



DATAPULSE TECHNOLOGY

Company Registration No. 198002677D

Datapulse Technology Limited

Full Year Financial Statements and Dividend Announcement

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

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

Consolidated Statement of Profit or Loss

GROUP

Continuing operations

	Year Ended 31.07.17 \$'000	Year Ended 31.07.16 \$'000	Change %
Revenue	12,678	23,309	(45.6)
Other income	515	479	7.5
	<u>13,193</u>	<u>23,788</u>	(44.5)
Changes in inventories and raw materials usage	(3,415)	(6,289)	(45.7)
Staff costs	(7,351)	(8,901)	(17.4)
Depreciation	(2,766)	(3,145)	(12.1)
Other operating expenses	(2,975)	(5,065)	(41.3)
Total operating expenses	<u>(16,507)</u>	<u>(23,400)</u>	(29.5)
Results from operating activities	(3,314)	388	NM
Share of loss of associate	-	(6)	NM
(Loss)/Profit before tax	(3,314)	382	NM
Income tax credit	709	473	49.9
(Loss)/Profit from continuing operations	(2,605)	855	NM
<u>Discontinued Operations**</u>			
Profit from discontinued operations (net of tax)	5,634	50	NM
Profit for the year attributable to owners of the Company	<u>3,029</u>	<u>905</u>	234.7

** The Group had on 7 July 2016 entered into a share sale and purchase agreement to dispose of its entire shareholding in One Global Inc ("OGI"), a wholly-owned subsidiary in Taiwan. Accordingly, the results of OGI were disclosed as discontinued operations in the Group's statement of profit or loss. The disposal was completed on 19 August 2016.

NM: Not meaningful.

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

Consolidated Statement of Comprehensive income

	Year Ended 31.07.17 \$'000	Year Ended 31.07.16 \$'000	Change %
Profit for the year	3,029	905	234.7
<u>Other comprehensive income</u>			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to financial statements of a foreign subsidiary	-	(4)	NM
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	299	-	NM
Foreign currency translation differences relating to financial statements of an associate reclassified to profit or loss, upon disposal	(20)	-	NM
Share of foreign currency translation differences of associate	-	20	NM
Other comprehensive income attributable to owners of the Company	<u>279</u>	<u>16</u>	NM
Other comprehensive income for the year	<u>279</u>	<u>16</u>	NM
Total comprehensive income for the year attributable to owners of the Company	<u>3,308</u>	<u>921</u>	259.2

NM: Not meaningful.

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

Notes

Other income:

Gain on disposal of a foreign subsidiary	-	5,634	5,634
Gain on disposal of associate	32	-	32
Gain on sale of property, plant and equipment	13	-	13
Interest income	416	-	416
Sundry income	54	-	54

Other operating expenses include the following items:

Exchange loss / (gain)	(192)	-	(192)
Impairment loss recognised on property, plant and equipment	192	-	192
Bad debt recovered	(1)	-	(1)

Others:

Adjustment for overprovision of tax in respect of prior years (included as part of income tax expense)	-	-	-
Adjustment for deferred tax in respect of prior years (included as part of income tax expense)	(56)	-	(56)

Year Ended 31.07.17			Year Ended 31.07.16			Change %
Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
-	5,634	5,634	-	-	-	NM
32	-	32	-	-	-	NM
13	-	13	-	-	-	NM
416	-	416	442	-	442	(5.9)
54	-	54	37	-	37	45.9
515	5,634	6,149	479	-	479	NM
(192)	-	(192)	144	-	144	NM
192	-	192	-	-	-	NM
(1)	-	(1)	(2)	-	(2)	(50.0)
-	-	-	286	-	286	NM
(56)	-	(56)	(34)	-	(34)	64.7

NM: Not meaningful.

