



# INNOVATING FOR TOMORROW

ANNUAL REPORT 2024

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All figures in this annual report are in Singapore dollars unless otherwise indicated.

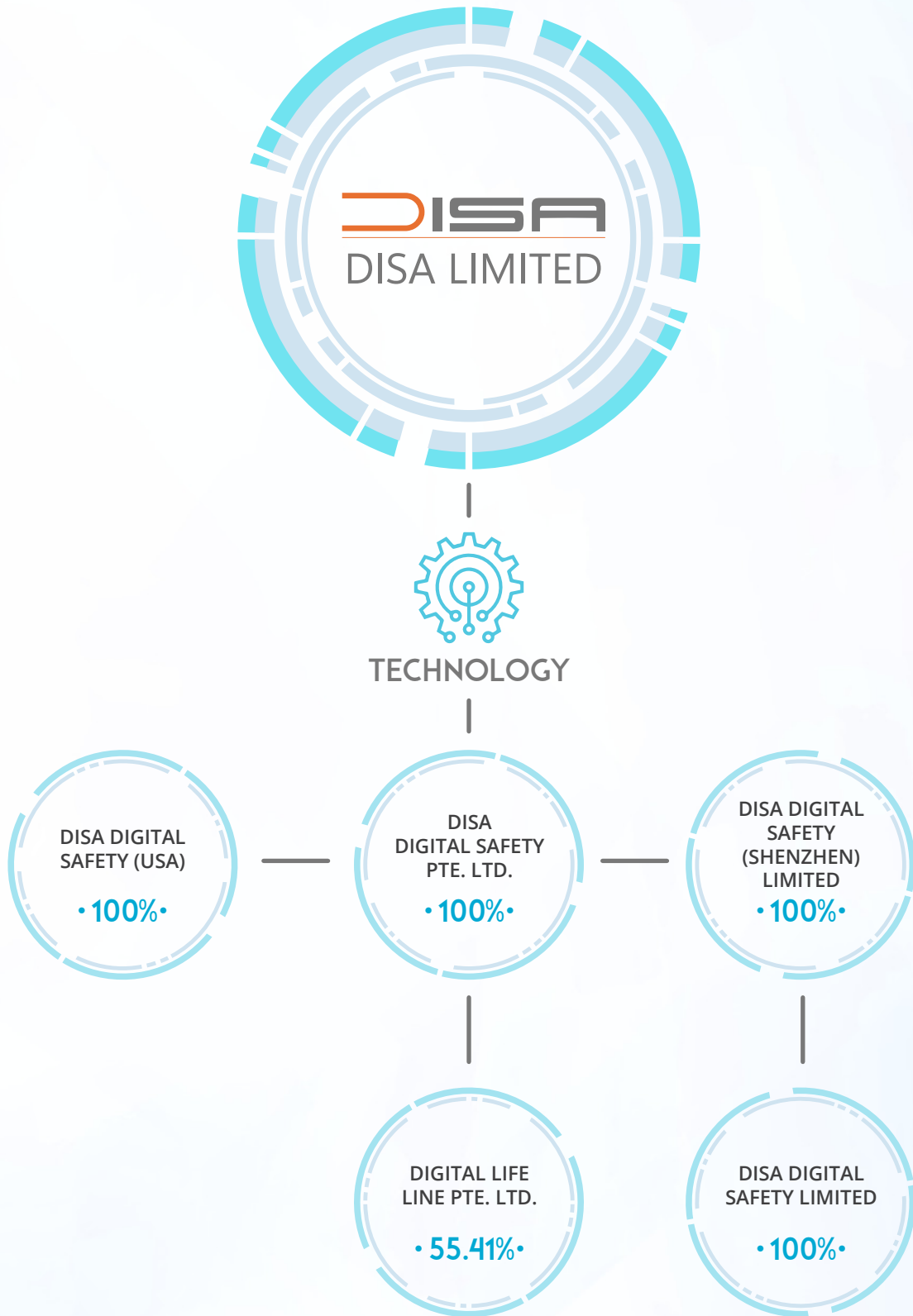
This annual report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**").

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinion made or reports contained in this annual report.

