DATAPULSE TECHNOLOGY LIMITED

Exploring Opportunities

Annual Report 2018

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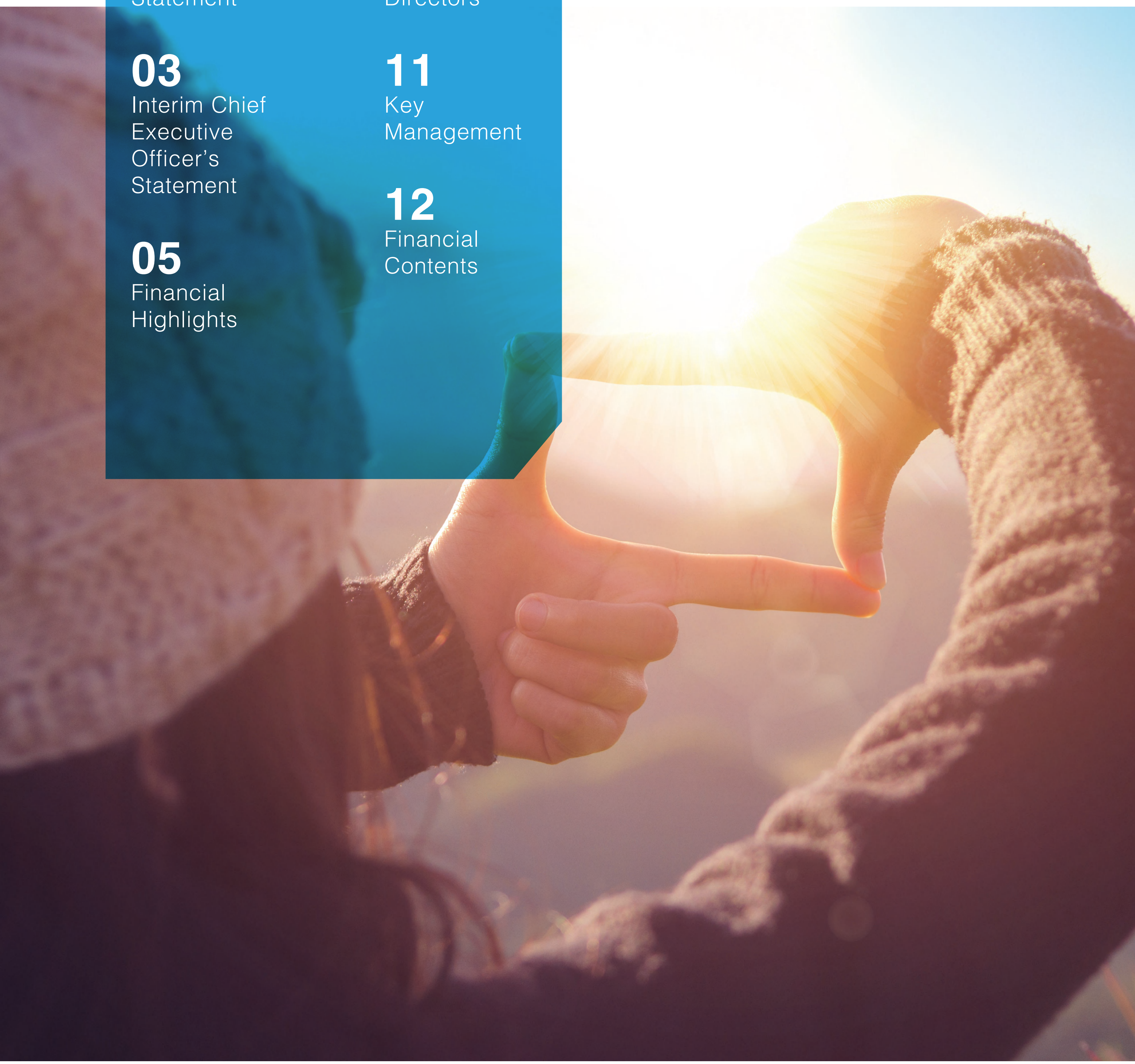


Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of Datapulse Technology Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**"), I am pleased to present to you the Annual Report for the financial year ended 31 July 2018.

MAJOR DEVELOPMENT

Following the cessation of our Media Storage Business during the financial year, we look forward to embarking on a new business direction and pursue other businesses with the continuous support of shareholders. Prospectively, the Group intends to focus on the business of real estate investments, whether by way of majority or minority stakes, and whether on a standalone basis or in joint venture with selected capital partners.

On 15 December 2017, the Group ventured into the haircare business through the acquisition of Wayco Manufacturing (M) Sdn Bhd ("**Wayco**"). The Board having reviewed the business operations of Wayco in conjunction with reports provided by consultants and management has formally engaged the Vendor to resolve issues that surfaced. If such issues are not satisfactorily resolved, the Company will review and consider all options, including but not limited to the exercise of the Company's right to require the Vendor to buyback Wayco from the Company.

Chairman's Statement

As announced on 3 October 2018, we have taken our first step as part of our new business direction and executed a non-binding letter of intent in relation to a potential Seoul hotel investment.

BUSINESS OUTLOOK

In the coming year, we will focus on gateway cities in Asia as the core markets for our real estate investment objectives. We will actively pursue a value-add type investment strategy, identifying undervalued assets situated in prime locations which have the potential for strong operational and physical enhancements. In light of the historically low interest rate regime and rising interest rate environment, we are of the view that such investments offer attractive and compelling returns. This strategy allows us to grow our recurring income base through ownership of income-yielding real estate, while over the long term, drive shareholder returns through capital appreciation of real estate investments from either redevelopment and/or value-add asset enhancement initiatives.

CHANGES AT THE HELM

In August 2018, I was appointed as Non-Executive Non-Independent Chairman of the Group and I am delighted to have Mr Sin Boon Ann and Mr Loo Cheng Guan join the Board in September 2018. These two directors bring with them substantial listed company directorship experience as well as many years at senior levels in law, investments and management. They will no doubt contribute significantly to the Group's future endeavours. With over 30 years of experience in the areas of accounting, corporate finance, real estate and hospitality, I am confident that I will also be able to contribute positively.

Together with the reconstituted Board's business ambitions moving forward, we are looking forward to the future of the Group with enthusiasm and confidence.

APPRECIATION

Mr. Low Beng Tin, Mr. Rainer Teo Jia Kai and Mr. Ng Der Sian, would not be seeking re-election as Directors at the upcoming Annual General Meeting. On behalf of the Board, I would like to thank them for their service to the Group and wish them well in their endeavours.

I would also like to extend my sincere appreciation to our stakeholders, including shareholders and partners, for their unwavering support over the past years and look towards the same for the coming years.

AW CHEOK HUAT
NON-EXECUTIVE
NON-INDEPENDENT
CHAIRMAN

Interim Chief Executive Officer's Statement

FINANCIAL PERFORMANCE

The Group recorded a revenue of $0.7 million for the year ended 31 July 2018 ("**FY2018**"), which was generated from its subsidiary, Wayco.

After the Group's sale of its Tai Seng leasehold property in the second quarter of FY2018, all operations staff ceased employment with the Company. Subsequently, the Group entered into a sale and purchase agreement to dispose all of its remaining Blu-Ray replication line equipment used in the media storage business on 25 July 2018. This transaction was completed on 6 August 2018. The results from the media storage business have been presented as discontinued operations.

The increase in other income for FY2018 was mainly due to higher interest income received for the year.

The increase in staff costs for FY2018 of $0.3 million was due mainly to staff costs attributed to Wayco's operations in Malaysia of $0.2 million, while depreciation and finance costs for FY2018 were solely related to Wayco's business.

The Group recorded an impairment loss recognized on goodwill of $1.1 million relating to its investment in Wayco.

Other operating expenses increased by $1.4 million in FY2018 due mainly to (a) an increase in legal and professional costs of $1.0 million, (b) lower exchange gains of $0.2 million, (c) inclusion of Wayco's operating expenses of $0.1 million, and (d) rental of office and warehouse premises of $0.1 million.

The Group recorded an exceptional gain on sale of leasehold property amounting to $44.6 million, following the completion of the sale of the Tai Seng leasehold property on 31 January 2018.

Loss from discontinued operations for FY2018 were attributed to the media storage business, while the profit from discontinued operations for the financial year ended 31 July 2017 ("**FY2017**") were mainly relating to the gain on disposal of subsidiary of $5.6 million recognized in FY2017 in relation to the disposal of One Global Inc, partially offset by loss arising from the media storage business of $2.1 million.

Interim Chief Executive Officer's Statement

As a result of the above, the Group's profit attributable to the owners of the Company increased to $34.5 million for FY2018 as compared to $3.0 million for FY2017.

FINANCIAL POSITION

Non-current assets

Property, plant and equipment decreased from $2.7 million as at 31 July 2017 to $2.2 million as at 31 July 2018 due mainly to impairment loss recognized on property, plant and equipment of $1.5 million, depreciation charge of $0.8 million and assets reclassified to assets held for sale of $0.4 million. This was partially offset by property, plant and equipment of Wayco acquired for $2.2 million.

Investment property

Investment property as at 31 July 2018 relates to property owned by Wayco, which was acquired by the Group on 15 December 2017.

Current assets

Current assets increased by $32.5 million to $82.5 million, mainly due to the proceeds received from the disposal of the Tai Seng leasehold property. As at 31 July 2018, the cash and bank balances were $81.2 million, an increase of $41.7 million. Assets held for sale were in relation to a sale and purchase agreement entered into for the disposal of all the Group's Blu-Ray replication line equipment, which were previously used in the media storage business. The sale was completed on 6 August 2018.

Non-current liabilities

Deferred tax liabilities decreased $0.1 million during the year due mainly to movements in temporary differences of the Company of $0.3 million, partially offset by deferred tax liabilities attributable to Wayco of $0.2 million.

Current liabilities

Current liabilities increased by $1.3 million in FY2018 mainly due to current tax payable for the Company, taking into consideration the estimated chargeable income arising from the disposal of the Tai Seng leasehold property.

Equity

The Group's total equity increased by $31.2 million during the year as a result of the profit for FY2018 of $34.5 million, offset by the dividends paid of $3.3 million.

CASH FLOWS

The Group's net cash balance as at 31 July 2018 was $81.1 million. This is equivalent to 37.0 cents cash per share.

There was a deficit of $5.2 million in net cash from operating activities for FY2018, due mainly to redundancy payments made as a result of the scaling down of the Company's operations.

Net cash generated from investing activities for the year was $49.9 million compared to $8.8 million for the previous year. The increase was mainly due to the proceeds received from the disposal of the Tai Seng leasehold property.

Net cash used in financing activities for FY2018 increased by $2.6 million, mainly due to increase in amount paid for dividends.

LEE KAM SENG
INTERIM CHIEF
EXECUTIVE OFFICER

Financial Highlights

	2014	2015	2016	2017	2018
FINANCIAL PERFORMANCE	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue ***(note 1)***	29,481	25,798	23,309	12,678	8,920
Profit for the year	811	1,634	905	3,029	34,480
Profit attributable to owners of the Company	811	1,634	905	3,029	34,480
Earnings per share (cents) ***(note 2)***	0.41	0.81	0.41	1.38	15.74
Return on assets (%) ***(note 3)***	1.25	3.08	1.55	5.49	50.07
Return on equity (%) ***(note 3)***	1.44	3.71	1.90	6.23	52.61
FINANCIAL POSITION	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total assets	47,083	58,867	57,688	52,669	85,072
Total liabilities	6,863	11,030	10,427	2,750	3,907
Total equity/shareholders' funds	40,220	47,837	47,261	49,919	81,165
Net current assets	15,475	45,458	31,417	47,557	78,833
Net asset value per share (cents) ***(note 2)***	20.29	21.75	21.57	22.79	37.05
CASH FLOW	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Net cash from operating activities	4,042	4,742	3,891	(737)	(5,193)
Net cash and bank balances ***(note 4)***	14,747	25,566	25,854	39,522	81,061
Net cash per share (cents) ***(note 2)***	7.44	11.63	11.80	18.04	37.00
DIVIDENDS					
Total dividend per share (cents) ***(note 2)***	0.66	0.60	0.30	0.50	2.00
Total dividend declared ($'000) ***(note 5)***	1,308	1,319	657	1,095	4,381
Dividend payout (%)	161.40	80.70	72.60	36.20	12.70
Dividend yield (%) ***(note 6)***	1.52	2.27	1.30	1.69	7.41
SHARE PRICE	**Cents**	**Cents**	**Cents**	**Cents**	**Cents**
Highest ***(note 2)***	58.92	47.70	30.60	28.00	44.00
Lowest ***(note 2)***	42.90	26.40	19.90	19.80	26.50
Average ***(note 2)***	50.91	37.08	24.69	22.29	31.45
Weighted average number of shares (million) ***(note 2)***	198	201	220	219	219
Average market capitalisation ($'million) ***(note 7)***	101	75	54	49	69
Average shareholders' funds ($'million)	56	44	48	49	66
Market value added ($'million) ***(note 8)***	45	31	6	–	3

Note 1:
Figures comprised of revenue from continuing and discontinued operations.

Note 2:
For comparison purposes, prior year figures for FY2014 to FY2015 were adjusted due to the share consolidation of every three (3) ordinary shares into one (1) ordinary share in the capital of the Company in FY2016, fractional entitlements to be disregarded.

Note 3:
Calculations of return on assets and return on equity are based on profit for the year divided by the average total assets and average total equity, respectively.

Note 4:
Calculation of net cash and bank balances is based on cash and bank balances less interest bearing borrowings.

Note 5:
Calculation of total dividend declared is based on the sum of interim, final and special dividends declared, multiply by the number of shares on the date of announcement of the respective full year results.

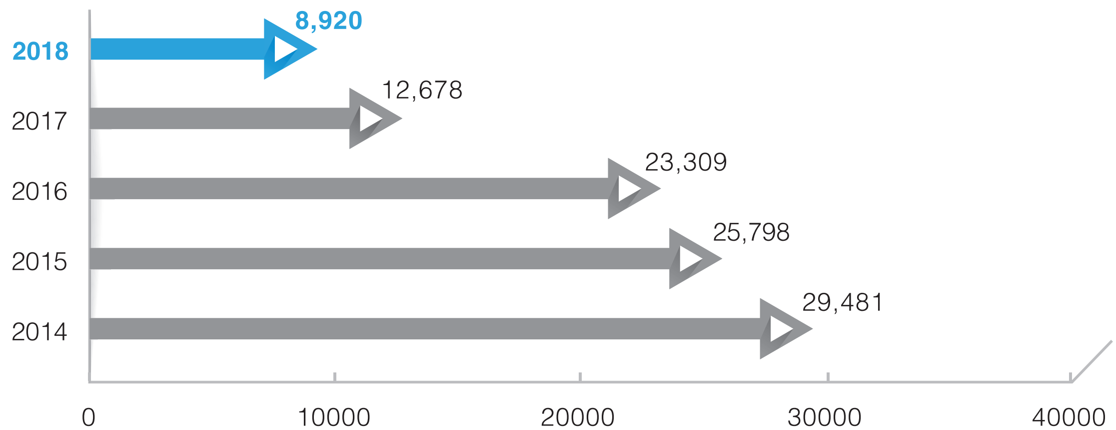
Note 6:
Calculation of dividend yield is based on total dividend per share divided by the closing share price on the date of announcement of the respective full year results.

Note 7:
Calculation of average market capitalisation is based on weighted average number of shares multiplied by the average share price for the year.

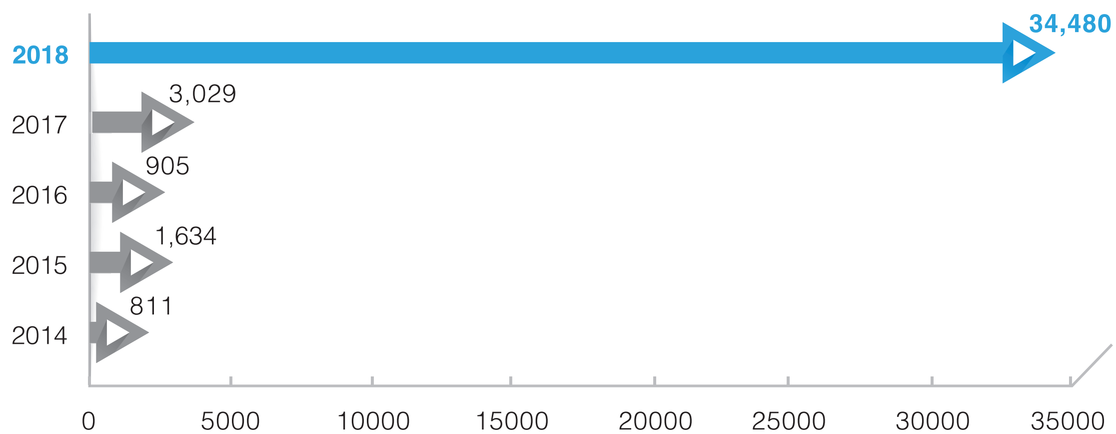
Note 8:
Calculation of market value added is based on the excess of the average market capitalisation over average shareholders' funds for the year.