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

Statements of Financial Position

Non-current assets

Property, plant and equipment
Subsidiaries
Associate

Current assets

Inventories
Trade and other receivables
Cash and bank balances
Assets held for sale *

Total assets

Equity attributable to owners of the Company

Share capital
Reserves

Total equity

Non-current liabilities

Deferred tax liabilities

Current liabilities

Trade and other payables
Amount due to subsidiaries (non-trade)
Liabilities held for sale *
Current tax payable

Total liabilities

Total equity and liabilities

GROUP			COMPANY		
31.07.17 \$'000	31.07.16 \$'000	Change %	31.07.17 \$'000	31.07.16 \$'000	Change %
2,731	14,034	(80.5)	2,731	14,034	(80.5)
-	-	-	- #	2,903	NM
-	2,889	NM	-	-	-
2,731	16,923	(83.9)	2,731	16,937	(83.9)
784	1,050	(25.3)	784	1,050	(25.3)
1,322	1,314	0.6	1,322	1,298	1.8
39,522	31,874	24.0	39,510	31,468	25.6
8,310	6,527	27.3	8,310	-	-
49,938	40,765	22.5	49,926	33,816	47.6
52,669	57,688	(8.7)	52,657	50,753	3.8
32,992	32,992	-	32,992	32,992	-
16,927	14,269	18.6	10,813	14,096	(23.3)
49,919	47,261	5.6	43,805	47,088	(7.0)
370	1,079	(65.7)	370	1,079	(65.7)
370	1,079	(65.7)	370	1,079	(65.7)
2,380	3,005	(20.8)	2,380	2,584	(7.9)
-	-	-	6,102	-	NM
-	6,341	NM	-	-	-
-	2	NM	-	2	NM
2,380	9,348	(74.5)	8,482	2,586	228.0
2,750	10,427	(73.6)	8,852	3,665	141.5
52,669	57,688	(8.7)	52,657	50,753	3.8

NM: Not meaningful.

#: Amount less than \$50.

* The assets and liabilities of the Taiwan subsidiary, OGI, were classified as "Assets held for sale" and "Liabilities held for sale" respectively at 31 July 2016.

On 26 July 2017, the Company granted an option to purchase to an independent third party purchaser for the sale of its leasehold property at a consideration of \$53.5 million. The sale of the leasehold property is expected to be completed within the next 12 months. Accordingly, the leasehold property has been presented as "Assets held for sale" as at 31 July 2017.

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

Amount repayable in one year or less, or on demand

As at 31.07.17		As at 31.07.16	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
-	-	6,226	-

Amount repayable after one year

As at 31.07.17		As at 31.07.16	
\$'000	\$'000	\$'000	\$'000
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

At 31 July 2016, the liabilities held for sale included bank loan of \$6.2 million. The bank loan was secured by a charge over freehold property with net book value of \$5.5 million held by the Group's Taiwan subsidiary, OGI and corporate guarantee provided by the Company.

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

<u>Consolidated Statement of Cash Flows</u>	Year Ended	Year Ended
GROUP	31.07.17	31.07.16
<u>Operating activities</u>	\$'000	\$'000
Profit for the year	3,029	905
Adjustments for:		
Bad debt recovered	(1)	(2)
Depreciation	2,766	3,205
Finance costs	-	150
Gain on sale of property, plant and equipment	(13)	-
Impairment loss recognised on property, plant and equipment	192	-
Income tax credit	(709)	(455)
Interest income	(416)	(442)
Gain on disposal of a foreign subsidiary	(5,634)	-
Gain on disposal of associate	(32)	-
Share of loss of associate	-	6
Operating profit before working capital changes	(818)	3,367
Changes in working capital:		
Inventories	266	219
Trade and other receivables	39	671
Trade and other payables	(222)	(362)
Cash generated from operations	(735)	3,895
Income tax paid, net	(2)	(4)
Net cash from operating activities	(737)	3,891
<u>Investing activities</u>		
Deposit received for sale of disposal group	-	406
Proceeds from disposal of discontinued operations, net of cash disposed of	5,508	-
Interest received	368	443
Shareholders' loan to associate	-	(2,875)
Repayment of shareholders' loan by associate	2,875	-
Proceeds from disposal of associate, net of transaction costs	26	-
Proceeds from sale of property, plant and equipment	63	-
Purchase of plant and equipment	(15)	(101)
Net cash from/(used in) investing activities	8,825	(2,127)
<u>Financing activities</u>		
Dividends paid	(657)	(1,320)
Interest paid	-	(150)
Repurchase of own shares	-	(183)
Return of unclaimed dividends	7	5
Net cash used in financing activities	(650)	(1,648)
Net increase in cash and cash equivalents	7,438	116
Cash and cash equivalents at beginning of year	32,080	31,975
Effect of exchange rate changes on balances held in foreign currency	4	(11)
Cash and cash equivalents at end of year	39,522	32,080
Cash and cash equivalents of a subsidiary reclassified as assets held for sale	-	(206)
Cash and cash equivalents at end of year in the statement of financial position	39,522	31,874

