



DIGILIFE

DIGILIFE TECHNOLOGIES LIMITED
(Formerly known as Sevak Limited)

(Incorporated in Singapore)

Condensed Interim Financial Statements
for the Six Months and Twelve Months Ended
31 December 2021

The Company had on 26 January 2022 announced the change of financial year end from 31 December to 31 March, and as such, these financial statements for the twelve month period ended 31 December 2021 are provided for information.

DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

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DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

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

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Turnover (Note 5)	122,212	125,568	-2.7%	241,746	263,156	-8.1%
Purchases and changes in inventories and direct service fees incurred	(111,244)	(113,999)	-2.4%	(220,010)	(240,671)	-8.6%
Commission and other selling expenses	(109)	(113)	-3.5%	(246)	(200)	23.0%
Other income - operating	383	181	N.M.	501	649	-22.8%
Operating expenses (Note 6)	(12,210)	(10,847)	12.6%	(23,924)	(22,226)	7.6%
<i>Earnings (before forex, interest, depreciation, amortisation and taxation)</i>	<i>(968)</i>	<i>790</i>	N.M.	<i>(1,933)</i>	<i>708</i>	N.M.
Foreign exchange loss	(139)	(116)	19.8%	(355)	(229)	55.0%
<i>Earnings (before interest, depreciation, amortisation and taxation)</i>	<i>(1,107)</i>	<i>674</i>	N.M.	<i>(2,288)</i>	<i>479</i>	N.M.
Other income - non operating (Note 7)	139	13	N.M.	187	15	N.M.
Other expenses - non operating (Note 9)	(466)	(1,411)	-67.0%	(1,141)	(1,707)	-33.2%
Interest income from deposits	124	164	-24.4%	236	331	-28.7%
Finance costs	(100)	(22)	N.M.	(106)	(146)	-27.4%
Depreciation of property, plant and equipment	(223)	(355)	-37.2%	(570)	(801)	-28.8%
Amortisation of intangible assets	(97)	(102)	-4.9%	(192)	(191)	0.5%
Loss before taxation						
From continuing operations	(1,730)	(1,039)	66.5%	(3,874)	(2,020)	91.8%
From discontinued operations (Note 10)	(431)	(304)	41.8%	(634)	(648)	-2.2%
Loss before taxation	(2,161)	(1,343)	N.M.	(4,508)	(2,668)	N.M.
Taxation						
From continuing operations	(175)	(83)	N.M.	(442)	(159)	N.M.
From discontinued operations (Note 10)	-	-	-	-	-	-
Taxation	(175)	(83)	N.M.	(442)	(159)	N.M.
Net Loss after tax for the period/ year						
From continuing operations	(1,905)	(1,122)	69.8%	(4,316)	(2,179)	N.M.
From discontinued operations (Note 10)	(431)	(304)	41.8%	(634)	(648)	-2.2%
Loss after tax	(2,336)	(1,426)	N.M.	(4,950)	(2,827)	N.M.
Loss attributable to:						
Owners of the parent	(2,336)	(1,426)	N.M.	(4,950)	(2,827)	N.M.
Non-controlling interest	-	-	N.M.	-	-	N.M.
Total	(2,336)	(1,426)	N.M.	(4,950)	(2,827)	N.M.

N.M. – Not meaningful

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (CONT'D)**

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Loss for the period/ year	(2,336)	(1,426)	N.M.	(4,950)	(2,827)	N.M.
Other comprehensive income/ (loss):						
Items that may be reclassified subsequently to profit and loss:						
Foreign currency translation	393	(803)	N.M.	424	(757)	N.M.
Items that will not be reclassified subsequently to profit and loss:			-			-
Remeasurement of defined benefit pension plan	76	(7)	N.M.	75	(7)	N.M.
Other comprehensive income/ (loss) for the period/ year	469	(810)	N.M.	499	(764)	N.M.
Total comprehensive loss for the period/ year	(1,867)	(2,236)	-16.5%	(4,451)	(3,591)	23.9%
Total comprehensive loss attributable to:						
Owners of the parent	(1,867)	(2,239)	-16.6%	(4,451)	(3,600)	23.6%
Non-controlling interest	-	3	N.M.	-	9	N.M.
Total	(1,867)	(2,236)	-16.5%	(4,451)	(3,591)	23.9%