Financial Highlights

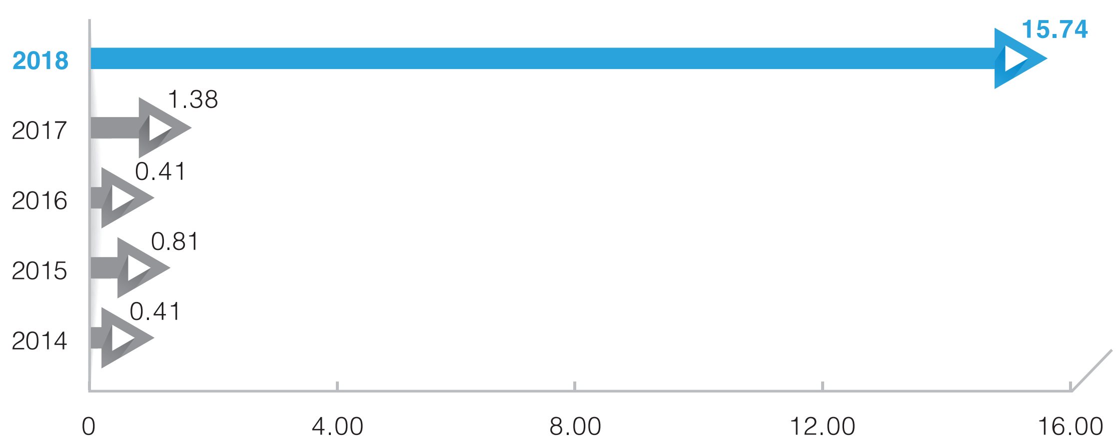
REVENUE ($'000)



PROFIT FOR THE YEAR ($'000)

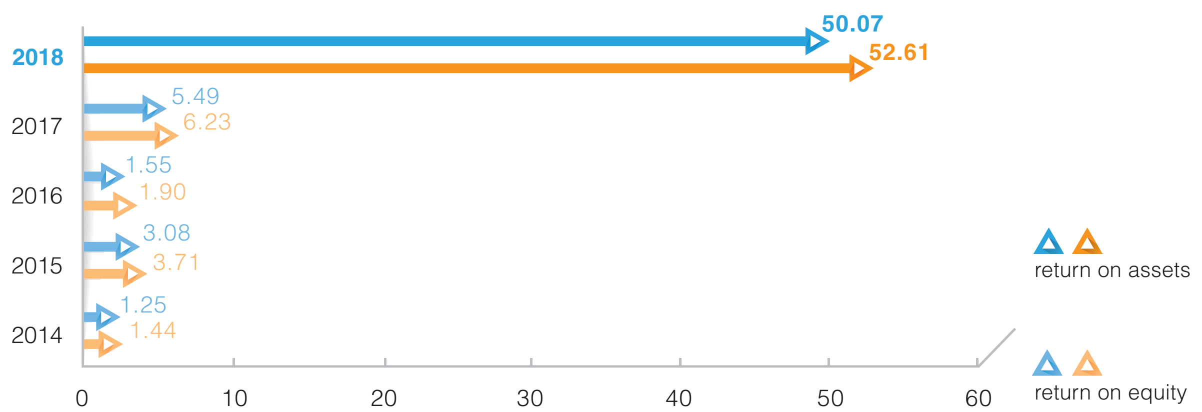


EARNINGS PER SHARE (CENTS)

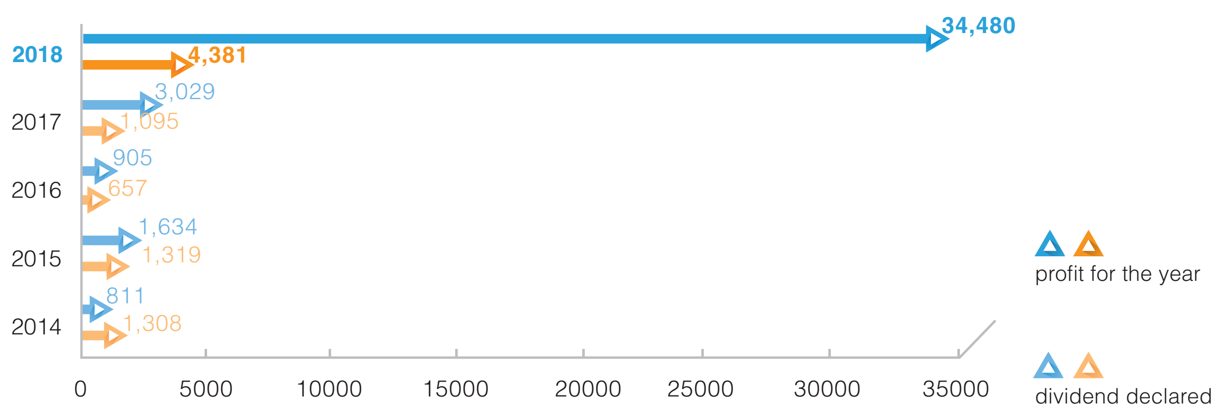


Financial Highlights

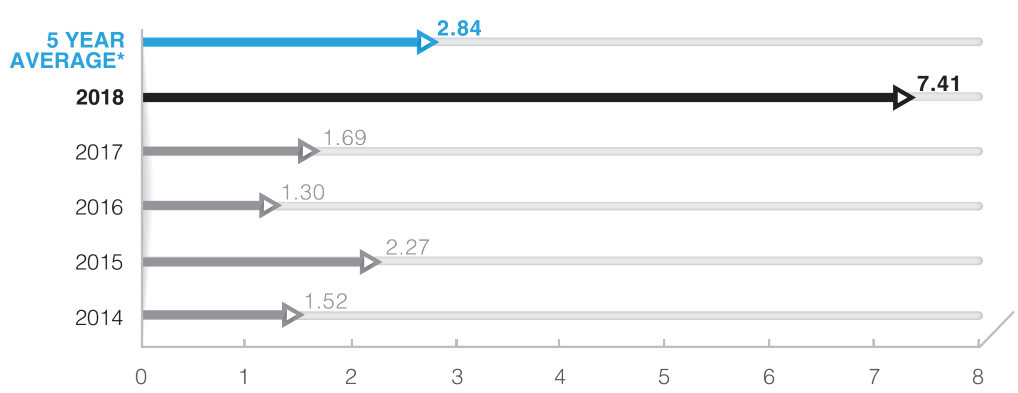
RETURNS RATIOS (%)



PROFIT AND DIVIDEND DECLARED ($'000)



DIVIDEND YIELD (%)



* calculation of 5-year average is based on the simple average of dividend yield from 2014-2018

Board of Directors

AW CHEOK HUAT

Chairman of the Board and Non-Independent Non-Executive Director

Mr Aw Cheok Huat was appointed to the Board on 15 August 2018 as a Non-Independent and Non-Executive Director. He is Chairman of the Board and a member of the Audit Committee, Nominating Committee and Remuneration Committee.

Mr Aw is the Managing Director of MS Corporate Finance Pte Ltd, a boutique corporate finance firm specialising in mergers and acquisitions, IPOs, RTO and corporate restructuring. He has more than 25 years of experience in this field having been involved in assignments for various groups over a cross section of diverse industries. In addition, he has been involved in investment and private equity transactions working in conjunction with various groups in this industry. Mr Aw is also the non-independent and non-executive chairman of ICP Ltd, a company listed on the Catalist board of the Singapore Exchange Securities Trading Limited.

Mr Aw holds a Master of Commerce from the University of New South Wales and a Bachelor of Accountancy from the National University of Singapore.

LOW BENG TIN

Independent Non-Executive Director

Mr Low Beng Tin was appointed to the Board on 11 December 2017 as an Independent Non-Executive Director. He is the Chairman of the Remuneration Committee and is also a member of both the Audit Committee and the Nominating Committee.

Mr Low has close to 40 years of engineering experience in the oil and gas, petrochemical, chemical and marine industries, and was formerly the chairman and managing director of director of OEL (Holdings) Limited, (aka Oakwell Engineering Limited). Mr Low has served and continues to serve as independent director of several Singapore-listed companies, including Fuji Offset Plates Manufacturing Ltd and Lian Beng Group Ltd, and is the non-executive independent chairman of Cosmosteel Holdings Limited. He is also an independent director of J.P Nelson Holdings Ltd which is listed in Taiwan. In addition, he is holding directorships and chairmanship at several private companies, including as a non-executive director of AA Vehicle Inspection Centre Pte Ltd. Currently, he is the managing director of Assimilated Technologies (S) Pte Ltd.

In recognition for his contribution to the community, Mr Low was conferred the Pingat Bakti Masyarakat (The Public Service Medal) in 2004 and the Bintang Bakti Masyarakat (The Public Service Star) in 2009. Both awards were conferred by the President of Singapore. He also holds a Diploma in Management Studies from the Singapore Institute of Management and was conferred a Masters of Business Administration (Chinese Programme) from the National University of Singapore.

Board of Directors

NG DER SIAN
Independent Non-Executive Director

Mr Ng Der Sian was appointed to the Board on 11 December 2017. He is an Independent Non-Executive Director and the Chairman of the Audit Committee. He is also a member of both the Nominating Committee and the Remuneration Committee.

Mr Ng is an accountant by training with a Bachelor of Accountancy degree from the Nanyang Technological University, and gained his audit experience in the then Arthur Andersen where his last position held was as audit assistant manager, and his key audit clients included several SGX-ST listed companies. He has vast experience on audit matters, having performed the full spectrum of statutory reporting, operational audit, risks-based business audit, business process evaluation and consultation, merger and acquisition due diligence, and other certification work, for a multitude of companies, many of which are listed either in Singapore or overseas.

From 1997 to 1999, he was a credit analyst and marketing senior officer in OCBC Bank, where he managed a portfolio comprising of 60 investments and projects, performed credit administration, risk management and debt restructuring. From 2000 to 2004, he was appointed to executive positions at various companies, where he had further honed his skills at risk management and planning. In 2004 and 2011, he co-founded EV Capital Limited and founded One Investment & Consultancy Limited respectively. Both companies are involved in private equity investments. Under his management and leadership, his investment team has successfully invested in numerous SGX-ST listed and foreign exchange-listed companies.

RAINER TEO JIA KAI
Independent Non-Executive Director

Mr Rainer Teo Jia Kai was appointed to the Board on 11 December 2017. He is an Independent Non-Executive Director and the Chairman of the Nominating Committee. He is also a member of both the Audit Committee and the Remuneration Committee.

Mr Rainer Teo has over ten years working experience in the banking and finance industry, with a focus on investment management and advisory matters and fund-raising. He has held various senior management positions in numerous banks and venture capitalist firms, ranging from Citibank, Credit Suisse AG Singapore and ABN AMRO Private Banking, to Quintessential Investments Pte. Ltd. and ThirdRock Group.

He holds a Bachelor of Computing Specialisation, majoring in Distributed Computing Systems, from Monash University. He also holds a Master of Applied Finance from Monash Business School.

Board of Directors

SIN BOON ANN
Independent Non-Executive Director

Mr Sin Boon Ann was appointed to the Board on 10 September 2018 as an Independent Non-Executive Director.

Mr Sin received his Bachelor of Arts and Bachelor of Laws (Honours) degrees from the National University of Singapore and his Master of Laws from the University of London. He was admitted to the Singapore Bar in 1987 and was a member of the teaching staff of the law faculty, National University of Singapore before leaving in 1992 to join Drew & Napier LLC.

Mr Sin was the Deputy Managing Director of Drew & Napier's Corporate and Finance Department and the Co-head of the Capital Markets Practice before he retired to be a consultant with the firm in March 2018. Mr Sin was a Member of Parliament for Tampines GRC from 1996 to 2011.

In appreciation of his valuable public services rendered to the Ministry of Home Affairs, Mr Sin was conferred the Singapore National Day Award – "The Public Service Star (Bintang Bakti Masyarakat) (BBM)" in 2018 and "The Public Service Medal (Pingat Bakti Masyarakat) (PBM)" in 2013 by the President of Singapore. In addition, in recognition of his constant support and contributions to the Labour Movement, Mr Sin received the NTUC May Day Award – "Distinguished Service Award" in 2018, "Meritorious Service Award" in 2013 and "Friends of Labour Award" in 2003.

Mr Sin is an independent director in a number of listed companies in Singapore, including OUE Limited, TIH Limited, HRnetGroup Limited and Rex International Holding Limited.

LOO CHENG GUAN
Independent Non-Executive Director

Mr Loo Cheng Guan was appointed to the Board on 10 September 2018 as an Independent Non-Executive Director. Mr Loo founded Vermilion Gate in 2014 and formally launched it in 2016 as an advisory firm focused on cross-border M&As.

Mr Loo has been non-executive Chairman of 1RocksteadGIP Fund II Pte Ltd., a private equity fund since 2013. He is also chairman of Precursor Group, a Singapore-based accounting firm and honorary director of Pantheon Assets, a multi-family office in China.

In addition, Mr Loo sits on the boards of SGX-listed companies, Valuetronics Holdings Ltd, and Mirach Energy Ltd, as an independent director, and of several other private companies including Fortrec Pte Ltd and its subsidiaries, Amalgam Capital Partners Pte Ltd and Brash Asia Pte Ltd.

Mr Loo had previously sat on a number of listed companies in Singapore, China and Canada, including C&G Environmental Protection Holdings Ltd as executive director, Advance SCT Ltd and MAP Technology Holdings Ltd as independent director, Grandblue Environment Co., Ltd and Blackbird Energy Ltd both as non-executive director.

Key Management

LEE KAM SENG
Interim Chief Executive Officer

Mr Lee Kam Seng was appointed Chief Financial Officer of the Company on 1 December 2015 and Company Secretary on 3 December 2015. He was also appointed as Interim Chief Executive Officer on 10 September 2018, responsible for supervising and overseeing the finances, internal controls and corporate governance-related issues of the Group.

Mr Lee has more than 35 years of experience in the construction, real estate and trading industries, both in private and public listed companies.

Mr Lee is a fellow member of the Institute of Singapore Chartered Accountants and the Association of Chartered Certified Accountants ("U.K.").

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Corporate Governance Report

The Board of Directors (the "Board") of Datapulse Technology Limited (the "Company") is committed to maintaining a high standard of corporate governance throughout the Company and its subsidiaries (the "Group").

Under the Singapore Exchange Securities Trading Limited listing manual ("SGX Listing Manual"), the Company is required to describe its corporate governance practices with specific reference to the principles of the Code of Corporate Governance 2012 (the "Code"). This report describes the Company's corporate governance policies and practices, including explanations for deviations from the Code.

BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Effective Board to lead and control the Company

The Board's primary role is to protect and enhance long-term shareholders' value. The directors will objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Group by providing entrepreneurial leadership, setting the overall corporate strategy and directions of the Group and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives. The Board also establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets, reviews management's performance, identifies the key stakeholder groups and recognises that their perceptions affect the Group's reputation, sets the Group's values and standards, ensures that obligations to shareholders and other stakeholders are understood and met, and considers sustainability issues as part of its strategic formulation.

The Board has established a number of Committees to assist in the execution of the Board's responsibilities. These Committees include the Nominating Committee ("NC"), Remuneration Committee ("RC") and Audit Committee ("AC"), which function within clearly defined terms of reference.

The Board has adopted internal guidelines governing matters that require approval by the Board, which includes material investment and divestment proposals, major corporate or financial restructuring, key operational initiatives, major fund raising exercises, announcements of periodic results, audited financial statements, proposals of dividends and authorisation of material interested person transactions. Other matters are delegated to the Board Committees and the management.

The Board holds scheduled meetings at least four times a year. When circumstances require, ad-hoc meetings are arranged or exchanges of views are held outside the formal environment of Board meetings. Board meetings are conducted in Singapore. Teleconferencing and/or videoconferencing may be used when necessary.

Corporate Governance Report

BOARD'S CONDUCT OF ITS AFFAIRS (CONTINUED)

The attendance of the directors at meetings of the Board and Board Committees during the financial year is presented below:

	Board meetings		AC meetings		NC meetings		RC meetings	
	Held	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Hee Theng Fong[1]	10	2	4	1	3	1	1	1
Ng Cheow Chye[3]	10	5	–	–	3	2	1	1
Si Yok Fong @ Chin Yok Fong[2]	10	4	–	–	–	–	–	–
Ng Cheow Leng[2]	10	4	–	–	–	–	–	–
Hilary Quah Lam Seng[1]	10	3	4	1	3	1	1	1
Guok Chin Huat Samuel[1]	10	2	4	1	3	1	1	1
Kee Swee Ann[4]	10	2	–	–	–	–	–	–
Low Beng Tin[5]	10	6	4	3	3	1	1	–
Ng Der Sian[5]	10	5	4	3	3	1	1	–
Rainer Teo Jia Kai[5]	10	6	4	3	3	1	1	–
Wilson Teng Wai Leung[6]	10	3	–	–	–	–	–	–
Aw Cheok Huat[7]	10	–	4	–	3	–	1	–
Sin Boon Ann[8]	10	–	–	–	–	–	–	–
Loo Cheng Guan[8]	10	–	–	–	–	–	–	–

1 Mr Hee Theng Fong, Mr Hilary Quah Lam Seng and Mr Guok Chin Huat Samuel resigned as non-executive directors of the Company on 10 December 2017.

2 Mr Si Yok Fong @ Chin Yok Fong and Mr Ng Cheow Leng resigned as executive directors of the Company on 11 December 2017.

3 Mr Ng Cheow Chye resigned as Chief Executive Officer and executive director of the Company on 26 December 2017.

4 Mr Kee Swee Ann was appointed the Chief Executive Officer and executive director of the Company on 11 December 2017, and resigned as Chief Executive Officer and executive director of the Company on 2 February 2018.

5 Mr Low Beng Tin, Mr Ng Der Sian and Mr Rainer Teo Jia Kai were appointed as non-executive independent directors of the Company on 11 December 2017.

6 Mr Wilson Teng Wai Leung was appointed as the Chief Executive Officer and executive director of the Company on 19 March 2018 and resigned as Chief Executive Officer and executive director of the Company on 10 September 2018.

7 Mr Aw Cheok Huat was appointed as the non-independent and non-executive director of the Company on 15 August 2018.

8 Mr Sin Boon Ann and Mr Loo Cheng Guan were appointed as non-executive directors of the Company on 10 September 2018.

To facilitate an effective and efficient discharge of duties and responsibilities, the directors are provided with extensive information on the Group's business activities, strategic directions and policies with regular and timely updates whenever there are any new developments. The non-executive directors are also welcomed to request for further explanations, briefings or informal discussions on any aspects of the Group's operations or business issues from the management. The executive directors will make the necessary arrangements for the explanations, briefings or informal discussions.

Corporate Governance Report

BOARD'S CONDUCT OF ITS AFFAIRS (CONTINUED)

To ensure that the directors keep pace with regulatory changes that will have an important bearing on the Company's or directors' obligations, the directors are updated on such changes in between or during Board meetings and/or on specially convened sessions by professionals. The company secretary informs the directors of upcoming conferences and seminars relevant to their roles as directors of the Company.

All newly appointed directors have received with formal letters of appointment setting out, among other things, their duties and obligations.

Newly appointed directors are briefed by the management on the Group's business activities, strategic directions, business and governance practices and policies, and the regulatory environment in which it operates, as well as their statutory and other duties and responsibilities as directors. When required, the Group will arrange for new directors to attend appropriate training and education programmes conducted by professionals.

BOARD COMPOSITION AND GUIDANCE

Principle 2: Strong and independent element on the Board

The Board, comprising six members, consists of a non-independent non-executive Chairman, and five independent non-executive directors.

The independence of the independent non-executive directors is subject to the NC's review annually, based on the guidelines on criteria of independence stated in the Code. The Board is of the view that there exists a strong and independent element in the Board to enable an objective judgement on the corporate affairs of the Group by Board members taking into account the number of independent non-executive directors. The Board, through the NC, examines on an annual basis the level of independent element within the Board.

The Board is of the opinion that its current size and mix is appropriate to facilitate effective decision making after considering the scope and nature of the operations of the Group, the requirement of the business, the need to avoid undue disruptions from changes to the composition of the Board and Board Committees and the current mix of expertise and experience of its members, which as a group provides an appropriate balance and diversity of skills, experience, knowledge and core competencies in areas such as accounting and finance, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge. The Board, through the NC, examines on an annual basis the size and the composition of the Board to evaluate whether the Board is effective in carrying out its duties.

The non-executive directors exercise no management functions in the Company or in any of its subsidiaries. Although all directors have equal responsibilities to the Group for its performance, the role of the non-executive directors are particularly important in ensuring that the strategies proposed or implemented by the Chief Executive Officer ("CEO"), who is also the key management personnel, are fully discussed and rigorously examined or reviewed post implementation, and take into account the long term interests, not only of the shareholders of the Company, but also of the employees, customers and suppliers. When required, the non-executive directors will meet without the presence of the management to review any matters that may be raised privately.

Key information regarding the directors of the Company is set out in the section profile of directors on pages 8 to 10.

