	-	-	N.M.	-	-	N.M.
Total	(2,081)	(1,782)	16.8%	(7,031)	(2,827)	N.M.

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 (CONT'D)**

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Loss for the period/ year	(2,081)	(1,782)	16.8%	(7,031)	(2,827)	N.M.
Other comprehensive (loss)/ income:						
Items that may be reclassified subsequently to profit and loss:						
Foreign currency translation	(150)	39	N.M.	273	(757)	N.M.
Items that will not be reclassified subsequently to profit and loss:						
Remeasurement of defined benefit pension plan	(40)	-	-	37	(7)	N.M.
Other comprehensive (loss)/ income for the period/ year	(190)	39	N.M.	310	(764)	N.M.
Total comprehensive loss for the period/ year	(2,271)	(1,743)	30.3%	(6,721)	(3,591)	87.2%
Total comprehensive loss attributable to:						
Owners of the parent	(2,271)	(1,744)	30.2%	(6,723)	(3,600)	86.8%
Non-controlling interest	-	1	N.M.	2	9	N.M.
Total	(2,271)	(1,743)	30.3%	(6,721)	(3,591)	87.2%

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 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Current Assets	39,813	42,637	2,423	2,317
Inventories (Note 13)	12,178	11,658	-	-
Trade receivables (Note 14)	5,859	10,183	53	52
Other receivables and deposits	2,361	1,832	210	335
Prepayments	889	4,027	54	41
Due from subsidiaries	-	-	-	564
Cash and cash equivalents (Note 15)	6,499	10,504	2,076	1,295
Fixed deposits	3,901	2,860	30	30
Financial assets, at FVPL	-	201	-	-
Tax recoverable	1,330	1,372	-	-
Assets of disposal group classified as held for sale (Note 16)	6,796	-	-	-
Non-current Assets	6,697	12,976	22,956	29,673
Property, plant and equipment (Note 17)	1,175	6,634	22	5,307
Investment properties (Note 18)	2,633	2,897	-	-
Intangible assets	1,373	1,718	50	5
Investments in subsidiaries	-	-	22,884	23,985
Long-term loans and advances to subsidiaries	-	-	-	376
Deferred tax assets	450	568	-	-
Other receivables and deposits	89	101	-	-
Prepayments	-	23	-	-
Fixed deposits	977	1,035	-	-
Total Assets	46,510	55,613	25,379	31,990
Current Liabilities	11,629	15,286	5,560	6,258
Trade creditors	1,690	6,365	49	46
Other creditors and accruals	2,800	4,314	580	887
Contract liabilities	688	1,674	-	-
Lease obligations	50	726	4	583
Loans and bank borrowings (Note 19)	2,226	2,031	-	100
Due to subsidiaries	-	-	4,927	4,642
Tax payable	172	176	-	-
Liabilities directly associated with disposal group classified as held for sale (Note 16)	4,003	-	-	-
Non-current Liabilities	1,936	3,431	5,749	10,881
Lease obligations	68	1,165	15	1,085
Provision for employee benefits	782	1,036	-	-
Contract liabilities	417	515	-	-
Deferred tax liabilities	513	540	-	-
Loans and bank borrowings (Note 19)	156	175	-	175
Long-term loans and advances from subsidiaries	-	-	5,734	9,621
Total Liabilities	13,565	18,717	11,309	17,139
Equity attributable to the owners of the parent				
Share capital (Note 20)	549,704	548,020	549,704	548,020
Treasury shares (Note 21)	(1,098)	(3,547)	(1,098)	(3,547)
Accumulated losses	(499,663)	(492,667)	(523,372)	(519,821)
Other reserves	(6,394)	(5,031)	(11,164)	(9,801)
Translation reserve	(9,545)	(9,818)	-	-
	33,004	36,957	14,070	14,851
Non-controlling interest	(59)	(61)	-	-
Total Equity	32,945	36,896	14,070	14,851
Total Liabilities and Equity	46,510	55,613	25,379	31,990

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 S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury Shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Translation reserve S\$'000	Total S\$'000		
The Group								
Balance as at 1 January 2021	548,020	(3,547)	(492,667)	(5,031)	(9,818)	36,957	(61)	36,896
Total comprehensive (loss)/ income for the period	-	-	(6,996)	-	273	(6,723)	2	(6,721)
Issuance of shares under Performance Share Plan 2021	1,684	2,449	-	(1,363)	-	2,770	-	2,770
Balance as at 31 March 2022	549,704	(1,098)	(499,663)	(6,394)	(9,545)	33,004	(59)	32,945
Balance as at 1 January 2020	548,020	(3,547)	(489,833)	(5,031)	(9,052)	40,557	(70)	40,487
Total comprehensive (loss)/ income for the year	-	-	(2,834)	-	(766)	(3,600)	9	(3,591)
Balance as at 31 December 2020	548,020	(3,547)	(492,667)	(5,031)	(9,818)	36,957	(61)	36,896

	Share capital S\$'000	Treasury Shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Translation reserve S\$'000	Total S\$'000
The Company						
Balance as at 1 January 2021	548,020	(3,547)	(519,821)	(9,801)	-	14,851
Total comprehensive loss for the period	-	-	(3,551)	-	-	(3,551)
Issuance of shares under Performance Share Plan 2021	1,684	2,449	-	(1,363)	-	2,770
Balance as at 31 March 2022	549,704	(1,098)	(523,372)	(11,164)	-	14,070
Balance as at 1 January 2020	548,020	(3,547)	(515,431)	(9,801)	-	19,241
Total comprehensive loss for the year	-	-	(4,390)	-	-	(4,390)
Balance as at 31 December 2020	548,020	(3,547)	(519,821)	(9,801)	-	14,851

