

**DISA LIMITED**

(Registration No. 197501110N)

Condensed interim financial statements  
For the six months ended 31 December 2021

## DISA LIMITED

(Company Registration No. 197501110N)

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This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**DISA LIMITED***(Company Registration No. 197501110N)***Condensed interim consolidated statement of comprehensive income**

	Note	Group		Increase/ (Decrease) %
		1H FY2022 31 Dec 2021 \$'000	1H FY2021 31 Dec 2020 \$'000	
<b>Revenue</b>	4	12,963	6,079	N.M.
<b>Other income</b>				
- Interest		3	8	(62.5)
- Others		107	333	(67.9)
Total revenue		<u>13,073</u>	<u>6,420</u>	N.M.
<b>Expenses</b>				
Cost of inventories		(12,320)	(5,475)	N.M.
Subcontractor expenses		(22)	(10)	N.M.
Depreciation expenses		(160)	(257)	(37.7)
Staff costs		(1,177)	(1,785)	(34.1)
Legal and professional expenses		(110)	(124)	(11.3)
Write-off of property, plant and equipment		-	(205)	N.M.
Other expenses		(296)	(452)	(34.5)
Finance costs		(17)	(24)	(29.2)
Total expenses		<u>(14,102)</u>	<u>(8,332)</u>	69.3
Loss before tax	7	(1,029)	(1,912)	(46.2)
Tax expense		-	-	-
<b>Loss for the financial period</b>		<u>(1,029)</u>	<u>(1,912)</u>	(46.2)
<b>Other comprehensive loss:</b>				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		3	(3)	N.M.
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		-	(2)	N.M.
<b>Other comprehensive loss for the financial period, net of tax</b>		<u>3</u>	<u>(5)</u>	N.M.
<b>Total comprehensive loss for the financial period</b>		<u>(1,026)</u>	<u>(1,917)</u>	(46.5)
<b>Loss attributable to:</b>				
Equity holders of the Company		(1,025)	(1,912)	(46.4)
Non-controlling interests		(4)	-	N.M.
<b>Loss for the financial period</b>		<u>(1,029)</u>	<u>(1,912)</u>	(46.2)
<b>Total comprehensive loss attributable to:</b>				
Equity holders of the Company		(1,022)	(1,915)	(46.6)
Non-controlling interests		(4)	(2)	N.M.
<b>Total comprehensive loss for the financial period</b>		<u>(1,026)</u>	<u>(1,917)</u>	(46.5)
<b>Loss per share for the period attributable to equity holders of the Company</b>				
(Cent per share)				
Basic and diluted		<u>(0.01)</u>	<u>(0.02)</u>	(50.0)

N.M. – not meaningful

**DISA LIMITED***(Company Registration No. 197501110N)***Condensed interim consolidated statements of financial position**

	Note	Group		Company	
		As at 31 Dec 2021 \$'000	As at 30 Jun 2021 \$'000	As at 31 Dec 2021 \$'000	As at 30 Jun 2021 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	633	621	285	152
Intangible assets	12	-	-	-	-
Investment in subsidiaries		-	-	-	-
Financial assets at fair value through other comprehensive income	13	-	-	-	-
<b>Total non-current assets</b>		<b>633</b>	<b>621</b>	<b>285</b>	<b>152</b>
<b>Current assets</b>					
Inventories		121	118	-	-
Trade and other receivables		2,445	1,669	-	-
Other current assets		202	240	243	232
Cash and cash equivalents		3,208	5,111	2,210	3,104
<b>Total current assets</b>		<b>5,976</b>	<b>7,138</b>	<b>2,453</b>	<b>3,336</b>
<b>Total assets</b>		<b>6,609</b>	<b>7,759</b>	<b>2,738</b>	<b>3,488</b>
<b>Non-current liabilities</b>					
Borrowings	14	142	285	48	87
<b>Total non-current liabilities</b>		<b>142</b>	<b>285</b>	<b>48</b>	<b>87</b>
<b>Current liabilities</b>					
Trade and other payables		315	187	51	67
Contract liabilities		69	69	-	-
Accruals		470	687	276	377
Borrowings	14	220	277	14	32
<b>Total current liabilities</b>		<b>1,074</b>	<b>1,220</b>	<b>341</b>	<b>476</b>
<b>Total liabilities</b>		<b>1,216</b>	<b>1,505</b>	<b>389</b>	<b>563</b>
<b>Net assets</b>		<b>5,393</b>	<b>6,254</b>	<b>2,349</b>	<b>2,925</b>
<b>Equity</b>					
Share capital	15	58,816	58,680	58,816	58,680
Other reserves		5,214	5,183	5,359	5,331
Accumulated losses		(58,634)	(57,609)	(61,826)	(61,086)
Equity attributable to equity holders of the Company, total		5,396	6,254	2,349	2,925
Non-controlling interests		(3)	-	-	-
<b>Total equity</b>		<b>5,393</b>	<b>6,254</b>	<b>2,349</b>	<b>2,925</b>