The contact person for the Company's Sponsor is Ms. Lee Khai Yinn (Registered Professional, SAC Capital Private Limited). Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542. Tel : +65 6232 3210

# CORPORATE STRUCTURE

As at 30 June 2024



# CORPORATE PROFILE

## DISA LIMITED

DISA LIMITED (“DISA”, and together with its subsidiaries, the “Group”), is an investment holding company listed on the SGX Catalist since 1992.

The Group is focusing on high-value services with long term economic resilience through globalisation initiatives.

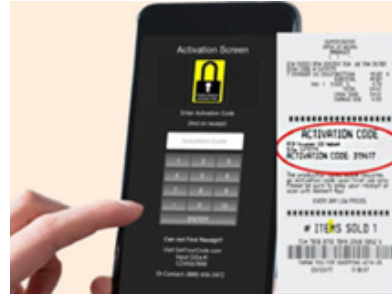
The primary businesses of the Group will be to strengthen the Group’s reliability and sustainability by way of leveraging in-house eco system research and development capability to innovate new product development with cloud-based platforms and digitalisation of product and services.

Advancing towards disruptive technology will be actively pursued in all industry segments as the Group continues to evolve its competitive edge to thrive in the digital era.

The Group has been continuously reviewing its businesses to focus on high-value services with long term potential while divesting non-core segments to complement its growth.

## TECHNOLOGY

Disa Digital Safety Pte. Ltd. (“DDSPL”) is a wholly owned subsidiary of DISA that specializes in research and development of cutting-edge security solution. DDSPL was one of the winners of The Peak Tech Laureates 2020. The Peak Tech Laureates seeks to honour technology partners who empower corporations with their most innovative and compelling services and solutions.

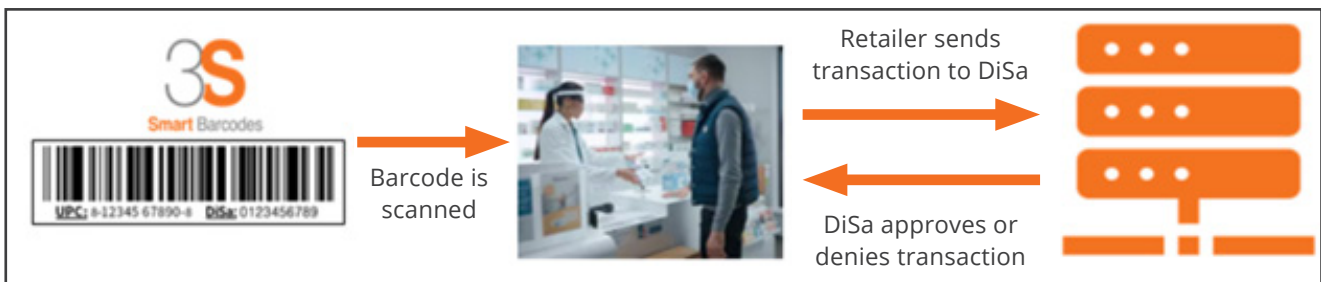


Disa Digital Safety (USA), a wholly owned subsidiary of DDSPL was named first place winner for the 2017 (R) Tech Asset Protection: Innovation Award by the Retail

Industry Leaders Association, USA for its Point-of-Sale Activation (“PoSA Smart Lock”) technology on 24 April 2017. PoSA Smart Lock is the world’s first digital asset-protection solution that removes the benefit of stealing by making the consumer electronic products non-functional until the point of payment by the consumer at retail stores.

DDSPL launched its Single-Scan Serialization (“3S Smart Barcode”) to prevent return fraud within the same retailer in 2017.

**3S Smart Barcode**, effectively stops invalid returns, offers product visibility with real-time analytics from Product ID Live, and provides more accurate inventory calculations by rejecting invalid returns and giving more precise store and item sales and returns data. DDSPL and Apriss Retail, an industry leader in retail performance improvement solutions are partnering on product serialization to assist retailers in fighting return fraud and abuse.



**FreshCounts**, combines individual tracking ability of our 3S Smart Barcode with expiration date, batch numbers and manufacturing data to provide unprecedented individual item tracking capabilities. Keeping consumables safer, consumers and retailers more informed and reducing waste. It protects consumers by ensuring freshness of the products by preventing the sales of recalled, returned and expired items to the consumers at point-of-sales.