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

	3 months ended 31 March		15 months ended 31 March	12 months ended 31 December
	2022	2021	2022	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Loss before taxation from continued operations	18	(1,532)	(3,856)	(2,020)
Loss before taxation from discontinued operations	(1,994)	(74)	(2,628)	(648)
Total loss before taxation	(1,976)	(1,606)	(6,484)	(2,668)
Adjustments for:				
Depreciation and amortisation	374	404	1,939	1,705
(Reversal)/ Allowance for/ write off of doubtful non-trade debts, net	-	(1)	52	847
(Reversal)/ Allowance for/ write off of doubtful trade debts, net	(8)	(3)	20	126
(Reversal)/ Allowance for/ write off of inventory obsolescence, net	59	137	641	451
Interest income from deposits	(51)	(64)	(287)	(331)
Loss on revaluation of investment properties	250	-	250	29
Impairment loss on property, plant and equipment under discontinued operations	1,736	-	1,736	-
Loss/ (Gain) on disposal of property plant and equipment	195	(4)	155	(9)
Intangible assets written off	-	-	120	261
Expense recognised in respect of equity-settled Performance Share Plan	-	2,449	2,770	-
Fair value changes for financial assets, at FVPL	-	-	201	-
Gain on disposal of subsidiaries	-	-	(125)	-
Finance cost	29	36	171	286
Unrealised exchange differences	(72)	(19)	18	(148)
Others	21	325	(244)	(68)
Operating profit before working capital changes	557	1,654	933	481
Changes in working capital:				
(Increase)/ Decrease in inventories	(3,253)	1,244	(1,067)	4,014
(Increase)/ Decrease in trade receivables	(563)	191	4,307	1,151
(Increase)/ Decrease in other receivables and deposits	(2,977)	341	(4,015)	986
Increase/ (Decrease) in prepayments	1,059	(98)	3,021	(30)
Increase/ (Decrease) in trade creditors	295	(465)	(4,264)	(5,615)
Increase/ (Decrease) in other creditors and accruals	853	(62)	1,419	(1,003)
Increase in contract assets	-	-	-	33
(Decrease)/ Increase in contract liabilities	(17)	21	(1,004)	(1,650)
Cash (used in)/ generated from operating activities	(4,046)	2,826	(670)	(1,633)
Interest paid	(29)	(36)	(171)	(286)
Income tax paid	(22)	(160)	(531)	(1,103)
Net cash (used in)/ generated from operating activities	(4,097)	2,630	(1,372)	(3,022)
Cash flows from investing activities				
Interest income received from deposits	73	79	287	323
Proceeds from disposal of property, plant and equipment	260	22	569	54
Purchase of property, plant and equipment	(1,864)	(424)	(2,386)	(393)
Purchase of Intangible Assets	-	-	(61)	(51)
Net cash inflow on disposal of subsidiaries	-	-	700	-
Net cash used in investing activities	(1,531)	(323)	(891)	(67)
Cash flows from financing activities				
Issuance of shares via Performance shares	-	(1,363)	-	-
Withdrawal/ (Placement) of cash and bank deposits pledged	554	(294)	1,867	(770)
(Repayment)/ Proceeds of loans and bank borrowings	(1,496)	(604)	210	(403)
Proceeds/ (Repayment) of lease obligations	1,601	(154)	(156)	(768)
Net cash generated from/ (used in) financing activities	659	(2,415)	1,921	(1,941)
Net decrease in cash and cash equivalents	(4,969)	(108)	(342)	(5,030)
Cash and cash equivalents at beginning of the period/ year	12,936	8,328	8,328	13,532
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-	(19)	(174)
Cash and cash equivalents at end of the period/ year (Note 15)	7,967	8,220	7,967	8,328

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 the three months and fifteen months ended 31 March 2022 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 and passenger land transport.

2 Basis of Preparation

The condensed interim consolidated financial statements for the three months and fifteen months ended 31 March 2022 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 interim financial statements for the period ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year 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 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.

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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)

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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.

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 13 *Allowance for inventories obsolescence*

Note 14 *Impairment of 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 (cont'd)

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;
- (iii) Networking and routing solutions for large enterprise networks with related switches, monitors, solutions, hardware and facilities management services;
- (iv) Cloud computing and innovative data, security, backup, disaster recovery solutions with related infrastructure services; and
- (v) Internet service provider (“ISP”) service that offers an extensive portfolio of data services includes broadband, lease line access, private network, network security, hosted services and Information Technology (“IT”) solutions to corporate users and consumers.

2. Battery electric vehicles (“BEV”) comprising business of battery electric vehicles and passenger land transport.

On 3 December 2021, the Company disclosed that it 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 BEV business. On 4 April 2022, the Company had obtained shareholders’ approval for the disposal at an extraordinary general meeting. On 29 April 2022, the Company had completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd. Please refer Note 24 for details.