# DISA LIMITED

(Company Registration No. 197501110N)

## Condensed consolidated statements of changes in equity

### Group

	Note	Share capital \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Capital reserve \$'000	Fair value reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>1H FY2022</b>										
<b>Balance as at 1 July 2021</b>	15	<b>58,680</b>	<b>2</b>	<b>5,090</b>	<b>241</b>	<b>(150)</b>	<b>(57,609)</b>	<b>6,254</b>	-	<b>6,254</b>
Loss for the financial period		-	-	-	-	-	(1,025)	(1,025)	(4)	(1,029)
<b>Other comprehensive loss</b>										
Currency translation differences arising on consolidation		-	3	-	-	-	-	3	-	3
Total comprehensive loss for the financial period		-	3	-	-	-	(1,025)	(1,022)	(4)	(1,026)
Issue of shares to non-controlling shareholders		-	-	-	-	-	-	-	1	1
Employee share-based payment expenses		-	-	28	-	-	-	28	-	28
Employee share option exercised		136	-	-	-	-	-	136	-	136
<b>Balance as at 31 December 2021</b>		<b>58,816</b>	<b>5</b>	<b>5,118</b>	<b>241</b>	<b>(150)</b>	<b>(58,634)</b>	<b>5,396</b>	<b>(3)</b>	<b>5,393</b>
<b>1H FY2021</b>										
<b>Balance as at 1 July 2020</b>	15	<b>58,680</b>	<b>1</b>	<b>4,272</b>	<b>241</b>	<b>-</b>	<b>(54,444)</b>	<b>8,750</b>	<b>69</b>	<b>8,819</b>
Loss for the financial period		-	-	-	-	-	(1,912)	(1,912)	-	(1,912)
<b>Other comprehensive loss</b>										
Currency translation differences arising on consolidation		-	(3)	-	-	-	-	(3)	(2)	(5)
Total comprehensive loss for the financial period		-	(3)	-	-	-	(1,912)	(1,915)	(2)	(1,917)
Strike-off of a subsidiary		-	-	-	-	-	-	-	(67)	(67)
Employee share-based payment expenses		-	-	620	-	-	-	620	-	620
<b>Balance as at 31 December 2020</b>		<b>58,680</b>	<b>(2)</b>	<b>4,892</b>	<b>241</b>	<b>-</b>	<b>(56,356)</b>	<b>7,455</b>	<b>-</b>	<b>7,455</b>

**DISA LIMITED***(Company Registration No. 197501110N)***Condensed consolidated statements of changes in equity (cont'd)****Company**

	Note	Share capital \$'000	Share option reserve \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<b><u>1H FY2022</u></b>						
Balance as at 1 July 2021	15	58,680	5,090	241	(61,086)	<b>2,925</b>
Loss and total comprehensive loss for the financial period		-	-	-	(740)	<b>(740)</b>
Employee share-based payment expenses		-	28	-	-	<b>28</b>
Employee share option exercised		136	-	-	-	<b>136</b>
<b>Balance as at 31 December 2021</b>		<b>58,816</b>	<b>5,118</b>	<b>241</b>	<b>(61,826)</b>	<b>2,349</b>
<b><u>1H FY2021</u></b>						
Balance as at 1 July 2020	15	58,680	4,272	241	(58,758)	<b>4,435</b>
Loss and total comprehensive loss for the financial period		-	-	-	(1,315)	<b>(1,315)</b>
Employee share-based payment expenses		-	620	-	-	<b>620</b>
<b>Balance as at 31 December 2020</b>		<b>58,680</b>	<b>4,892</b>	<b>241</b>	<b>(60,073)</b>	<b>3,740</b>