Corporate Governance Report

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: Clear division of responsibilities between the leadership of the Board and the executives

There is a clear division of responsibilities between the Chairman and the CEO. The responsibilities of the Chairman, amongst others, include:

- leading the Board to ensure its effectiveness on all aspects of its role;
- guiding the Board in the setting of the Group's strategic business direction;
- guiding the Board in the evaluation of other investment and business opportunities;
- scheduling meetings of the Board to enable it to perform its duties responsibly;
- setting meeting agenda in consultation with the CEO and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- promoting a culture of openness and debate at the Board;
- exercising control over completeness, quality and timeliness of the flow of information amongst the Board members and between the Board and the management;
- ensuring effective communication with shareholders;
- encouraging constructive relations within the Board and between the Board and the management;
- facilitating the effective contribution of non-executive directors in particular; and
- promoting high standards of corporate governance.

The CEO is responsible for the overall management of the Group and is instrumental in the setting and implementation of the Group's strategic plans and key operational initiatives.

ACCESS TO INFORMATION AND ACCOUNTABILITY

Principle 6: Board members to have complete, adequate and timely information

Principle 10: Accountability of the Board and management

To assist the Board in making informed decisions in its discharge of duties and responsibilities, all directors are provided with complete, adequate and timely information prior to Board meetings and have separate and independent access to the Group's senior executives. The CEO also keeps the non-executive directors informed, in between Board meetings, on the status of ongoing initiatives by the Group. Information on major developments and material transactions are also circulated to directors as and when they arise.

Corporate Governance Report

ACCESS TO INFORMATION AND ACCOUNTABILITY (CONTINUED)

Where a decision has to be made before a Board meeting is convened, a directors' resolution is circulated in accordance with the Constitution of the Company and the directors are provided with all the necessary information that will allow them to make informed decisions. The CEO will also ensure that the senior executives promptly answer any queries raised by the directors. Where the directors, either individually or as a group, require professional advice to discharge their duties, the fee relating to the independent professional advice is paid for by the Group.

All non-executive directors have access to all levels of senior executives in the Group and are encouraged to communicate with other employees to seek additional information if they so require. Whenever necessary, senior executives will be invited to attend Board meetings to answer queries and provide detailed insights into their areas of operations. The directors have been provided with the phone numbers and e-mail addresses of the Group's senior executives and company secretary to facilitate access.

The directors have separate and independent access to the company secretary. The company secretary attends all Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed. Together with the directors, they are responsible to ensure that the Company complies with all applicable rules and regulations. The appointment and removal of the company secretary will be a matter for the Board as a whole.

In the dissemination of any information such as the Group's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators (if required), the Board aims to provide such information in a balanced and understandable manner, including ensuring compliance with relevant legislative and regulatory requirements. The management currently provides management accounts to the Board on a quarterly basis.

BOARD MEMBERSHIP AND PERFORMANCE

Principle 4: Formal and transparent process for appointment and re-appointment of directors

Principle 5: Formal annual assessment of the effectiveness of the Board and its Board Committees and contributions of each director

The NC, which meets at least once every financial year, comprises four members, of whom the majority, including the chairman, are independent non-executive members.

The composition of the NC is as follows:

Rainer Teo Jia Kai	Chairman, Independent Non-Executive Director
Low Beng Tin	Member, Independent Non-Executive Director
Ng Der Sian	Member, Independent Non-Executive Director
Aw Cheok Huat	Member, Non-independent Non-Executive Director

Corporate Governance Report

BOARD MEMBERSHIP AND PERFORMANCE (CONTINUED)

The primary objectives of the NC are to make recommendations to the Board on all Board appointments and re-appointments as well as succession plans for the Board (in particular, for the Chairman and CEO), to review multiple board representations of directors, to formally assess the effectiveness of the Board, to review the size and mix of expertise and experience of the Board, to review the training and professional development programmes for the Board, and to determine the independence of directors and level of independent element within the Board.

For the appointment of any new director to the Board, the NC's search, selection and nomination process for the right candidate will include, amongst others, the use of search companies, personal contacts and recommendations, reviewing the range of expertise, skills and attributes of the existing Board members, the need for progressive renewal of the Board including the Chairman and CEO as well as the needs of the Board, taking into consideration the Group's future business directions and strategies, before any nomination is put forward to the Board for consideration. The NC will also ensure that the new director possesses the necessary skills, knowledge and experience that could facilitate the Board in the making of sound and well-considered decisions. For re-appointments, the NC takes into account the composition and progressive renewal of the Board and each director's competencies, commitment, contributions and performance (e.g. attendance, preparedness, participation and candour).

The Board has an established process to assess the effectiveness of the Board and its Board committees as a whole. The NC is of the view that assessment on the effectiveness of the Board and Board committees as a whole is adequate and assessing the contributions of individual directors to the effectiveness of the Board would not be meaningful given that the Board and its committees' functioning and performance are dependent on the combined efforts, expertise and experience of all directors and could not be attributed to any single director. In assessing the Board's effectiveness, the NC performs the assessment of the effectiveness of the Board and Board committees in the form of a questionnaire with inputs from each Board member. The assessment criteria includes whether the Board is of the right size and mix, has adequate degree of independence, has the right mix of expertise, experience and skills, and has proper Board process and accountability.

For FY2018, due to various changes to the Board composition during and subsequent to the financial year, an evaluation was conducted only in relation to certain Directors who were in office as at the close of the financial year, namely, Mr Low Beng Tin, Mr Ng Der Sian and Mr Rainer Teo Jia Kai.

The Company's Constitution require that at each Annual General Meeting ("AGM") at least one-third of the directors for the time being, or if such number is not a multiple of three, the number nearest to but not greater than one-third shall retire from office, provided all directors retire at least once every three years. It also requires that any director appointed to fill casual vacancies shall hold office only until the next AGM and shall be eligible for re-election. Mr Low Beng Tin does not intend to stand for re-election at the forthcoming AGM. The other directors, Mr Aw Cheok Huat, Mr Ng Der Sian, Mr Rainer Teo Jia Kai, Mr Sin Boon Ann and Mr Loo Cheng Guan shall stand for re-election at the forthcoming AGM.

In the opinion of the NC, Mr Low Beng Tin, Mr Ng Der Sian, Mr Rainer Teo Jia Kai, Mr Sin Boon Ann and Mr Loo Cheng Guan are considered independent. For those directors who hold multiple board representations in public listed companies, the NC has reviewed and the Board is of the opinion that such multiple board representations will not affect their ability to carry out their respective duties as directors of the Company. The Group's current policy stipulates that a director should not hold more than six board representations in public listed companies.

Corporate Governance Report

REMUNERATION MATTERS

Principle 7: Formal and transparent procedure for fixing remuneration packages of directors

Principle 8: Remuneration of directors should be adequate but not excessive

Principle 9: Remuneration policy, level and mix of remuneration and procedure for setting remuneration

The RC, which meets at least once every financial year, comprises four members, of whom the majority, including the Chairman, are independent non-executive directors.

The composition of the RC is as follows:

Low Beng Tin	Chairman, Independent Non-Executive Director
Rainer Teo Jia Kai	Member, Independent Non-Executive Director
Ng Der Sian	Member, Independent Non-Executive Director
Aw Cheow Huat	Member, Non-Independent Non-Executive Director

The primary objectives of the RC are to make recommendations to the Board on the Group's general framework of executive remuneration for the Board and key management personnel, to review and recommend to the Board on the adequacy and form of compensation of the directors and key management personnel of the Group to ensure that the compensation realistically commensurate with their responsibilities and performance of the individuals and the Group, and to review the fees for non-executive directors before submitting to the Board for approval.

The RC is of the opinion that the directors and the key management personnel of the Company are not excessively compensated, taking into consideration their responsibilities, skills, expertise and contributions to the Group's performance. The service agreements of the executive directors do not contain any onerous compensation commitments on the part of the Company in the event of termination.

The Board has accepted the recommendation of the RC on a fixed fee for non-executive directors after taking into account the effort, time spent and responsibilities of each non-executive director. The fees for non-executive directors shall be subject to shareholders' approval at the forthcoming AGM.

While none of the members of the RC specialises in the area of executive compensation, all members of the RC are knowledgeable in the field of executive compensation through their industry experience. If any of the directors requires independent professional advice, such professionals would be hired at the Group's expense.

The Group adopts a remuneration policy comprising a fixed component and a variable component to align employees' interests with that of the shareholders. The fixed component is in the form of basic salary and the variable component is in the form of performance bonus that is linked to the performance of the Group and the individual.

The Company's executive directors, who together with the Group's Chief Financial Officer comprise the key management personnel of the Group.

Corporate Governance Report

REMUNERATION MATTERS (CONTINUED)

The aggregate remuneration paid to the key management personnel and the Company's executive directors for FY2018 is disclosed as key management personnel compensation in note 26 of the financial statements on page 102. A breakdown showing the percentage mix of remuneration for each of the independent directors and key management personnel of the Company for the financial year 2018 is set out below:

Financial Year 2018

Name	Fixed component %	Variable component %	Contributions to Central Provident Fund %	Benefits in kind %	Fees %	Total %
Executive Directors*						
Below $250,000						
Ng Cheow Chye[1]	84	–	1	15	–	100
Si Yok Fong @ Chin Yok Fong[2]	69	–	3	28	–	100
Ng Cheow Leng[2]	79	–	8	13	–	100
Wilson Teng Wai Leung[3]	93	–	6	1	–	100
Kee Swee Ann[4]	91	4	5	–	–	100
Non-Executive Directors						
$100,000 and below						
Hee Theng Fong[5]	–	–	–	–	100	100
Hilary Quah Lam Seng[5]	–	–	–	–	100	100
Guok Chin Huat Samuel[5]	–	–	–	–	100	100
Low Beng Tin[6]	–	–	–	–	100	100
Ng Der Sian[6]	–	–	–	–	100	100
Rainer Teo Jia Kai[6]	–	–	–	–	100	100
Aw Cheok Huat[7]	–	–	–	–	–	–
Sin Boon Ann[8]	–	–	–	–	–	–
Loo Cheng Guan[8]	–	–	–	–	–	–
Key Executive Officer						
Below $250,000						
Lee Kam Seng	77	19	4	–	–	100

1 Mr Ng Cheow Chye resigned as CEO and executive director of the Company on 26 December 2017.
2 Mr Si Yok Fong @ Chin Yok Fong and Mr Ng Cheow Leng resigned as executive directors of the Company on 11 December 2017.
3 Mr Wilson Teng Wai Leung was appointed as the CEO and executive director of the Company on 19 March 2018 and resigned as CEO and executive director of the Company on 10 September 2018.
4 Mr Kee Swee Ann was appointed the CEO and executive director of the Company on 11 December 2017, and resigned as CEO and executive director of the Company on 2 February 2018.
5 Mr Hee Theng Fong, Mr Hilary Quah Lam Seng and Mr Guok Chin Huat Samuel resigned as non-executive directors of the Company on 10 December 2017.
6 Mr Low Beng Tin, Mr Ng Der Sian and Mr Rainer Teo Jia Kai were appointed as non-executive directors of the Company on 11 December 2017.
7 Mr Aw Cheok Huat was appointed as the non-independent and non-executive director of the Company on 15 August 2018.
8 Mr Sin Boon Ann and Mr Loo Cheng Guan were appointed as non-executive directors of the Company on 10 September 2018.
* These are based on actual payments made at the date of this report.

Corporate Governance Report

REMUNERATION MATTERS (CONTINUED)

The remuneration of the directors and key executive officer includes a fixed component, a variable component, contributions to Central Provident Fund, benefits in kind and directors' fees.

The Company had not disclosed the exact remuneration paid to each individual director and the CEO due to the sensitive and confidential nature of such remuneration matters and to ensure the Company's competitive advantage in the retention of such personnel.

Except as disclosed below and Mr Ng Cheow Chye and Mr Ng Cheow Leng who are brothers, the Group does not have any other employees who are immediate family members (as defined in the SGX Listing Manual) of a director or CEO and whose remuneration exceeded $50,000 for the financial year ended 31 July 2018.

Name	Relationship	Total Remuneration
Huang Jin Rui, Clement	Son of Mr Ng Cheow Chye	$50,001 to below $100,000

The Company does not have an employee share scheme.

AUDIT COMMITTEE

Principle 12: Establishment of AC with written terms of reference

The AC comprises four members, of whom the majority, including the Chairman, are independent non-executive directors and have recent and relevant accounting and/or related financial management expertise or experience. The members are as follows:

Ng Der Sian	Chairman, Independent Non-Executive Director
Low Beng Tin	Member, Independent Non-Executive Director
Rainer Teo Jia Kai	Member, Independent Non-Executive Director
Aw Cheok Huat	Member, Non-independent Non-Executive Director

The AC performs the functions specified by Section 201B of the Singapore Companies Act, Chapter 50, the SGX Listing Manual and the Code, and assists the Board in the execution of its corporate governance responsibilities within its established terms of reference.

The AC also oversees the overall policy setting and administration of the Company's whistle blowing policy and procedures, which serves to provide the employees of the Company a formal channel to raise concerns in confidence about possible improprieties in matters of financial reporting and other matters directly to the AC. All concerns can be reported by email or by letter to the Company Secretary's office which will then be forwarded to the CEO or the AC. They will assess whether action or review is required.

Corporate Governance Report

AUDIT COMMITTEE (CONTINUED)

In performing its functions, the AC meets periodically with the Company's external and internal auditors with the management to review accounting, auditing and financial reporting matters, as well as the Group's risk management and internal control systems covering financial, operational, compliance and information technology controls. In addition, the AC will meet with the Company's external and internal auditors without the presence of management at least once a year to discuss matters concerning the Group.

The duties of the AC, amongst others, include reviewing the following:

- internal and external auditors' audit plans and the scopes of examination;
- results of the audits and their effectiveness;
- independence and objectivity of the external auditors, taking into account the nature and extent of non-audit services performed by the external auditors;
- adequacy and effectiveness of the Group's risk management and internal control systems, including reporting to the Board at least annually the results of its review;
- making recommendation to the Board on proposals to shareholders on the terms of engagement, appointment, re-appointment, remuneration, and removal of external auditors;
- hiring, re-hiring, removal, evaluation and compensation of out-sourced internal auditors;
- periodic results announcements prior to their submission to the Board for approval;
- audited financial statements of the Group and the Company prior to their submission to the Board for approval;
- significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group;
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual); and
- all cases of whistle blowing, in particular, the adequacy and independence of investigation and resolution for those significant cases.

The AC has full access to management and senior executives, and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or senior executive to attend its meetings.

The AC may also examine, within its terms of reference, any matters pertaining to the Group's affairs and monitor the Group's compliance with legal, regulatory and contractual obligations.

Corporate Governance Report

AUDIT COMMITTEE (CONTINUED)

In addition to the activities undertaken to fulfil its responsibilities, the AC is kept abreast by the management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.

The AC has discussed the key audit matters with management and the external auditors. The AC concurs with the findings and conclusions included in the auditor's report with respect to the key audit matters. For more information on the key audit matters, please refer to pages 31 to 36.

For the financial year under review, the AC has conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC has also met with the external and internal auditors without the presence of management. The aggregate amount of audit fees paid and payable by the Group to the external auditors for financial year ended 31 July 2018 was $146,892, of which audit and non-audit fees amounted to $128,621 and $18,271, respectively. In appointing the audit firm, KPMG LLP, for the audit of financial year ended 31 July 2018, the AC is satisfied that the Company has complied with the requirements of Rules 712 and 715 of the SGX Listing Manual. AC meetings are held after the end of every financial quarter before the official announcement of results.

Having reviewed KPMG LLP's performance, the AC has recommended to the Board that KPMG LLP be nominated for re-appointment as auditors for the financial year 2019 at the forthcoming AGM of the Company.

RISK MANAGEMENT, INTERNAL CONTROLS AND INTERNAL AUDIT

Principle 11: Sound system of risk management and internal controls

Principle 13: Setting up independent effective internal audit function

The Board is responsible for ensuring that the management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determining the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Group has established an Enterprise Risk Management ("ERM") framework, which governs the risk management process within the Group. This ERM framework enables the identification, assessment, management and monitoring of key risks to the Group's businesses. The risk management process in place covers, inter alia, financial, operational, compliance and information technology risks faced by the Group. The key risks faced by the Group will be reviewed by the management and reported to the AC and the Board at least once a year.

The ERM framework is supported by a system of internal controls and these key internal controls, covering financial, operational, compliance and information technology, are subject to review annually to assess its adequacy and effectiveness. Any control weakness identified, together with improvement recommendations, will be reported to the AC and be followed up by the management accordingly.

Corporate Governance Report

RISK MANAGEMENT, INTERNAL CONTROLS AND INTERNAL AUDIT (CONTINUED)

Based on the external auditors' report and management reviews, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management systems and internal controls are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group as at 31 July 2018.

The Board acknowledges that while it is responsible for the overall internal control framework, it also recognises that the system of internal controls established by the Group is designed to manage rather than eliminate the risks of failure as it strives to achieve its business objectives, and that any system of internal controls provides reasonable and not absolute assurance against poor judgement, human errors, material misstatement, losses, fraud or other irregularities.

In addition, the Board has received assurance from the CEO and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and the Group's risk management and internal control systems are adequate and effective in addressing material risks, which cover financial, operational, compliance and information technology risks of the Group as at 31 July 2018.

The internal audit function is outsourced to external audit professionals from an international accounting firm and their hiring, rehiring, removal, evaluation and compensation are approved by the AC. These audit professionals report directly to the AC and provide a comprehensive analysis of the business processes and the risks related to each process.

The AC is satisfied that the outsourced internal audit firm has adequate resources, has appropriate standing within the Group and is staffed with audit professionals with the relevant qualifications and experience.

An annual review of the outsourced internal audit function is carried out. The AC ensures, among others, the adequacy and effectiveness of the internal audit function by examining the internal audit firm's performance, resources, its audit plans and scope of work and that the internal audit function is carried out according to standards set by internationally recognised professional bodies.

In furtherance of the Company's efforts to raise the standards of corporate governance and compliance, the Company has on 10 September 2018 appointed Morgan Lewis Stamford LLC as its compliance advisor. As the Company's compliance advisor, Morgan Lewis Stamford LLC is retained by the Company to assist and advise on matters relating to compliance with, *inter alia*, the continuing listing rules obligations of the Company, as and when consulted by the Company.

Corporate Governance Report

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholders' right

Principle 15: Fair communication with shareholders

Principle 16: Shareholder participation at general meetings

The Company treats all shareholders fairly and equitably by recognising, protecting and facilitating the exercise of shareholders' rights and continually reviews and updates such governance arrangements. In addition, it is committed to regular, effective and fair communications with shareholders.

The Company strives to ensure that clear, useful and timely communication is made to the shareholders with regard to all material business matters affecting the Group so as to maintain a high level of transparency and does not practise selective disclosure. Where there are any investors' or analysts' briefings or meetings, material information will be excluded from such briefings or meetings, unless it has been publicly released either before or concurrently with such briefings or meetings. Communication is generally achieved through annual reports, press releases, SGXNET announcements, the Company's website: www.datapulse.com.sg and general meetings.

The Company does not have a fixed dividend policy and the Directors will declare dividends as and when they consider appropriate, taking into account, *inter alia*, profits available for distribution and capital requirements of the Company, including capital required for diversifying its core businesses.