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

Consolidated Statement of Changes in Equity

	Share capital \$'000	Reserve for own shares \$'000	Legal reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
GROUP						
At 1 August 2015	32,992	-	9	(295)	15,132	47,838
Total comprehensive income for the year						
<i>Profit for the year</i>	-	-	-	-	905	905
<u>Other comprehensive income</u>						
Foreign currency translation differences relating to financial statements of a foreign subsidiary	-	-	-	(4)	-	(4)
Share of foreign currency translation differences of an associate	-	-	-	20	-	20
<i>Total other comprehensive income</i>	-	-	-	16	-	16
Total comprehensive income for the year	-	-	-	16	905	921
Transactions with owners, recorded directly in equity						
<u>Contributions by and distributions to owners</u>						
Final 1-tier tax-exempt dividend paid of 0.20 cents per share for FY2015	-	-	-	-	(1,320)	(1,320)
Own shares acquired	-	(183)	-	-	-	(183)
Return of unclaimed dividends	-	-	-	-	5	5
Transfer to legal reserve	-	-	8	-	(8)	-
<i>Total contributions by and distributions to owners</i>	-	(183)	8	-	(1,323)	(1,498)
Total transactions with owners	-	(183)	8	-	(1,323)	(1,498)
At 31 July 2016	32,992	(183)	17	(279)	14,714	47,261
At 1 August 2016	32,992	(183)	17	(279)	14,714	47,261
Total comprehensive income for the year						
<i>Profit for the year</i>	-	-	-	-	3,029	3,029
<u>Other comprehensive income</u>						
Foreign currency translation differences relating to financial statements of a foreign subsidiary reclassified to profit or loss, upon disposal	-	-	-	299	-	299
Foreign currency translation differences relating to financial statements of an associate reclassified to profit or loss, upon disposal	-	-	-	(20)	-	(20)
<i>Total other comprehensive income</i>	-	-	-	279	-	279
Total comprehensive income for the year	-	-	-	279	3,029	3,308
Transactions with owners, recorded directly in equity						
<u>Contributions by and distributions to owners</u>						
Final 1-tier tax-exempt dividend paid of 0.30 cents per share for FY2016	-	-	-	-	(657)	(657)
Reserves relating to discontinued operation of a foreign subsidiary transferred to retained earnings, upon disposal	-	-	(17)	-	17	-
Return of unclaimed dividends	-	-	-	-	7	7
<i>Total contributions by and distributions to owners</i>	-	-	(17)	-	(633)	(650)
Total transactions with owners	-	-	(17)	-	(633)	(650)
At 31 July 2017	32,992	(183)	-	-	17,110	49,919

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

Statement of Changes in Equity

COMPANY

At 1 August 2015

Total comprehensive income for the year

Profit for the year

Total other comprehensive income

Total comprehensive income for the year

Transactions with owners, recorded directly in equity

Contributions by and distributions to owners

Final 1-tier tax-exempt dividend paid of 0.20 cents per share for FY2015

Own shares acquired

Return of unclaimed dividends

Total contributions by and distributions to owners

Total transactions with owners

At 31 July 2016

At 1 August 2016

Total comprehensive income for the year

Profit for the year

Total other comprehensive income

Total comprehensive income for the year

Transactions with owners, recorded directly in equity

Contributions by and distributions to owners

Final 1-tier tax-exempt dividend paid of 0.30 cents per share for FY2016

Return of unclaimed dividends

Total contributions by and distributions to owners

Total transactions with owners

At 31 July 2017

Share capital \$'000	Reserve for own shares \$'000	Retained earnings \$'000	Total equity \$'000
32,992	-	14,733	47,725
-	-	861	861
-	-	-	-
-	-	861	861
-	-	(1,320)	(1,320)
-	(183)	-	(183)
-	-	5	5
-	(183)	(1,315)	(1,498)
-	(183)	(1,315)	(1,498)
32,992	(183)	14,279	47,088
32,992	(183)	14,279	47,088
-	-	(2,633)	(2,633)
-	-	-	-
-	-	(2,633)	(2,633)
-	-	(657)	(657)
-	-	7	7
-	-	(650)	(650)
-	-	(650)	(650)
32,992	(183)	10,996	43,805

