Company Registration No. 198002677D

Datapulse Technology Limited

Half Year Financial Statements and Dividend Announcement

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Profit or Loss **GROUP**	**Half Year Ended 31.01.21** **$'000**	**Half Year Ended 31.01.20** **$'000**	**Change** **%**
Revenue	336	2,370	(85.8)
Other income	176	339	(48.1)
	512	2,709	(81.1)
Staff costs	(698)	(1,013)	(31.1)
Depreciation	(586)	(319)	83.7
Finance costs	(446)	(468)	(4.7)
Hotel operating costs	(108)	(915)	(88.2)
Other operating expenses	(804)	(1,098)	(26.8)
Total operating expenses	(2,642)	(3,813)	(30.7)
Loss before tax	**(2,130)**	(1,104)	92.9
Tax (expense)/credit	(11)	336	NM
Loss for the period attributable to owners of the Company	**(2,141)**	(768)	NM

NM: Not meaningful.

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Consolidated Statement of Comprehensive income GROUP	Half Year Ended 31.01.21 $'000	Half Year Ended 31.01.20 $'000	Change %
Loss for the period	**(2,141)**	**(768)**	NM
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to financial statements of a foreign subsidiary	888	(353)	NM
Other comprehensive income for the period	**888**	**(353)**	NM
Total comprehensive income for the period attributable to owners of the Company	**(1,253)**	**(1,121)**	11.8

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	Half Year Ended		
Notes	**31.01.21**	**31.01.20**	**Change**
	$'000	**$'000**	**%**
Revenue:			
Hotel operation revenue	95	1,653	(94.3)
Gain on disposal of investments	63	99	(36.4)
Dividend income from investments	69	94	(26.6)
Interest income on bond investments	9	85	(89.4)
Asset management fees	100	439	(77.2)
	336	2,370	(85.8)
Other income:			
Interest income	59	391	(84.9)
Government grant	131	-	NM
Sundry income	18	-	NM
Fair value loss on investments	(32)	(52)	(38.5)
	176	339	(48.1)
Depreciation of property, plant and equipment	(586)	(319)	83.7
Finance costs	(446)	(468)	(4.7)
Other operating expenses include the following items:			
Exchange gain	9	3	NM
Operating lease expense	-	(4)	NM

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	GROUP			COMPANY		
	31.01.21	31.07.20	Change	31.01.21	31.07.20	Change
Non-current assets	$'000	$'000	%	$'000	$'000	%
Property, plant and equipment	46,938	44,228	6.1	43	45	(4.4)
Right-of-use assets	205	307	(33.2)	205	307	(33.2)
Long term investments	4,696	4,695	-	-	-	-
Long term deposit	1,186	1,150	3.1	-	-	-
Long term receivables	5,413	5,167	4.8	-	-	-
Deferred tax assets	348	348	-	348	348	-
Subsidiaries	-	-	-	13,012	13,012	-
	58,786	**55,895**		**13,608**	**13,712**	
Current assets						
Inventories	1	-	NM	-	-	-
Trade and other receivables	648	545	18.9	27,372	23,902	14.5
Short-term investments [(1)]	4,521	4,805	(5.9)	4,521	4,805	(5.9)
Cash and bank balances	28,398	33,886	(16.2)	26,198	32,052	(18.3)
	33,568	**39,236**		**58,091**	**60,759**	
Total assets	**92,354**	**95,131**		**71,699**	**74,471**	
Equity attributable to owners of the Company						
Share capital	32,992	32,992	-	32,992	32,992	-
Reserves	36,048	37,301	(3.4)	37,193	37,664	(1.3)
Total equity	**69,040**	**70,293**		**70,185**	**70,656**	
Non-current liabilities						
Borrowings	21,284	20,628	3.2	-	-	-
Lease liabilities	61	107	(43.0)	61	107	(43.0)
	21,345	**20,735**		**61**	**107**	
Current liabilities						
Borrowings	-	1,700	NM	-	1,700	NM
Trade and other payables	820	1,214	(32.5)	311	819	(62.0)
Current tax payable	996	985	1.1	989	985	0.4
Lease liabilities	153	204	(25.0)	153	204	(25.0)
	1,969	**4,103**		**1,453**	**3,708**	
Total liabilities	**23,314**	**24,838**		**1,514**	**3,815**	
Total equity and liabilities	**92,354**	**95,131**		**71,699**	**74,471**	

(1) Short-term investments comprised quoted equity investments held for trading purposes and were carried at fair value.