Voting in absentia by mail, facsimile or email is currently not allowed as such voting methods would need to be cautiously evaluated for feasibility to ensure that there is no compromise to the integrity of the information and the authentication of the shareholders' identity.

During general meetings, separate resolutions for each distinct issue are tabled for shareholders' approval and detailed results showing the number of votes cast for and against each resolution, and the respective percentages, will be released via the SGXNET. The shareholders are also given ample time and opportunities to express their views and seek clarifications on the Group's affairs and a majority of the directors, including the Chairmen of the Board and the respective Board committees, together with the external auditors and relevant professionals, will be present to answer shareholders' questions. Outside general meetings, shareholders are also able to contact the Company officials through telephone and emails. Such contact details are provided in the Company's website.

The Company conducts poll voting for all resolutions tabled during general meetings. All shareholders are entitled to vote in accordance with established voting rules and procedures, which will be explained prior to the commencement of any voting.

Corporate Governance Report

SHAREHOLDER RIGHTS AND RESPONSIBILITIES (CONTINUED)

Shareholders have the opportunity to participate effectively in and vote at general meetings of shareholders. Under the multiple proxies regime introduced pursuant to the Companies ("Amendment") Act 2014, "relevant intermediaries" such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund ("CPF") Board, are allowed to appoint more than two proxies to attend, speak and vote at general meetings. This will enable indirect investors, including CPF investors, to be appointed as proxies to participate at shareholders' meetings.

SECURITIES TRANSACTIONS

The Company observes the best practices on dealings in securities recommended in the SGX Listing Manual. It has issued a policy to its directors, senior executives and certain employees who are involved in the preparation of the financial statements (collectively, the "Covered Persons"), setting out the implications of insider trading and guidance on dealings in the securities of the Company. The policy emphasises that the law on insider trading is applicable at all times. The Covered Persons are prohibited to deal in the securities of the Company during the period commencing two weeks before the announcement of the Group's financial results for each of the first three quarters of its financial year and one month before the announcement of the Group's full year financial results, and ending on the date of announcement of the relevant results. They are also discouraged from dealing in the Company's shares on short-term considerations.

The Company will continue to keep itself updated with any changes to the SGX Listing Manual and may amend its policy from time to time to fit the latest best practices.

INTERESTED PERSON TRANSACTIONS

During the financial year, there were no interested person transactions of more than $100,000 (as defined under the SGX Listing Manual) entered into by the Group.

MATERIAL CONTRACTS

During the financial year, there were no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, any director or controlling shareholder.

Directors' Statement

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 July 2018.

In our opinion:

(a) the financial statements set out on pages 37 to 103 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2018 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

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

Hee Theng Fong	(Resigned on 10 December 2017)
Ng Cheow Chye	(Resigned on 26 December 2017)
Si Yok Fong @ Chin Yok Fong	(Resigned on 11 December 2017)
Ng Cheow Leng	(Resigned on 11 December 2017)
Hilary Quah Lam Seng	(Resigned on 10 December 2017)
Guok Chin Huat Samuel	(Resigned on 10 December 2017)
Kee Swee Ann	(Appointed on 11 December 2017 and resigned on 2 February 2018)
Low Beng Tin	(Appointed on 11 December 2017)
Ng Der Sian	(Appointed on 11 December 2017)
Rainer Teo Jia Kai	(Appointed on 11 December 2017)
Wilson Teng Wai Leung	(Appointed on 19 March 2018 and resigned on 10 September 2018)
Aw Cheok Huat	(Appointed on 15 August 2018)
Loo Cheng Guan	(Appointed on 10 September 2018)
Sin Boon Ann	(Appointed on 10 September 2018)

Directors' Statement

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Act, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children less than 18 years of age) in shares, debentures, warrants or share options in the Company are as follows:

	Holdings in the name of the director			
	At beginning of the year/date of appointment	**At end of the year**	**At 21/8/2018**	**At 21/8/2017**
Name of director and corporation in which interests are held				
Low Beng Tin				
Datapulse Technology Limited				
– ordinary shares each fully paid	979,066	278,859	278,859	979,066

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, the date of appointment of the respective director (if later), or at the end of the financial year.

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

SHARE OPTIONS

There were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

AUDIT COMMITTEE

At the date of this statement, the Audit Committee ("AC") comprises four members, of whom the majority, including the Chairman, are independent non-executive directors and have recent and relevant accounting and/or related financial management expertise or experience. The members are as follows:

Ng Der Sian	Chairman, Independent Non-Executive Director
Low Beng Tin	Member, Independent Non-Executive Director
Rainer Teo Jia Kai	Member, Independent Non-Executive Director
Aw Cheok Huat	Member, Non-independent Non-Executive Director

Directors' Statement

AUDIT COMMITTEE (CONTINUED)

The AC performs the functions specified by Section 201B of the Singapore Companies Act, Chapter 50, the SGX Listing Manual and the Code, and assists the Board in the execution of its corporate governance responsibilities within its established terms of reference.

The AC has held 4 meetings during the last financial year. The AC also oversees the overall policy setting and administration of the Company's whistle blowing policy and procedures, which serves to provide the employees of the Company a formal channel to raise concerns in confidence about possible improprieties in matters of financial reporting and other matters directly to the AC. All concerns can be reported by email or by letter to the Company Secretary's office which will then be forwarded to the CEO or the AC. They will assess whether action or review is required.

In performing its functions, the AC meets periodically with the Company's external and internal auditors with the management to review accounting, auditing and financial reporting matters, as well as the Group's risk management and internal control systems covering financial, operational, compliance and information technology controls. In addition, the AC will meet with the Company's external and internal auditors without the presence of management at least once a year to discuss matters concerning the Group.

The duties of the AC, amongst others, include reviewing the following:

- internal and external auditors' audit plans and the scopes of examination;
- results of the audits and their effectiveness;
- independence and objectivity of the external auditors, taking into account the nature and extent of non-audit services performed by the external auditors;
- adequacy and effectiveness of the Group's risk management and internal control systems, including reporting to the Board at least annually the results of its review;
- making recommendation to the Board on proposals to shareholders on the terms of engagement, appointment, re-appointment, remuneration, and removal of external auditors;
- hiring, re-hiring, removal, evaluation and compensation of out-sourced internal auditors;
- periodic results announcements prior to their submission to the Board for approval;
- audited financial statements of the Group and the Company prior to their submission to the Board for approval;
- significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group;
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual); and
- all cases of whistle blowing, in particular, the adequacy and independence of investigation and resolution for those significant cases.

Directors' Statement

AUDIT COMMITTEE (CONTINUED)

The AC has full access to management and senior executives, and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or senior executive to attend its meetings.

The AC may also examine, within its terms of reference, any matters pertaining to the Group's affairs and monitor the Group's compliance with legal, regulatory and contractual obligations.

In addition to the activities undertaken to fulfil its responsibilities, the AC is kept abreast by the management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.

The AC has discussed the key audit matters with management and the external auditors. The AC concurs with the findings and conclusions included in the auditor's report with respect to the key audit matters. For more information on the key audit matters, please refer to pages 31 to 36.

For the financial year under review, the AC has conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC has also met with the external and internal auditors without the presence of management. The aggregate amount of audit fees paid and payable by the Group to the external auditors for financial year ended 31 July 2018 was $146,892, of which audit and non-audit fees amounted to $128,621 and $18,271, respectively. In appointing the audit firm, KPMG LLP, for the audit of financial year ended 31 July 2018, the AC is satisfied that the Company has complied with the requirements of Rules 712 and 715 of the SGX Listing Manual. AC meetings are held after the end of every financial quarter before the official announcement of results.

Having reviewed KPMG LLP's performance, the AC has recommended to the Board that KPMG LLP be nominated for re-appointment as auditors for the financial year 2019 at the forthcoming AGM of the Company.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Ng Der Sian
Director

Rainer Teo Jia Kai
Director

22 October 2018

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Datapulse Technology Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 July 2018, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 37 to 103.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 July 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *'Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Accounting for acquisition of subsidiary
(Refer to Notes 7 and 21 to the financial statements)

Risk

During the financial year, the Group acquired 100% equity interest in Wayco Manufacturing (M) Sdn Bhd for a total consideration of $3,433,760. Judgement is involved in determining whether an acquisition of a controlling interest is a business combination or an acquisition of an asset. In accounting for a business combination, there is further judgement and inherent uncertainty in the estimation used in allocating the overall purchase price to the assets, liabilities and goodwill that make up the acquisition.

Our response

We examined the legal and contractual documents to determine whether the acquisition is appropriately classified and accounted for in accordance with the relevant accounting standards and faithfully presents the nature of the transaction. For significant acquisition of controlling interest accounted for as a business combination during the year, we reviewed the terms and conditions of the sale and purchase agreement and the purchase price allocation exercise. We compared the methodologies and key assumptions used in determining the fair values allocated to the identified assets acquired and liabilities assumed to generally accepted market practices and market data.

Our findings

The judgment applied by the Group reflect a fair assessment in determining whether the acquisition is a business combinations. The methodologies and estimates used in determining the fair values allocated to the respective assets acquired and liabilities assumed in business combination were consistent with generally accepted market practices and were within an acceptable range respectively.

Valuation of goodwill and intangible assets
(Refer to Note 6 to the financial statements)

Risk

The Group recognised goodwill of $1,142,887 on its statement of financial position in connection with the acquisition of Wayco Manufacturing (M) Sdn Bhd during the financial year ended 31 July 2018.

Goodwill is tested for impairment annually by estimating the recoverable amount of each identifiable cash-generating unit (CGU) which goodwill has been allocated to. Management applies the value in use (discounted cash flow) method to determine the recoverable amount of each CGU.

The measurement of value in use as the recoverable amount of the identifiable CGU involves significant judgement and estimation in determining the cash flow forecasts, discount and terminal growth rates.

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Valuation of goodwill and intangible assets (Continued)
(Refer to Note 6 to the financial statements)

Our response

We evaluated management's determination of CGU based on our knowledge of the initial business acquisition giving rise to the goodwill and our understanding of the current business of the Group.

We assessed management's key assumptions underlying the cash flows by comparing them with historical performance, future business plans and external data, taking into consideration comparability and market factors. This included enquiry with management to understand their business plan, strategies around revenue growth and cost initiatives.

We independently derived applicable discount rates from available industry data and compared these with those used by management.

Our findings

The Group has a reasonable basis to determine the CGU for goodwill allocation purposes.

The assumptions and resulting estimations by management were in tandem with historical performance, future business plans and external economic data, and within range of reasonable expectations. The discount rates used in the cash flow forecasts appropriately reflect the risks attributed to the identified CGU.

Other information

Management is responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

MEMBERS OF THE COMPANY
DATAPULSE TECHNOLOGY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Kar Yee, Linda.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
22 October 2018

Statements of Financial Position

AS AT 31 JULY 2018

	Note	Group		Company	
		2018	2017	2018	2017
		$	$	$	$
Non-current assets					
Property, plant and equipment	4	**2,235,268**	2,731,667	**8,769**	2,731,667
Investment property	5	**334,800**	–	**–**	–
Intangible asset	6	**–**	–	**–**	–
Subsidiaries	7	**–**	–	**2,290,877**	4
Total non-current assets		**2,570,068**	2,731,667	**2,299,646**	2,731,671
Current assets					
Inventories	8	**483,627**	784,160	**–**	784,160
Trade and other receivables	9	**453,900**	1,322,155	**380,218**	1,322,155
Cash and bank balances	10	**81,183,945**	39,521,617	**81,162,432**	39,510,056
Assets held for sale	11	**380,184**	8,309,732	**380,184**	8,309,732
Total current assets		**82,501,656**	49,937,664	**81,922,834**	49,926,103
Total assets		**85,071,724**	52,669,331	**84,222,480**	52,657,774
Equity attributable to owners of the Company					
Share capital	12	**32,991,936**	32,991,936	**32,991,936**	32,991,936
Reserves	12	**48,172,707**	16,926,929	**48,108,267**	10,813,457
Total equity		**81,164,643**	49,918,865	**81,100,203**	43,805,393
Non-current liability					
Deferred tax liabilities	13	**238,615**	370,000	**44,000**	370,000
Current liabilities					
Trade and other payables	14	**1,994,230**	2,380,466	**1,548,277**	8,482,381
Current tax payable		**1,551,069**	–	**1,530,000**	–
Bank overdraft	15	**123,167**	–	**–**	–
Total current liabilities		**3,668,466**	2,380,466	**3,078,277**	8,482,381
Total liabilities		**3,907,081**	2,750,466	**3,122,277**	8,852,381
Total equity and liabilities		**85,071,724**	52,669,331	**84,222,480**	52,657,774

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit or Loss

YEAR ENDED 31 JULY 2018

	Note	Group	
		2018	2017
		$	$
			Restated
Continuing operations			
Revenue	17	**715,692**	–
Other income		**792,047**	447,534
		1,507,739	447,534
Changes in inventories and raw materials usage		**(431,128)**	–
Staff costs		**(1,043,197)**	(777,801)
Depreciation of property, plant and equipment		**(40,993)**	–
Impairment loss recognised on goodwill	6	**(1,142,887)**	–
Other operating expenses		**(1,705,392)**	(272,623)
Finance costs		**(5,138)**	–
Loss before tax and exceptional item	18	**(2,860,996)**	(602,890)
Exceptional item – Gain on sale of leasehold property		**44,553,548**	–
Profit/(Loss) before tax		**41,692,552**	(602,890)
Tax (expense)/credit	19	**(977,570)**	126,557
Loss from continuing operations		**40,714,982**	(476,333)
Discontinued operations			
(Loss)/Profit from discontinued operations (net of tax)	20	**(6,234,940)**	3,505,411
Profit for the year		**34,480,042**	3,029,078
Profit attributable to:			
Owners of the Company		**34,480,042**	3,029,078
Profit for the year		**34,480,042**	3,029,078
Earnings per share			
Basic and diluted earnings per share (cents)	22	**15.74**	1.38
Earnings per share – continuing operations			
Basic and diluted earnings per share (cents)	22	**18.59**	(0.22)
Earnings per share – discontinued operations			
Basic and diluted earnings per share (cents)	22	**(2.85)**	1.60

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

YEAR ENDED 31 JULY 2018

	Group	
	2018	2017
	$	$
Profit for the year	**34,480,042**	3,029,078
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Revaluation of property, plant and equipment	**21,176**	–
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences relating to financial statements of a foreign subsidiary	**29,626**	–
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	**–**	299,356
Foreign currency translation differences relating to financial statements of an associate reclassified to profit or loss, upon disposal	**–**	(20,317)
	29,626	279,039
Other comprehensive income for the year	**50,802**	279,039
Total comprehensive income for the year	**34,530,844**	3,308,117
Total comprehensive income attributable to:		
Owners of the Company	**34,530,844**	3,308,117
Total comprehensive income for the year	**34,530,844**	3,308,117

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 JULY 2018

Group	Note	Share capital $	Reserve for own shares $	Legal reserve $	Foreign currency translation reserve $	Retained earnings $	Total equity $
At 1 August 2016		32,991,936	(183,371)	17,148	(279,039)	14,714,075	47,260,749
Total comprehensive income for the year							
Profit for the year		–	–	–	–	3,029,078	3,029,078
Other comprehensive income							
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal		–	–	–	299,356	–	299,356
Foreign currency translation differences relating to financial statements of an associate reclassified to profit or loss, upon disposal		–	–	–	(20,317)	–	(20,317)
Total other comprehensive income		–	–	–	279,039	–	279,039
Total comprehensive income for the year		–	–	–	279,039	3,029,078	3,308,117
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Final one-tier tax exempt dividends paid of 0.30 cents per share for FY2016	12	–	–	–	–	(657,235)	(657,235)
Reserves relating to discontinued operations of a foreign subsidiary transferred to retained earnings, upon disposal		–	–	(17,148)	–	17,148	–
Return of unclaimed dividends		–	–	–	–	7,234	7,234
Total contributions by and distributions to owners		–	–	(17,148)	–	(632,853)	(650,001)
Total transactions with owners		–	–	(17,148)	–	(632,853)	(650,001)
At 31 July 2017		32,991,936	(183,371)	–	–	17,110,300	49,918,865

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 JULY 2018

Group	Note	Share capital $	Reserve for own shares $	Revaluation reserve $	Foreign currency translation reserve $	Retained earnings $	Total equity $
At 1 August 2017		32,991,936	(183,371)	–	–	17,110,300	49,918,865
Total comprehensive income for the year							
Profit for the year		–	–	–	–	34,480,042	34,480,042
Other comprehensive income							
Revaluation of property, plant and equipment		–	–	21,176	–	–	21,176
Foreign currency translation differences relating to financial statements of a foreign subsidiary		–	–	–	29,626	–	29,626
Total other comprehensive income		–	–	21,176	29,626	–	50,802
Total comprehensive income for the year		–	–	21,176	29,626	34,480,042	34,530,844
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Final one-tier tax exempt dividends paid of 0.50 cents per share for FY2017	12	–	–	–	–	(1,095,390)	(1,095,390)
Special one-tier tax exempt dividends paid of 1.0 cent per share	12	–	–	–	–	(2,190,748)	(2,190,748)
Own shares acquired		–	(14,835)	–	–	–	(14,835)
Own shares sold		–	11,266	–	–	4,641	15,907
Total contributions by and distributions to owners		–	(3,569)	–	–	(3,281,497)	(3,285,066)
Total transactions with owners		–	(3,569)	–	–	(3,281,497)	(3,285,066)
At 31 July 2018		32,991,936	(186,940)	21,176	29,626	48,308,845	81,164,643

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

YEAR ENDED 31 JULY 2018

	Note	Group 2018 $	Group 2017 $
Cash flows from operating activities			
Profit for the year		**34,480,042**	3,029,078
Adjustments for:			
Allowance for inventory obsolescence		**66,037**	–
Depreciation of property, plant and equipment	4	**794,442**	2,766,265
Finance costs		**5,138**	–
Bad debt recovered		**–**	(811)
Gain on sale of leasehold property		**(44,553,548)**	–
Gain on sale of plant and equipment		**(144,339)**	(13,523)
Impairment loss recognised on goodwill		**1,142,887**	–
Impairment loss recognised on property, plant and equipment		**1,501,194**	191,782
Tax expense/(credit)		**1,194,204**	(708,800)
Interest income		**(760,499)**	(415,621)
Gain on disposal of a foreign subsidiary		**–**	(5,634,035)
Gain on disposal of associate		**–**	(31,913)
Property, plant and equipment written-off		**39,245**	–
		(6,235,197)	(817,578)
Changes in working capital:			
Inventories		**735,746**	266,165
Trade and other receivables		**1,008,443**	38,793
Trade and other payables		**(684,991)**	(222,155)
Cash used in operations		**(5,175,999)**	(734,775)
Tax paid, net		**(17,493)**	(2,383)
Net cash used in operating activities		**(5,193,492)**	(737,158)
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	21	**(3,530,428)**	–
Deposit received for disposal of leasehold property		**5,152,050**	–
Deposit and stamp duty paid for purchase of leasehold property		**(1,359,600)**	–
Deposit and stamp duty refunded for purchase of leasehold property		**1,359,550**	–
Proceeds from disposal of discontinued operations, net of cash disposed of		**–**	5,507,813
Receipt of proceeds from sale of leasehold property, net of expenses		**47,513,285**	–
Repayment of shareholders' loan by associate		**–**	2,875,248
Proceeds from disposal of associate, net of transaction costs		**–**	25,695
Interest received		**632,286**	368,096
Proceeds from sale of property, plant and equipment		**200,450**	63,500
Purchase of property, plant and equipment		**(22,700)**	(15,730)
Net cash from investing activities		**49,944,893**	8,824,622

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

YEAR ENDED 31 JULY 2018

	Note	Group 2018 $	Group 2017 $
Cash flows from financing activities			
Dividends paid		**(3,286,138)**	(657,235)
Amounts due to related parties		**15,328**	–
Interest paid		**(5,138)**	–
Repurchase of own shares		**(14,835)**	–
Proceeds from own shares sold		**15,907**	–
Return of unclaimed dividends		**–**	7,234
Net cash used in financing activities		**(3,274,876)**	(650,001)
Net increase in cash and cash equivalents		**41,476,525**	7,437,463
Cash and cash equivalents at 1 August		**39,521,617**	32,079,881
Effect of exchange rate changes on balances held in foreign currency		**62,636**	4,273
Cash and cash equivalents at 31 July	10	**81,060,778**	39,521,617

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 22 October 2018.