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
(Incorporated in Singapore)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Current Assets	40,091	42,637	4,062	2,317
Inventories (Note 13)	8,981	11,658	-	-
Trade receivables (Note 14)	5,303	10,183	51	52
Other receivables and deposits	1,443	1,832	195	335
Prepayments	2,064	4,027	16	41
Due from subsidiaries	-	-	-	564
Cash and cash equivalents (Note 15)	13,154	10,504	3,770	1,295
Fixed deposits	2,823	2,860	30	30
Financial assets, at FVPL	-	201	-	-
Tax recoverable	1,413	1,372	-	-
Assets of disposal group classified as held for sale (Note 16)	4,910	-	-	-
Non-current Assets	7,368	12,976	29,640	29,673
Property, plant and equipment (Note 17)	1,154	6,634	26	5,307
Investment properties (Note 18)	2,908	2,897	-	-
Intangible assets	1,423	1,718	57	5
Investments in subsidiaries	-	-	29,557	23,985
Long-term loans and advances to subsidiaries	-	-	-	376
Deferred tax assets	482	568	-	-
Other receivables and deposits	96	101	-	-
Prepayments	-	23	-	-
Fixed deposits	1,305	1,035	-	-
Total Assets	47,459	55,613	33,702	31,990
Current Liabilities	10,244	15,286	8,992	6,258
Trade creditors	1,806	6,365	47	46
Other creditors and accruals	3,671	4,314	2,606	887
Contract liabilities	787	1,674	-	-
Lease obligations	53	726	5	583
Loans and bank borrowings (Note 19)	3,713	2,031	-	100
Due to subsidiaries	-	-	6,334	4,642
Tax payable	82	176	-	-
Liabilities directly associated with disposal group classified as held for sale (Note 16)	132	-	-	-
Non-current Liabilities	2,000	3,431	7,226	10,881
Lease obligations	80	1,165	15	1,085
Provision for employee benefits	844	1,036	-	-
Contract liabilities	415	515	-	-
Deferred tax liabilities	496	540	-	-
Loans and bank borrowings (Note 19)	165	175	-	175
Long-term loans and advances from subsidiaries	-	-	7,211	9,621
Total Liabilities	12,244	18,717	16,218	17,139
Equity attributable to the owners of the parent				
Share capital (Note 20)	549,704	548,020	549,704	548,020
Treasury shares (Note 21)	(1,098)	(3,547)	(1,098)	(3,547)
Accumulated losses	(497,542)	(492,667)	(519,958)	(519,821)
Other reserves	(6,394)	(5,031)	(11,164)	(9,801)
Translation reserve	(9,394)	(9,818)	-	-
	35,276	36,957	17,484	14,851
Non-controlling interest	(61)	(61)	-	-
Total Equity	35,215	36,896	17,484	14,851
Total Liabilities and Equity	47,459	55,613	33,702	31,990

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Equity attributable to the owner of the parent						Non-controlling interest S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury Shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Translation reserve S\$'000	Total S\$'000		
The Group								
Balance as at 1 January 2021	548,020	(3,547)	(492,667)	(5,031)	(9,818)	36,957	(61)	36,896
Total comprehensive (loss)/ income for the period	-	-	(4,875)	-	424	(4,451)	-	(4,451)
Issuance of shares under Performance Share Plan 2021	1,684	2,449	-	(1,363)	-	2,770	-	2,770
Balance as at 31 December 2021	549,704	(1,098)	(497,542)	(6,394)	(9,394)	35,276	(61)	35,215
Balance as at 1 January 2020	548,020	(3,547)	(489,833)	(5,031)	(9,052)	40,557	(70)	40,487
Total comprehensive (loss)/ income for the year	-	-	(2,834)	-	(766)	(3,600)	9	(3,591)
Balance as at 31 December 2020	548,020	(3,547)	(492,667)	(5,031)	(9,818)	36,957	(61)	36,896

	Share capital S\$'000	Treasury Shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Translation reserve S\$'000	Total S\$'000
The Company						
Balance as at 1 January 2021	548,020	(3,547)	(519,821)	(9,801)	-	14,851
Total comprehensive loss for the period	-	-	(137)	-	-	(137)
Issuance of shares under Performance Share Plan 2021	1,684	2,449	-	(1,363)	-	2,770
Balance as at 31 December 2021	549,704	(1,098)	(519,958)	(11,164)	-	17,484
Balance as at 1 January 2020	548,020	(3,547)	(515,431)	(9,801)	-	19,241
Total comprehensive loss for the year	-	-	(4,390)	-	-	(4,390)
Balance as at 31 December 2020	548,020	(3,547)	(519,821)	(9,801)	-	14,851

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31 December		12 months ended 31 December	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Loss before taxation from continued operations	(1,730)	(1,039)	(3,874)	(2,020)
Loss before taxation from discontinued operations	(431)	(304)	(634)	(648)
Total loss before taxation	(2,161)	(1,343)	(4,508)	(2,668)
Adjustments for:				
Depreciation and amortisation	766	814	1,565	1,705
(Reversal)/ Allowance for/ write off of doubtful non-trade debts, net	(31)	838	52	847
Allowance for/ write off of doubtful trade debts, net	31	20	28	126
(Reversal)/ Allowance for/ write off of inventory obsolescence, net	(155)	395	75	381
Interest income from deposits	(124)	(164)	(236)	(331)
Loss on revaluation of investment properties	-	29	-	29
Impairment loss on property, plant and equipment	-	-	-	-
Loss / (Gain) on disposal of property plant and equipment	7	(10)	(39)	(9)
Expense recognised in respect of equity-settled Performance Share Plan	1,685	-	2,771	-
Fair value changes for financial assets, at FVPL	-	-	201	-
Gain on disposal of subsidiaries	(125)	-	(125)	-
Finance cost	76	89	141	286
Unrealised exchange differences	12	(400)	90	(148)
Others	(244)	105	(146)	193
Operating (loss)/ profit before working capital changes	(263)	373	(131)	411
Changes in working capital:				
Decrease in inventories	1,484	1,178	2,693	4,084
Decrease/ (Increase) in trade receivables	4,740	(2,525)	4,869	1,151
(Increase)/ Decrease in other receivables and deposits	(163)	612	(1,038)	986
Increase/ (Decrease) in prepayments	2,127	1,841	1,962	(30)
Decrease in trade creditors	(4,590)	(1,114)	(4,559)	(5,615)
Increase/ (Decrease) in other creditors and accruals	194	(651)	565	(1,003)
Increase in contract assets	-	152	-	33
Decrease in contract liabilities	(2,530)	(377)	(987)	(1,650)
Cash generated from/ (used in) operating activities	999	(511)	3,374	(1,633)
Interest paid	(76)	(89)	(141)	(286)
Income tax paid	(17)	(733)	(509)	(1,103)
Net cash generated from/ (used in) operating activities	906	(1,333)	2,724	(3,022)
Cash flows from investing activities				
Interest income received from deposits	87	211	214	323
Proceeds from disposal of property, plant and equipment	123	47	309	54
Purchase of property, plant and equipment	(101)	(101)	(522)	(393)
Purchase of Intangible Assets	(61)	(51)	(61)	(51)
Net cash inflow on disposal of subsidiaries	700	-	700	-
Net cash generated from/ (used in) investing activities	748	106	640	(67)
Cash flows from financing activities				
Withdrawal/ (Placement) of cash and bank deposits pledged	813	(792)	1,313	(770)
Proceeds/ (Repayment) of loans and bank borrowings	3,205	1,280	1,707	(403)
Repayment of lease obligations	(1,423)	(354)	(1,757)	(768)
Net cash generated from/ (used in) financing activities	2,595	134	1,263	(1,941)
Net increase/ (decrease) in cash and cash equivalents	4,249	(1,093)	4,627	(5,030)
Cash and cash equivalents at beginning of the period/ year	8,680	9,511	8,328	13,532
Effects of exchange rate changes on the balance of cash held in foreign currencies	7	(90)	(19)	(174)
Cash and cash equivalents at end of the period/ year (Note 15)	12,936	8,328	12,936	8,328