# CORPORATE PROFILE

The Group has developed remote lockable and unlockable smart shelf (“**DiSa Smart Shelf**”) and smart case (“**DiSa Smart Case**”) that aim to deter the increasing “Rob-and-Run” crime cases in the United States of America.



**DiSa Smart Shelf**, a retail-ready remote lockable and unlockable retail shelf that provides a full placement capability of a 4-foot section of retail shelf space while remotely protecting high value items and removing the danger and time of directly engaging employees of the retailers with consumers or thieves.

**DiSa Smart Case**, a 2-foot size, retail-ready remote lockable and unlockable retail case that allows the case to be easily assembled, moved, and placed in the store to protect valuable items anywhere in the store.

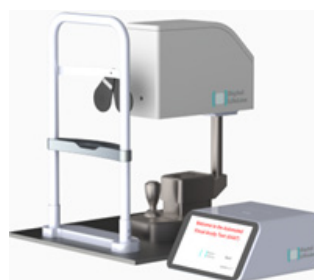


**Product ID Live**, the first smart Asset Protection technology tool that proactively combats shrink and eliminates return fraud. Retailers and suppliers receive live 24/7 user access to individual item tracking, predictive algorithms, preventative warning notifications, merchandising tools, shrink and fraud alerts, and live inventory analytics.

to individual item tracking, predictive algorithms, preventative warning notifications, merchandising tools, shrink and fraud alerts, and live inventory analytics.

## HEALTHCARE

Digital Life Line Pte. Ltd. (“**DLL**”) has secured an agreement with the National University Hospital (Singapore) and National University of Singapore (NUS) that grants DLL worldwide and exclusive rights to a device with proprietary hardware and software elements designed to enable patients to self-test with minimal to no supervision.





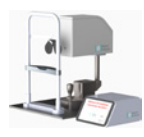


This device, known as Automated Visual Acuity Test Device (“**AVAT**”), was carefully shortlisted, having completed extensive development and clinical validation to confirm the accuracy and the urgent clinical

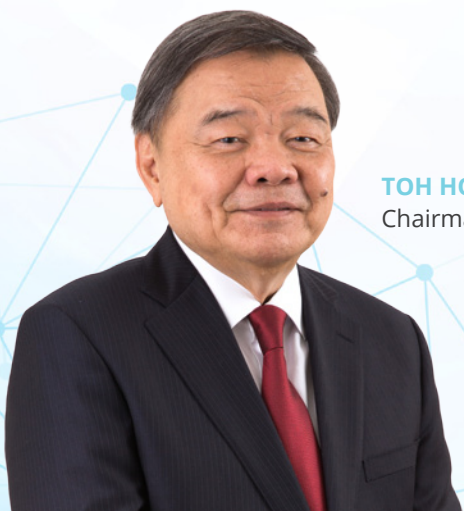
pain points that they address. DLL is privileged to commercialize this innovation, having received Class A Medical Device Registration for AVAT from the Health Science Authority (HSA) Singapore in August 2023.

AVAT aims to decentralize eye screening and disease monitoring, meeting the rising demand for accessible care. By automating visual acuity tests, AVAT efficiently scales up testing, minimizes costs, and optimizes manpower resources. The device addresses current challenges by providing a streamlined, cost-effective, and accessible solution for widespread visual acuity testing.

Comparison of DLL’s AVAT device against other visual acuity test devices in the market:

	 Printed VA charts (Precision Vision Distance Vision Chart)	 VA chart projectors (Nidek Chart Projector CP-770)	 LCD screens (Unicos ULC-900 LCD Chart)	 Standalone devices (VISIOSMART 500 Automatic Vision Screener)	 Automated Visual Acuity Testing (AVAT)
Afocal optical system	No	No	No	No	Yes
Adaptive testing process based on patient input	No	No	No	No	Yes
Customisation (VA charts, testing workflow)	No	No	No	No	Yes
Self-testing with minimal/ no supervision	No	No	No	Yes	Yes
Does not require trained staff	No	No	No	Yes	Yes
Fits on table-top (<1m)	No (requires 2.5-6m)	No (requires 2.5-6m)	No (requires 2.5-6m)	Yes	Yes
Possibility to integrate with electronic medical record systems	No	No	No	No (result not given as standard VA format 6/X)	Yes

# LETTER TO SHAREHOLDERS



**TOH HOCK GHIM**  
Chairman



**CHNG WENG WAH**  
Managing Director and  
Chief Executive Officer

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the “**Board**”) of DISA Limited (“**DISA**”, together with its subsidiaries, the “**Group**”), we are pleased to present to you the annual report of the Group for the financial year ended 30 June 2024 (“**FY2024**”).