1. DOMICILE AND ACTIVITIES

Datapulse Technology Limited (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is 150 Beach Road, #35-00 Gateway West, Singapore 189720.

The financial statements of the Company as at and for the year ended 31 July 2018 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities).

During the year, the Company discontinued its activities relating to manufacture and sale of media storage products, after which the Company's principal activity is investment holding. The principal activities of its subsidiaries are relating to investment holding and manufacturing and distribution of cosmetics and toiletries products.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs 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.

There are no information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Notes to the Financial Statements

2. BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

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

- note 4 – measurement of recoverable amount of property, plant and equipment;
- note 6 – measurement of recoverable amount of goodwill;
- note 21 – determination of fair value of identifiable assets and liabilities arising from purchase allocation exercise for investment in subsidiaries.

2.5 Changes in accounting policies

(i) Accounting for property, plant and equipment under the revaluation model

During the year, the Group acquired certain freehold properties through the acquisition of a subsidiary during the year. Subsequent to that, the freehold properties were carried at valuation, and any revaluation increase arising from the revaluation of the freehold properties is recognised in other comprehensive income and accumulated in revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged to profit or loss. A decrease in carrying amount arising on the revaluation of the freehold properties is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

This change in accounting policy was applied prospectively. The change in accounting policy did not result in any restatement of comparatives.

(ii) Accounting for investment property

On 1 August 2017, the Group changed its accounting policy with respect to the subsequent measurement of investment property from the cost model to the fair value model, with changes in fair value recognised in profit or loss. The Group believes that subsequent measurement using the fair value model provides more relevant information about the financial performance of these assets, assists users to better understand the risks associated with these assets and is consistent with industry practice in relation to these types of assets.

This change in accounting policy was applied retrospectively. The change in accounting policy in respect of investment property did not have any impact on the Group's financial statements for the current or prior period.

(iii) Revised standards

The Group has applied the following amendments for the first time for the annual period beginning on 1 August 2017:

- *Disclosure Initiative (Amendments to FRS 7);*
- *Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to FRS 12); and*
- *Clarification of the scope of FRS 112 (Improvements to FRSs 2016).*

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

2. BASIS OF PREPARATION (CONTINUED)

2.5 Changes in accounting policies (Continued)

(iii) Revised standards (Continued)

Other than the amendments to FRS 7, the adoption of these amendments did not have any impact on the current or prior period and is not likely to affect future periods.

Disclosure Initiative (Amendments to FRS 7)

From 1 August 2017, as a result of the amendments to FRS 7, the Group has provided additional disclosure in relation to the changes in liabilities arising from financing activities for the year ended 31 July 2018. Comparative information has not been presented (see note 14).

3. SIGNIFICANT ACCOUNTING POLICIES

The Group adopted new or revised financial reporting standards and interpretations which became effective during the year. The initial adoption of these standards and interpretations did not have a material impact on the financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 *Business Combination* as at the date of acquisition, which is the date on which control is transferred to the Group.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests (NCI) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and the liabilities assumed. Any goodwill that arises is tested annually for impairment.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(i) Business combinations (Continued)

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(v) Accounting for subsidiaries

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the loans and receivables category.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables (excluding prepayments) and cash and bank balances.

Cash and bank balances

Cash and bank balances comprise cash balances and bank deposits. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash balances and fixed deposits with maturity of up to three months, that are subject to insignificant risks of changes in their fair value, and are used by the Group in the management of its short term commitments.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(ii) Non-derivative financial liabilities

All financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or have expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise bank overdrafts and trade and other payables.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased and cancelled immediately, the amount of consideration paid, including directly attributable costs, is presented as a deduction from the retained earnings or capital at the option of the Company.

When share capital recognised as equity is repurchased and held as treasury shares, the amount of the consideration paid, including directly attributable costs, is presented as a deduction from equity. Where such shares are subsequently reissued or sold, the consideration received is recognised as a change in equity. No gain or loss is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost or valuation, less accumulated depreciation and accumulated impairment losses.

Any revaluation increase arising on the revaluation of freehold land and building is recognised in other comprehensive income and accumulated in revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged to profit or loss. A decrease in carrying amount arising on the revaluation of freehold land and building is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain and loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold properties comprise freehold land and buildings. Freehold land is not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Freehold building*	50 years
Leasehold building (“Leasehold property”)	50 years
Plant and equipment	3 to 10 years
Office equipment	3 to 10 years
Furniture and fittings	5 to 10 years
Motor vehicles	5 years
Renovation	5 to 8 years

* Freehold lands and buildings are collectively classified as “Freehold properties”.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.5 Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see note 3.1(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes materials, direct labour and an appropriate share of overheads based on normal operating capacity.

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

3.8 Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. The Group considers a decline of 20% to be significant and a period of 9 months to be prolonged.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(i) Non-derivative financial assets (Continued)

Loans and receivables

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that may have been incurred. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. **SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

3.8 **Impairment** (Continued)

(ii) Non-financial assets (Continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of units), and then to reduce the carrying amounts of the other assets in the CGU (group of units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Non-current assets held for sale or distribution

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on *pro rata* basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, and investment property, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Assets once classified as held for sale or distribution are not amortised or depreciated.

3.10 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees, and the obligation can be estimated reliably.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Revenue

(i) Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, excluding goods and services taxes and other taxes, and net of returns and trade discounts. Revenue is recognised when significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

The timing of the transfer of risks and rewards varies depending on the individual terms of the contract of sale.

(ii) Rental income

Rental income from investment property is recognised in profit or loss as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iii) Interest income

Interest income is recognised in profit or loss as other income as it accrues, using the effective interest method.

3.12 Government grants

Cash grants received from the government that compensate the Group for expenses incurred are recognised in profit or loss when the grants are received or become receivable.

3.13 Lease payments

Payments made under operating leases are recognised on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Leased assets under operating leases are not recognised in the Group's statements of financial position.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Finance costs

Finance costs comprise interest expense on financial liabilities. Finance costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.15 Key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and an executive officer of the Company are considered as key management personnel of the Group.

3.16 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 Tax (Continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.17 Exceptional item

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

3.18 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.19 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.20 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

3.21 Full convergence with International Financial Reporting Standards ("IFRS") and adoption of new standards

Applicable to 2018 financial statements

In December 2017, the Accounting Standards Council ("ASC") issued the Singapore Financial Reporting Standards (International) ("SFRS(I)"). SFRS(I) comprises standards and interpretations that are equivalent to IFRS as issued by the International Accounting Standards Board ("IASB") at 31 December 2017 that are applicable for annual period beginning on 1 August 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 August 2018.

The Group's financial statements for the financial year ending 31 July 2019 will be prepared in accordance with SFRS(I). As a result, this will be the last set of financial statements prepared under the current FRS.

In adopting the new framework, the Group will be required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International).*

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 Full convergence with International Financial Reporting Standards ("IFRS") and adoption of new standards (Continued)

Applicable to 2018 financial statements (Continued)

In addition to the adoption to the new framework, the Group will also concurrently apply the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date:

- SFRS(I) 15 *Revenue from Contracts with Customers* which includes clarifications to IFRS 15 *Revenue from Contracts with Customers* issued by the IASB in April 2016;

- SFRS(I) 9 *Financial Instruments* which includes amendments arising from IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;

- Requirements in SFRS(I) 2 *Share-based Payment* arising from the amendments to IFRS 2 – *Classification and Measurement of Share-based Payment Transactions* issued by the IASB in June 2016;

- Requirements in SFRS(I) 1-40 *Investment Property* arising from the amendments to IAS 40 *Transfers of Investment Property* issued by the IASB in December 2016;

- Requirements in SFRS(I) 1 arising from the amendments to IFRS 1 – *Deletion of Short-term Exemptions for First-time Adopters* issued by the IASB in December 2016;

- Requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an Associate or Joint Venture at Fair Value* issued by the IASB in December 2016; and

- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The Group does not expect the application of the above standards and interpretations to have a significant impact on the Group's financial statements.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 Full convergence with International Financial Reporting Standards ("IFRS") and adoption of new standards (Continued)

Applicable to 2018 financial statements (Continued)

SFRS(I) 1

When the Group adopts SFRS(I) in 2019, the Group will apply SFRS(I) 1 with 1 August 2017 as the date of transition for the Group and the Company. SFRS(I) 1 generally requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective in 2019, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application, but these are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. The Group does not expect the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 to have a significant impact on the financial statements.

SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group plans to adopt SFRS(I) 15 in its financial statements for the year ending 31 July 2019, using the retrospective approach. As a result, the Group will apply all of the requirements of SFRS(I) 15 retrospectively and the comparative period presented in the 2018 financial statements will be restated.

The Group has performed a preliminary impact assessment of adopting SFRS(I) 15 based on currently available information and the Group does not expect the adoption of SFRS(I) 15 to result in have any significant changes to the basis of revenue recognition or significant impact on the financial statements. This assessment may be subject to changes arising from ongoing analysis, until the Group adopts SFRS(I) 15 in 2019.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 Full convergence with International Financial Reporting Standards ("IFRS") and adoption of new standards (Continued)

Applicable to 2018 financial statements (Continued)

SFRS(I) 9

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

Changes in accounting policies resulting from the adoption of SFRS(I) 9 will generally be applied by the Group retrospectively, except as described below.

- The following assessments have to be made on the basis of facts and circumstances that existed at 1 August 2018.
  - The determination of the business model within which a financial asset is held.
  - The determination of whether the contractual terms of a financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  - The designation of an investment in equity instruments that is not held for trading as at fair value through other comprehensive income ("FVOCI").
  - The designation and revocation of previous designations of certain financial assets and financial liabilities measured at fair value through profit or loss ("FVTPL").

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 Full convergence with International Financial Reporting Standards (“IFRS”) and adoption of new standards (Continued)

Applicable to 2018 financial statements (Continued)

SFRS(I) 9 (Continued)

Impairment

SFRS(I) 9 replaces the current ‘incurred loss’ model with a forward-looking expected credit loss (“ECL”) model. The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and certain loan commitments and financial guarantee contracts.

Under SFRS(I) 9, loss allowances of the Group will be measured on either of the following bases:

- 12-month ECLs. These are ECLs that result from possible default events within the 12 months after the reporting date; or

- lifetime ECLs. These are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group plans to apply the simplified approach and record lifetime ECL on all trade receivables. On adoption of SFRS(I) 9, the Group does not expect a significant increase in impairment loss allowance.

The Group is currently finalising the testing of its expected credit loss model and the quantum of the final transition adjustments may be different upon finalisation.

Loans and receivables that are currently accounted for at amortised cost will continue to be accounted for using amortised cost model under SFRS(I) 9.

The Group has performed a preliminary impact assessment of adopting SFRS(I) 9 based on currently available information and the Group does not expect the adoption of SFRS(I) 9 to have any significant impact on the financial statements. This assessment may be subject to changes arising from ongoing analysis, until the Group adopts SFRS(I) 9 in 2019.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.21 Full convergence with International Financial Reporting Standards ("IFRS") and adoption of new standards (Continued)

Applicable to financial statements for the year 2020 and thereafter

The following new SFRS(I), amendments to and interpretations of SFRS(I) are effective for annual periods beginning after 1 August 2019:

Applicable to 2020 financial statements

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*

The Group is still in the process of assessing the impact of the new SFRS(I)s, amendments to and interpretations of SFRS(I)s on the financial statements. The Group's preliminary assessment of SFRS(I) 16, which is expected to have a more significant impact on the Group, is as described below.

SFRS(I) 16

SFRS(I) 16 replaces existing lease accounting guidance. SFRS(I) 16 is effective for annual periods beginning on or after 1 August 2019, with early adoption permitted if SFRS(I) 15 is also applied. SFRS(I) 16 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognise right-of-use ("ROU") assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The Group plans to adopt the standard when it becomes effective in 2020. The Group has performed a preliminary impact assessment of the adoption of SFRS(I) 16 on its existing operating lease arrangements as a lessee. The Group has non-cancellable operating lease agreements in which the Group is a lessee. The Group expects these operating leases to be recognised as ROU assets with corresponding lease liabilities under the new standard.

The Group plans to adopt the new standard on the required effective date by applying SFRS(I) 16 retrospectively using the modified retrospective approach as an adjustment to the opening balance of retained earnings as at 1 August 2019.

The Group is currently in the process of analysing the transitional approaches and practical expedients to be elected on transition to SFRS(I) 16 and assessing the possible impact of adoption.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

4. PROPERTY, PLANT AND EQUIPMENT

		At valuation	At cost						
Group	**Note**	**Freehold properties $**	**Leasehold property $**	**Plant and equipment $**	**Office equipment $**	**Furniture and fittings $**	**Motor vehicles $**	**Renovation $**	**Total $**
Valuation/Cost									
At 1 August 2016		–	14,744,225	36,696,165	1,180,491	2,669,078	1,043,218	1,272,391	57,605,568
Additions		–	–	13,800	1,930	–	–	–	15,730
Disposals/write-offs		–	–	(751,598)	–	–	(339,200)	–	(1,090,798)
Reclassification to assets held-for-sale	11	–	(14,744,225)	–	–	–	–	(1,272,391)	(16,016,616)
At 31 July 2017		–	–	35,958,367	1,182,421	2,669,078	704,018	–	40,513,884
Acquisition through business combinations	21	2,048,728	–	133,651	6,586	3,274	6,320	2,798	2,201,357
Additions		–	–	9,535	6,732	402	–	6,031	22,700
Revaluation		21,176	–	–	–	–	–	–	21,176
Disposals/write-offs		–	–	(22,986,010)	(1,010,802)	(2,669,430)	(704,018)	(6,031)	(27,376,291)
Elimination of accumulated depreciation on revaluation		(20,064)	–	–	–	–	–	–	(20,064)
Reclassification to assets held-for-sale	11	–	–	(8,013,121)	–	–	–	–	(8,013,121)
Effect of movement in exchange rates		27,527	–	10,806	475	1,085	603	130	40,626
At 31 July 2018		**2,077,367**	**–**	**5,113,228**	**185,412**	**4,409**	**6,923**	**2,928**	**7,390,267**

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Note	At valuation Freehold properties $	At cost Leasehold property $	Plant and equipment $	Office equipment $	Furniture and fittings $	Motor vehicles $	Renovation $	Total $
Accumulated depreciation and impairment loss									
At 1 August 2016		–	6,217,799	31,492,070	1,101,188	2,659,672	940,727	1,160,419	43,571,875
Depreciation charge for the year		–	294,885	2,391,568	30,158	4,358	11,515	33,781	2,766,265
Impairment loss		–	–	191,782	–	–	–	–	191,782
Disposals/write-offs		–	–	(751,598)	–	–	(289,223)	–	(1,040,821)
Reclassification to assets held-for-sale	11	–	(6,512,684)	–	–	–	–	(1,194,200)	(7,706,884)
At 31 July 2017		–	–	33,323,822	1,131,346	2,664,030	663,019	–	37,782,217
Depreciation charge for the year		20,064	–	749,896	16,214	1,958	5,929	381	794,442
Impairment loss		–	–	1,501,194	–	–	–	–	1,501,194
Disposals/write-offs		–	–	(22,966,493)	(980,956)	(2,665,663)	(667,817)	–	(27,280,929)
Elimination of accumulated depreciation on revaluation		(20,064)	–	–	–	–	–	–	(20,064)
Reclassification to assets held-for-sale	11	–	–	(7,632,937)	–	–	–	–	(7,632,937)
Effect of movement in exchange rates		–	–	9,032	393	1,041	517	93	11,076
At 31 July 2018		**–**	**–**	**4,984,514**	**166,997**	**1,366**	**1,648**	**474**	**5,154,999**
Carrying amounts									
At 1 August 2016		–	8,526,426	5,204,095	79,303	9,406	102,491	111,972	14,033,693
At 31 July 2017		–	–	2,634,545	51,075	5,048	40,999	–	2,731,667
At 31 July 2018		**2,077,367**	**–**	**128,714**	**18,415**	**3,043**	**5,275**	**2,454**	**2,235,268**

As at 31 July 2018, had the freehold properties been carried at historical cost, their carrying amount would have been $2,028,664 for the Group.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The carrying amounts of the freehold properties as at 31 July 2018 were based on independent valuations undertaken by an independent valuer, having appropriate professional qualifications and recent experience in the location and category of property being valued. Details on fair value hierarchy and valuation technique used are disclosed in note 24.

Company	Note	Leasehold property $	Plant and equipment $	Office equipment $	Furniture and fittings $	Motor vehicles $	Renovation $	Total $
Cost								
At 1 August 2016		14,744,225	36,696,165	1,180,491	2,669,078	1,043,218	1,272,391	57,605,568
Additions		–	13,800	1,930	–	–	–	15,730
Disposals/write-offs		–	(751,598)	–	–	(339,200)	–	(1,090,798)
Reclassification to assets held-for-sale	11	(14,744,225)	–	–	–	–	(1,272,391)	(16,016,616)
At 31 July 2017		–	35,958,367	1,182,421	2,669,078	704,018	–	40,513,884
Additions		–	–	1,260	–	–	6,031	7,291
Disposals/write-offs		–	(22,986,010)	(1,010,802)	(2,669,078)	(704,018)	(6,031)	(27,375,939)
Reclassification to assets held-for-sale	11	–	(8,013,121)	–	–	–	–	(8,013,121)
At 31 July 2018		**–**	**4,959,236**	**172,879**	**–**	**–**	**–**	**5,132,115**
Accumulated depreciation and impairment loss								
At 1 August 2016		6,217,799	31,492,070	1,101,188	2,659,672	940,727	1,160,419	43,571,875
Depreciation charge for the year		294,885	2,391,568	30,158	4,358	11,515	33,781	2,766,265
Impairment loss		–	191,782	–	–	–	–	191,782
Disposals/write-offs		–	(751,598)	–	–	(289,223)	–	(1,040,821)
Reclassification to assets held-for-sale	11	(6,512,684)	–	–	–	–	(1,194,200)	(7,706,884)
At 31 July 2017		–	33,323,822	1,131,346	2,664,030	663,019	–	37,782,217
Depreciation charge for the year		–	733,650	13,720	1,281	4,798	–	753,449
Impairment loss		–	1,501,194	–	–	–	–	1,501,194
Disposals/write-offs		–	(22,966,493)	(980,956)	(2,665,311)	(667,817)	–	(27,280,577)
Reclassification to assets held-for-sale	11	–	(7,632,937)	–	–	–	–	(7,632,937)
At 31 July 2018		**–**	**4,959,236**	**164,110**	**–**	**–**	**–**	**5,123,346**
Carrying amounts								
At 1 August 2016		8,526,426	5,204,095	79,303	9,406	102,491	111,972	14,033,693
At 31 July 2017		–	2,634,545	51,075	5,048	40,999	–	2,731,667
At 31 July 2018		**–**	**–**	**8,769**	**–**	**–**	**–**	**8,769**

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment loss

During the year, the Group and the Company ceased its operations pertaining to the manufacture and sale of media storage products (the "Media Storage Business"). Consequently, the Group and the Company recognised an impairment loss of $1,501,194 (2017: $191,782) in respect of its plant and equipment relating to its Blu-Ray mastering line CGU.