The accompanying notes form an integral part of the interim financial statements

DIGILIFE TECHNOLOGIES LIMITED
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 General

Digilife Technologies Limited (the “Company”) is a limited liability company, incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). On 26 February 2021, the Company transferred its listing from the Main Board to the Catalist of the SGX-ST.

These condensed interim consolidated financial statements as at and for the six months and twelve months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are distribution of telecom operator’s products and services, rendering ICT managed services and products distribution and passenger land transport.

2 Basis of Preparation

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

The accounting policies adopted are consistent with those of the previous financial year which were in accordance with SFRS(I)s.

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

2.1 New and amended standards adopted by the Group

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

2.2 Uses of Estimates and Judgements

The preparation of the interim financial statements in conformity with SFRS(I) 1-34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2 Basis of Preparation (cont'd)

2.2 Uses of Estimates and Judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

Note 13 *Allowance for inventories obsolescence*

Note 14 *Impairment of trade receivables*

3. Seasonal operations

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

4 Segment Reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:

- I. the nature of the products;
- II. the type or class of customer for their products and services; and
- III. methods used to distribute their products to the customers or provide their services.

i. Operating Segments

The main operating segments of the Group are:

a. Telecom:

- (i) Distribution of mobile prepaid cards; and
- (ii) Sale of mobile handsets, related products and services.

b. Technology

1. Information and Communications Technology ("ICT") distribution & managed services:

- (i) Supply, rental, maintenance and servicing of computer hardware and peripheral equipment;

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

b. Technology (cont'd)

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

2. Battery electric vehicles (“BEV”) comprising:

Business of battery electric vehicles and passenger land transport.

On 3 December 2021, the board of directors announced a plan to dispose of the Group’s subsidiary, Singapore Electric Vehicles Pte. Ltd. which solely running BEV business. The Group had entered into a share purchase agreement with a buyer and the Group intend to proceed with the disposal which will be subject to, amongst others, the approval of the shareholders of the Company for the disposal at an extraordinary general meeting to be convened in due course.

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

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2021						
	Six months ended 31 December 2021						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operations	Group total (\$'000)
Turnover	104,097	7,075	-	11,040	122,212	551	122,763
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	1,356	679	(77)	218	2,176	16	2,192
Depreciation and amortisation	(227)	(135)	22	(13)	(353)	(446)	(799)
HQ costs (country)	(631)	-	-	-	(631)	-	(631)
Non operating items (net)	(173)	(202)	118	(6)	(263)	(1)	(264)
Taxation	(197)	22	-	-	(175)	-	(175)
Profit/(Loss) after taxation	128	364	63	199	754	(431)	323
Unallocated HQ costs - Group (Net)	-	-	-	-	(2,660)	-	(2,660)
Net Profit/(Loss) for the period	128	364	63	199	(1,906)	(431)	(2,337)

	2021							
	Six months ended 31 December 2021							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (\$'000)
Segment assets	25,026	13,955	1,277	-	2,291	42,549	4,910	47,459
Segment liabilities	6,680	4,379	109	-	943	12,111	132	12,243
Capital expenditure	803	1,697	-	-	83	2,583	4,475	7,058

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

ii. Operating Segments (cont'd)

	2020						
	Six months ended 31 December 2020						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (\$'000)
Turnover	106,482	19,086	-	-	125,568	487	126,055
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	1,066	88	919	-	2,073	36	2,109
Depreciation and amortisation	(162)	(222)	51	-	(333)	(337)	(670)
HQ costs (country)	(563)	-	-	-	(563)	-	(563)
Non operating items (net)	(71)	(251)	(619)	-	(941)	(3)	(944)
Taxation	(87)	4	-	-	(83)	-	(83)
Profit/ (Loss) after taxation	183	(381)	351	-	153	(304)	(151)
Unallocated HQ costs - Group (Net)	-	-	-	-	(1,275)	-	(1,275)
Net Profit/ (Loss) for the period	183	(381)	351	-	(1,122)	(304)	(1,426)

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

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2021						
	Twelve months ended 31 December 2021						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (\$S'000)
Turnover	204,731	14,947	-	22,068	241,746	1,085	242,831
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	2,950	1,216	(143)	(209)	3,814	169	3,983
Depreciation and amortisation	(406)	(280)	-	(42)	(728)	(802)	(1,530)
HQ costs (country)	(1,332)	-	-	-	(1,332)	-	(1,332)
Non operating items (net)	(394)	(201)	(84)	(208)	(887)	(1)	(888)
Taxation	(339)	(103)	-	-	(442)	-	(442)
Profit/(Loss) after taxation	479	632	(227)	(459)	425	(634)	(209)
Unallocated HQ costs - Group (Net)	-	-	-	-	(4,741)	-	(4,741)
Net Profit/(Loss) for the period	479	632	(227)	(459)	(4,316)	(634)	(4,950)