**DISA LIMITED**

(Company Registration No. 197501110N)

**Condensed interim consolidated statement of cash flows**

	Note	Group	
		1H FY2022 \$'000	1H FY2021 \$'000
<b>Cash flows from operating activities</b>			
Loss before tax		(1,029)	(1,912)
Adjustments for:			
Depreciation of property, plant and equipment		160	257
Employee share-based payment expenses		28	620
Gain on lease modifications		(3)	(84)
Interest expenses		17	24
Interest income		(3)	(8)
(Gain)/loss on disposal of property, plant and equipment		(92)	5
Gain on disposal of club membership		-	(40)
Write-off of property, plant and equipment	7	-	205
Operating cash flows before movements in working capital		(922)	(933)
Inventories		(3)	(103)
Trade and other receivables		(775)	(30)
Other current assets		24	115
Trade and other payables		(92)	(224)
Currency translation adjustments		(9)	138
<b>Net cash used in operating activities</b>		<b>(1,777)</b>	<b>(1,037)</b>
<b>Cash flows from investing activities</b>			
Interest received		3	8
Purchase of property, plant and equipment		(224)	(16)
Proceeds from disposal of property, plant and equipment		147	25
Proceeds from disposal of club membership		-	160
Proceeds from disposal/strike-off of subsidiaries, net of cash paid		-	(69)
<b>Net cash (used in)/generated from investing activities</b>		<b>(74)</b>	<b>108</b>
<b>Cash flows from financing activities</b>			
Interest paid		(17)	(24)
Proceeds from exercise of share options		136	-
Repayment of lease liabilities		(182)	(219)
<b>Net cash used in financing activities</b>		<b>(63)</b>	<b>(243)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,914)</b>	<b>(1,172)</b>
Cash and cash equivalents at beginning of the financial period		5,111	3,656
Effects of exchange rate changes on cash and cash equivalents		11	(67)
<b>Cash and cash equivalents at end of the financial period</b>		<b>3,208</b>	<b>2,417</b>

## **DISA LIMITED**

(Company Registration No. 197501110N)

### **Notes to the condensed interim consolidated financial statements**

#### **1. Corporate information**

DISA Limited (the "Company") is incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). These condensed interim consolidated financial statements for the six months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the "Group").

The primary activities of the Company are those relating to an investment holding company.

The principal activities of the Group are those of provision of digital security, anti-theft and anti-counterfeiting solutions and trading of semiconductor devices.

#### **2. Basis of preparation**

##### **2.1. Statement of compliance**

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last financial statements for the year ended 30 June 2021.

The accounting policies adopted and methods of computation applied are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.3.

##### **2.2. Functional and presentation currencies**

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

##### **2.3. New and amended standards adopted by the Group**

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

##### **2.4. Use of judgements and estimates**

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2021.

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.

Management is of the opinion that there were no significant judgements made in applying the accounting policies in this set of interim financial statements

#### **3. Seasonal operations**

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



**DISA LIMITED***(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements (cont'd)****4. Revenue**

The Group derives revenue from the sale of goods at a point in time. The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market.

**Group**

	Sales of goods	
	1H FY2022	1H FY2021
	\$'000	\$'000
<b>Primary geographical market</b>		
Singapore	145	185
United States	237	329
Hong Kong	12,493	5,385
People's Republic of China	88	180
	<u>12,963</u>	<u>6,079</u>

**5. Segment information**

The Group is organised into business units based on its products and services for management purposes. The reportable segments are technology and investment holding. Management monitors the operating results of its business units separately for making decisions the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

The segment information provided to management for the reportable segments are as follows:

	Technology		Investment holdings		Total	
	1H FY2022	1H FY2021	1H FY2022	1H FY2021	1H FY2022	1H FY2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment revenue:</b>						
Sales to external customers, representing total revenue	12,963	6,079	-	-	12,963	6,079
<b>Segment results, net of tax</b>	<u>(302)</u>	<u>(562)</u>	<u>(727)</u>	<u>(1,350)</u>	<u>(1,029)</u>	<u>(1,912)</u>
- Interest expense	(15)	(8)	(2)	(16)	(17)	(24)
- Depreciation and amortisation	(112)	(121)	(48)	(136)	(160)	(257)
<b>Other significant non-cash expenses:</b>						
- Write-off of property, plant and equipment	-	(205)	-	-	-	(205)
- Share-based payment expenses	-	-	(28)	(620)	(28)	(620)
<b>Segment assets</b>	<u>4,074</u>	<u>4,474</u>	<u>2,535</u>	<u>3,938</u>	<u>6,609</u>	<u>8,412</u>
Additions to non-current assets	3	167	221	-	224	167
<b>Segment liabilities</b>	<u>827</u>	<u>537</u>	<u>389</u>	<u>420</u>	<u>1,216</u>	<u>957</u>

**DISA LIMITED***(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***6. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 30 June 2021.

	<b>Group</b>		<b>Company</b>	
	31 Dec 21	30 Jun 21	31 Dec 21	30 Jun 21
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>				
Trade and other receivables	2,445	1,669	-	-
Other non-current/current assets	34	93	14	45
Cash and bank balance	3,208	5,111	2,210	3,104
	<b>5,687</b>	<b>6,873</b>	<b>2,224</b>	<b>3,149</b>

	<b>Group</b>		<b>Company</b>	
	31 Dec 21	30 Jun 21	31 Dec 21	30 Jun 21
	\$'000	\$'000	\$'000	\$'000
<b>Financial Liabilities</b>				
Trade and other payables	384	256	51	67
Accruals	470	687	276	377
Borrowings	362	562	62	119
	<b>1,216</b>	<b>1,505</b>	<b>389</b>	<b>563</b>

**7. Loss before tax**

	<b>Group</b>	
	1H FY2022	1H FY2021
	\$'000	\$'000
Loss before tax is arrived at after charging/ (crediting):		
Audit fees paid to:		
- Auditors of the Company	30	30
- Other auditors*	4	3
Directors' fees	69	69
Government grant income	(5)	(141)
Gain on disposal of club membership	-	(40)
(Gain)/loss on disposal of property, plant and equipment	(92)	5
Write-off of property, plant and equipment	-	205
Gain on lease modification	(3)	(84)
Research and development expense	73	43
Foreign currency exchange losses, net	6	145
Upkeep of computer	58	44

\* Includes independent member firms of the Baker Tilly International network

No non-audit fees was paid to the auditors of the Company and other auditors during 1H FY2022 and 1H FY2021.

**DISA LIMITED***(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***8. Related party transactions**

- (a) In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not member of the Group during the financial period on terms agreed by the parties concerned:

	<u>Group</u>	
	1H FY2022 \$'000	1H FY2021 S\$'000
<b><i>With a related party</i></b>		
Rental paid - leasehold properties	80	77
<b><i>With a director of the Company</i></b>		
Rental paid - leasehold properties	-	2
Royalties	22	10

- (b) Key management personnel compensation is analysed as follows:

	<u>Group</u>	
	1H FY2022 \$'000	1H FY2021 S\$'000
Salaries and bonuses	731	732
Fees and other benefits	69	70
Employer's contribution to defined contribution plans	33	34
Share-based payments	228	483
	<u>1,061</u>	<u>1,319</u>

**9. Dividends**

No dividend has been paid in both financial years in view that the Company was loss making and the Board will re-assess the Company's dividend policy as part of its capital allocation decision when it is profitable.

**10. Net assets value**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2021	30 Jun 2021	31 Dec 2021	30 Jun 2021
Net asset value per ordinary share (cents per share)	0.05	0.06	0.02	0.03

**DISA LIMITED**

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**Notes to the condensed interim consolidated financial statements (cont'd)****11. Property, plant and equipment**

<u>Group</u>	<b>Furniture and fittings and renovation</b>	<b>Other equipment</b>	<b>Motor vehicles</b>	<b>Leasehold properties</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>1H FY2022</b>					
<b>Cost</b>					
Balance at 1 July 2021	52	63	620	456	1,191
Additions	-	3	222	-	225
Disposals	(18)	(2)	(400)	-	(420)
Currency translation differences	-*	-*	-	3	3
Balance at 31 December 2021	34	64	442	459	999
<b>Accumulated depreciation</b>					
Balance at 1 July 2021	27	59	415	69	570
Depreciation charge	5	1	54	101	161
Disposals	(3)	(2)	(360)	-	(365)
Currency translation differences	-*	-*	-	-*	-*
Balance at 31 December 2021	29	58	109	170	366
<b>Net carrying value</b>					
Balance at 31 December 2021	5	6	333	289	633