The recoverable amount of the CGUs is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering one to two years. The discount rate applied is the weighted average cost of capital of the Company and comparable companies.

The key assumptions used in the estimation of the recoverable amount are set out below.

	Discount rate	
	2018	**2017**
CGU	**%**	**%**
Blu-Ray disc	**7.3**[1]	7.3[2]
Digital Versatile disc	**–**	7.3[2]

1 Comprises mastering line
2 Comprises mastering line and replication line

Security

As at 31 July 2018, the Group's freehold properties with carrying amount of $2,077,367 are pledged as security for a subsidiary's bank overdraft facility (note 15).

5. INVESTMENT PROPERTY

	Note	Group	
		2018	**2017**
		$	**$**
Cost			
At 1 August		**–**	–
Acquisition through business combination	21	**330,440**	–
Translation differences on consolidation		**4,360**	–
At 31 July		**334,800**	–

Investment property comprises a freehold shop house in Malaysia that is leased to a third party for a period of 1 year. Details on fair value hierarchy and valuation technique used are disclosed in note 24.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

6. INTANGIBLE ASSET

	Note	Group Goodwill $
Cost		
At 1 August 2016 and 31 July 2017		–
Acquisition through business combination	21	1,142,887
At 31 July 2018		**1,142,887**
Impairment losses		
At 1 August 2016 and 31 July 2017		–
Impairment loss recognised		1,142,887
At 31 July 2018		**1,142,887**
Carrying amounts		
At 1 August 2016 and 31 July 2017		–
At 31 July 2018		**–**

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been wholly allocated to the Group's hair care and household chemical products CGU.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. An impairment loss amounting to $1,142,887 was fully allocated to goodwill.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	2018 %
Group	
Discount rate	**14.7**
Terminal value growth rate	**1.9**
Budget EBITDA growth rate (average of next five years)	**4.0**

6. INTANGIBLE ASSET (CONTINUED)

Impairment testing for CGUs containing goodwill (Continued)

The discount rate was based on the yield of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the lower of the nominal GDP rates for the countries in which the CGU operates and the long-term compound annual EBITDA growth rate estimated by management.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was based on estimated sales volume and price growth for the next five years, taking into consideration published statistical analysis of long-term market trends.

7. SUBSIDIARIES

	Company	
	2018	**2017**
	$	**$**
Equity investments at cost	**3,433,764**	4
Less: Impairment loss	**(1,142,887)**	–
	2,290,877	4

On 12 December 2017, the Group entered into a share purchase agreement (“SPA”) to acquire a 100% interest in Wayco Manufacturing (M) Sdn Bhd (“Wayco”). The acquisition of Wayco was completed on 15 December 2017, at a consideration of $3,433,760.

Pursuant to a supplemental agreement dated 15 December 2017 and entered into between the Company and the vendor of Wayco (“Vendor”), the Vendor gave an undertaking to the Company (“Buyback Undertaking”) whereby the Company shall have the right to require the Vendor to buy back 100% of Wayco at the same effective purchase consideration paid by the Company, within one year from the date of completion of the acquisition of Wayco, if the Company reasonably ascertains that there are any material adverse events or matters affecting or relating to the assets, liabilities and/or business of Wayco to such a material extent which, if it had been known to the Company as at the date of the SPA, would have reasonably affected the Company’s decision to enter into the SPA and to complete the acquisition of Wayco and/or the terms upon which it agrees to do so.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

7. SUBSIDIARIES (CONTINUED)

The movement in the impairment loss in respect of investment in subsidiaries during the year was as follows:

	Company	
	2018	2017
	$	$
At 1 August	–	–
Impairment losses recognised	1,142,887	–
At 31 July	1,142,887	–

The recoverable amount of the investment in subsidiaries was based on its value in use, determined by discounting the future cash flows to be generated by the subsidiaries. An impairment loss amounting to $1,142,887 was recognised in the profit or loss. For the key assumptions used in the estimation of the recoverable amount, refer to Note 6.

Details of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective equity interest held by the Group 2018 %	2017 %
Datapulse Investment Pte. Ltd.[1]	Singapore	100	100
Datapulse Pte. Ltd.[1]	Singapore	100	100
Wayco Manufacturing (M) Sdn Bhd[2]	Malaysia	100	–

[1] Audited by KPMG LLP Singapore

[2] Audited by other member firm of KPMG International

8. INVENTORIES

	Group		Company	
	2018	2017	2018	2017
	$	$	$	$
Raw materials	484,280	729,945	65,828	729,945
Work in progress	30,623	15,680	–	15,680
Finished goods	48,614	38,535	–	38,535
	563,517	784,160	65,828	784,160
Less: Allowance for inventory obsolescence	(79,890)	–	(65,828)	–
	483,627	784,160	–	784,160

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

8. INVENTORIES (CONTINUED)

Raw materials, work in progress and changes in finished goods recognised as cost of sales amounted to $3,430,520 (2017: $3,414,776).

The allowance for inventory obsolescence was recognised in 'other operating expenses'.

The movement in the allowance for inventory obsolescence during the year was as follows:

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
At 1 August	**–**	–	**–**	–
Acquired through business combination	**13,853**	–	**–**	–
Allowance made during the year	**66,037**	–	**65,828**	–
At 31 July	**79,890**	–	**65,828**	–

9. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Trade receivables	**27,879**	1,028,005	**707**	1,028,005
Amount due from a subsidiary (non-trade)	**–**	–	**2,360**	–
Deposits	**75,313**	1,370	**63,683**	1,370
Interest receivables	**211,670**	83,457	**211,670**	83,457
GST receivables	**67,641**	–	**36,789**	–
Other receivables	**6,298**	7,114	**4,625**	7,114
	388,801	1,119,946	**319,834**	1,119,946
Prepayments	**65,099**	202,209	**60,384**	202,209
	453,900	1,322,155	**380,218**	1,322,155

The non-trade amount due from a subsidiary is unsecured, interest-free and repayable on demand. There was no allowance for impairment losses arising from amount due from a subsidiary.

The Group and the Company's exposure to credit and currency risks related to trade and other receivables are disclosed in note 16.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

10. CASH AND BANK BALANCES

	Note	Group		Company	
		2018	2017	2018	2017
		$	$	$	$
Fixed deposits		**70,609,166**	33,624,772	**70,609,166**	33,624,772
Cash at bank and in hand		**10,574,779**	5,896,845	**10,553,266**	5,885,284
Cash and bank balances in the statements of financial position		**81,183,945**	39,521,617	**81,162,432**	39,510,056
Less: Bank overdraft	15	**(123,167)**	–		
Cash and cash equivalents in the statement of cash flows		**81,060,778**	39,521,617		

The weighted average effective interest rate per annum relating to fixed deposits for the Group and Company is 1.5% (2017: 1.2%). Interest rates reprice upon maturity or rollover of the fixed deposits, at intervals of one to three months.

11. ASSETS HELD FOR SALE

On 25 July 2018, the Company entered into a sale and purchase agreement to dispose of all its Blu-Ray replication line equipment, which were previously used for the Media Storage Business. The sale was completed on 6 August 2018. Accordingly, the Blu-Ray replication line equipment had been reclassified to assets held for sale as at 31 July 2018, and was stated at fair value less costs to sell.

Assets held for sale as at 31 July 2017 pertained to the Company's leasehold property and the renovations located at 15A Tai Seng Drive (the "Tai Seng Property"). On 26 July 2017, the Company granted an option to purchase to an independent third party purchaser for the sale of the Tai Seng Property at a consideration of $53,500,000. The sale of the Tai Seng Property was completed on 31 January 2018.

At 31 July, the assets held for sale comprised the following assets:

	Group and Company	
	2018	2017
	$	$
Property, plant and equipment	**380,184**	8,309,732

Measurement of fair values

The fair value less costs to sell for the Blu-Ray replication line equipment was estimated based on the actual sales consideration less the estimated selling costs to be incurred upon completion of the sale.

12. SHARE CAPITAL AND RESERVES

Share capital

	Number of shares	
	2018	**2017**
Company		
At 1 August and 31 July	**219,904,444**	219,904,444

All shares (excluding treasury shares) rank equally with regards to the Company's residual assets. All issued shares are fully paid, with no par value.

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Use of proceeds from private placement

On 11 June 2015, through a private placement exercise, the Company allotted and issued 65,000,000 new ordinary shares to Lian Beng Group Ltd at an issue price of $0.11235 per share. Total proceeds of $7,302,750 were raised, of which $57,596 was utilised for expenses incurred for the issue of the new ordinary shares. The net proceeds of $7,245,154 are intended to be used for property related businesses.

Reserves

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Foreign currency translation reserve	**29,626**	–	**–**	–
Reserve for own shares	**(186,940)**	(183,371)	**(186,940)**	(183,371)
Revaluation reserve	**21,176**	–	**–**	–
Retained earnings	**48,308,845**	17,110,300	**48,295,207**	10,996,828
	48,172,707	16,926,929	**48,108,267**	10,813,457

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of a foreign subsidiary whose functional currency is different from that of the Company.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

12. SHARE CAPITAL AND RESERVES (CONTINUED)

Reserves (Continued)

Reserve for own shares

The reserve for the Company's own shares comprises the cost of the Company's shares acquired and held by the Group. As at 31 July 2018, the Group held 829,600 (2017: 829,600) of the Company's shares.

Revaluation reserve

The revaluation reserve records the revaluation surplus arising from valuation of certain property, plant and equipment.

Dividends

The following dividends were declared and paid by the Group and Company:

For the year ended 31 July

	Group and Company	
	2018	**2017**
	$	**$**
Paid by the Company to owners of the Company		
Final one-tier tax exempt dividend of 0.50 cents (2017: 0.30 cents) per ordinary share	**1,095,390**	657,235
Special one-tier tax exempt dividend of 1.00 cent per ordinary share	**2,190,748**	–
	3,286,138	657,235

Subsequent to the reporting date, the following dividends were proposed by directors of the Company. These dividends have not been provided for as at the reporting date:

	Group and Company	
	2018	**2017**
	$	**$**
Final one-tier tax exempt dividend of 1.00 cent per ordinary share (2017: 0.50 cents)	**2,190,748**	1,095,374

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

13. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Group				
Property, plant and equipment	**–**	–	**(229,910)**	(628,000)
Investment property	**–**	–	**(8,370)**	–
Tax loss carry forward	**–**	258,000	**–**	–
Others	**–**	–	**(335)**	–
Deferred tax assets/(liabilities)	**–**	258,000	**(238,615)**	(628,000)
Offset of deferred tax assets and deferred tax liabilities	**–**	(258,000)	**–**	258,000
Net deferred tax liabilities	**–**	–	**(238,615)**	(370,000)
Company				
Property, plant and equipment	**–**	–	**(44,000)**	(628,000)
Tax loss carry forward	**–**	258,000	**–**	–
Deferred tax assets/(liabilities)	**–**	258,000	**(44,000)**	(628,000)
Offset of deferred tax assets and deferred tax liabilities	**–**	(258,000)	**–**	258,000
Net deferred tax liabilities	**–**	–	**(44,000)**	(370,000)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets relate to the same tax authority.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

13. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Movements in temporary differences during the year

	At 1 August 2016 $	Recognised in profit or loss $	At 31 July 2017 $
Group			
Property, plant and equipment	(1,078,800)	450,800	(628,000)
Tax loss carry forward	–	258,000	258,000
	(1,078,800)	708,800	(370,000)

	At 1 August 2017 $	Acquired in business combinations (Note 21) $	Recognised in profit or loss $	Exchange differences $	At 31 July 2018 $
Group					
Property, plant and equipment	(628,000)	(180,090)	580,646	(2,466)	**(229,910)**
Investment property	–	(8,261)	–	(109)	**(8,370)**
Tax loss carry forward	258,000	–	(258,000)	–	**–**
Others	–	(3,304)	3,019	(50)	**(335)**
	(370,000)	(191,655)	325,665	(2,625)	**(238,615)**

	At 1 August 2016 $	Recognised in profit or loss $	At 31 July 2017 $	Recognised in profit or loss $	At 31 July 2018 $
Company					
Property, plant and equipment	(1,078,800)	450,800	(628,000)	584,000	**(44,000)**
Tax loss carry forward	–	258,000	258,000	(258,000)	**–**
	(1,078,800)	708,800	(370,000)	326,000	**(44,000)**

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

14. TRADE AND OTHER PAYABLES

	Group		Company	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Trade payables	**131,088**	459,474	**–**	459,474
Accrued operating expenses	**1,427,748**	1,342,514	**1,389,529**	1,342,514
Amounts due to subsidiaries (non-trade)	**–**	–	**25,675**	6,101,915
Amount due to Way Company Pte Ltd[1] (non-trade)	**86,726**	–	**–**	–
Amount due to Way Trading (M) Sdn Bhd[2] (non-trade)	**198,311**	–	**–**	–
Deposit received	**125,215**	–	**122,202**	–
Option fees received	**–**	535,000	**–**	535,000
Other payables	**25,142**	43,478	**10,871**	43,478
	1,994,230	2,380,466	**1,548,277**	8,482,381

[1] Way Company Pte Ltd is the former shareholder of Wayco.

[2] Way Trading (M) Sdn Bhd is a former related corporation of Wayco.

The non-trade amounts due to subsidiaries, amount due to Way Company Pte Ltd, and amount due to Way Trading (M) Sdn Bhd are unsecured, interest-free and repayable on demand.

The Group and the Company's exposure to currency and liquidity risk related to trade and other payables are disclosed in note 16.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

14. TRADE AND OTHER PAYABLES (CONTINUED)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Amounts due to related parties* $	Bank overdraft $	Total $
At 1 August 2017	–	–	–
Acquired in business combinations	266,224	99,040	365,264
Changes from financing cash flows			
Change in amount due to Way Company Pte Ltd (non-trade)	12,230	–	12,230
Change in amount due to Way Trading (M) Sdn Bhd (non-trade)	7,120	–	7,120
Payment to a director of the subsidiary	(4,022)	–	(4,022)
Interest paid	–	5,138	5,138
Total changes from financing cash flows	15,328	5,138	20,466
The effect of changes in foreign exchange rates	3,485	1,266	4,751
Other changes			
Change in bank overdraft	–	17,723	17,723
Total other changes	–	17,723	17,723
At 31 July 2018	285,037	123,167	408,204

* *Amounts due to related parties include amount due to Way Company Pte Ltd, amount due to Way Trading (M) Sdn Bhd and amount due to a director of the subsidiary.*

15. BANK OVERDRAFT

The bank overdraft bears an interest of 7.85% per annum.

The bank overdraft is secured by way of the Group's freehold properties with a carrying amount of $2,077,367 (note 4) and is jointly and severally guaranteed by the subsidiary's directors.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital.

Risk management framework

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Risk management policy

Credit risk is the potential financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets in the statements of financial position represent the Group's and the Company's respective maximum exposure to credit risk. The Group and the Company do not hold any collateral in respect of their financial assets.

The Group has established credit limits for customers and monitors their balances. Cash and fixed deposits are placed with financial institutions which are regulated. Transactions involving derivative financial instruments are allowed only with counterparties that are of high quality.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Risk management policy (Continued)

The Group establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that may have been incurred.

The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts are considered irrecoverable and are written off against the financial asset directly.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	Group Carrying amount		Company Carrying amount	
		2018	2017	2018	2017
		$	$	$	$
Trade and other receivables*	9	**388,801**	1,119,946	**319,834**	1,119,946
Cash and bank balances	10	**81,183,945**	39,521,617	**81,162,432**	39,510,056
Recognised financial assets		**81,572,746**	40,641,563	**81,482,266**	40,630,002

* *Excluding prepayments*

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Impairment losses

The ageing of trade and other receivables* at the reporting date was:

	Gross 2018 $	Impairment 2018 $	Gross 2017 $	Impairment 2017 $
Group				
Not past due	**377,881**	**–**	802,539	–
Past due 1 – 30 days	**9,673**	**–**	308,214	–
Past due 31 – 60 days	**540**	**–**	5,989	–
Past due 61 – 90 days	**–**	**–**	3,204	–
Past due greater than 90 days	**707**	**–**	–	–
	388,801	**–**	1,119,946	–
Company				
Not past due	**319,127**	**–**	802,539	–
Past due 1 – 30 days	**–**	**–**	308,214	–
Past due 31 – 60 days	**–**	**–**	5,989	–
Past due 61 – 90 days	**–**	**–**	3,204	–
Past due greater than 90 days	**707**	**–**	–	–
	319,834	**–**	1,119,946	–

The Group and the Company believe that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historic payment behaviour and extensive analyses of customer credit risk, including underlying customers' credit ratings, when available.

Based on the Group's monitoring of customer credit risk, the Group believes that, apart from the above, no impairment allowance is necessary in respect of trade and other receivables* not past due or past due.

* *Excluding prepayments*

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Risk management policy

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk on an ongoing basis and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount $	Contractual cash flows $	12 months or less $	1 to 5 years $	More than 5 years $
Group					
31 July 2018					
Non-derivative financial liabilities					
Trade and other payables#	**1,869,015**	**(1,869,015)**	**(1,869,015)**	**–**	**–**
Bank overdraft	**123,167**	**(132,836)**	**(132,836)**	**–**	**–**
	1,992,182	**(2,001,851)**	**(2,001,851)**	**–**	**–**
31 July 2017					
Non-derivative financial liabilities					
Trade and other payables#	1,845,466	(1,845,466)	(1,845,466)	–	–

16. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk (Continued)

	Carrying amount $	Contractual cash flows $	12 months or less $	1 to 5 years $	More than 5 years $
Company					
31 July 2018					
Non-derivative financial liabilities					
Trade and other payables[#]	**1,426,075**	**(1,426,075)**	**(1,426,075)**	**–**	**–**
31 July 2017					
Non-derivative financial liabilities					
Trade and other payables[#]	7,947,381	(7,947,381)	(7,947,381)	–	–

[#] *Excluding deposit received and option fees received*

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Risk management policy

The Group is exposed to currency risk on sales, purchases and cash holdings that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies in which these transactions primarily are denominated are the United States dollar ("USD") and Australian dollar ("AUD").