	2021							
	Twelve months ended 31 December 2021							
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	IHQ (Unallocated)	Total from continuing operations	Discontinued operation	Group total (\$S'000)
Segment assets	25,026	13,955	1,277	-	2,291	42,549	4,910	47,459
Segment liabilities	6,680	4,379	110	-	943	12,112	132	12,244
Capital expenditure	803	1,697	-	-	83	2,583	4,475	7,058

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4 Segment Reporting (cont'd)

i. Operating Segments (cont'd)

	2020						
	Twelve months ended 31 December 2020						
	Telecom	ICT distribution and managed services	Inoperative companies	Operations related to disposed companies	Total from continuing operations	Discontinued operation	Group total (\$S'000)
Turnover	223,874	39,282	-	-	263,156	880	264,036
Profit/(Loss) before taxation (excluding depreciation, amortization, HQ costs and other non operating items)	1,920	760	(117)	-	2,563	125	2,688
Depreciation and amortisation	(387)	(433)	-	-	(820)	(694)	(1,514)
HQ costs (country)	(1,081)	-	-	-	(1,081)	-	(1,081)
Non operating items (net)	(74)	(352)	(758)	-	(1,184)	(79)	(1,263)
Taxation	(201)	54	-	-	(147)	-	(147)
Profit/ (Loss) after taxation	177	29	(875)	-	(669)	(648)	(1,317)
Unallocated HQ costs - Group (Net)	-	-	-	-	(1,510)	-	(1,510)
Net Profit/ (Loss) for the period	177	29	(875)	-	(2,179)	(648)	(2,827)

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

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4 Segment Reporting (cont'd)

ii. Geographical Information

The Group has organised geographical segments according to the region in which the reporting Company is incorporated in. Assets and capital expenditure are based on the location of the assets.

	Turnover		Assets		Capital Expenditure	
	Six months ended	Six months ended			Six months ended	Six months ended
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Southeast Asia	104,116	106,514	28,565	25,034	744	100
South Asia	7,056	7,418	13,756	12,559	1,418	221
Others	-	-	228	294	-	-
Operations related to disposed companies	11,040	11,636	-	12,204	-	0
Total from continuing operations	122,212	125,568	42,549	50,091	2,162	321
Operations related to disposed company classified as held for sale	551	487	4,910	5,522	4,475	-
Total	122,763	126,055	47,459	55,613	6,637	321

	Turnover		Assets		Capital Expenditure	
	Twelve months ended	Twelve months ended			Twelve months ended	Twelve months ended
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Southeast Asia	204,769	223,953	28,565	25,034	886	261
South Asia	14,909	14,306	13,756	12,559	1,697	225
Others	-	-	228	294	-	-
Operations related to disposed companies	22,068	24,897	-	12,204	-	127
Total from continuing operations	241,746	263,156	42,549	50,091	2,583	613
Operations related to disposed company classified as held for sale	1,085	880	4,910	5,522	4,475	-
Total	242,831	264,036	47,459	55,613	7,058	613

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5 Turnover – continued operations

Turnover comprises the following:

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Distribution of operator products and services	104,097	106,482	-2.2%	204,731	223,874	-8.6%
ICT distribution and managed services	18,115	19,086	-5.1%	37,015	39,282	-5.8%
Total Turnover	122,212	125,568	-2.7%	241,746	263,156	-8.1%

	6 months ended 31		12 months ended 31	
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Turnover from the sale of goods	120,046	123,856	237,563	259,853
Turnover from the rendering of services	2,166	1,712	4,183	3,303
Total Turnover	122,212	125,568	241,746	263,156

On 3 December 2021, the board of directors announced a plan to dispose of the Group's subsidiary, Singapore Electric Vehicles Pte. Ltd. The Group had entered into a share purchase agreement with a buyer and the Group intend to proceed with the disposal which will be subject to, amongst others, the approval of the shareholders of the Company for the disposal at an extraordinary general meeting to be convened in due course.

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

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5 Turnover – continued operations (cont’d)

Disaggregation of revenue from contracts with customers

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>6 months ended 31 December 2021</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	104,097	-	104,097
Technology			
ICT distribution and managed services			
- Singapore	8,893	2,147	11,040
- India	3,285	3,771	7,056
	<i>12,178</i>	<i>5,918</i>	<i>18,096</i>
Others			
- Singapore	-	19	19
Total Turnover	116,275	5,937	122,212

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>6 months ended 31 December 2020</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	106,482	-	106,482
Technology			
ICT distribution and managed services			
- Singapore	9,924	1,761	11,685
- India	4,020	3,349	7,369
	<i>13,944</i>	<i>5,110</i>	<i>19,054</i>
Others			
- Singapore	-	32	32
Total Turnover	120,426	5,142	125,568

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5 Turnover – continued operations (cont'd)

Disaggregation of revenue from contracts with customers (cont'd)

	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<i>12 months ended 31 December 2021</i>			
Telecom			
Distribution of operator products and services			
- Indonesia	204,731	-	204,731
Technology			
ICT distribution and managed services			
- Singapore	17,923	4,145	22,068
- India	7,668	7,241	14,909
	<i>25,591</i>	<i>11,386</i>	<i>36,977</i>
Others			
- Singapore	-	38	38
Total Turnover	230,322	11,424	241,746

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

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6 Operating Expenses – continued operations