The turnover, expenses and pre-tax profit or loss of the discontinued operations is presented as a single amount in the consolidated statement of comprehensive income. Please refer Note 10 for details.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2022						
	Three months ended 31 March 2022						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operations	Group total (\$'000)
Turnover	51,224	5,773	-	-	56,997	310	57,307
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	1,086	337	(31)	42	1,434	136	1,570
Depreciation and amortisation	(86)	(63)	-	-	(149)	(216)	(365)
HQ costs (country)	(483)	-	-	-	(483)	-	(483)
Non operating items (net)	(242)	(64)	(80)	(15)	(401)	(1,914)	(2,315)
Taxation	(55)	(50)	-	-	(105)	-	(105)
Profit/(Loss) after taxation	220	160	(111)	27	296	(1,994)	(1,698)
Unallocated HQ costs - Group (Net)	-	-	-	-	(383)	-	(383)
Net Profit/(Loss) for the period	220	160	(111)	27	(87)	(1,994)	(2,081)

	2022							
	Three months ended 31 March 2022							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (\$'000)
Segment assets	23,800	13,024	511	-	2,379	39,714	6,796	46,510
Segment liabilities	5,408	3,514	116	-	524	9,562	4,003	13,565
Capital expenditure	838	1,639	-	-	72	2,549	3,807	6,356

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

ii. Operating Segments (cont'd)

	2021						
	Three months ended 31 March 2021						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (S\$'000)
Turnover	49,734	4,138	-	6,464	60,336	284	60,620
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	695	70	-	20	785	187	972
Depreciation and amortisation	(111)	(69)	-	(20)	(200)	(198)	(398)
HQ costs (country)	(374)	-	-	-	(374)	-	(374)
Non operating items (net)	-	201	(44)	(80)	77	(63)	14
Taxation	(61)	(115)	-	-	(176)	-	(176)
Profit/(Loss) after taxation	149	87	(44)	(80)	112	(74)	38
Unallocated HQ costs - Group (Net)	-	-	-	-	(1,820)	-	(1,820)
Net Profit/(Loss) for the period	149	87	(44)	(80)	(1,708)	(74)	(1,782)

	2021							
	Three months ended 31 March 2021							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (S\$'000)
Segment assets	21,550	13,323	725	11,693	935	48,226	5,373	53,599
Segment liabilities	3,251	3,606	7,883	-	1,098	15,838	-	15,838
Capital expenditure	1,190	1,902	-	-	40	3,132	5,077	8,209

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2022						
	Fifteen months ended 31 March 2022						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (\$'000)
Turnover	255,955	20,720	-	22,068	298,743	1,395	300,138
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	4,036	1,553	(174)	(167)	5,248	306	5,554
Depreciation and amortisation	(492)	(343)	-	(42)	(877)	(1,018)	(1,895)
HQ costs (country)	(1,814)	-	-	-	(1,814)	-	(1,814)
Non operating items (net)	(636)	(266)	(164)	(223)	(1,289)	(1,916)	(3,205)
Taxation	(394)	(153)	-	-	(547)	-	(547)
Profit/ (Loss) after taxation	700	791	(338)	(432)	721	(2,628)	(1,907)
Unallocated HQ costs - Group (Net)	-	-	-	-	(5,124)	-	(5,124)
Net Profit/ (Loss) for the period	700	791	(338)	(432)	(4,403)	(2,628)	(7,031)

	2022							
	Fifteen months ended 31 March 2022							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (\$'000)
Segment assets	23,800	13,024	511	-	2,379	39,714	6,796	46,510
Segment liabilities	5,408	3,514	116	-	524	9,562	4,003	13,565
Capital expenditure	838	1,639	-	-	72	2,549	3,807	6,356

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2020						
	Twelve months ended 31 December 2020						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (S\$'000)
Turnover	223,874	39,282	-	-	263,156	880	264,036
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	1,932	760	(117)	-	2,575	125	2,700
Depreciation and amortisation	(387)	(433)	-	-	(820)	(694)	(1,514)
HQ costs (country)	(1,081)	-	-	-	(1,081)	-	(1,081)
Non operating items (net)	(74)	(352)	(758)	-	(1,184)	(79)	(1,263)
Taxation	(213)	54	-	-	(159)	-	(159)
Profit/ (Loss) after taxation	177	29	(875)	-	(669)	(648)	(1,317)
Unallocated HQ costs - Group (Net)	-	-	-	-	(1,510)	-	(1,510)
Net Profit/ (Loss) for the period	177	29	(875)	-	(2,179)	(648)	(2,827)

	2020							
	Twelve months ended 31 December 2020							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (S\$'000)
Segment assets	23,018	24,970	771	-	1,332	50,091	5,522	55,613
Segment liabilities	4,488	11,543	99	-	814	16,944	1,773	18,717
Capital expenditure	302	275	-	-	36	613	-	613

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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	
	Three months ended	Three months ended			Three months ended	Three months ended
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Southeast Asia	51,231	49,743	26,586	23,217	910	1,190
South Asia	5,766	4,128	12,908	13,031	1,639	1,902
Others	-	-	220	285	-	-
Operations related to disposed companies	-	6,465	-	11,693	-	40
Total from continuing operations	56,997	60,336	39,714	48,226	2,549	3,132
Operations related to disposed company classified as held for sale	310	284	6,796	5,373	3,807	5,077
Total	57,307	60,620	46,510	53,599	6,356	8,209