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk (Continued)

Risk management policy (Continued)

There is no formal hedging policy with respect to foreign exchange exposures. Exposures to currency risk are monitored on an ongoing basis and the Group endeavours to keep the net exposures at an acceptable level, by buying or selling foreign currencies at forward rates when necessary to address short term imbalances.

Exposure to currency risk

The Group's exposure to foreign currency risk at the reporting date is as follows:

	2018		**2017**	
	USD	**SGD**	**USD**	**AUD**
	$	**$**	**$**	**$**
Group				
Trade and other receivables*	**707**	**–**	761,800	–
Cash and bank balances	**8,505,567**	**–**	4,315,459	137,384
Trade and other payables#	**(62,431)**	**(86,726)**	(277,578)	–
Net exposure	**8,443,843**	**(86,726)**	4,799,681	137,384

	2018		**2017**	
	USD	**AUD**	**USD**	**AUD**
	$	**$**	**$**	**$**
Company				
Trade and other receivables*	**707**	**–**	761,800	–
Cash and bank balances	**8,505,567**	**–**	4,315,459	137,384
Trade and other payables#	**(62,431)**	**–**	(277,578)	–
Net exposure	**8,443,843**	**–**	4,799,681	137,384

* *Excluding prepayments*

\# *Excluding deposit received and option fees received*

16. FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk (Continued)

Sensitivity analysis – foreign currency risk

A reasonably possible strengthening/(weakening) of the above currencies, as indicated below, against the Singapore dollar at 31 July would have increased/(decreased) profit before tax by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for 2017.

	2018 $	2017 $
Group		
USD (10% strengthening)	**844,384**	479,968
AUD (10% strengthening)	**–**	13,738
SGD (10% strengthening)	**(8,673)**	–
Company		
USD (10% strengthening)	**844,384**	479,968
AUD (10% strengthening)	**–**	13,738

A 10% weakening of above currencies against the Singapore dollar would have an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Risk management policy

The Group's exposure to changes in interest rates relates primarily to fixed deposits. Interest rate risk is managed by the Group on an ongoing basis with the primary objective of limiting the extent to which interest income/expense could be affected by an adverse movement in interest rates. The Group does not use derivative financial instruments to hedge its interest rate risk.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk (Continued)

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments at the reporting date is as follows:

	Group Carrying amount		Company Carrying amount	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Fixed rate instruments				
Fixed deposits	**70,609,166**	33,624,772	**70,609,166**	33,624,772
Bank overdraft	**(123,167)**	–	**–**	–
	70,485,999	33,624,772	**70,609,166**	33,624,772

Fair value sensitivity analysis for fixed rate instrument

The Group does not account for the fixed rate financial asset at fair value through profit or loss due to the short period to maturity. Therefore a change in interest rates at the reporting date would not affect profit or loss. Interest rates are repriced upon maturity/rollover of the fixed deposits, at intervals of one to three months.

Capital management

In managing the capital of the Group, the Board aims to maintain a capital structure which balances the need to maximise the rate of return on capital and at the same time safeguard the Group's ability to continue as a going concern in the long term, maintain investors, creditors and market confidence, and sustain future development of the business.

The Group defines capital as share capital and reserves.

The Group manages the level of capital in proportion to risk and future business development requirements while balancing the need to maximise the return on capital. The Group does not stipulate the desired level of capital. It monitors and manages its capital structure on an ongoing basis and makes adjustments to it in light of changes in economic conditions, risk characteristics of the underlying assets and performance of the Group.

16. FINANCIAL INSTRUMENTS (CONTINUED)

Capital management (Continued)

As part of the capital management process, the Group may adjust its level of dividends, issue new shares and/or return capital to shareholders, where appropriate. The Board takes into consideration the cash position and business and capital requirements of the Group when determining the level of dividends to pay shareholders. From time to time, the Company may also purchase its own shares from the market or off-market; the timing of these purchases depends on market conditions and prices.

There was no change to the Group's approach to capital management during the year.

The Company and its subsidiary are not subject to any externally imposed capital requirement.

Accounting classifications and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

	Note	Loans and receivables $	Other financial liabilities within scope of FRS 39 $	Total carrying amount $	Fair value $
Group					
31 July 2018					
Trade and other receivables*	9	**388,801**	**–**	**388,801**	**388,801**
Cash and bank balances	10	**81,183,945**	**–**	**81,183,945**	**81,183,945**
		81,572,746	**–**	**81,572,746**	**81,572,746**
Trade and other payables#	14	**–**	**1,869,015**	**1,869,015**	**1,869,015**
Bank overdraft		**–**	**123,167**	**123,167**	**123,167**
		–	**1,992,182**	**1,992,182**	**1,992,182**
31 July 2017					
Trade and other receivables*	9	1,119,946	–	1,119,946	1,119,946
Cash and bank balances	10	39,521,617	–	39,521,617	39,521,617
		40,641,563	–	40,641,563	40,641,563
Trade and other payables#	14	–	1,845,466	1,845,466	1,845,466

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

16. FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classifications and fair values (Continued)

Fair values versus carrying amounts (Continued)

	Note	Loans and receivables $	Other financial liabilities within scope of FRS 39 $	Total carrying amount $	Fair value $
Company					
31 July 2018					
Trade and other receivables*	9	**319,834**	**–**	**319,834**	**319,834**
Cash and bank balances	10	**81,162,432**	**–**	**81,162,432**	**81,162,432**
		81,482,266	**–**	**81,482,266**	**81,482,266**
Trade and other payables#	14	**–**	**1,426,075**	**1,426,075**	**1,426,075**
31 July 2017					
Trade and other receivables*	9	1,119,946	–	1,119,946	1,119,946
Cash and bank balances	10	39,510,056	–	39,510,056	39,510,056
		40,630,002	–	40,630,002	40,630,002
Trade and other payables#	14	–	7,947,381	7,947,381	7,947,381

* *Excluding prepayments*

\# *Excluding deposit received and option fees received*

17. REVENUE

Group	Continuing operations 2018 $	Continuing operations 2017 $	Discontinued operations (see note 20) 2018 $	Discontinued operations (see note 20) 2017 $	Total 2018 $	Total 2017 $
		Restated		**Restated**		
Sale of goods	**715,692**	–	**8,203,813**	12,678,345	**8,919,505**	12,678,345

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

18. PROFIT/(LOSS) BEFORE TAX

The following items have been included in arriving at profit/(loss) before tax:

Group	Continuing operations		Discontinued operations		Total	
	2018	2017	2018	2017	2018	2017
	$	$	$	$	$	$
		Restated		Restated		
Audit fees paid to:						
– auditors of the Company	**106,135**	80,000	**–**	–	**106,135**	80,000
– other auditors	**22,486**	–	**–**	–	**22,486**	–
Non-audit fees paid to:						
– auditors of the Company	**18,271**	18,000	**–**	–	**18,271**	18,000
– other auditors	**–**	13,090	**–**	–	**–**	13,090
Allowance for inventory obsolescence	**209**	–	**65,828**	–	**66,037**	–
Bad debt recovered	**–**	–	**–**	(811)	**–**	(811)
Contributions to defined contribution plans, included in staff costs	**40,902**	40,902	**233,773**	586,781	**274,675**	627,683
Depreciation of property, plant and equipment	**40,993**	–	**753,449**	2,766,265	**794,442**	2,766,265
Exchange loss/(gain)	**5,374**	(191,657)	**–**	–	**5,374**	(191,657)
Gain on sale of property, plant and equipment	**–**	–	**(144,339)**	(13,523)	**(144,339)**	(13,523)
Gain on disposal of a foreign subsidiary	**–**	–	**–**	(5,634,035)	**–**	(5,634,035)
Gain on disposal of associate	**–**	(31,913)	**–**	–	**–**	(31,913)
Government grants, included in staff costs	**–**	–	**(213,046)**	(255,345)	**(213,046)**	(255,345)
Impairment loss recognised on property, plant and equipment	**–**	–	**1,501,194**	191,782	**1,501,194**	191,782
Interest income from banks	**(760,499)**	(415,621)	**–**	–	**(760,499)**	(415,621)
Operating lease expense	**106,312**	–	**211,836**	389,205	**318,148**	389,205
Property, plant and equipment written-off	**–**	–	**39,245**	–	**39,245**	–

Exceptional item

Items that are material either because of their size or their nature, or that are non-recurring are considered exceptional items. During the year, an exceptional item arose on the gain on disposal of the Group's property at 15A Tai Seng Drive on 31 January 2018, amounting to $44,553,548.

Notes to the Financial Statements

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19. TAX EXPENSE/(CREDIT)

	Group	
	2018	**2017**
	$	**$**
Tax recognised in profit or loss		
Current tax expense		
Current year	**977,235**	(126,557)
Deferred tax expense		
Origination and reversal of temporary differences	**335**	–
Total tax expense/(credit)	**977,570**	(126,557)
Reconciliation of effective tax rate		
Profit/(loss) before tax	**41,692,552**	(602,890)
Tax using the Singapore tax rate at 17% (2017: 17%)	**7,087,734**	(102,491)
Effect of difference in tax rates	**(2,067)**	–
Income not subject to tax	**(6,474,181)**	(31,675)
Non-deductible expenses	**366,084**	7,609
	977,570	(126,557)

20. DISCONTINUED OPERATIONS

On 25 July 2018, the Company entered into a sale and purchase agreement to dispose of all Blu-Ray replication line equipment, which were previously used for the manufacture and sale of media storage products. With the disposal of the Blu-Ray replication line equipment, the Company ceased to be engaged in the Media Storage Business. Accordingly, the results from the Media Storage Business were been presented as discontinued operations, with comparatives re-presented so that the disclosures relate to all operations that have been discontinued by the end of the reporting date.

On 7 July 2016, the Group, through its wholly-owned subsidiary, Datapulse Pte. Ltd. (formerly known as Alchymie Investment Pte Ltd), entered into a share sale and purchase agreement with an independent third party, GSiMedia Corp Inc (the "Purchaser") to dispose 100% of its equity interest in One Global Inc ("OGI") to the Purchaser. The sale of OGI was completed on 19 August 2016.

Following the completion of sale of OGI, the foreign currency translation differences relating to financial statements of OGI amounting to $299,356 was reclassified to profit or loss. The legal reserve relating to OGI of $17,148 was transferred within equity to retained earnings, upon disposal.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

20. DISCONTINUED OPERATIONS (CONTINUED)

	Group 2018 $	Group 2017 $
Results of discontinued operations		
Revenue	**8,203,813**	12,678,345
Gain on disposal of a foreign subsidiary	**–**	5,634,035
Other income	**197,006**	67,537
Impairment loss on property, plant and equipment	**(1,501,194)**	(191,782)
Expenses	**(12,917,931)**	(15,264,967)
Results from operating activities	**(6,018,306)**	2,923,168
Tax (expense)/credit	**(216,634)**	582,243
(Loss)/profit from discontinued operations (net of tax)	**(6,234,940)**	3,505,411
Cash flow from discontinued operations		
Net cash from operating activities	**(4,142,908)**	313,266
Net cash from investing activities	**194,402**	5,555,583
Net cash flows (used in)/from discontinued operations during the year	**(3,948,506)**	5,868,849

Effect of disposal of OGI on the financial position of the Group

	2017 $
Investment property	(6,320,986)
Trade and other receivables	(451)
Cash and cash equivalents	(205,684)
Loans and borrowings	6,226,150
Trade and other payables	97,796
Current tax payable	16,963
Net assets and liabilities	(186,212)
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	299,356
Consideration received, satisfied in cash	6,141,780
Transaction costs incurred on disposal of subsidiary	(22,177)
Deposit received for sale of disposal group in the previous financial year	(406,106)
Cash and cash equivalents disposed of	(205,684)
Net cash inflow	5,507,813

Notes to the Financial Statements

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21. ACQUISITION OF SUBSIDIARY

On 15 December 2017, the Company acquired 100% of the shares and voting interests in Wayco, as part of business diversification.

For the period from date of acquisition to reporting date, Wayco contributed revenue of $715,692 and loss of $19,738 to the Group's results. If the acquisition had occurred on 1 August 2017, management estimates that consolidated revenue would have been $1,113,992 and consolidated profit for the year would have been $34,574,569. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 August 2017.

Consideration transferred

	2018 $
Total consideration transferred	**3,433,760**
Less: Cash and cash equivalents acquired	**(2,372)**
Add: Bank overdraft acquired	**99,040**
Consideration paid, net of cash and bank overdraft acquired	**3,530,428**

Acquisition-related costs

The Group incurred acquisition-related costs of $84,105 on stamp duty and due diligence costs. These costs were expensed to profit or loss as incurred.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	2018 $
Property, plant and equipment	**2,201,357**
Investment property	**330,440**
Inventories	**496,048**
Trade and other receivables	**51,033**
Cash and cash equivalents	**2,372**
Bank overdraft	**(99,040)**
Deferred tax liabilities	**(191,655)**
Current tax payable	**(48,380)**
Trade and other payables	**(451,302)**
Total identifiable net assets	**2,290,873**

21. ACQUISITION OF SUBSIDIARY (CONTINUED)

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets required	*Valuation technique*
Property, plant and equipment Investment property	*Market comparison technique and cost technique:* The freehold properties and the investment property were valued using the comparison approach, which entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for difference in location, size, age and condition of unit and building, tenure, title restrictions if any, and other relevant characteristics. Other items of property, plant and equipment were valued using depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Inventories	*Market comparison technique:* The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

Goodwill recognised

Goodwill arising from the acquisition has been recognised as follows:

	2018 **$**
Total consideration transferred	**3,433,760**
Fair value of identifiable net assets	**(2,290,873)**
Goodwill	**1,142,887**

Management has assessed that the goodwill is attributable mainly to the growth potential of the acquiree, after considering the historical financial performance and relative profits or margins allocation between the acquiree and the Vendor's group of companies and also the strategic position of the acquiree within the Vendor's group of companies, given the acquiree's ownership of the relevant plant and equipment that is used for the manufacturing of products sold or distributed by the Vendor's group of companies, and the Vendor's reliance on the acquiree as its primary supplier.

Notes to the Financial Statements

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22. EARNINGS PER SHARE

The calculation of basic and dilutive earnings per share at 31 July 2018 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

Profit attributable to ordinary shareholders

	Group		
	Continuing operations $	Discontinued operations $	Total $
2018			
(Loss)/Profit attributable to ordinary shareholders	**40,714,982**	**(6,234,940)**	**34,480,042**
2017			
(Loss)/Profit attributable to ordinary shareholders	(476,333)	3,505,411	3,029,078

Weighted average number of ordinary shares

	Group Number of shares	
	2018	2017
Issued shares at 1 August	**219,904,444**	219,904,444
Effect of own shares held	**(829,600)**	(829,600)
	219,074,844	219,074,844

23. OPERATING SEGMENTS

The Group has three reportable segments, namely Singapore, Malaysia and Taiwan, which are the Group's strategic business units operating in different geographical areas. These are managed separately because they require different operating and marketing strategies, given that they operate in and serve customers in different geographical areas. For each of these, the Group's CEO (the chief operating decision maker) reviews internal management reports on a monthly basis.

Information regarding the results, assets and liabilities of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of these segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The accounting policies of the reportable segments are the same as described in note 3.20.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

23. OPERATING SEGMENTS (CONTINUED)

Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Information regarding the Group's reportable segments is presented in the tables below.

Information about reportable segments

	Singapore		Malaysia		Total (Continuing operations)	
	2018	2017	2018	2017	2018	2017
	$	$	$	$	$	$
External revenue	–	–	715,692	–	715,692	–
Inter segment revenue	–	–	–	–	–	–
Total revenue for reporting segments	–	–	715,692	–	715,692	–
Interest income	760,499	415,621	–	–	760,499	415,621
Finance costs	–	–	(5,138)	–	(5,138)	–
Depreciation	–	–	(40,993)	–	(40,993)	–
Reportable segment profit/(loss) before tax	41,722,086	(602,890)	(29,534)	–	41,692,552	(602,890)
Tax (expense)/credit	(987,366)	126,557	9,796	–	(977,570)	126,557
Other material non-cash items:						
Segment assets	81,559,121	47,831,349	3,132,419	–	84,691,540	47,831,349
Capital expenditure	–	–	15,409	–	15,409	–
Segment liabilities	2,178,258	–	810,478	–	2,988,736	–

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

23. OPERATING SEGMENTS (CONTINUED)

Information about reportable segments (Continued)

	Singapore (Discontinued operations)		Taiwan (Discontinued operations)		Total (Discontinued operations)		Total	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
External revenue	**8,203,813**	12,678,345	**–**	–	**8,203,813**	12,678,345	**8,919,505**	12,678,345
Inter segment revenue	**–**	–	**–**	–	**–**	–	**–**	–
Total revenue for reporting segments	**8,203,813**	12,678,345	**–**	–	**8,203,813**	12,678,345	**8,919,505**	12,678,345
Interest income	**–**	–	**–**	–	**–**	–	**760,499**	415,621
Finance costs	**–**	–	**–**	–	**–**	–	**(5,138)**	–
Depreciation	**(753,449)**	(2,766,265)	**–**	–	**(753,449)**	(2,766,265)	**(786,499)**	(2,766,265)
Reportable segment (loss)/profit before tax	**(6,018,306)**	(2,710,867)	**–**	5,634,035	**(6,018,306)**	2,923,168	**35,674,246**	2,320,278
Tax (expense)/ credit	**(216,634)**	582,243	**–**	–	**(216,634)**	582,243	**(1,194,204)**	708,800
Other material non-cash items:								
Segment assets	**380,184**	4,837,982	**–**	–	**380,184**	4,837,982	**85,071,724**	52,669,331
Capital expenditure	**7,291**	15,730	**–**	–	**7,291**	15,730	**22,700**	15,730
Segment liabilities	**918,345**	2,750,466	**–**	–	**918,345**	2,750,466	**3,907,081**	2,750,466

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

23. OPERATING SEGMENTS (CONTINUED)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2018 $	2017 $
Revenue		
Total revenue for reporting segments	**8,919,505**	12,678,345
Elimination of discontinued operations	**(8,203,813)**	(12,678,345)
Consolidated revenue	**715,692**	–
Profit or loss		
Total profit or loss for reportable segments	**35,674,246**	2,320,278
Elimination of discontinued operations	**6,018,306**	(2,923,168)
Consolidated profit/(loss) before tax	**41,692,552**	(602,890)
Assets		
Total assets for reportable segments	**85,071,724**	52,669,331
Consolidated total assets	**85,071,724**	52,669,331
Liabilities		
Total liabilities for reportable segments	**3,907,081**	2,750,466
Consolidated total liabilities	**3,907,081**	2,750,466

There are no reconciling items in relation to other material items.

Products and services

The Singapore segment was in the business of media storage products and services, which had ceased its operations during the financial year. With the discontinuation of the media storage products and services business, the Singapore segment is currently involved in investment holding. The Malaysia segment is involved in the business of manufacturing and distribution of hair care, cosmetics and other household chemical products. The Taiwan segment was disposed of in the previous financial year.