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Personnel costs	(8,607)	(7,427)	15.9%	(17,179)	(15,162)	13.3%
Infrastructure costs	(623)	(694)	-10.2%	(1,327)	(1,599)	-17.0%
Marketing expenses	(483)	(551)	-12.3%	(937)	(1,161)	-19.3%
Other expenses - operating (Note 8)	(2,497)	(2,175)	14.8%	(4,481)	(4,304)	4.1%
Total operating expenses	(12,210)	(10,847)	12.6%	(23,924)	(22,226)	7.6%

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

7 Other Income – Non-Operating - continued operations

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Gain on disposal of subsidiaries	125	-	N.M.	125	-	N.M.
(Loss)/ Gain on disposal of property, plant & equipment	(7)	10	N.M.	39	11	N.M.
Others	21	3	N.M.	23	4	N.M.
Total other income - non operating	139	13	N.M.	187	15	N.M.

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

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8 Other Expenses – Operating – continued operations

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Bank charges	(56)	(48)	16.7%	(99)	(89)	11.2%
Collection service fees	(16)	(51)	-68.6%	(50)	(95)	-47.4%
Equipment maintenance	(80)	(60)	33.3%	(162)	(121)	33.9%
Equipment rental	(89)	(100)	-11.0%	(185)	(201)	-8.0%
Freight and postage charges	(42)	(38)	10.5%	(74)	(62)	19.4%
Printing & stationery	(32)	(33)	-3.0%	(60)	(66)	-9.1%
Professional fees	(739)	(642)	15.1%	(1,312)	(1,185)	10.7%
Provision of allowance of doubtful non-trade debts	(52)	(76)	-31.6%	(52)	(83)	-37.3%
Provision/write off of allowance of doubtful trade debts	(31)	(18)	72.2%	(29)	(112)	-74.1%
Provision of allowance for stock obsolescence/(write off) of stocks	(71)	(58)	22.4%	(162)	(115)	40.9%
Telecommunication expenses	(97)	(115)	-15.7%	(201)	(241)	-16.6%
Travelling & entertainment expenses	(559)	(525)	6.5%	(1,047)	(1,027)	1.9%
Insurance	53	(120)	-144.2%	(66)	(225)	-70.7%
Others	(686)	(291)	135.7%	(982)	(682)	44.0%
Total other expenses - operating	(2,497)	(2,175)	14.8%	(4,481)	(4,304)	4.1%

9 Other Expenses – non operating – continued operations

	6 months ended 31 December		%	12 months ended 31 December		%
	2021	2020		2021	2020	
	S\$'000	S\$'000	Change	S\$'000	S\$'000	Change
Impairment loss on investment properties (Note 18)	-	29	N.M.	-	29	N.M.
Fair value changes for financial assets, at FVPL	-	-	N.M.	201	-	N.M.
Allowance for inventory obsolescence	201	336	N.M.	420	336	25.0%
Allowance for doubtful non-trade debts	1	755	-99.9%	85	755	-88.7%
Intangible asset written off	-	261	N.M.	120	261	-54.0%
Others	263	30	N.M.	315	326	-3.4%
Total other expenses - non operating	465	1,411	N.M.	1,141	1,707	-33.2%

10 Discontinued Operations

On 3 December 2021, the board of directors announced a plan to dispose of the Group's subsidiary, Singapore Electric Vehicles Pte. Ltd. The Group had entered into a share purchase agreement with a buyer and the Group intend to proceed with the disposal which will be subject to, amongst others, the approval of the shareholders of the Company for the disposal at an extraordinary general meeting to be convened in due course.

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10 Discontinued Operations (cont'd)

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

	12 months ended 31 December	
	2021	2020
	S\$'000	S\$'000
Turnover	1,085	880
Purchases and changes in inventories and direct service fees incurred	(78)	(72)
Commission and other selling expenses	(16)	-
Other income - operating	36	366
Operating expenses	(822)	(888)
Earnings: Operating (before interest, depreciation, amortisation and taxation)	205	286
Other income - non operating	-	(2)
Other expenses - non operating	(1)	(79)
Finance costs	(36)	(140)
Depreciation of property, plant and equipment	(783)	(694)
Amortisation of intangible assets	(19)	(19)
Loss before taxation	(634)	(648)
Taxation	-	-
Net loss after tax	(634)	(648)

11 Earnings per Share

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2021	2020	2021	2020
Earning per ordinary share from continuing and discontinued operations for the period after deducting any provision for preference dividends:-				
i) Based on weighted average number of ordinary share in issue	(18.04)	(12.04)	(38.24)	(23.85)
ii) On a fully diluted basis	(18.04)	(12.04)	(38.24)	(23.85)

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12 Net Asset Value per Share

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net asset value per ordinary share	260.92 cents	311.84 cents	129.33 cents	125.31 cents

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

13 Inventories

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Inventories	8,981	11,658	-	-

Inventories of distribution of operator products decreased by S\$2.0 million while ICT distribution & managed services inventories decreased as a results of exclusion inventories of disposed companies against corresponding period in preceding year. Details of disposed companies please refer to Note 7.

14 Trade Receivables

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	8,141	13,344	495	487
Less: Allowance for impairment	(2,838)	(3,161)	(444)	(435)
Net trade receivables	5,303	10,183	51	52

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

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14 Trade Receivables (cont'd)

Allowance for impairment for trade receivables has always been measured at an amount equal to lifetime expected credit losses (“ECL”). The Group has recognised a loss allowance of 100% against certain receivables over 365 days past due (credit-impaired) because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting year. None of the trade receivables that have been written off is subject to recovery process.