(b)(ii) Aggregate amount of the group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31.01.21		As at 31.07.20	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
-	-	-	1,700

Amount repayable after one year

As at 31.01.21		As at 31.07.20	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
21,284	-	20,628	-

Details of any collateral

Secured borrowings relate to a term loan of a subsidiary which is secured by a fixed charge over certain freehold land and building of the subsidiary and a corporate guarantee from the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Half Year Ended 31.01.21	Half Year Ended 31.01.20
Operating activities	**$'000**	**$'000**
Loss for the period	(2,141)	(768)
Adjustments for:		
Depreciation	586	319
Fair value loss on investments	32	52
Finance costs	446	468
Tax expense/(credit)	11	(336)
Interest income	(59)	(391)
	(1,125)	(656)
Changes in working capital:		
Inventories	(1)	3
Trade and other receivables	(247)	338
Short term investments	252	1,670
Trade and other payables	(394)	9
Cash (used in)/generated from operations	(1,515)	1,364
Tax (paid)/received, net	-	334
Net cash (used in)/generated from operating activities	(1,515)	1,698
Investing activities		
Interest received	59	391
Purchase of property, plant and equipment	(1,789)	(2,253)
Net cash used in investing activities	(1,730)	(1,862)
Financing activities		
Dividends paid	-	(1,095)
Repayment of borrowing	(1,700)	(680)
Repayment of lease liabilities	(97)	(91)
Interest paid	(446)	(468)
Net cash used in financing activities	(2,243)	(2,334)

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows (cont'd)

GROUP	Half Year Ended 31.01.21 $'000	Half Year Ended 31.01.20 $'000
Net decrease in cash and cash equivalents	(5,488)	(2,498)
Cash and cash equivalents at beginning of period	33,886	38,363
Cash and cash equivalents at end of period in the statement of financial position	28,398	35,865

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity

GROUP	Share capital $'000	Treasury shares $'000	Fair value adjustment reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total equity $'000
At 1 August 2019	**32,992**	**(187)**	**-**	**(1,274)**	**46,318**	**77,849**
Loss for the period	-	-	-	-	(768)	(768)
Other comprehensive income						
Foreign currency translation differences relating to financial statements of foreign subsidiaries	-	-	-	(353)	-	(353)
Total comprehensive income for the period	-	-	-	(353)	(768)	(1,121)
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Final 1-tier tax-exempt dividend paid of 0.5 cent per share for FY2019	-	-	-	-	(1,095)	(1,095)
Total transactions with owners	-	-	-	-	(1,095)	(1,095)
At 31 January 2020	**32,992**	**(187)**	**-**	**(1,627)**	**44,455**	**75,633**

GROUP	Share capital $'000	Treasury shares $'000	Fair value adjustment reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total equity $'000
At 1 August 2020	**32,992**	**(187)**	**(560)**	**(1,423)**	**39,471**	**70,293**
Loss for the period	-	-	-	-	(2,141)	(2,141)
Other comprehensive income						
Foreign currency translation differences relating to financial statements of foreign subsidiaries	-	-	-	888	-	888
At 31 January 2021	**32,992**	**(187)**	**(560)**	**(535)**	**37,330**	**69,040**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Statement of Changes in Equity

COMPANY	Share capital $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
At 1 August 2019	**32,992**	**(187)**	**46,544**	**79,349**
Loss for the period	-	-	(478)	(478)
Total comprehensive income for the period	**-**	**-**	**(478)**	**(478)**
Contributions by and distributions to owners				
Final 1-tier tax-exempt dividend paid of 0.5 cent per share for FY2019	-	-	(1,095)	(1,095)
Total transactions with owners	**-**	**-**	**(1,095)**	**(1,095)**
At 31 January 2020	**32,992**	**(187)**	**44,971**	**77,776**

COMPANY	Share capital $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
At 1 August 2020	**32,992**	**(187)**	**37,851**	**70,656**
Loss for the period	-	-	(471)	(471)
Total comprehensive income for the period	**-**	**-**	**(471)**	**(471)**
At 31 January 2021	**32,992**	**(187)**	**37,380**	**70,185**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

For the half year ended 31 January 2021, there was no change to the share capital of the Company.

As at 31 January 2021, the Company held 829,600 treasury shares (31 January 2020: 829,600).