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

For the year ended 31 July 2017, there was no change to the share capital of the Company.

As at 31 July 2017, the Company held 829,600 treasury shares (31 July 2016: 829,600).

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

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

	COMPANY	
	As at 31.07.17	As at 31.07.16
Number of issued ordinary shares, excluding treasury shares, at the end of the year	219,074,844	219,074,844

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

The Company held 829,600 treasury shares as at 31 July 2017. There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial year reported on.

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

The figures have been audited in accordance with Singapore Standards on Auditing.

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

See attached.

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

Except as disclosed in paragraph 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in the audited financial statements for the financial year ended 31 July 2017.

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

The Group has adopted all applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which became effective for accounting period beginning on or after 1 August 2016. The adoption of these new and revised FRS and INT FRS are assessed to have no significant financial impact on the Group's financial statements for the current financial year reported on.

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

	GROUP					
	Year ended 31.07.2017			Year ended 31.07.2016		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Profit attributable to owners of the Company (\$'000)	(2,605)	5,634	3,029	855	50	905
Weighted average no. of shares used in computation of basic earning per shares (\$'million) **	219.07	219.07	219.07	219.61	219.61	219.61
Earnings per share						
(a) Based on the weighted average number of shares on issue	(1.19) cents	2.57 cents	1.38 cents	0.39 cents	0.02 cents	0.41 cents
(b) On a fully diluted basis	(1.19) cents	2.57 cents	1.38 cents	0.39 cents	0.02 cents	0.41 cents

** The weighted average number of shares takes into account the weighted average effect of treasury shares transactions.

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

	GROUP		COMPANY	
	As at 31.07.17	As at 31.07.16	As at 31.07.17	As at 31.07.16
Net Asset Value per ordinary share based on issued share capital at the end of the year	22.79 cents	21.57 cents	20.00 cents	21.49 cents

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

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

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

Financial performance for financial year ended 31 July 2017 ("FY2017")

For FY2017, the Group registered a 45.6% decrease in revenue as compared to financial year ended 31 July 2016 ("FY2016") from \$23.3 million to \$12.7 million. The decrease in revenue was due to weaker demand for media storage products and services during the year.

Total operating expenses decreased by 29.5% from \$23.4 million in FY2016 to \$16.5 million in FY2017. The decrease in cost of raw materials usage of 45.7% corresponded with the lower revenue recognised in FY2017. Depreciation was lower as more assets were fully depreciated and there were minimal property, plant and equipment investments. The reduction in staff costs by 17.4% from \$8.9 million to \$7.4 million and other operating expenses by 41.3% from \$5.1 million to \$3.0 million were mainly attributed to lower business activities, cost management measures undertaken by the management of the Group, and exchange gain recognised during the year.

Income tax credit of \$0.7 million recorded by the Group for FY2017 was mainly a result of the Company's reduction in deferred tax liabilities during FY2017. For FY2016, income tax credit of \$0.5 million recorded by the Group was a result of the Company's reversal of over provision of \$0.3 million in respect of prior years' income taxes and reduction in deferred tax liabilities of \$0.2 million.

Profit from discontinued operations was due to recognition of gain on disposal of subsidiary of \$5.6 million upon completion of the disposal of OGI during the year.

As a result of the above, the Group's profit increased by 234.7% from \$0.9 million in FY2016 to \$3.0 million in FY2017.

Financial Position and Cash flow

The Group's financial position remained strong with cash balances of \$39.5 million as at 31 July 2017. This was equivalent to 18.04 cents of net cash per share.

For FY2017, the Group recorded a negative cash flow from operating activities of \$0.7 million mainly due to the operating loss incurred for the year.