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

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

15 Cash and Cash Equivalents

Cash and cash equivalents comprise the following:

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Fixed deposits	2,974	3,529	1,270	700
Cash and bank balances	10,180	6,975	2,470	595
	13,154	10,504	3,740	1,295
Less: Cash and bank deposits pledged	(1,704)	(2,829)	-	-
Add: Unpledged fixed deposits	1,073	653	30	30
Add: Cash and bank balances included in a disposal group held for sale	413	-	-	-
Per statement of cash flows	12,936	8,328	3,770	1,325

Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents are presented net of pledged fixed deposits.

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16 Disposal group classified as held for sale

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

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

	Group
	31 December 2021
	S\$'000
Cash and bank balances	413
Other current assets	18
Property, plant and equipment	4,475
Intangible assets	4
Assets of disposal group classified as held for sale	4,910
Other current liabilities	132
Liabilities of disposal group classified as held for sale	132
Net assets of disposal group classified as held for sale	4,778

17 Property, Plant and Equipment

During the six months ended 31 December 2021, the Group acquired assets amounting to S\$522,000 (31 December 2020: \$270,000) and disposal of assets amounting to S\$418,000 (31 December 2020: S\$171,000).

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18 Investment Properties

	Group	
	2021	2020
	S\$'000	S\$'000
<i>At fair value</i>		
Balance at 1 January	2,897	2,758
Transferred from property, plant and equipment	-	268
Loss from fair value adjustment	-	(29)
Translation differences	11	(100)
Balance at 31 December	2,908	2,897

The Group's policy is for investment property to be measured at fair value for which the Group completes property valuations at least annually by independent registered valuers at the end of the financial year. The Group shall complete the fair value of the investment properties by an independent valuer by 31 March 2022 and will disclose the effect in the financial results of 31 March 2022. Refer to the announcement dated 26 January 2022 for change of financial year end. However, the Management had taken into considerations those underlying factors that would have impact to the fair value of the investment properties since the last valuation completed in December 2020, including any tenant changes, assessing market rentals, etc. There is no major aspects that could affect the fair value of the investment properties as at 31 December 2021.

19 Loans and Bank Borrowings

	Group		Company	
	31	31	31	31
	December	December	December	December
	2021	2020	2021	2020
	S\$'000	S\$'000	S\$'000	S\$'000
Loans and bank borrowings - current	3,713	2,031	-	100
Loans and bank borrowings - non current	165	175	-	175
Total	3,878	2,206	-	275

The current loans of the Group bear interest rates of between 2.25% and 11% (2020: between 2.25% and 11%) per annum and are repayable within the next 12 months.

The non-current loan of the Group for the current financial year bears interest rate of between 2.25% and 7% (2020: 2.25%) per annum and is repayable within the next 5 years.

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19 Loans and Bank Borrowings (cont'd)

	As at 31 December 2021		As at 31 December 2020	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	3,663	50	1,931	100
Amount repayable after one year	165	-	175	-

Details of any collateral

- a) Subsidiaries' current assets of S\$11.33 million (31 December 2020 : S\$11.85 million) and property, plant and equipment with carrying amount of S\$1.21 million (31 December 2020: S\$2.25 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.
- b) Corporate guarantees of S\$3.0 million (31 December 2020 : S\$8.0 million) were given by the Company to enable a subsidiary to obtain credit facility from suppliers and performance bonds from financing companies.
- c) Corporate guarantees of Nil (31 December 2020 : S\$3.0 million) were given by the Company to enable a subsidiary to obtain banking facilities.
- d) Corporate guarantees of S\$1.0 million (31 December 2020 : S\$1.0 million) were given by the Company to enable a subsidiary to obtain insurance bond/s from an insurance company.
- e) Corporate guarantees of Nil (31 December 2020 : S\$5.5 million) were given by the subsidiary to enable its subsidiaries to obtain credit facility from suppliers. Corporate guarantees of S\$0.4 million were given to one of the entities of Cavu group that have been disposed during FY 2018. Counter guarantees of equivalent amount have been obtained from the buyer of the subject entity.
- f) Corporate guarantees of Nil (31 December 2020 : S\$1.1 million) were given by the subsidiary to enable its subsidiaries to obtain banking facilities.
- g) Corporate guarantees of Nil (31 December 2020 : S\$1.6 million) were given by the subsidiary to enable the Company to obtain banking facilities.

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20 Share Capital

	No. of Shares	
	31 December 2021	31 December 2020
Issued shares at the beginning of the period	13,016,430	13,016,430
Issue of ordinary shares by virtue of exercise of share options	863,954	-
Total issued shares at the end of the period	13,880,384	13,016,430

The details of the outstanding share options and share awards granted under the Employees' Share Option Schemes and Share Plans respectively are as follows:

	No. of Shares	
	31 December 2021	30 Jun 2020
Options granted under 2014 Digilife Employees' Stock Option plan	-	-
Options granted under 2021 Digilife Performance Share Plan	-	-

Total number of subsidiary holdings as at 31 December 2021 were Nil (31 December 2020: Nil).

21 Treasury Shares

	No. of Shares	
	31 December 2021	31 December 2020
Treasury shares at the beginning of the period	1,165,205	1,165,205
Re-issue of treasury shares	(804,634)	-
Total treasury shares at the end of the period	360,571	1,165,205

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

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

Percentage (%) of number of treasury shares against total number of shares as at 31 December 2021 were 2.60% (31 December 2020: 8.95%).

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22 Related Party Transactions

Name of interested person	Group	
	6 months ended 31 December 2021	6 months ended 30 June 2021
	S\$'000	S\$'000
Smart Bharat Private Limited	-	996

On 9 February 2022, the Company had announced the termination of binding memorandum of understanding with Smart Bharat Private Limited. The deposit of S\$996,000 which was paid to Smart Bharat Private Limited has been returned to the Group. Please see Note 24 for details.