## FY2024 – YEAR IN REVIEW

The Group achieved a sales revenue of \$7,543,000 in FY2024, a reduction of 30.9% or \$3,374,000 as compared to \$10,917,000 in FY2023 as the retailers continue to clear excessive inventories in 1H FY2024 that were built as a buffer due to massive uncertainty in supply chain following the outbreak of the COVID-19 pandemic and Russia-Ukraine war. However, the Group saw a slight turnaround in 2H FY2024 as the customers, while remaining conservative, began to place orders.

The Group’s losses for FY2024 (excluding one-off gain from recovery of bad debts and deposit paid previously written off of \$559,000, disclaimer of a long outstanding payable of \$32,000, loss on dilution of interest in an associated company of \$16,000, gain on remeasurement of an associated company of \$11,000, and the share of losses from an associated company of \$359,000) was \$2,303,000, an increase of \$61,000 or 2.7%, from \$2,242,000 (excluding one-off gain on dilution of interest in associated company of \$225,000 and the share of losses from an associated company of \$439,000) in FY2023.

Digital Life Line Pte. Ltd. (“**DLL**”), a subsidiary company of the Group’s wholly-owned subsidiary, Disa Digital Safety Pte. Ltd. (“**DiSa**”), has completed the trial deployments of its Automated Visual Acuity Test (“**AVAT**”) device in several major public hospitals in both Singapore and Hong Kong during FY2024 and is expecting its first commercial deployment in 4th quarter of 2024.

Following the signing of the memorandum of understanding with Medical Saigon Group (“**MSG**”), one of the largest ophthalmology hospitals in Vietnam for the trial deployment of its AVAT on 24 June 2024, the Group is pleased to share that DLL has successfully completed the trial deployment with MSG in July 2024 and is expecting to receive their purchase order by 3rd quarter of 2024.

AVAT has passed the electromagnetic compatibility (EMC) tests in August 2024, which is certified by Intertek, a global leader in testing, inspection and certification services for various industries and products, and is in compliance with the relevant International Electrotechnical Commission (IEC) standards for medical devices. IEC is the world’s leading organization for the preparation and publication of international standards for all electrical, electronic and related technologies.

Building on the Class A Medical Device Registration from Health Science Authority of Singapore, DLL has successfully registered AVAT in Vietnam on 29 August 2024.

# LETTER TO SHAREHOLDERS

## GOING FORWARD

The onboarding process of new retailers and brand owners in the United States of America (“USA”) remains challenging as the global economy continues to be fraught with uncertainties and this situation is expected to remain throughout 2024, according to the World Economic Forum’s January 2024 Chief Economists Outlook<sup>1</sup>.

Nevertheless, the Group will continue to focus on increasing the number of DiSa-Enabled product category in the USA.

DiSa will be partnering with major Radio Frequency Identification (“RFID”) manufacturers to jointly offer a 2-in-1 solution that combines the capabilities of both DiSa Single Scan Serialization (3S) Smart Barcode and RFID tag to help retailers in the USA to track inventories and to prevent return fraud. The retailers are requiring more and more products to be RFID-tagged to track inventories in the warehouse and to mitigate losses from return fraud.

On the other hand, DLL will continue to market its AVAT into the Asia market in FY2025 and at the same time looking into possible research collaboration with institutions to develop new products.

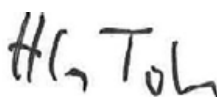
## SUSTAINABILITY MATTERS

We reaffirm our commitment to sustainability by publishing the sustainability report guided by the Global Reporting Initiative Standards. We seek to provide insights into the way we do business, while focusing on our environmental, social, governance and economic performance.

## OUR APPRECIATION

On behalf of the Board, we would like to extend our appreciation to the management and staff of the Group for their hard work and contribution during the year. We would also like to express our sincere gratitude to our fellow Directors, shareholders, valued customers, and business associates for their unwavering and continuing support.