On 7 July 2016, the Group entered into a share sale and purchase agreement to dispose of its entire shareholding in OGI for a consideration of TWD 144.5 million (equivalent to \$6.1 million). The assets and liabilities of OGI had also been reclassified to assets held for sale and liabilities held for sale in the Group's statement of financial position as at 31 July 2016. The disposal was completed on 19 August 2016 and the Group received proceeds from discontinued operations, net of cash disposed amounting to \$5.9 million.

On 26 July 2017, the Company granted an option to purchase (the "Option") to an independent third party purchaser (the "Purchaser") for the sale of its leasehold property (the "Property") at a consideration of \$53.5 million. The sale of the Property is expected to be completed within the next 12 months. Accordingly, the Property has been reclassified to assets held for sale as at 31 July 2017. The reclassification of property, plant and equipment amounting to \$8.3 million to assets held for sale, depreciation charge for the year of \$2.8 million, and impairment loss recognised on the Company's plant and machinery of \$0.2 million, contributed to the decrease in property, plant and equipment for the year.

Associate at the Group level of \$2.9 million as at 31 July 2016 comprised mainly a long term shareholders' loan extended to a 20% owned associate, Goldprime Realty Pte Ltd ("Goldprime"), for a property development project in Australia. On 2 December 2016, the Group entered into a share sale and purchase agreement to dispose of its 20% interest in Goldprime for a consideration of \$35,000. The disposal was completed on 17 February 2017 and the shareholders' loan was fully repaid during the year.

The decrease in inventories was in line with lower business activities.

The decrease in trade and other payables was mainly due to lower operating expenses accrued for FY2017.

Deferred tax liabilities were lower mainly due to adjustments made by the Company for temporary timing differences during FY2017.

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

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

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

Reserves as at 31 July 2017 were higher by \$2.7 million due mainly to FY2017's profit of \$3.0 million and reclassification of foreign currency translation difference to profit or loss upon disposal of a foreign subsidiary and an associate of \$0.3 million, partially offset by the payment of final one-tier tax exempt dividend of \$0.7 million during the year.

Use of proceeds raised from private placement

A portion of the proceeds raised from the issuance of shares to Lian Beng Group Ltd in FY2015, amounting to approximately \$2.9 million had been extended to the Group's associate, Goldprime, by way of a long term interest-free shareholders' loan for use on a property development project in Australia in FY2016. With the completion of the disposal of Goldprime in February 2017, this loan has been fully repaid during the year.

The Company will continue to make periodic announcements on the utilisation of the placement proceeds as and when such proceeds are materially disbursed.

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

Not applicable.

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

On 26 July 2017, the Group granted the Option to the Purchaser for the sale of its leasehold property at Tai Seng Drive (the "Tai Seng Property") at a consideration of \$53.5 million. The Option has been exercised and the sale of the Tai Seng Property is expected to be completed by end 2017.

In its announcements dated 7 August 2017 and 4 September 2017, the Group announced that it had been granted an option to purchase an industrial property located in Toa Payoh (the "Toa Payoh Property") for a consideration of \$10.5 million. Upon completion of the sale of the Tai Seng Property, the Group will relocate its office and manufacturing facilities to the Toa Payoh Property.

The operating environment in the media storage industry remains increasingly challenging due to weak market demand for media storage products and services. The Group will continue to focus on providing more value added services to its customers and managing its operating costs by improving yield and production efficiencies. It will also be keeping a close tab on the technological and business developments within the media storage industry and explore other investment and business opportunities.

At the same time, the Group will actively re-define its business strategies, and continue to explore measures to optimize utilisation of its resources efficiently.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared or recommended for the current financial period reported on? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.50 cents per share
Tax Rate	One-tier tax exempt

11. Dividend (cont'd)**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	0.30 cents per share
Tax Rate	One-tier tax exempt

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

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

No IPT mandate has been obtained from shareholders. There were no IPTs more than \$100,000 for the year under review.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

Not applicable.

