



Company Registration No. 198002677D

Press Release
17 September 2015
(For Immediate Release)

Contact Person:
Lim Jit Siew, Chief Financial Officer
Datapulse Technology Limited
Tel: +65 6382 7989

Datapulse Technology Reports Profit of \$1.6 Million for FY2015 and Recommends Final Dividend of 0.20 Cent Per Share

Singapore, 17 September 2015 – Mainboard listed Datapulse Technology Limited, a leading total solution provider of CD, DVD and Blu Ray Discs services in the Asia Pacific region, reported its results for the financial year 2015.

For FY2015, the Group recorded a 12.5% drop in revenue from \$29.5 million to \$25.8 million. The decrease in revenue was attributed mainly to weaker demand for DVD media storage products and services but was partially offset by higher sales of Blu-Ray media storage products and services.

Other income was lower due to lower gain recorded on sale of plant and equipment.

Total operating expenses decreased by 15.0% from \$29.7 million in FY2014 to \$25.3 million in FY2015. The decrease in cost of raw materials usage by 24.3% from \$8.1 million to \$6.1 million was attributed to lower revenue and improved effectiveness and efficiency in operations. The reduction in staff costs by 7.9% from \$10.0 million to \$9.2 million and other operating expenses by 14.2% from \$7.4 million to \$6.4 million was attributed to lower level of business activities. Depreciation was lower due to more assets becoming fully depreciated and there were minimal property, plant and equipment investments.

Finance costs, which were related to the Taiwan operation, were higher due to higher gearing.

Income tax credit of \$0.8 million was recorded by the Group for FY2015, which was related to the Company for adjustments made amounting to \$0.4 million for the reversal of over provision in respect of prior years' income taxes and adjustments for deferred tax liabilities of \$0.4 million during FY2015. For FY2014, income tax credit of \$0.6 million was recorded by the Group, which was related to the Company for adjustments made amounting to \$0.4 million for overprovision of tax in respect of prior years and reversal of deferred tax liabilities of \$0.2 million for temporary timing differences during FY2014.

The Company did not recognize any current income tax expense for both periods as it had sufficient tax allowances to offset its taxable income for FY2015 and FY2014 at the end of the respective reporting periods.

As a result of the above, the Group's profit increased by 101.5% from \$0.8 million in FY2014 to \$1.6 million in FY2015.

Earnings per share were 0.27 cent for FY2015 and 0.14 cent for FY2014. The Group's net asset value per share stood at 7.25 cents as at 31 July 2015 compared to 6.76 cents as at 31 July 2014, an increase of 7.2%.

The Group's financial position remained strong with a net cash position of \$25.6 million as at 31 July 2015. Net cash position of the Group increased by \$10.9 million from \$14.7 million as at 31 July 2014 to \$25.6 million as at 31 July 2015 mainly due to the proceeds from the issue of 65 million new ordinary shares through a private placement, in the Company to LB amounting to \$7.2 million in 4Q FY2015. The net proceeds of \$7.2 million are intended to be used for property related businesses.

The operating environment remains challenging due to weak demand, pricing pressure and keen competition. Continued economic uncertainties around the world are dampening corporate and consumer spending, thus affecting demand for the Group's media storage products and services. Any adverse changes in the macroeconomic environment might further impact the demand for the Group's media storage products and services.

Demand for existing CD/DVD media storage products and services is expected to remain weak while sales from Blu-Ray media storage products and services would likely improve.

The Group will continue to focus on increasing its revenue base through an expansion of its customer base and providing more value added services to its customers and controlling 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 strategies and operating processes, and deploy its resources to effectively keep tab with the changes in its operating environment.

About Datapulse Technology Limited

Datapulse Technology Limited was incorporated in Singapore on 28 July 1980 and has been listed on the Mainboard of the Singapore Exchange since 1 March 1994.

Datapulse Technology Limited is a leading producer of digital storage media for content distribution in the Asia Pacific region, specialising in fast and secure delivery solutions, to a broad range of customers in the computer software, computer hardware, gaming, publishing, multimedia application and consumer electronics industry.

This news release is to be read in conjunction with the full set of financial results posted by the Company today in SGXNET.