DIGILIFE TECHNOLOGIES LIMITED

Company Registration No.: 199304568R
(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERIES

The board of directors ("**Board**") of Digilife Technologies Limited (the "**Company**", and together with its subsidiaries, the "**Group**") sets out its response to the queries raised by the Singapore Exchange Regulation (the "**SGX**") on 12 May 2023 in relation to the Company's announcements on 11 May 2023, as follows:

1. SGX's Query 1:

We refer to the Company's announcements on 11 May 2023:

Change - Announcement of Appointment: Appointment of Independent Non-Executive Director - Mr. Rajesh Pahwa

It was disclosed that.

Mr. Rajesh Pahwa was disqualified from acting as a director of any company for 5 years w.e.f. 07 November 2016 pursuant to Section 155A of the Companies Act 1967 i.e. where he was a director of certain companies which were struck off by the Accounting and Corporate Regulatory Authority (ACRA) within a 5-year period.

Mr. Rajesh Pahwa has no prior experience as a director of an issuer listed on the Exchange.

a. Please provide the background and circumstances leading to Mr. Rajesh Pahwa's disqualification by ACRA pursuant to Section 155A of the Companies Act 1967. In addition, what were the reasons for ACRA striking off the abovementioned companies.

Company's Response:

Mr Rajesh Pahwa ("**Mr Rajesh**") is regulated by ACRA and has held a Registered Filing Agent Licence for more than 10 years.

Section 155A was introduced in 2016 which states that if the Registrar is of the view that a company is not carrying on business or is not in operation, the Registrar may strike off the company (section 344 Companies Act). Where a director has had 3 or more of his companies struck off by ACRA within 5 years, Section 155A of the Companies Act automatically disqualifies the individual for a period of 5 years from the date the most recent company was struck off.

As the Company understood, Mr Rajesh was the director of 3 dormant companies, which were struck off of by ACRA as they were not in operation. Due to an administrative oversight on seeking dispensation from the Section 155A coming into force that same year, the aforesaid disqualification happened automatically.

The Company notes that the disqualification has since lapsed, and the Company is of the view

that the past disqualification does not prejudice Mr Rajesh's ability to contribute to the Board as an Independent Director.

b. Please elaborate on the Nominating Committee's considerations and assessment, on Mr. Rajesh Pahwa's suitability to be appointed as the independent director of the Company.

Company's Response:

Mr Rajesh has experience of more than 30 years in corporate finance, corporate governance, corporate restructuring, auditing, business process reengineering, business strategy and management. Mr Rajesh possess the relevant skills and experience, which will strengthen the Board of Digilife.

Mr. Rajesh is a qualified chartered accountant and holds an MBA degree from Nanyang Business School, Nanyang Technology University, Singapore.

He is serving as an advisor to companies listed in India and Bangladesh. He possesses extensive experience as a director in multiple companies in Singapore and based on the qualifications, independence, suitability, prior working experience and capability of Mr. Rajesh and the fact that the disqualification as referred to in response above has already lapsed, the Nominating Committee ("**NC**") is satisfied that he possesses the requisite experience and capabilities to assume the duties and responsibilities of an Independent & Non-Executive Director of the Company.

c. Please elaborate on the Sponsor's considerations and assessment, on Mr. Rajesh Pahwa's suitability to be appointed as the independent director of the Company.

Sponsor's Response:

The Sponsor took into consideration the NC's assessment. Separately, the Sponsor has conducted its own background checks to assess Mr Rajesh's suitability.

The Sponsor considered, inter alia, the following:

1. The circumstances leading to the disqualification of Mr Rajesh as detailed in the Company's response to query no.1 above and that such disqualification has since lapsed;

2. Save for the above, the Sponsor did not note any negative adverse findings;

3. Mr. Rajesh's disclosures and declarations relating to the qualifications and experience as also detailed in the Company's response to query no.1.b. including his current full-time role where he through his company advises Small and Medium Enterprise in Singapore in areas of, inter alia, capital markets, finance and restructuring; and

4. As Mr. Rajesh has not been a director of a Company listed in Singapore, the Sponsor also recommended to the NC/Company to ensure Mr. Rajesh attends the relevant training courses to familiarise himself with the roles and responsibilities as Director of a public listed company in Singapore. Mr. Rajesh committed to attend such training courses as soon as possible.