<u>Group</u>	<b>Furniture and fittings and renovation</b>	<b>Other equipment</b>	<b>Motor vehicles</b>	<b>Leasehold properties</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>1H FY2021</b>					
<b>Cost</b>					
Balance at 1 July 2020	542	103	562	895	2,102
Additions	-*	-	-	167	167
Disposals	(69)	(13)	-	(663)	(745)
Written off	(440)	(3)	-	-	(443)
Currency translation differences	-*	-*	-	6	6
Balance at 31 December 2020	33	87	562	405	1,087
<b>Accumulated depreciation</b>					
Balance at 1 July 2020	254	102	300	325	981
Depreciation charge	43	1	57	126	227
Disposals	(40)	(13)	-	(236)	(289)
Written off	(235)	(3)	-	-	(238)
Currency translation differences	-*	-*	-	4	4
Balance at 31 December 2020	22	87	357	219	685
<b>Net carrying value</b>					
	11	-	205	186	402

\* Amount below \$1,000

**DISA LIMITED***(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements** *(cont'd)***12. Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income comprise the following:

	<b>Group</b>	
	31 Dec 2021	30 Jun 2021
	\$'000	\$'000
<i>Financial asset designated at FVOCI</i>	-	-

**13. Intangible assets**

	<b>Group</b>			
	Core technology \$'000	Development costs \$'000	Goodwill \$'000	Total \$'000
<b>Cost</b>				
Balance as at 1 July 2020	31,624	609	17	32,250
Strike-off of a subsidiary	-	-	(17)	(17)
Balance as at 31 December 2020, 30 June 2021 and 31 December 2021	31,624	609	-	32,233
<b>Accumulated amortisation and impairment losses</b>				
Balance as at 1 July 2020	31,624	609	17	32,250
Strike-off of a subsidiary	-	-	(17)	(17)
Balance as at 31 December 2020, 30 June 2021 and 31 December 2021	31,624	609	-	32,233
<b>Net carrying value</b>				
Balance as at 1 July 2020, 31 December 2020, 30 June 2021 and 31 December 2021	-	-	-	-

**Core technology and development costs**

The intangible assets are in respect of core technology (including asset protection technology) and development cost acquired via acquisition of a subsidiary which have collectively been determined as a cash-generating unit ("CGU") (under the Technology segment). The intangible assets have been fully impaired during the financial year ended 30 June 2019.

As at 31 December 2021, the management has assessed that there is no indication that impairment loss recognized in prior years for intangible assets may no longer exist or may have decreased, hence no reversal of the previously impaired amount was made.

**DISA LIMITED***(Company Registration No. 197501110N)***Notes to the condensed interim consolidated financial statements (cont'd)****14. Borrowings**

	<b><u>Group</u></b>		<b><u>Company</u></b>	
	31 Dec 2021 \$'000	30 Jun 2021 \$'000	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	14	32	14	32
Unsecured	206	245	-	-
	<u>220</u>	<u>277</u>	<u>14</u>	<u>32</u>
<u>Amount repayable after one year</u>				
Secured	48	87	48	87
Unsecured	94	198	-	-
	<u>142</u>	<u>285</u>	<u>48</u>	<u>87</u>

Secured borrowings are secured over the lease of motor vehicles.

**15. Share Capital**

	<b><u>Group and Company</u></b>			
	<b><u>1H FY2022</u></b>		<b><u>1H FY2021</u></b>	
	Number of issued shares ( <u>'000</u> )	Total share capital \$'000	Number of issued shares ( <u>'000</u> )	Total share capital \$'000
Beginning of interim period	10,038,683	58,680	10,038,683	58,680
Issue of ordinary shares by virtue of exercise of share options	68,000	136	-	-
End of interim period	<u>10,106,683</u>	<u>58,816</u>	<u>10,038,683</u>	<u>58,680</u>

The Company did not hold any treasury shares as at 31 December 2020, 30 June 2021 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2020, 30 June 2021 and 31 December 2021.