Aggregate value of all interested person transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920).

There was neither renewal nor new IPT mandate obtained during the Annual General Meeting of the Company held on 30 April 2021.

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23 Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade receivables (Note 14)	5,303	10,183	51	52
Other receivables and deposits	1,539	1,933	195	335
Due from subsidiaries	-	-	-	564
Cash and cash equivalents (Note 15)	13,154	10,504	3,770	1,295
Fixed deposits	4,128	3,895	30	30
Financial assets, at FVPL	-	201	-	-
Tax recoverable	1,413	1,372	-	-
Long-term loans and advances to subsidiaries	-	-	-	376
Total financial assets	25,537	28,088	4,046	2,652
Financial liabilities				
Trade creditors	1,806	6,365	47	46
Other creditors and accruals	3,671	4,314	2,606	887
Lease obligations	133	1,891	20	1,668
Loans and bank borrowings (Note 19)	3,878	2,206	-	275
Due to subsidiaries	-	-	6,334	4,642
Long-term loans and advances from subsidiaries	-	-	7,211	9,621
Total financial liabilities	9,488	14,776	16,218	17,139

24 Subsequent Events

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

Completion of the Proposed Disposal of 100% Interests in Delteq Pte. Ltd.

Subsequent to the financial period ended 31 December 2021, the proposed disposal of the Company's entire shareholding interests in Delteq Pte. Ltd. as announced on 12 October 2021 has been completed on 3 January 2022. Following the completion of the disposal, Delteq Pte. Ltd, together with its subsidiary have ceased to be subsidiaries of the Group.

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24 Subsequent Events (Cont'd)

Termination of Binding Memorandum of Understanding (“MOU”)

Subsequent to the financial period ended 31 December 2021, the MOU entered by the Group’s subsidiary, Bharat IT Private Limited (“Bharat IT”) with Smart Bharat Private Limited (“Smart Bharat”) as announced on 23 June 2021 had been terminated due to the on-going uncertainty of the master plan over the district. The deposits paid by Bharat IT had been returned by Smart Bharat since the termination of MOU.

Change of Financial Year End from 31 December to 31 March

On 26 January 2022, the Company announced a change of its financial year end from 31 December to 31 March, to better align the Group’s financial results and performance with the reporting requirements of the Company’s subsidiary, Bharat IT Services Limited, in India and the proposed acquisition of Stradbroke Investment Pte. Ltd. as announced on 29 December 2021, which has the financial period ending 31 March. Henceforth, this change will allow the Group to better plan its audit schedule and improve the Company’s internal processes which will result in administrative and operational efficiencies.

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OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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

The interim statements of financial position of Digilife Technologies Limited and its subsidiaries (the “Group”) as at 31 December 2021 and the related interim consolidated statement of profit or loss and other comprehensive income, interim statements of changes in equity and interim consolidated statement of cash flows for the six months and twelve months period then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

2. Whether the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statements of Profit or Loss and Other Comprehensive Income

Turnover

The Group recorded a turnover of S\$122.2 million during six months from July to December 2021 (“2H 2021”) and S\$241.7 million during twelve months from January to December 2021 (“FY 2021”), a decrease of 2.7% and 8.1% respectively from the preceding financial year. The World Health Organisation (“WHO”) declared the COVID-19 outbreak as a pandemic on 11 March 2020. To tackle the spread of the virus, countries across the world took a series of measures. This includes subsequent lockdown of borders, which lead to an impact on the respective businesses of the Group.

Consequently, individual business segments decline in revenue during the 2H 2021 and FY 2021 against the corresponding periods of the previous year as follows:

- 2.2% and 8.6% in Distribution of Operator Products and Services (“Telecom”); and
- 5.1% and 5.8% in ICT Distribution and Managed Services (“ICT”).

Notwithstanding increased pressure on margins for the two business segments, the Group continues to sell multi-brand, MNC mobile devices through its retail shops in Indonesia while the subsidiaries engaged in the ICT business continues to focus on services led business.

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

Operating Expenses

There was an increase of 12.6% during 2H 2021 and 7.6% during FY 2021 in operating expenses against the corresponding periods in the preceding year. The operating expenses includes cost for Digilife Technologies Performance Share Plan 2021 ("PSP 2021") of S\$1.6 million for 2H 2021 and S\$2.8 million for FY 2021. Excluding the one-time, non-recurring expense of PSP 2021, there was a decrease of 1.8% during 2H 2021 and 5.0% during FY 2021 in operating expense against the corresponding periods in the preceding year.

Operating loss (before exchange gain/loss, interest, depreciation, amortisation and taxation) and loss after tax for the period

The Group made operating loss (before exchange gain/loss, interest, depreciation, amortisation and taxation) of S\$1.0 million and S\$1.9 million during 2H 2021 and FY 2021 against operating earnings of S\$0.8 million and S\$0.7 million during corresponding period of the preceding year. Excluding the PSP 2021 which impacted the operating expenses (non-recurring in nature), the Group made an operating profit of S\$0.7 million during 2H 2021 and S\$0.9 million during FY 2021 on adjusted basis.

The Group incurred net loss before tax of S\$2.2 million during 2H 2021 and S\$4.5 million during FY 2021 against net loss before tax of S\$1.3 million and S\$2.7 million during corresponding periods of the preceding year. The net loss before tax increased due to the PSP 2021 of S\$1.7 million in 2H 2021 and S\$2.8 million in FY 2021 which are non-recurring in nature. Excluding the PSP 2021 impact to the operating expenses, the Group made a net loss before tax of S\$0.5 million for 2H 2021 and S\$1.7 million for FY 2021 on an adjusted basis.