We look forward to your continued support as we continue to explore and seize new business opportunities and remain committed towards delivering sustainable returns for our shareholders.



**TOH HOCK GHIM**  
Chairman



**CHNG WENG WAH**  
Managing Director and Chief Executive Officer

<sup>1</sup> <https://www.weforum.org/agenda/2024/01/economic-outlook-2024-recession-inflation/>

# BOARD OF DIRECTORS



## TOH HOCK GHIM

- Non-Executive and Independent Director
- Chairman, Board of Directors
- Chairman, Remuneration Committee
- Member, Audit and Risks Management Committee and Nominating Committee

*First appointed on 11 January 2008*

*Last re-elected on 28 October 2021*

Mr. Toh joined the Ministry of Foreign Affairs in October 1966 and had served in Singapore's diplomatic posts in Malaysia, the Philippines, Thailand, Vietnam and the Hong Kong & Macau Special Administrative Regions ("SARs"). He was Ambassador to Vietnam from January 1994 to January 2002 and Consul-General to the Hong Kong and Macau SARs from February 2002 to December 2007. He was appointed as Senior Adviser to the Ministry of Foreign Affairs upon his retirement from the Foreign Service at the end of 2007 till 2014. Mr. Toh obtained his Bachelor of Arts (Political Science) degree from the University of Singapore.



## CHNG WENG WAH

- Managing Director and Chief Executive Officer, Non-Independent

*First appointed on 3 February 2005*

*Last re-elected on 28 October 2022*

Mr. Chng oversees DISA Limited's growth and executes strategies by developing infrastructure, processes and applications through the deployment of new digital solutions. He has been seeking development opportunities proactively to capitalise the benefits of digitalisation.

Prior to joining DISA Limited, Mr. Chng held leadership roles in diverse fields on product research and development, innovation, marketing and sales. He was with Metech International Limited as its Director and Interim/Acting CEO, was an Executive Director of LifeBrandz Ltd. and an Independent Director of AGV Group Limited. Mr. Chng was awarded Asia Europe Entrepreneurs Award at the Berlin Asia Europe Young Entrepreneurs Forum.



# BOARD OF DIRECTORS



## LAU KAY HENG

- Non-Executive and Independent Director
- Chairman, Audit and Risks Management Committee
- Member, Remuneration Committee and Nominating Committee

*First appointed on 1 September 2011*

*Last re-elected on 28 October 2022*

Mr. Lau has over 20 years of corporate management and corporate advisory experience spanning the Asia Pacific region for various multinational and Singapore-listed companies in the medical, chemical, pharmaceutical, interior floor covering and environmental industries. Mr. Lau is currently an independent Corporate Advisor. Prior to that, he was the Chief Investment Officer of Kitchen Culture Holdings Ltd. and Managing Director of a boutique corporate advisory firm specializing in corporate advisory, private equity, merger & acquisition, IPO transactions in Singapore, China, Korea, Australia and other countries in the region. Mr. Lau was awarded the prestigious Public Service Commission Scholarship and graduated from the National University of Singapore with a Bachelor of Science degree.



## LIM SOON HOCK

- Non-Executive and Independent Director
- Chairman, Nominating Committee
- Member, Audit and Risks Management Committee and Remuneration Committee

*First appointed on 11 May 2017*

*Last re-elected on 27 October 2023*

Mr. Lim has more than 30 years of experience as a board member, CEO, technopreneur and private investor, across various highly competitive industries in a global environment.

After stepping down from Compaq Computer Asia Pacific, where he was the first Asian appointed to the position of Vice President and Managing Director for Asia Pacific, he had been involved in taking companies public, M&As and consulting for several global MNCs and promising SMEs.

Mr. Lim is a Board Member and/or Senior Advisor of several public listed and private companies.