15. Confirmation pursuant to Rule 720(1).

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

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

Information about reportable segments

	Singapore (Continuing operations)		Australia (Continuing operations)		Total (Continuing operations)		Taiwan (Discontinued operations)		Total	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
External revenue	12,678	23,309	-	-	12,678	23,309	-	352	12,678	23,661
Inter segment revenue	-	-	-	-	-	-	-	-	-	-
Total revenue for reporting segments	12,678	23,309	-	-	23,309	23,309	-	352	12,678	23,661
Interest income	416	442	-	-	416	442	-	NM	416	442
Finance costs	-	-	-	-	-	-	-	(150)	-	(150)
Depreciation	(2,766)	(3,145)	-	-	(2,766)	(3,145)	-	(60)	(2,766)	(3,205)
Share of loss of associate	-	-	-	(6)	-	(6)	-	-	-	-
Reportable segment profit/(loss) before tax	(3,314)	388	-	(6)	(3,314)	382	5,634	63	2,320	445
Income tax credit/(expense)	709	473	-	-	709	473	-	(18)	709	455
Other material non-cash items:										
Segment assets	52,669	47,878	-	2,889	52,669	50,767	-	6,522	52,669	57,289
Capital expenditure	15	101	-	-	15	101	-	-	15	101
Segment liabilities	2,750	3,665	-	-	2,750	3,665	-	6,341	2,750	10,006

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (cont'd)

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

	2017	2016
	\$'000	\$'000
Revenue		
Total revenue for reporting segments	12,678	23,661
Elimination of inter-segment revenue	-	-
Elimination of discontinued operations	-	(352)
Consolidated revenue	<u>12,678</u>	<u>23,309</u>
Profit before tax		
Total profit for reportable segments before tax	2,320	445
Consolidation adjustments	-	5
Elimination of discontinued operations	(5,634)	(68)
Consolidated profit before tax	<u>(3,314)</u>	<u>382</u>
Assets		
Total assets for reportable segments	52,669	57,289
Other unallocated amounts	-	466
Consolidation adjustments	-	(67)
Consolidated total assets	<u>52,669</u>	<u>57,688</u>
Liabilities		
Total liabilities for reportable segments	2,750	10,006
Other unallocated amounts	-	452
Consolidation adjustments	-	(31)
Consolidated total liabilities	<u>2,750</u>	<u>10,427</u>

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

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (cont'd)

Products and services

The Singapore segment is in the business of media storage products and services. The Taiwan segment is involved in the leasing of commercial space. The Australia segment is involved in the property development undertaken by the Group's associate in Australia. Both the Taiwan and Australia operations have been disposed of during the year. Information on revenue from external customers is as disclosed above.

Geographical segments

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

Revenue	2017	2016
	\$'000	\$'000
Singapore	7,573	10,795
Taiwan	-	430
Other Asia Pacific	4,029	8,435
Others	1,076	4,001
Less: Discontinued operations	-	(352)
	<u>12,678</u>	<u>23,309</u>
Non-current assets	2016	2016
	\$'000	\$'000
Singapore	2,731	14,034
Australia	-	2,889
Taiwan (Discontinued operations)	-	-
	<u>2,731</u>	<u>16,923</u>

Major Customers

The Group has three (2016: three) major customers which in aggregate contributed to a total of approximately 58% (2016: 52%) of the Group's revenue.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

As explained in paragraph 8 above, the Group registered a 45.6% decrease in revenue from \$23.3 million to \$12.7 million due to weaker demand for media storage products and services during the year. In addition, both the Taiwan and Australia operations have been disposed of during the year

18. A breakdown of sales.

	Latest Financial Year	Previous Financial Year	% Increase / (Decrease)
Continuing operations	\$'000	\$'000	%
	Group	Group	Group
(a) Sales reported for the first half year	8,500	17,158	50.5
(b) Operating profit after tax before deducting non-controlling interests reported for the first half year	(61)	3,267	NM
(c) Sales reported for the second half year	4,178	6,151	(32.1)
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for the second half year	(2,544)	(2,412)	(5.5)

	Latest Financial Year	Previous Financial Year	% Increase / (Decrease)
Discontinued operations	\$'000	\$'000	%
	Group	Group	Group
(a) Sales reported for the first half year	-	178	NM
(b) Operating profit after tax before deducting non-controlling interests reported for the first half year	5,549	26	NM
(c) Sales reported for the second half year	-	174	NM
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for the second half year	85	24	254.2