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

23. OPERATING SEGMENTS (CONTINUED)

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of assets.

	2018 $	2017 $
Revenue		
Singapore	**5,033,040**	7,572,856
Other Asia Pacific	**3,028,592**	4,028,683
Others	**857,873**	1,076,806
Less: Discontinued operations	**(8,203,813)**	(12,678,345)
	715,692	–
Non-current assets*		
Singapore	**8,769**	2,731,667
Malaysia	**2,561,299**	–
	2,570,068	2,731,667

* *Non-current assets presented comprise property, plant and equipment and investment in associate*

Major customers

Revenue from three of the Group's major customers represents approximately 52% (2017: 58%) of the Group's total revenue.

24. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Freehold properties and investment property

The fair values of freehold properties carried at valuation and investment property were determined by an external, independent valuation company, having appropriate professional qualifications and recent experience in the location and category of property being valued.

24. DETERMINATION OF FAIR VALUES (CONTINUED)

Freehold properties and investment property (Continued)

The fair value measurement for the following assets has been categorised as a Level 2 fair value based on the inputs to the valuation technique used:

	2018 $
Freehold lands and buildings carried at valuation	**2,077,367**
Investment property	**334,800**
	2,412,167

Valuation technique

The freehold lands and buildings carried at valuation and the investment property were valued using the comparison approach, which entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for difference in location, size, age and condition of unit and building, tenure, title restrictions if any, and other relevant characteristics.

The key unobservable input used in the valuation is the sales price per square metres of $1,511 for the freehold lands and buildings and $8,264 for investment property derived from observable market data from an active and transparent market. The estimated fair value will increase when the sales price increases.

There were no transfers between Level 2 and Level 3 of the fair value hierarchy.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values.

	Freehold lands and buildings carried at valuation $	Investment property $	Total $
At 1 August	–	–	–
Acquisition through from business combination	2,048,728	330,440	2,379,168
Revaluation	21,176	–	21,176
Depreciation of property, plant and equipment	(20,064)	–	(20,064)
Effect of movement in exchange rates	27,527	4,360	31,887
At 31 July	2,077,367	334,800	2,412,167

Notes to the Financial Statements

YEAR ENDED 31 JULY 2018

24. DETERMINATION OF FAIR VALUES (CONTINUED)

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity.

25. CAPITAL COMMITMENTS

	Group and Company	
	2018	**2017**
	$	**$**
Authorised but not contracted for	–	13,000,000

26. RELATED PARTIES

Transactions with key management personnel

Other than disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties as follows:

	Group and Company	
	2018	**2017**
	$	**$**
Key management personnel		
Engineering services	–	(10,000)
Remuneration of key management personnel		
Short-term employee benefits	**882,733**	1,282,785
Post-employment benefits	**26,584**	37,014
	909,317	1,319,799

Notes to the Financial Statements

27. SUBSEQUENT EVENT

On 1 October 2018, the Company had entered into a non-binding letter of intent with a Korean company in relation to the proposed acquisition by the Company of a hotel located in Seoul, South Korea (the "Proposed Acquisition").

The Company had previously on 8 March 2013 obtained a mandate (the "Proposed Property Business Mandate") from shareholders of the Company to allow the Company to, *inter alia*, undertake property development activities including acquisition, development and/or sale of residential, commercial (retail and office), industrial and any other suitable types of properties (including mixed development properties) (the "Property Related Assets").

The Group will be engaged in the business of hotel investment if the Company enters into a definitive agreement in relation to the Proposed Acquisition, and going forward, the Group intends to focus on the acquisition or investment in hotels or hospitality assets, whether by way of majority or minority stakes, and whether on a standalone basis or in joint venture with selected capital partners.

In view of the foregoing, the Company intends to seek shareholders' approval at an extraordinary general meeting to be convened to expand the existing Proposed Property Business Mandate to, *inter alia*, specifically include hotels and hospitality assets as an asset class within the Property Related Assets for acquisition or investment in.

Shareholding Statistics

AS AT 9 OCTOBER 2018

Number of shares in issue (including treasury shares)	:	219,904,444
Number/Percentage of treasury shares held	:	829,600/0.379%#
Number/Percentage of subsidiary holdings held	:	0/0%
Number of shares in issue (excluding treasury shares)	:	219,074,844
Class of shares	:	Ordinary shares
Number of shareholders (excluding shares held in treasury)	:	8,675
Voting rights	:	On a poll: 1 vote for each share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

	Excluding Treasury Shares			
Range of Shareholdings	**No. of Shareholders**	**%**	**No. of Shares**	**%**
1 – 99	186	2.144	8,937	0.004
100 – 1,000	2,318	26.720	1,693,983	0.773
1,001 – 10,000	4,653	53.637	19,564,154	8.931
10,001 – 1,000,000	1,500	17.291	57,715,830	26.345
1,000,001 AND ABOVE	18	0.208	140,091,940	63.947
	8,675	100.000	219,074,844	100.000

Percentage is calculated based on 219,074,844 issued shares, excluding treasury shares.

Substantial Shareholders

	Direct Interest		Deemed Interest	
Name	**Number of Shares**	**Total %(1)**	**Number of Shares**	**Total %(1)**
Ng Siew Hong	41,631,705	19.003	–	–
Aw Cheok Huat	–	–	21,900,000	9.997
Uniseraya Holdings Pte Ltd(2)	33,733,333	15.398	–	15.398
Ng Khim Guan(3)	166,666	0.076	33,733,333	15.398
Kwek Li Chien(3)	–	–	33,733,333	15.398
Ng Han Meng(4)	1,261,332	0.576	33,733,333	15.398
Ng Bie Tjin @ Djuniarti Intan(3)	1,314,800	0.600	33,733,333	15.398

(1) Percentage is calculated based on 219,074,844 issued shares, excluding treasury shares.

(2) Uniseraya Holdings Pte Ltd's direct interest includes 10,000,000 Shares held in the name of nominee account.

(3) Mr. Ng Khim Guan, Ms. Kwek Li Chien and Ms. Ng Bie Tjin @ Djuniarti Intan's deemed interests arise from the 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

(4) Mr. Ng Han Meng's direct interest includes 1,177,999 Shares held in the names of nominee accounts, and his deemed interest arises from 33,733,333 Shares in which Uniseraya Holdings Pte Ltd has an interest.

Shareholding Statistics

AS AT 9 OCTOBER 2018

Major Shareholders List – Top 20

No.	Name	No. of Shares	%
1	NG SIEW HONG	41,631,705	19.003
2	UNISERAYA HOLDINGS PTE LTD	33,733,333	15.398
3	HSBC (SINGAPORE) NOMINEES PTE LTD	21,910,000	10.001
4	RAFFLES NOMINEES (PTE) LTD	6,252,651	2.854
5	PHILLIP SECURITIES PTE LTD	4,530,019	2.068
6	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	4,489,930	2.049
7	DBS NOMINEES PTE LTD	4,095,296	1.869
8	CITIBANK NOMINEES SINGAPORE PTE LTD	3,688,298	1.684
9	PEH KWEE YONG	2,953,333	1.348
10	UOB KAY HIAN PTE LTD	2,632,163	1.201
11	RHB SECURITIES SINGAPORE PTE LTD	2,367,765	1.081
12	MS VENTURE PTE LTD	2,284,400	1.043
13	UNITED OVERSEAS BANK NOMINEES PRIVATE LIMITED	2,204,034	1.006
14	LIM & TAN SECURITIES PTE LTD	2,011,666	0.918
15	OCBC NOMINEES SINGAPORE PTE LTD	1,773,348	0.809
16	EE XING CHEN DECLAN @ EE YAN JIN	1,350,000	0.616
17	NG HAN MENG	1,177,999	0.538
18	LEE LAY TING JANE	1,006,000	0.459
19	OCBC SECURITIES PRIVATE LTD	789,123	0.360
20	POH KHENG MUI (FU QINGMEI)	780,666	0.356
		141,661,729	64.661

Percentage is calculated based on 219,074,844 issued shares, excluding treasury shares.

Shareholdings in the hands of public

The percentage of shareholdings in the hands of the public is approximately 54%. Hence, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited which states that an issuer must ensure that at least 10% of its listed securities is at all times held by the public.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the thirty-eighth annual general meeting of Datapulse Technology Limited (the "**Company**") will be held at Metropolitan YMCA Singapore, The Vine Ballroom Level 2, 60 Stevens Road, Singapore 257854 on Friday, 16 November 2018 at 2:30 p.m. for the following purposes:

ORDINARY BUSINESS

1 To receive and adopt the directors' statement and audited financial statements for the year ended 31 July 2018 and the auditors' report thereon. **(Resolution 1)**

2 To declare a final one-tier tax exempt dividend of 1 cent per share for the year ended 31 July 2018. **(Resolution 2)**

3 To approve the payment of directors' fees of S$150,000 for the year ended 31 July 2018 (2017: S$150,000). **(Resolution 3)**

4 To re-elect the following directors who retire pursuant to Article 104 of the Company's Constitution and who, being eligible, offer themselves for re-election:

(A) Mr Aw Cheok Huat **(Resolution 4)**

Note: Mr Aw Cheok Huat will upon re-election as a director of the Company, remain as the chairman of the board of directors and a member of the audit, nominating and remuneration committees. Key information on Mr Aw is set out on page 8 of the annual report.

(B) Mr Sin Boon Ann **(Resolution 5)**

Note: Mr Sin will upon re-election as a director of the Company be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Limited ("**SGX-ST**"). Key information on Mr Sin is set out on page 10 of the annual report.

(C) Mr Loo Cheng Guan **(Resolution 6)**

Note: Mr Loo will upon re-election as a director of the Company be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Key information on Mr Loo is set out on page 10 of the annual report.

To note the retirement of Mr Low Beng Tin, Mr Ng Der Sian, and Mr Rainer Teo Jia Kai pursuant to Article 104 of the Company's Constitution. Mr Low, Mr Ng, and Mr Teo have indicated that they will not be standing for re-election at the forthcoming annual general meeting.

Mr Low will cease to be a director of the Company, the chairman of the remuneration committee and a member of the audit and nominating committees with effect from the close of the forthcoming annual general meeting.

Notice of Annual General Meeting

Mr Ng will cease to be a director of the Company, the chairman of the audit committee and a member of the nominating and remuneration committees with effect from the close of the forthcoming annual general meeting.

Mr Teo will cease to be a director of the Company, the chairman of the nominating committee and a member of the audit and remuneration committees with effect from the close of the forthcoming annual general meeting.

5 To re-appoint KPMG LLP as auditors of the Company and to authorise the directors to fix their remuneration. **(Resolution 7)**

Special Business

To consider and, if thought fit, to pass with or without any modifications, the following resolutions as ordinary resolutions:

6 That pursuant to Section 161 of the Companies Act, Cap. 50 (the "**Companies Act**") and Rule 806 of the Listing Manual of the SGX-ST, authority be and is hereby given to the directors of the Company (the "**Share Issue Mandate**") to:

(A) (I) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(II) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities or other Instruments convertible into Shares; and/or

(III) notwithstanding that such authority conferred by this resolution may have ceased to be in force at the time the Instruments are to be issued, issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues, at any time and upon such terms and conditions and for such purposes and to such persons as the directors of the Company may in their absolute discretion deem fit; and

(B) issue shares in pursuance of any Instrument made or granted by the directors of the Company pursuant to (A)(II) and/or (A)(III) above, notwithstanding the authority conferred by this resolution may have ceased to be in force at the time the Shares are to be issued,

Notice of Annual General Meeting

provided that:

(I) the aggregate number of shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (II) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (II) below);

(II) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (I) above, the percentage of total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the time of the passing of this resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting as at the time of the passing of this resolution, provided the options or awards were granted in compliance with the provisions of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(III) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company as amended from time to time; and

(IV) the authority conferred on the directors of the Company pursuant to this resolution may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(a) the date on which the next annual general meeting of the Company is held or required by law to be held;

(b) in the case of shares issued in pursuance of the Instruments, made or granted pursuant to this resolution, until the issuance of such shares in accordance with the terms of the Instruments; or

Notice of Annual General Meeting

(c) the date on which the authority conferred in this resolution is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting.

[see Explanatory Note 1] **(Resolution 8)**

7 That:

(A) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares ("**Shares**") in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(I) on-market purchases (each a "**Market Purchase**") transacted through the SGX-ST trading system or on another stock exchange on which the Company's equity securities are listed; and/or

(II) off-market purchases (each an "**Off-Market Purchase**") in accordance with an equal access scheme as defined in Section 76C of the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(B) the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(I) the conclusion of the next annual general meeting of the Company or the date on which such annual general meeting of the Company is required by law to be held;

(II) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or

(III) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting;

Notice of Annual General Meeting

(C) in this resolution:

"**Prescribed Limit**" means ten percent (10%) of the issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company as at the date of the passing of this resolution; and "**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(I) in the case of a Market Purchase: 105% of the Average Closing Price; and

(II) in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price,

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days (being days on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(D) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.

[see Explanatory Note 2] **(Resolution 9)**

AND to transact any other business which may be properly transacted at an annual general meeting.

By Order of the Board

Lee Kam Seng
Company Secretary

Singapore
31 October 2018

Notice of Annual General Meeting

Explanatory Notes

1 Resolution 8 proposed in item 6 above, if passed, will empower the directors of the Company to, from the date of the above annual general meeting until the next annual general meeting or the date by which the next annual general meeting is required by law to be held, or when revoked by the Company in general meeting, or the expiration of such other period as may be prescribed by the Companies Act, Chapter 50, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest, allot and issue Shares, to make or grant Instruments, and to issue Shares in pursuance of such Instruments for such purposes as they consider in the interests of the Company. The aggregate number of Shares that the Directors may allot and issue under this Resolution (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of Shares to be issued other than on a pro rata basis shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution), to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for: (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time the proposed Resolution 10 is passed; and (c) any subsequent bonus issue, consolidation or subdivision of Shares.

2 Resolution 9 proposed in item 7 above, if passed, will empower the Company to purchase or otherwise acquire issued Shares by way of Market Purchases or Off-Market Purchases, in accordance with the terms and conditions set out in the Appendix to this notice of annual general meeting.

Please refer to the Appendix to this notice of annual general meeting of the Company for additional information in relation to the proposed renewal of the Share Purchase Mandate.

Notes

(i) (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

(ii) A proxy need not be a member of the Company.

(iii) The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar Office, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the holding of the meeting.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the annual general meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the annual general meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the annual general meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Notice of Book Closure and Dividend Payment Dates

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 27 November 2018 for the purpose of determining the members' entitlements to the final one-tier tax exempt dividend of 1.00 cent per share for the year ended 31 July 2018.

Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01, Singapore 068902 up to 5.00 p.m. on 26 November 2018 will be registered before members' entitlements to the dividends are determined.

Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 26 November 2018 will be entitled to the dividend.

Payment of the dividend, if approved by members at the Company's thirty-eighth annual general meeting, will be made on 5 December 2018.

By Order of the Board

Lee Kam Seng
Company Secretary

Singapore
31 October 2018

DATAPULSE TECHNOLOGY LIMITED
(Incorporated In The Republic Of Singapore)
Company Registration No. 198002677D

PROXY FORM
THIRTY-EIGHTH ANNUAL GENERAL MEETING

IMPORTANT
1 Relevant intermediaries as defined in Section 181 of the Companies Act, Cap. 50 may appoint more than two proxies to attend, speak and vote at the annual general meeting.
2 For CPF/SRS investors who have used their CPF/SRS monies to buy Datapulse Technology Limited shares, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3 By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the notice of annual general meeting dated 31 October 2018.

I/We ________________________________ (Name) NRIC/Passport/Co. Reg. No. ______________

of ____ (Address)

being a member/members of **Datapulse Technology Limited** ("**Company**") hereby appoint

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the thirty-eighth annual general meeting of the Company ("**Meeting**") as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Meeting to be held at Metropolitan YMCA Singapore, The Vine Ballroom Level 2, 60 Stevens Road, Singapore 257854 on Friday, 16 November 2018 at 2.30 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the annual general meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they may on any other matter arising at the Meeting and at any adjournment thereof.

(Voting will be conducted by poll. If you wish to vote all your shares "For" or "Against" the relevant resolution, please indicate with an "X" or a "√" in the relevant box provided below. Alternatively, if you wish to vote some of your shares "For" and some of your shares "Against" the relevant resolution, please insert the relevant number of shares in the relevant boxes provided below.)

No.	**Resolutions**	**No. of Votes "For"**	**No. of Votes "Against"**
Ordinary Business			
1	To receive and adopt the directors' statement and audited financial statements		
2	To declare a final one-tier tax exempt dividend		
3	To approve the payment of directors' fees		
4	To re-elect Mr Aw Cheok Huat as director		
5	To re-elect Mr Sin Boon Ann as director		
6	To re-elect Mr Loo Cheng Guan as director		
7	To re-appoint KPMG LLP as auditors and to authorise the directors to fix their remuneration		
Special Business			
8	To authorise the directors to allot and issue shares		
9	To approve the proposed renewal of share purchase mandate		

Dated this ______ day of ______________ 2018

Total Number of Ordinary Shares Held

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares entered against his name in the Depository Register and registered in his name in the Register of Members. If the number of shares is not inserted, this form of proxy will be deemed to relate to all the shares held by the member.

2. (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.

3. A proxy need not be a member of the Company.

4. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar Office, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the holding of the meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

8. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting.

9. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.

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Corporate Information

BOARD OF DIRECTORS

Aw Cheok Huat, Chairman of the Board and Non-Independent Non-Executive Director
Loo Cheng Guan, Independent Non-Executive Director
Low Beng Tin, Independent Non-Executive Director
Rainer Teo Jia Kai, Independent Non-Executive Director
Sin Boon Ann, Independent Non-Executive Director
Ng Der Sian, Independent Non-Executive Director

AUDIT COMMITTEE

Ng Der Sian, Chairman
Aw Cheok Huat, Member
Low Beng Tin, Member
Rainer Teo Jia Kai, Member

NOMINATING COMMITTEE

Rainer Teo Jia Kai, Chairman
Aw Cheok Huat, Member
Low Beng Tin, Member
Ng Der Sian, Member

REMUNERATION COMMITTEE

Low Beng Tin, Chairman
Aw Cheok Huat, Member
Rainer Teo Jia Kai, Member
Ng Der Sian, Member

COMPANY SECRETARY

Lee Kam Seng
Lee Pih Peng

REGISTERED OFFICE

150 Beach Road
The Gateway West Level 35
Singapore 189720
Tel: (65) 6382 7989
E-mail: dtpulse@datapulse.com.sg
Website: www.datapulse.com.sg

SHARE REGISTRAR

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

AUDITORS

KPMG LLP
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Engagement partner: Tan Kar Yee Linda
(Appointed since FY2015)

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited

DATAPULSE
TECHNOLOGY

DATAPULSE TECHNOLOGY LIMITED

Registration no. 198002677D
150 Beach Road
The Gateway West Level 35
Singapore 189720
tel +65 6382 7989
email dtpulse@datapulse.com.sg
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