He received numerous accolades in recognition of his work and public service including the Supercomputing Asia 2019 – Singapore HPC-Pioneer & Achievement Award, 2014 National Day Public Service Star, 2009 National Day Public Service medal, 2012 President's Award for Volunteerism (Individual), 2016 Outstanding Volunteer Award (Open Category) from State Courts Singapore as a Volunteer Mediator, 2012 IES Outstanding Volunteer Award, 2011 MCYS Outstanding Volunteer Award, 2010 IES-IEEE Joint Medal of Excellence Award, 2010 Honorary Fellow of ASEAN Federation of Engineering Organisations, 2009 NUS Distinguished Alumni Service Award and 1992 NUS Distinguished Engineering Alumni Award.

Mr. Lim is a Fellow of the Institution of Engineers Singapore, Academy of Engineering Singapore, Institution of Engineering & Technology, UK, Singapore Computer Society, Singapore Institute of Directors, Singapore Institute of Arbitrators, and Honorary Fellow of ASEAN Federation of Engineering Organisations.

He is also a retired Justice of the Peace, a Mediator at our State Courts Singapore, Singapore Mediation Centre, Singapore International Mediation Institute and Community Mediation Centre, an Adjunct Professor at the National University of Singapore, author and speaker.

# BOARD OF DIRECTORS

Information on the Directors' chairmanships and directorships both present and those held over the preceding five years in other listed companies, and other principal commitments are summarised below:

Director	Directorships/ Chairmanships in Other Listed Companies (Present & Held Over Preceding 5 Years)		Other Principal Commitments
	Over preceding 5 years	Present	
<b>TOH HOCK GHIM</b>	<ul style="list-style-type: none"> <li>• AGV Group Limited</li> <li>• Auralite Investments Inc. (listed on TSX Venture Exchange)</li> <li>• FDG Kinetic Limited (listed on SEHK)</li> <li>• Hon Corporation Limited (listed on SEHK)</li> <li>• AnAn International Limited</li> <li>• Lorenzo International Limited</li> </ul>	None	None
<b>CHNG WENG WAH</b>	None	None	<ul style="list-style-type: none"> <li>• Circle Globe Limited</li> <li>• Singapore ESG Investment Pte. Ltd.</li> <li>• Tigermar Holdings Pte. Limited</li> <li>• Treasure 8 Pte. Ltd.</li> <li>• Treasure 888 Pte. Ltd.</li> </ul>
<b>LAU KAY HENG</b>	<ul style="list-style-type: none"> <li>• iBosses Corporation Limited (listed on ASX)</li> <li>• Kitchen Culture Holdings Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Regal International Group Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• SOEN International Assets Sdn Bhd</li> <li>• Platinum Mountain Pte Ltd.</li> <li>• Westplan Real Estates Sdn Bhd.</li> <li>• Trizon Global Trading Pte. Ltd.</li> <li>• Mr. Lau is also a founder of BlueStar Charity Asia, a Not-for-Profit Charitable Movement</li> </ul>
<b>LIM SOON HOCK</b>	None	<ul style="list-style-type: none"> <li>• China Fishery Group Limited</li> <li>• Heatec Jietong Holdings Ltd.</li> <li>• A-Sonic Aerospace Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Plan-B ICAG Pte. Ltd.</li> <li>• REDA Industrial Materials (Holding) Ltd.</li> <li>• Tru-Marine Pte. Ltd.</li> <li>• REDA Pte. Ltd.</li> <li>• Archer (S) Pte. Ltd.</li> <li>• Raffles Girls' Secondary School</li> <li>• Singapore Heart Foundation</li> <li>• Centre for Fathering Limited</li> <li>• Singapore Prison Service, Ministry of Home Affairs</li> <li>• Honour Singapore</li> <li>• National University of Singapore</li> <li>• State Courts Singapore</li> <li>• Singapore Mediation Centre</li> <li>• Singapore International Mediation Institute</li> <li>• Community Mediation Centre</li> <li>• Institution of Engineers (Singapore) Fund Ltd.</li> <li>• Mundipharma Singapore Holding Pte. Limited</li> </ul>

# GROUP KEY EXECUTIVES

## **WONG AH KIOW**

*Chief Financial Officer*

Ms. Wong joined Disa Digital Safety Pte. Ltd. ("DiSa") in August 2010 as financial controller and was appointed to the current position in April 2020. She is a Chartered Accountant of the Institute of Singapore Chartered Accountants. Her main responsibilities include finance, compliance and reporting functions of the Group. She has many years of working experience in the manufacturing industry, both local companies listed in Malaysia and multinational company listed in Singapore. Prior to this, she was an external auditor.