Weighted average number of ordinary shares and adjusted weighted average number of ordinary shares in issue for diluted earnings per share for 1H FY2022 was 10,081,922,533 (1H FY2021: 10,038,683,403) and 10,962,411,129 (1H FY2021: 10,038,683,403) respectively.

## DISA LIMITED

(Company Registration No. 197501110N)

### Notes to the condensed interim consolidated financial statements (cont'd)

#### DISA Employee Share Option Scheme 2010 (the "DISA ESOS")

Movement in the number of share options is follows:

	Company	
	1H FY2022	1H FY2021
<b>DISA ESOS 2010</b>		
As at 1 July 2021	1,292,500,000	1,342,000,000
Less: Options exercised	(68,000,000)	-
Less: Options forfeited	(52,000,000)	-
At as 31 December 2021	<u>1,172,500,000</u>	<u>1,342,000,000</u>
<b>DISA ESOS 2021</b>		
As at 28 October 2021 (date of approval)	-	-
Add: Options granted	<u>210,500,000</u>	-
As at 31 December 2021	<u>210,500,000</u>	-
Total options granted	<u>1,383,000,000</u>	<u>1,342,000,000</u>

DISA ESOS 2021 was approved and adopted by members of the Company at an extraordinary general meeting held on 28 October 2021.

Saved as disclosed the Company does not hold any other convertible instruments at 31 December 2020, 30 June 2021 and 31 December 2021.

#### 16. Disposal of ownership in interest in a subsidiary, without loss of control

On 29 November 2021, the Company incorporated a 93% owned subsidiary company through its wholly-owned subsidiary, Disa Digital Safety Pte. Ltd. ("DiSa") namely, Digital Life Line Pte. Ltd. ("DLL") with an initial paid-up capital of \$5,000. The remaining 7% of the total number of issued shares of DLL is held by Chng Weng Wah, the Managing Director and Chief Executive Officer and substantial shareholder of the Company.

On 29 December 2021, DiSa transferred 11% of the total number of issued and paid-up capital of DLL at cost to two of the directors of DLL.

Subsequent to 31 December 2021, DiSa transferred another 42% of the total number of issued and paid-up capital of the DLL at cost to other two directors of DLL and an entity wholly-owned by one of the directors of DLL on 12 January 2022.

#### 17. Subsequent events

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

## DISA LIMITED

(Company Registration No. 197501110N)

### **Other information required by Catalyst Rule Appendix 7C**

#### 1. Review

The condensed consolidated statement of financial position of DISA Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the 6 months then ended and certain explanatory notes have not been audited or reviewed.

#### 2. Review of performance of the Group

(A) **Income Statement** (6 months ended 31 December 2021 ("1H FY2022") versus 6 months ended 31 December 2020 ("1H FY2021"))

##### **Revenue**

The Group's revenue for 1H FY2022 was \$12,963,000, an increase of \$6,884,000 or 113.2% as compared to \$6,079,000 in 1H FY2021 as the Group continues to expand its technology business during 1H FY2022.

##### **Other income**

Other income decreased by \$226,000 from \$333,000 in 1H FY2021 to \$107,000 in 1H FY2022. The decrease was mainly due to the absence of government grant on Job Support Scheme, the gain on disposal of club membership and lease modification as compared to 1H FY2021. The decrease was, however, partially offset by the gain on disposal of motor vehicle in 1H FY2022.

##### **Costs and expenses**

The increase in cost of inventories was in line with the increase in revenue for 1H FY2022.

Other costs and expenses for 1H FY2022 was \$1,743,000, a reduction of \$875,000 or 33.4% as compared to \$2,618,000, excluding one-off loss of \$205,000 from write-off of office renovation cost in 1H FY2021. This was mainly attributable to (i) lower staff costs of \$1,177,000 in 1H FY2022 against \$1,785,000 in 1H FY2021 from lower share option expenses as the cost of issuing share options for share options granted prior to FY2017 has been fully expensed off in FY2021; (ii) lower depreciation charges from lower right-of-use asset as compared to the same period last year; (iii) decrease in other expenses from \$576,000 excluding one-off loss of \$205,000 from write-off of office renovation cost, in 1H FY2021 to \$406,000 in 1H FY2022, attributed mainly from loss on foreign currency exchange as USD weaken against SGD in 1H FY2021.