	Turnover		Assets		Capital Expenditure	
	Fifteen months ended	Twelve months ended			Fifteen months ended	Twelve months ended
	31 March 2022	31 December 2020	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Southeast Asia	256,001	223,953	26,586	25,034	910	261
South Asia	20,675	14,306	12,908	12,559	1,639	225
Others	-	-	220	294	-	-
Operations related to disposed companies	22,067	24,897	-	12,204	-	127
Total from continuing operations	298,743	263,156	39,714	50,091	2,549	613
Operations related to disposed company classified as held for sale	1,395	880	6,796	5,522	3,807	-
Total	300,138	264,036	46,510	55,613	6,356	613

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5 Turnover – continued operations

Turnover comprises the following:

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Distribution of operator products and services	51,224	49,734	3.0%	255,956	223,874	14.3%
ICT distribution and managed services	5,773	10,602	-45.5%	42,787	39,282	8.9%
Total Turnover	56,997	60,336	-5.5%	298,743	263,156	13.5%

	3 months ended 31 March		15 months ended 31 March	12 months ended 31 December
	2022	2021	2022	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Turnover from the sale of goods	56,990	59,365	294,553	259,853
Turnover from the rendering of services	7	971	4,190	3,303
Total Turnover	56,997	60,336	298,743	263,156

On 3 December 2021, the Company disclosed that it 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 BEV business. On 4 April 2022, the Company had obtained shareholders' approval for the disposal at an extraordinary general meeting. On 29 April 2022, the Company had completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd. Please refer Note 24 for details.

The turnover, expenses and pre-tax profit or loss of the discontinued operations is presented as a single amount in the consolidated statement of comprehensive income. Please refer Note 10 for details.

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5 Turnover – continued operations (cont’d)

Disaggregation of revenue from contracts with customers

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>3 months ended 31 March 2022</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	51,224	-	51,224
Technology			
ICT distribution and managed services			
- Singapore	-	-	-
- India	3,955	1,811	5,766
	3,955	1,811	5,766
Others			
- Singapore	-	7	7
Total Turnover	55,179	1,818	56,997

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>3 months ended 31 March 2021</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	49,734	-	49,734
Technology			
ICT distribution and managed services			
- Singapore	5,504	961	6,465
- India	2,410	1,717	4,127
	7,914	2,678	10,592
Others			
- Singapore	-	10	10
Total Turnover	57,648	2,688	60,336

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5 Turnover – continued operations (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>15 months ended 31 March 2022</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	255,956	-	255,956
Technology			
ICT distribution and managed services			
- Singapore	17,923	4,145	22,068
- India	11,623	9,051	20,674
	29,546	13,196	42,742
Others			
- Singapore	-	45	45
Total Turnover	285,502	13,241	298,743

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>12 months ended 31 December 2020</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	223,874	-	223,874
Technology			
ICT distribution and managed services			
- Singapore	21,667	3,224	24,891
- India	7,541	6,772	14,313
	29,208	9,996	39,204
Others			
- Singapore	-	78	78
Total Turnover	253,082	10,074	263,156

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6 Operating Expenses – continued operations

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Personnel costs	(2,878)	(4,899)	-41.3%	(20,057)	(15,162)	32.3%
Infrastructure costs	(179)	(363)	-50.7%	(1,506)	(1,599)	-5.8%
Marketing expenses	(239)	(214)	11.7%	(1,176)	(1,161)	1.3%
Other expenses - operating (Note 8)	(1,068)	(1,062)	0.6%	(5,549)	(4,304)	28.9%
Total operating expenses	(4,364)	(6,538)	-33.3%	(28,288)	(22,226)	27.3%

Personnel costs includes cost for Digilife Technologies Performance Share Plan 2021 of S\$2,771,000 (31 December 2020: S\$ Nil).

7 Other Income – Non-Operating - continued operations

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Gain on disposal of subsidiaries	-	-	-	125	-	-
(Loss)/ Gain on disposal of property, plant & equipment	(108)	4	N.M.	(68)	11	N.M.
Others	(21)	5	N.M.	1	4	-75.0%
Total other income - non operating	(129)	9	N.M.	58	15	N.M.

During Q4 2021, the Group completed the disposal of its subsidiaries (please refer to announcements dated 9 November 2021 and 3 January 2022), engaged in ICT distribution and managed services, and consequently recognised a gain of S\$125,000 over the net assets of the disposed subsidiaries.

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8 Other Expenses – Operating – continued operations

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Bank charges	(20)	(24)	-16.7%	(118)	(89)	32.6%
Collection service fees	(9)	(20)	-55.0%	(59)	(95)	-37.9%
Equipment maintenance	(26)	8	N.M.	(188)	(121)	55.4%
Equipment rental	(42)	(16)	N.M.	(228)	(201)	13.4%
Freight and postage charges	(21)	(19)	10.5%	(95)	(62)	53.2%
Printing & stationery	(20)	(19)	5.3%	(80)	(66)	21.2%
Professional fees	(172)	(330)	-47.9%	(1,484)	(1,185)	25.2%
Provision of allowance of doubtful non-trade debts	(1)	-	-	(53)	(83)	-36.1%
Provision/write off of allowance of doubtful trade debts	1	2	N.M.	(28)	(112)	-75.0%
Provision of allowance for stock obsolescence of stocks	(59)	(69)	-14.5%	(221)	(115)	92.2%
Telecommunication expenses	(41)	(52)	-21.2%	(242)	(241)	0.4%
Travelling & entertainment expenses	(246)	(266)	-7.5%	(1,293)	(1,027)	25.9%
Insurance	(19)	(61)	-68.9%	(85)	(225)	-62.2%
Others	(393)	(196)	100.5%	(1,375)	(682)	101.6%
Total other expenses - operating	(1,068)	(1,062)	0.6%	(5,549)	(4,304)	28.9%