NM: Not meaningful

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend

	Latest Full Year	Previous Full Year
	\$'000	\$'000
Ordinary – Interim (Paid)	-	-
Ordinary – Final	1,095	657
Ordinary – Special	-	-
Preference	-	-
Total	1,095	657

* The final dividend is estimated based on 219.1 million (31 July 2016: 219.1 million) ordinary shares in issue at the end of the financial year.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ng Cheow Chye	66	Brother of Mr Ng Cheow Leng, who is the Executive Director, Human Resource and Administration.	Executive Deputy Chairman since September 2004 and Chief Executive Officer since September 2014 (Previously Managing Director since 1981). Oversees the Group's operations, provides guidance to the management in the setting of the Group's strategic plans and directions as well as explore other investment and business opportunities.	Nil.
Ng Cheow Leng	56	Brother of Ng Cheow Chye, who is the Executive Deputy Chairman, Chief Executive Officer and a substantial shareholder.	Executive Director, Human Resource and Administration since 1994. Responsible for the formulation and implementation of the Company's human resource, administration and information technology policies.	Nil.

BY ORDER OF THE BOARD

Lee Kam Seng
Chief Financial Officer
21 September 2017



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Independent auditors' report

Members of the Company
Datapulse Technology Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Datapulse Technology Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position the Company as at 31 July 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS45.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 July 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

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



Key audit matters

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

Impairment assessment of property, plant and equipment (Refer to Note 4 to the financial statements)

Risk

The Group has recorded a decline in sale of goods since FY2012 as a result of downturn in demand for media storage products, which indicates potential impairment of the Group's property, plant and equipment.

As at 31 July 2017, the Group has property, plant and equipment with a carrying amount of \$2.7 million comprising mainly plant and machinery of \$2.6 million. Property, plant and equipment represents 100% of the non-current assets as at 31 July 2017.

Property, plant and equipment are allocated to different cash-generating units ("CGUs"). Management assesses if there are any impairment indicators for these CGUs. Where there are impairment indicators, the property, plant and equipment will be tested for impairment by estimating the recoverable amounts of the respective CGUs. Management applies the value in use ("discounted cash flow") method to determine the recoverable amounts of the CGUs.

The determination of recoverable amounts of these CGUs by the Group involves significant judgements in estimating key assumptions like forecast revenue, long-term growth rate, profit margins and discount rates.

Our response

We evaluated management's determination of CGUs, comprising mainly digital versatile disc ("DVD"), blu-ray disc ("BRD") and compact disc based on our knowledge of the business of the Group. We evaluated management's determination on whether there are impairment indicators for each of the CGUs.

Management has determined that there are impairment indicators for DVD and BRD CGUs, and recognised impairment loss based on the recoverable amount of each CGU. We assessed the key assumptions used in estimating the recoverable amounts of these two CGUs. This included a comparison of forecast growth rate and gross profit margin with historical performance, future business plans and external market data. We evaluated other key inputs such as discount rate used in the calculations by comparing against the weighted average cost of capital for the Company and comparable companies. We also performed sensitivity analysis around the key drivers of the recoverable amounts for the two CGUs, in particular, revenue growth and discount rate.



We considered the adequacy of disclosures in the financial statements in describing the inherent degree of subjectivity and key assumptions applied in deriving the recoverable amount.

Our findings

The Group has a reasonable basis to determine the CGUs for property, plant and equipment.

The assumptions and resulting estimations by management to derive the recoverable amounts of the DVD and BRD CGUs were generally in tandem with future business plans and external market data, and within range of reasonable expectations. The related disclosures in the financial statements are also found to be appropriate.

Other information

Management is responsible for the other information. Other information is defined as all information in the annual report other than the financial statements and our auditors' report. We have obtained all other information prior to the date of this auditors' report except for the Statistics of Shareholdings which is expected to be made available to us after that date.

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

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

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

When we read the Statistics of Shareholdings, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

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



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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

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

Report on other legal and regulatory requirements

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

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

KPMG LLP

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

21 September 2017