Finance cost for 1H FY2022 was \$17,000, or a decrease of 29.2% against \$24,000 for 1H FY2021, attributed to the lower interest on lease liability from an early termination of an operating lease in 1H FY2021.

(B) **Statements of Financial Position**

##### **Total Assets**

Total assets of the Group decreased by \$1,150,000 or 14.8% from \$7,759,000 as at the end of FY2021 to \$6,609,000 as at the end of 1H FY2022 attributable to mainly to the decreased in the cash and bank balances of \$1,903,000 as explained in 2(C) Cash Flow below, offset by the increase in the trade and other receivables of \$776,000, which was in line with the increase in the sales revenue.

##### **Total liabilities**

Total liabilities of the Group decreased by \$289,000 or 19.2% from \$1,505,000 as at the end of FY2021 to \$1,216,000 as at the end of 1H FY2022 arising mainly from repayment of hire purchase loan and the payment of lease liabilities and accrued royalties. These were, however, offset by the higher payables as at the end of 1H FY2021 from the higher level of purchases for its trading business as compared to the same period last year.



## DISA LIMITED

(Company Registration No. 197501110N)

### **Other information required by Catalist Rule Appendix 7C** (cont'd)

#### **(C) Cash Flows**

Cash and cash equivalents, excluding the effects of exchange rate changes of \$11,000, decreased by \$1,914,000 or 37.4% in 1H FY2022 as compared to the balance as at the end of FY2021 attributed mainly to the payment of operating expenses. Net cash used in operating activities was \$1,777,000. This was mainly due to (i) operating cash outflow before movements in working capital of \$921,000; (ii) net increase in working capital movement of \$846,000; and (iii) net currency translation loss of \$10,000. Net cash used in investing activities was \$74,000. Net cash used in financing activities was \$63,000 mainly resulted from repayment of lease liabilities including interest of \$199,000, offset by proceeds from exercise of share options.

#### **3. Where a forecast, or prospect statement, has been previously disclosed to shareholder, any variance between it and the actual results.**

No forecast or prospect statement was disclosed to shareholders previously.

#### **4. A commentary at the date of 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 operating period and the next 12 months.**

The Group recorded a revenue of \$12,963,000 from the sales of goods and services in 1H FY2022, an increase of 113.2%, or \$6,884,000, as compared to \$6,079,000 in 1H FY2021.

The Group, through its indirect subsidiary company, DLL, has licensed the saliva-based antigen rapid test ("ART") kit IP from Duke-NUS Medical School and SingHealth in December 2021 and plans to commercialise, through DLL, the new saliva-based ART kits within the next 6 months, subject to DLL's ability to obtain approval from the relevant regulatory authority. All ART kits manufactured by DLL will be serialized to uniquely tag the ART kit to each user for track and trace purposes.

Leveraging on DiSa Serialization technology, the Group has developed, through its wholly-owned subsidiary, DiSa, an automated ART system ("Automated Machine") that is capable of reading the results of ART cassette and accordingly, authenticate and automate the delivery of tampered-free test results to the intended recipients or authorities. The Group plans to commercialise this Automated Machine upon successful POC (Proof of Concept), to be conducted in February 2022, with two large Singapore-based private healthcare service providers.

The Group will continue to expand its technology related business as the retail industry in USA continues to grow. The Group will continue to exercise financial prudence as it ventures into new business while continues its research effort to further strengthen the competitiveness of its asset protection solution.

#### **5. Dividend**

##### **(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

None

##### **(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

##### **(c) Date payable**

Not applicable

##### **(d) Record date**

Not applicable

## **DISA LIMITED**

(Company Registration No. 197501110N)

### **Other information required by Catalist Rule Appendix 7C** (cont'd)

#### **6. Interested person transactions**

The aggregate value of all interested person transactions during the 1H FY2022 (excluding transactions conducted under shareholders' mandate pursuant to Rule 920) and transactions conducted under shareholders' mandate pursuant to Rule 920 were both below \$100,000 each.

#### **7. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.**

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

#### **8. Confirmation pursuant to Rule 705(5) of the Catalist Rules.**

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 31 December 2021 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

CHNG WENG WAH

Managing Director and Chief Executive Officer

11 February 2022