9 Other Expenses – non operating – continued operations

	3 months ended 31 March		%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Fair value loss on investment properties (Note 18)	250	-	-	250	29	N.M.
Fair value changes for financial assets, at FVPL	-	-	-	201	-	-
Allowance for inventory obsolescence	-	68	N.M.	420	336	25.0%
Allowance for doubtful non-trade debts	80	(3)	N.M.	165	755	-78.1%
Intangible asset written off	-	-	-	120	261	-54.0%
Others	63	40	N.M.	378	326	16.0%
Total other expenses - non operating	393	105	N.M.	1,534	1,707	-10.1%

10 Discontinued Operations

On 3 December 2021, the Company disclosed that it had 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 BEV business. On 4 April 2022, the Company had obtained shareholders' approval for the disposal at an extraordinary general meeting. On 29 April 2022, the Company had completed the disposal of 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd.

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10 Discontinued Operations (cont'd)

The results of the discontinued operations included in the consolidated statement of comprehensive income are set out below. The comparative statement of comprehensive income has been re-presented to include those operations classified as discontinued in the current period.

	Three months ended 31 March	Three months ended 31 March	%	15 months ended 31 March	12 months ended 31 December	%
	2022	2021		2022	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Turnover	310	284	9.0%	1,395	880	58.5%
Purchases and changes in inventories and direct service fees incurred	(49)	(18)	N.M.	(127)	(72)	76.9%
Commission and other selling expenses	16	-	-	-	-	-
Other income - operating	(37)	105	N.M.	(1)	366	N.M.
Operating expenses	(316)	(174)	81.7%	(1,138)	(890)	27.9%
Earnings: Operating (before forex, interest, depreciation, amortisation and	(75)	198	N.M.	130	285	-54.4%
Foreign exchange (loss) gain	(0)	(0)	-94.0%	-	(0)	N.M.
Earnings: Operating (before interest, depreciation, amortisation and taxation)	(75)	198	N.M.	130	285	-54.4%
Other income - non operating	59	-	N.M.	59	-	-
Other expenses - non operating	(1,762)	(63)	N.M.	(1,763)	(79)	N.M.
Finance costs	-	(31)	N.M.	(36)	(140)	-74.5%
Depreciation of property, plant and equipment	(215)	(173)	24.3%	(999)	(694)	43.9%
Amortisation of intangible assets	(0)	(5)	-92.9%	(19)	(19)	N.M.
Net loss after tax	(1,994)	(74)	N.M.	(2,628)	(648)	N.M.

11 Earnings per Share

	Group			
	3 months ended 31 March		15 months ended 31 December	12 months ended 31 December
	2022	2021	2022	2020
Earning per ordinary share from continuing and discontinued operations for the period after deducting any provision for preference dividends:-				
i) Based on weighted average number of ordinary share in issue	(15.39) cents	(14.72) cents	(53.85) cents	(23.85) cents
ii) On a fully diluted basis	(15.39) cents	(14.72) cents	(53.85) cents	(23.85) cents

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12 Net Asset Value per Share

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
Net asset value per ordinary share	244.11 cents	311.84 cents	104.07 cents	125.31 cents

Net asset value per ordinary share is calculated based on 13,519,813 (31 December 2020: 11,851,225) ordinary shares (excluding treasury shares) in issue at the end of the period under review and of the immediate preceding financial year.

13 Inventories

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Inventories	12,178	11,658	-	-

Inventories of distribution of operator products increased by S\$1.3 million while ICT distribution & managed services inventories decreased as a results of exclusion inventories of disposed companies against corresponding period in preceding year. Details of disposed companies please refer to Note 7.

14 Trade Receivables

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	8,031	13,344	500	487
Less: Allowance for impairment	(2,172)	(3,161)	(447)	(435)
Net trade receivables	5,859	10,183	53	52

Decrease in trade receivables is attributed due to disposal of ICT distribution & managed services in Singapore. Details of disposed companies please refer to Note 7.

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.

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14 Trade Receivables (cont'd)

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.

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 provision for loss allowance is determined based on the default rate by credit rating of customers, obtained from independent credit rating companies.

15 Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed deposits	3,348	3,529	1,651	700
Cash and bank balances	3,152	6,975	425	595
	6,499	10,504	2,076	1,295
Less: Cash and bank deposits pledged	(1,697)	(2,829)	-	-
Add: Unpledged fixed deposits	2,371	653	-	30
Add: Cash and bank balances included in a disposal group held for sale	794	-	-	-
Per statement of cash flows	7,967	8,328	2,076	1,325

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.

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16 Disposal group classified as held for sale

As described in Note 10 Discontinued operations, the Group is seeking to dispose of its subsidiary.