In view of the above, the Sponsor did not note anything adverse which would affect Mr Rajesh's suitability to be appointed as the independent director of the Company.

SGX's Question 2:

The Board comprises 2 IDs (Mr Rajesh Pahwa and Mr Sudip Bandyopadhyay). Mr Sudip Bandyopadhyay was appointed in August 2022 and did not have prior experience as director of Singapore listed companies. Similarly, Mr. Pahwa does not have prior experience as director of Singapore listed companies. In addition, there were 5 cessations of board and key management in the past 12 months.

a. Please provide the NC's consideration and assessment on the efficacy of the Board as a whole, as well as the Board and IDs' familiarity with local rules, laws and regulations.

Company's Response:

As announced by the company in its latest Annual Report the company is evaluating new age construction material technologies in large real estate markets like India and accordingly the new independent director appointment is expected to bring fresh perspectives to the Board as they have diverse background and experience, which is also recommended by the code of corporate governance.

The Company assesses the performance of its Board annually by gathering feedback from directors through a confidential questionnaire. The purpose of the questionnaire is to evaluate the Board's effectiveness based on factors such as their skills, time management, experience, and judgement. Currently the Board consists of 4 directors including the lead independent director.

The latest assessment was disclosed in the Company's corporate governance report released by the Company in its Annual Report dated 13 April 2023. It was disclosed that NC was satisfied that the Board, its individual directors and its respective board committees in FY2022 and that the Board was working effectively and contributing to its overall effectiveness as a whole. As Mr. Rajesh has only been appointed on 11 May 2023 and that the Company is still in the midst of appointing another independent director, the Board has yet to carry out its formal assessment on the efficacy of the Board for FY2023.

Notwithstanding, the independent directors of the Company are highly qualified and have extensive and diverse experience of working in Singapore and other countries including listed companies. The lead independent director, Mr Sudip, sits on the board of large listed companies in India including as audit committee Chairman. Separately, Mr. Rajesh has experience advising companies based on Singapore in the areas of, inter alia, capital markets, finance and restructuring. Additionally, the Company's directors participate in various training programs conducted by SGX and other bodies to keep themselves up-to-date and improve their knowledge, ultimately contributing to the effectiveness of the Board. Based on the aforementioned, the Board and NC are satisfied that the Directors are familiar with the local rules, laws and regulations. In addition, and also as disclosed in their respective appointment announcements, they will also attend relevant training courses to further familiarize themselves with the local rules, laws and regulations. The Company will also arrange relevant training courses for its Board through its professional service providers once the Company has appointed another independent director (which the Company is still in the process of identifying a suitable candidate).

The Company would like to clarify that there were 4 cessations on the board and key management in the past 12 months.

b. Please provide the Sponsor's consideration and assessment of the efficacy of the Board as a whole, as well as the Board and IDs' familiarity with local rules, laws and regulations.

Sponsor's Response:

The Sponsor has taken into consideration, inter alia, the level of independent element of the Board, the broad range of expertise and experience possessed by the current Board members as detailed above and the current business and future business plans of the Group. The Sponsor noted that such diverse skills, experience, and attributes of the current Board members should facilitate decision making in the Group's operations.

Further, the executive directors of the Company have been with the Company for several years and have demonstrated their familiarity with the local rules, laws and regulations. With regard to the independent directors, the Sponsor has considered their background and work experience as detailed in their respective appointment announcements and also as elaborated above. Furthermore, they will be attending the relevant SID training courses as well as additional training courses to be organized by the Company to further enhance their familiarity with the local rules, laws and regulations. The Company also takes guidance from their professional service providers in areas, inter alia, such as legal, accounting and compliance where required and accordingly, the Sponsor is assured of the Board and the ID's capability and familiarity with the local rules, laws and regulations.

SGX's Question 3:

How was Mr. Rajesh Pahwa and Mr Sudip Bandyopadhyay introduced to the Company?

Company's Response:

Mr. Rajesh Pahwa and Mr Sudip Bandyopadhyay were introduced to the Company through referrals from mutual acquaintances of these two individuals and the Management.

BY ORDER OF THE BOARD

Chada Anitha Reddy
Executive Director
Digilife Technologies Limited

15 May 2023

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

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