The Company did not have any outstanding share options and convertibles at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

1(d)(iii) Total number of issued shares excluding treasury shares (a) as at the end of the current financial period and (b) as at the end of the immediately preceding year.

	COMPANY	
	As at 31.01.21	As at 31.07.20
Number of issued ordinary shares, excluding treasury shares, at the end of the period	219,074,844	219,074,844

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company’s auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 July 2020.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Except for the adoption of the new and revised SFRS(I) and interpretation of SFRS(I) applicable for the financial year beginning on or after 1 August 2020, the same accounting policies and methods of computation have been applied.

The adoption of the new and revised SFRS(I) and interpretation of SFRS(I) has no material impact on the financial performance or position of the Group and the Company for the half year ended 31 January 2021.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	Half Year Ended	
	31.01.2021	31.01.2020
Loss attributable to owners of the Company ($'000)	(2,141)	(768)
Weighted average no. of shares used in computation of basic earning per shares (in million)	219.07	219.07
Earnings per share (cents)		
(a) Based on the weighted average number of shares in issue	(0.98)	(0.35)
(b) On a fully diluted basis	(0.98)	(0.35)

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 31.01.21	As at 31.07.20	As at 31.01.21	As at 31.07.20
Net Asset Value per ordinary share based on issued share capital at the end of the financial period	31.51 cents	32.09 cents	32.04 cents	32.25 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Financial performance for half year ended 31 January 2021 ("1HFY2021")

The Group's revenue decreased from $2.4 million for the half year ended 31 January 2020 ("1HFY2020") to $0.3 million in 1HFY2021. Hotel operation revenue for 1HFY2021 dropped significantly as Travelodge Myeongdong City Hall ("TLMC") was closed since 15 May 2020 due to the COVID-19 pandemic and ongoing renovation works. Renovation works was completed in September 2020 but TLMC remained closed as the Korean government raised its social-distancing rules in the Seoul metropolitan area amid a COVID-19 resurgence. However, in November 2020, as an interim measure, TLMC accepted bookings for residential style long term stays. A small amount of revenue of approximately $0.1 million was recorded for the period. Going forward, the hotel expects this stream of revenue to increase for the second half year ending 31 July 2021. The decrease in asset management fees is partly due to the lower revenue generated by the underlying hotel assets as a result of COVID-19 and there being no new acquisitions of hotel assets for the period.

The decrease in other income from $0.3 million to approximately $0.2 million for 1HFY2021 was mainly due to the decrease in interest income on fixed deposits as a result of lower bank interest rates, partially offset by income received from government grants.

Staff costs decreased from $1.0 million in 1HFY2020 to $0.7 million in 1HFY2021 mainly due to the reduction in head counts.

Depreciation for 1HFY2021 mainly consists of the depreciation charge for TLMC amounting to $0.5 million and depreciation charge on right-of-use assets amounting to $0.1 million.

The finance costs for 1HFY2021 were attributed to the term loan facility obtained for the acquisition of TLMC.

The decrease in hotel operating costs from $0.9 million in 1HFY2020 to $0.1 million in 1HFY2021 was mainly due to the temporary closure of TLMC during the period.

The decrease in other operating expenses of $0.3 million in 1HFY2021 was mainly due to the reduction in professional and legal fees incurred during the period.

Tax expense for 1HFY2021 relates to a subsidiary which provides asset management services. Tax credit for 1HFY2020 relates to the favourable outcome of a submission to the Inland Revenue Authority of Singapore in the taxation treatment of past years' claims of capital allowances and deferred tax income arising from unutilised tax losses.

As a result of the above, the Group registered a loss of $2.1 million in 1HFY2021 as compared to a loss of $0.8 million in 1HFY2020.

Financial Position and Cash flow

The increase in property, plant and equipment as at 31 January 2021 was mainly due to capitalisation of renovation costs and foreign exchange movement during the period, in respect of the Company's acquisition of TLMC.

Right-of-use assets of $0.2 million as at 31 January 2021 mainly relates to the Group's office lease.

Long term investments as at 31 January 2021 of $4.7 million relates to a 15% minority interest in a hotel in Seoul and a 5% minority interest in a hotel in Singapore.

Long term deposit of $1.2 million as at 31 January 2021 mainly relates to deposit pledged to the bank for the term loan facility.

Long term receivables of $5.4 million as at 31 January 2021 mainly relate to loans to investee companies in which the Group has minority interests in.