The major classes of assets and liabilities of the subsidiary at the end of the reporting period are as follows:

	<u>Group</u>
	<u>31 March 2022</u>
	S\$'000
Cash and bank balances	794
Other current assets	2,194
Property, plant and equipment	3,808
Assets of disposal group classified as held for sale	<u>6,796</u>
Other current liabilities	4,003
Liabilities of disposal group classified as held for sale	<u>4,003</u>
Net assets of disposal group classified as held for sale	<u>2,793</u>

17 Property, Plant and Equipment

As at year end, the Group acquired assets amounting to S\$2,386,000 (31 December 2020: \$270,000) and disposal of assets amounting to S\$414,000 (31 December 2020: S\$171,000).

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18 Investment Properties

	Group	
	2022	2020
	S\$'000	S\$'000
<i>At fair value</i>		
Balance at the beginning of the period/ year	2,897	2,758
Transferred from property, plant and equipment	-	268
Loss from fair value adjustment	(250)	(29)
Translation differences	(14)	(100)
Balance at the end of the period/ year	2,633	2,897

The fair value of the Group's investment properties as at 31 March 2022 was based on the valuation reports prepared by the external independent valuer with appropriate qualifications and experience in the valuation of properties in the relevant locations, KJPP Felix Sutandar & Rekan, 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.

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.

19 Loans and Bank Borrowings

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Loans and bank borrowings - current	2,226	2,031	-	100
Loans and bank borrowings - non current	156	175	-	175
Total	2,382	2,206	-	275

The current loans of the Group bear interest rates of between 2.25% and 11% (2020: between 2.25% 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 between 2.25% and 7% (2020: 2.25%) per annum and is repayable within the next 5 years.

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19 Loans and Bank Borrowings (cont'd)

	As at 31 March 2022		As at 31 December 2020	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	2,176	50	1,931	100
Amount repayable after one year	156	-	175	-

Details of any collateral

- a) Subsidiaries' current assets of S\$13.37 million (31 December 2020 : S\$11.85 million) and property, plant and equipment with carrying amount of S\$1.01 million (31 December 2020: S\$2.25 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.
- b) Corporate guarantees of Nil (31 December 2020 : S\$8.0 million) were given by the Company to enable a subsidiary to obtain credit facility from suppliers and performance bonds from financing companies.
- c) Corporate guarantees of Nil (31 December 2020 : S\$3.0 million) were given by the Company to enable a subsidiary to obtain banking facilities.
- d) Corporate guarantees of S\$1.0 million (31 December 2020 : S\$1.0 million) were given by the Company to a subsidiary which had disposed during Q4 2021 to enable the subsidiary to obtain insurance bond/s from an insurance company.
- e) Corporate guarantees of Nil (31 December 2020 : S\$5.5 million) were given by the subsidiary to enable its subsidiaries to obtain credit facility from suppliers. Corporate guarantees of Nil (31 December 2020 : S\$0.4 million) were given to one of the entities of Cavu group that have been disposed during FY 2018. Counter guarantees of equivalent amount have been obtained from the buyer of the subject entity.
- f) Corporate guarantees of Nil (31 December 2020 : S\$1.1 million) were given by the subsidiary to enable its subsidiaries to obtain banking facilities.
- g) Corporate guarantees of Nil (31 December 2020 : S\$1.6 million) were given by the subsidiary to enable the Company to obtain banking facilities.

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20 Share Capital

	No. of Shares	
	31 March 2022	31 December 2020
Issued shares at the beginning of the period	13,016,430	13,016,430
Issue of ordinary shares by virtue of exercise of share options	863,954	-
Total issued shares at the end of the period	13,880,384	13,016,430

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	
	31 March 2022	31 December 2020
Options granted under 2014 Digilife Employees' Stock Option plan	-	-
Options granted under 2021 Digilife Performance Share Plan	-	-

Total number of subsidiary holdings in the Company as at 31 March 2022 were Nil (31 December 2020: Nil).

21 Treasury Shares

	No. of Shares	
	31 March 2022	31 December 2020
Treasury shares at the beginning of the period	1,165,205	1,165,205
Re-issue of treasury shares	(804,634)	-
Total treasury shares at the end of the period	360,571	1,165,205

Treasury shares relate to ordinary shares of the Company that are held by the Company presented as a component within shareholders' equity. There were no purchase or cancellation of treasury shares during the current and previous financial period.

During the current financial period, a total of 804,634 treasury shares was re-issued in accordance with Digilife Technologies Performance Share Plan 2021 as announced on 1 March 2021.

Percentage (%) of number of treasury shares against total number of shares as at 31 March 2022 were 2.60% (31 December 2020: 8.95%).

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22 Related Party Transactions

Name of interested person	Group	
	3 months ended 31 March 2022	6 months ended 31 December 2021
	S\$'000	S\$'000
Smart Bharat Private Limited	996	-
Smart Global Corporate Holding Pvt. Ltd.	403	-

On 9 February 2022, the Company had announced the termination of binding memorandum of understanding with Smart Bharat Private Limited. The deposit of S\$996,000 which was paid to Smart Bharat Private Limited has been returned to the Group.

On 14 March 2022, one of the subsidiary, Bharat IT Private Limited had entered into agreement with Smart Global Corporate Holding Pvt. Ltd. to purchase a property in Uttar Pradesh, India.