Statements of Financial Position

Current assets

The current assets as at 31 December 2021 decreased by S\$2.55 million mainly due to decreased in inventories by S\$2.68 million, decreased in trade receivables by S\$4.88 million and decreased in prepayments by S\$1.96 million, partially offset by increased in cash and cash equivalents by S\$2.65 million and assets of disposal group classified as held for sale of S\$4.91 million.

Non-current assets

The non-current assets as at 31 December 2021 decreased by S\$5.61 million mainly due to decrease in property, plant and equipment by S\$5.48 million and decreased in intangible assets by S\$0.30 million as major assets are held by discontinued operations and had been classified to current assets as asset of disposal group classified as held for sale.

Current liabilities

The current liabilities as at 31 December 2021 decreased by S\$5.04 million mainly due to decreased of trade creditors by S\$4.56 million and decreased of other creditors and accruals by S\$0.64 as a results from disposed companies.

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

Non-current liabilities

The non-current liabilities as at 31 December 2021 decreased by S\$1.43 million mainly due to decreased in lease obligations by S\$1.09 million as a result of fully repaid of lease by discontinued operations and decreased in provision for employee benefits by S\$0.19 million.

Equity

Equity attributable to the owners of the Company decreased by S\$1.68 million mainly due to loss after tax recognised of S\$4.95 million coupled with the re-issuance of treasury shares under PSP 2021 which had resulted in decrease of other reserves by S\$1.36 million which was partially offset by decrease in treasury shares by S\$2.45 million.

Statement of Cash Flows

For FY 2021, the Group's net cash generated from operating activities of S\$2.73 million, mainly due to decrease in inventories, trade receivables and trade creditors, partially offset by increase in other receivables. The net cash generated from investing activities of S\$0.64 million was mainly due to cash inflow on disposal of subsidiaries. The net cash generated from financing activities of S\$1.26 million, mainly due to withdraw of cash and bank deposits pledged.

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

There was no forecast or prospect statement disclosed to shareholders previously.

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

COVID-19 is moving from a pandemic to endemic in 2022 and beyond and is still causing massive disruptions to businesses. Such impacts include working from home arrangements, technology adoption, e-commerce, electronic payments, etc. which may become a permanent change in future. Key markets for the Group such as like Singapore, India and Indonesia are still affected and businesses remain impacted especially in the retail segment in Indonesia for Operator products. The team and the business leaders have from all business units have shown resilience and are still working towards achieving their goals.

The Group still did not engage in any retrenchment or removing of staffs during the year. Skilled manpower has become dearer in nearly all geographies, including Singapore. The Group is continuously trying to achieve cost efficiencies to improve margins. Intense competition in certain segments under Technology is visible as some companies are waging price wars in a bid to remain operational during this pandemic.

This is compounded with restricted skills base and proximity to countries due to travel restrictions which has also created hindrance in implementing strategies. This further lead to substantial pressure on margins in all business segments and we expect to see some challenges until the pandemic improves.

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- 5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (cont'd)**

Telecom Segment

Distribution of Operator Products and Services for certain operators still sees a challenge in the business due to the Omicron wave in Indonesia. Bali and related cluster still have insignificant tourists and related footfalls. Revenues still have sustenance during the lock down, due to change in habits of consumers such as increase usage of data packs. Overall environment in Telecom sector remains challenging as margins are under intense pressure due to intense competition. Telecom sector in Indonesia is still in the structural transition phase from legacy services (voice and SMS) to data services. Ongoing consolidation between Telcos are also creating new alliances with new KPIs and new renewal methods being a possibility. In the year 2022, all 3 Telcos , XL, Telkomsel and Indosat will be forming a new merged entity named PT Indosat Ooredoo Hutchison Tbk (Indosat Ooredoo Hutchison will be doing cluster License renewals in Indonesia).

The Group still foresees a substantial pressure on overall industry margins to continue, which will percolate to distributors as well. COVID-19 has also affected the Group's process to expand it's ongoing fintech pilot in various clusters.

The Group is closely monitoring the market conditions due to the consolidation and technological changes and will also continue its efforts to leverage on technology to enhance its distribution channels.

ICT Distribution & Managed Services

Overall revenue for ICT distribution & managed services remains challenged as large projects and skills to architect and presell or execute large projects has become scarce.

Battery Electric Vehicles (BEV) and Singapore based Information Communication and Telecommunications (ICT) Business update

The Group announced its intention to divest 90% of its shares of BEV business on dated 3 December 2021 (Singapore Electric Vehicle). This divestment process is ongoing and will seek shareholders' approval via an EGM soon. The rationale for the divestment which has been announced by the Company on 3 December 2021.

The Group has also divested its ICT business in Singapore via an announcement dated 12 October 2021 and has successfully completed the transaction as announced on 9 November 2021 and 3 January 2022.

As announced on 29 December 2021, the Group is contemplating a proposed acquisition. Furthermore, the Group is also thoroughly evaluating various other businesses as that may require the Group to take corporate actions (Investment/Divestment/Restructuring) to rationalize the business for long term sustainability and improving profitability.

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6. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?
No dividend is declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

7. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been recommended for the current financial period reported on as the Group intends to conserve cash for future investments.

8. A breakdown of sales.

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

9. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the form set out in appendix 7H) under rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7H under Rule 720(1) of the Listing Manual.

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

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

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

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the six-month period ended 31 December 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Maneesh Tripathi
Director

Tushar s/o Pritamlal Doshi
Director

28 February 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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

*The details of the contact person for the Sponsor is:
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