Deferred tax assets of $0.3 million as at 31 January 2021 remains unchanged.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Financial Position and Cash flow (continued)

The trade and other receivables of $0.6 million as at 31 January 2021 mainly consists of refundable GST/VAT and trade-related deposits & prepayments.

Short-term investments of $4.5 million as at 31 January 2021 relates to quoted investments that are held for trading and carried at fair value through profit or loss.

Non-current borrowings relate to the term loan for the acquisition of TLMC. The amount increased from $20.6 million to $21.3 million due to the strengthening of the Korean Won as at 31 January 2021.

Lease liabilities (current & non-current) of $0.2 million relates to the accounting for the right-of-use assets of the Group.

Current borrowings decreased from $1.7 million to $ nil as at 31 January 2021 due to the repayment of the short-term borrowing during the period.

Trade and other payables decreased from $1.2 million to $0.8 million due to the payment of accrued expenses during the period.

Net cash used in operating activities of $1.5 million for 1HFY2021 was mainly due to cash operating losses of $1.2 million and cash used for changes in working capital of $0.3 million.

Net cash used in investing activities of $1.7 million for 1HFY2021 was mainly due to additions to property, plant and equipment.

Net cash used in financing activities of $2.2 million for 1HFY2021 was mainly due to (i) repayment of short-term borrowings of $1.7 million, (ii) interest payments of $0.4 million and (iii) payment of lease obligations of $0.1 million during the period.

As a result of the above, the Group's cash and bank balances decreased from $33.9 million as at 31 July 2020 to $28.4 million as at 31 January 2021.

Use of proceeds raised from private placement

The net placement proceeds from the issuance of shares to Lian Beng Group Ltd in FY2015 of $7.3 million are intended to be used for property related businesses, of which $4.9 million was utilized for capital expenditure incurred for TLMC.

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

Not applicable.

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

The Group's hotel operations in Seoul, South Korea continue to be affected by the high volume of COVID-19 cases reported in the country due to the third wave of outbreaks since the start of October 2020. In order to contain the spread of the virus, the government had raised the social distancing level to 2.5, the second highest level, as well as implementing a ban on private gatherings of five or more people. As at the date of this announcement, the social distancing level for the greater Seoul area is currently at level 2 whereby restaurants, cafes, indoor sports facilities and karaoke bars can open up till 2200hrs, while the ban on private gatherings of five or more people remains in place.

As travel restrictions around the world is expected to remain in place, international travel will likely not resume to pre-COVID-19 levels in the current year. Much depends on the efficacy of vaccines and developments on the international stage to control the pandemic and the return to normalcy of international travel. South Korea targets to begin COVID-19 vaccinations for the general public in the third quarter of this year and It will take time for the vaccination program in South Korea and other countries worldwide to roll out fully and successfully. The Group do however expect domestic travel to recover to a greater extent over the course of the year, depending on whether the government is able to contain the spread of the virus. The Group will therefore continue to focus its efforts in securing long stay guests in the short term to derive revenue notwithstanding the considerably lower rates from such business so as to reduce loss in the next reporting period.

The Group will also continue to put in place cost saving measures, including closing of rooms and facilities, shortened work hours or reduced headcounts, and tapping on government subsidies related to payroll and business operations, to mitigate the impact of COVID-19.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared or recommended for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared or recommended for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended in view of the fact that the Company is in a loss making position for the current period.

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

The details of interested person transactions for period ended 31 January 2021 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions for period ended 31 January 2021 (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) $'000	Aggregate value of all hospitality-related transactions for period ended 31 January 2021 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) * $'000
Travelodge Hotels (Asia) Pte. Ltd. - Provision of hotel management, technical, project management and other services to a subsidiary of the Company	Nil	125

* Shareholders' mandate was renewed and approved at the Annual General Meeting held on 27 November 2020.

14. Negative confirmation pursuant to Rule 705(5).

The directors confirm that, to the best of their knowledge, nothing has come to their attention which may render these interim financial statements to be false or misleading in any material aspect.

15. Confirmation pursuant to Rule 720(1).

We confirm that the Company has procured undertakings to comply with the Listing Manual of the Singapore Exchange Securities Trading Limited from all its Directors and executive officers.

16. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A.

During 1HFY2021, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary or associated company or increasing its shareholding percentage in any subsidiary. Additionally, the Company did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

BY ORDER OF THE BOARD

Lee Changwei, Eugene
Financial Controller

14 March 2021