23 Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2022 and 31 December 2020:

	Group		Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets</u>				
Trade receivables (Note 14)	5,859	10,183	53	52
Other receivables and deposits	2,450	1,933	210	335
Due from subsidiaries	-	-	-	564
Cash and cash equivalents (Note 15)	6,499	10,504	2,076	1,295
Fixed deposits	4,878	3,895	30	30
Financial assets, at FVPL	-	201	-	-
Tax recoverable	1,330	1,372	-	-
Long-term loans and advances to subsidiaries	-	-	-	376
Total financial assets	21,016	28,088	2,369	2,652
<u>Financial liabilities</u>				
Trade creditors	1,690	6,365	49	46
Other creditors and accruals	2,800	4,314	580	887
Lease obligations	118	1,891	19	1,668
Loans and bank borrowings (Note 19)	2,382	2,206	-	275
Due to subsidiaries	-	-	4,927	4,642
Long-term loans and advances from subsidiaries	-	-	5,734	9,621
Total financial liabilities	6,990	14,776	11,309	17,139

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

24 Subsequent Events

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

Completion of the Proposed Disposal of 90% Interests in Singapore Electric Vehicles Pte. Ltd.

Subsequent to the financial year ended 31 March 2022, the proposed disposal of the Company's 90% shareholding interests in Singapore Electric Vehicles Pte. Ltd. as announced on 3 December 2021 has been completed on 29 April 2022. Following the completion of the proposed disposal, Singapore Electric Vehicles Pte. Ltd. have ceased to be subsidiary of the Company.

Termination of Share Purchase Agreement ("SPA")

Subsequent to the financial year ended 31 March 2022, the SPA entered by the Company with TG Holdings HK Limited ("Vendor") as announced on 29 December 2021 had been terminated as the Vendor has not provided the requisite third-party approvals and completion deliverables as per the SPA. Details had been disclosed in announcement dated 13 May 2022.

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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 interim statements of financial position of Digilife Technologies Limited and its subsidiaries (the “Group”) as at 31 March 2022 and the related interim consolidated statement of profit or loss and other comprehensive income, interim statements of changes in equity and interim consolidated statement of cash flows for the three months and fifteen 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.

- 3. 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 FY2022 as set out below might not be comparative and/or meaningful due to:

1. In line with the change in the financial year end of the Company from 31 December to 31 March, the Group’s performance for FY2022 is for a period of fifteen months from 1 January 2021 to 31 March 2022, while the comparative period of FY2020 is for a period of twelve months from 1 January 2020 to 31 December 2020; and
2. The Group had completed the disposal of some of its subsidiaries (please refer to announcements dated 9 November 2021 and 3 January 2022) during the fourth quarter of year 2021, which engaged in ICT distribution and managed services in Singapore,

Statement of Profit or Loss and Other Comprehensive Income

Turnover

The Group recorded a turnover of S\$57.0 million during three months from January to March 2022 (“3 months FY 2022”) representing a decrease of 5.5% from January to March 2021 due to the disposal of some of its subsidiaries. For the fifteen months from January 2021 to March 2022 (“FY 2022”), the Group recorded a turnover of S\$298.7 million representing an overall increase of 13.5% respectively from the preceding financial year. The Group’s business continues to be impacted by disruptions to its operations arising from the unprecedented lockdown of borders and travel restrictions as part of the measures by countries to contain the spread of the COVID-19 pandemic.

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OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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

Distribution of Operator Products and Services (“Telecom”) segments recorded an increase in revenue of 3.0% during the 3 months FY 2022 due to an increase in demand in operator products arising from promotions made by the Telecom business. For FY2022, the Telcom business had an overall increase of 14.3% in revenue against the corresponding periods of the previous year. As mentioned above, the review of the Group’s performance might not be comparative due to change in financial year end.

Arising from the disposal of subsidiaries, ICT Distribution and Managed Services (“ICT”) segment recorded decrease in revenue of 45.5% during the 3 months FY 2022 and increase of 8.9% during FY 2022 against the corresponding periods of the previous year. However, as set out in the preamble above, the comparative figures have not been restated for disposed business in ICT, accordingly, the review against comparative figures might not be meaningful.

Operating Expenses

There was a decrease of 33.3% during 3 months FY 2022 and an increase of 27.3% during FY 2022 in operating expenses against the respective corresponding periods in the preceding year due to a one-time, non-recurring expense cost for Digilife Technologies Performance Share Plan 2021 (“PSP 2021”) of S\$2.8 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.

Operating 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\$0.78 million during 3 months FY 2022 and operating loss (before exchange gain/loss, interest, depreciation, amortisation and taxation) of S\$1.2 million during FY 2022 respectively against operating loss of S\$1.1 million and operating earnings of S\$0.7 million during corresponding respective period of the preceding year. Excluding the PSP 2021 which impacted the operating expenses (non-recurring in nature), the Group made an operating profit of S\$1.6 million during FY 2022 on adjusted basis.

Profit/(Loss) before taxation from continuing operations

The Group incurred net profit before tax from continuing operations of S\$0.02 million for 3 months FY 2022 and net loss before tax of S\$3.9 million for FY 2022 respectively against net loss before tax of S\$1.5 million and S\$2.0 million for the respective corresponding periods of the preceding year. The net loss before tax for FY 2022 increased due to the PSP 2021 one-off expense of S\$2.8 million which are non-recurring in nature. Excluding the PSP 2021 impact to the operating expenses, the Group made a net loss before tax of S\$1.1 million for FY 2022 on an adjusted basis.

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

Statements of Financial Position

Current assets

The current assets as at 31 March 2022 decreased by S\$2.82 million mainly due to decrease in trade receivables by S\$4.32 million, decrease in prepayments by S\$3.14 million and decrease in cash and cash equivalents by S\$4.01 million, partially offset by increase in fixed deposits by S\$1.04 million, increase in the other receivables and deposits by S\$0.53 million and assets of disposal group classified as held for sale of S\$6.80 million. However, as mentioned above, the comparative figures have not been restated for disposed business in ICT accordingly, the review against comparative figures might not be meaningful.

Non-current assets

The non-current assets as at 31 March 2022 decreased by S\$6.28 million mainly due to decrease in property, plant and equipment by S\$5.45 million as major assets are held by discontinued operations and had been classified to current assets as asset of disposal group classified as held for sale.

Current liabilities

The current liabilities as at 31 March 2022 decreased by S\$3.66 million mainly due to decrease of trade creditors by S\$4.68 million, other creditors and accruals by S\$1.51 million and decrease in contract liabilities by S\$0.99 million, partially offset by liabilities of disposal group classified as held for sale of S\$4.00 million.

Non-current liabilities

The non-current liabilities as at 31 March 2022 decreased by S\$1.50 million mainly due to decrease in lease obligations by S\$1.10 million as a result of fully repaid of lease by discontinued operations and decreased in provision for employee benefits by S\$0.25 million.

Equity

Equity attributable to the owners of the Company decreased by S\$4.01 million mainly due to loss after tax recognised of S\$7.03 million, partially offset with the issuance of shares under PSP 2021 amounting to S\$2.77 million and increase in translation reserve by S\$0.27 million.

Statement of Cash Flows

For FY 2022, the Group's net cash used in operating activities of S\$1.37 million, mainly due to decrease in trade receivables, trade creditors and contract liabilities, partially offset by increase in inventories, other receivables, prepayments and other creditors. The net cash used in investing activities of S\$0.89 million was mainly due to the cash inflow on disposal of subsidiaries and cash outflow on the purchase of property, plant and equipment. The net cash generated from financing activities of S\$1.92 million, mainly due to withdrawal of cash and bank deposits pledged.

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OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

- 4. 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.

- 5. 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.**

With recent developments in the Covid-19 conditions across the region, travel and movement has restarted. However, the way businesses are conducted have been impacted with accelerated technology adoption, e-payments, digital commerce etc. in the developing markets like Indonesia and India where the Group operates. The Group continues to tide over this period with strong resilience from the team and the business leaders from all business units.

The Group did not engage in any significant retrenchment exercise during the year. However, the Company has optimized costs at all levels and all business units to become more efficient.

In its bid to move out from non-profitable non-strategic businesses, during the year the Group has divested its Information Communication and Telecommunications (ICT) business in Singapore as announced on 9 November 2021 and 3 January 2022 and sold 90% of its battery electric vehicle business as announced on 29 April 2022.

With these disposals, the Group remains with the telecom business in Indonesia and the ICT business in India as its operating businesses.

Telecom Segment

Due to the subsiding effect of Covid-19, distribution of Telecom Operator Products and Services have shown signs of improvement in Indonesia. Business has grown over the last year and due to cost optimization, the profitability has improved. However, the overall environment in Telecom sector remains challenging as margins are under intense pressure due to intense competition. Telecom sector in Indonesia is still in the structural transition phase from legacy services (voice and SMS) to data services. Ongoing consolidation between Telcos are also creating new alliances with new Key Performance Indicators (“KPIs”) and new renewal methods being a possibility. The renewal of distribution agreement for the XL telecom operator is completed. Indosat and Telkomsel distribution agreement are up for renewal this year.

The Group still foresees a substantial pressure on overall industry margins to continue, which will percolate to distributors as well. The Group is closely monitoring the market conditions due to the consolidation and technological changes in the sector and will continue its efforts to leverage on technology to digitize its distribution channels.

ICT Distribution & Managed Services

The Group operates its ICT distribution and managed services in India through its wholly owned subsidiary, Bharat IT Services Limited. The business remains steady selling both ICT products and maintenance services. The Group continues its focus to strengthen and grow its services part that generates better margins.

As announced on 13 May 2022, the Group has terminated the share purchase agreement in relation to the acquisition of 71% shareholding in Stradbroke Investments Pte Ltd. The Group is now evaluating its existing businesses so that it operates businesses for long-term sustainability and improved profitability.

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6. 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.

7. 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.

8. 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.

9. A breakdown of sales.

For the period January to December:

	Group		Change (%)
	2021	2020	
From continuing operations	S\$'000	S\$'000	
First half (January to June)			
Revenue reported	119,534	137,588	-13.1%
Loss after tax reported	(2,411)	(1,057)	N.M.
Second half (July to December)			
Revenue reported	122,212	125,568	-2.7%
Loss after tax reported	(1,905)	(1,122)	69.8%

For the period January to March:

	Group		Change (%)
	2022	2021	
From continuing operations	S\$'000	S\$'000	
Three months (January to March)			
Revenue reported	56,997	60,336	-5.5%
Loss after tax reported	(87)	(1,708)	-94.9%

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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. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder.

Pursuant to Rule 704 (10) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

12. Confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual.

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the fifteen-month period ended 31 March 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Maneesh Tripathi
Director

Doraraj S
Director

25 May 2022

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

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

The details of the contact person for the Sponsor is:

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