## **HAN YANG KWANG**

*Chief Executive Officer of Disa Digital Safety (Shenzhen) Limited*

Mr. Han has been engaged in the manufacturing industry for more than 20 years. Mr. Han is responsible for the overall operations of Disa Digital Safety (Shenzhen) Limited, managing the DiSa PoSA integration processes globally as well as overseeing the sales and marketing activities in the US. He started his career with Hewlett Packard and Texas Instruments. Mr. Han holds a Bachelor of Electrical and Electronics Engineering from National University of Singapore.

## **JACOB GULBRANSEN**

*Account Director of Disa Digital Safety (USA)*

Mr. Gulbransen has 20 years of retail sales and account management experience calling on major US retailers. Mr. Gulbransen is responsible for the onboarding of the product brand owners in the adoption of the Group's technology into their products. He has extensive experience within the entertainment and electronics categories earning the "Supplier of the Year" award for electronics and the "People" award for putting the customer first.

## **DR. POH WEIJIE**

*Chief Scientist of Digital Life Line Pte. Ltd.*

As Chief Scientist Dr. Poh is responsible for the R&D pipeline, product developments and regulatory operations across DLL's portfolio.

Dr. Poh was previously the Head of Global Medical and Clinical Operations at a digital healthcare technology company with the leading migraine tracking smartphone app in the world. In that role, he was responsible for initiating the first large-scale real-world migraine studies done fully virtually on a digital platform with MNCs such as AbbVie and Nestlé Health Sciences. Prior to that, Dr. Poh was Entrepreneur-in-Residence at Duke-NUS Medical School and was responsible for business development for an infectious disease technology platform. Before that, Dr. Poh co-founded and was CEO of a universal cervical cancer vaccine spinoff from the Johns Hopkins University, during which the company secured federal and private investment for a Phase 1 clinical study in the US.

Dr. Poh has an Ph.D. in Pathobiology from the Johns Hopkins University and completed his postdoctoral training at Harvard Medical School. To date, he has co-authored 12 peer reviewed publications in the fields of sequencing, medical diagnostics, real-world evidence, and cancer biology.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Independent Non-Executive Chairman

Toh Hock Ghim

### Independent Non-Executive Directors

Lau Kay Heng

Lim Soon Hock

### Managing Director and Chief Executive Officer

Chng Weng Wah

## AUDIT AND RISKS MANAGEMENT COMMITTEE

Lau Kay Heng (Chairman)

Toh Hock Ghim

Lim Soon Hock

## NOMINATING COMMITTEE

Lim Soon Hock (Chairman)

Toh Hock Ghim

Lau Kay Heng

## REMUNERATION COMMITTEE

Toh Hock Ghim (Chairman)

Lau Kay Heng

Lim Soon Hock

## DATE OF INCORPORATION

26 June 1975

## LISTING

Listed on 24 March 1992 on Catalist

## REGISTERED OFFICE

120 Lower Delta Road

#03-15, Cendex Centre

Singapore 169208

Tel: +65 6255 4905

Email: [enquiries@digital-safety.com](mailto:enquiries@digital-safety.com)

Website: <http://disa.sg>

## COMPANY SECRETARY

Noraini Binte Noor Mohamed Abdul Latiff

## AUDITORS

Baker Tilly TFW LLP

600 North Bridge Road

#05-01 Parkview Square

Singapore 188778

Tel: +65 6336 2828

Fax: +65 6339 0438

Partner-In-Charge: Guo Shuqi

(A member of the Institute of Singapore Chartered Accountants)

(Appointed with effect from financial year ended 30 June 2020)

## SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.

30 Cecil Street

#19-08 Prudential Tower

Singapore 049712

Tel: +65 6812 1611

Fax: +65 6812 1601

## PRINCIPAL LEGAL ADVISER

Bih Li & Lee, Singapore

## PRINCIPAL BANKERS

Bank of China Limited, Singapore Branch

China Merchants Bank (Shenzhen), People's Republic of China

First National Bank, USA

The Development Bank of Singapore

United Overseas Bank Limited, Hong Kong Branch

United Overseas Bank Limited, Singapore

# FINANCIAL CONTENTS

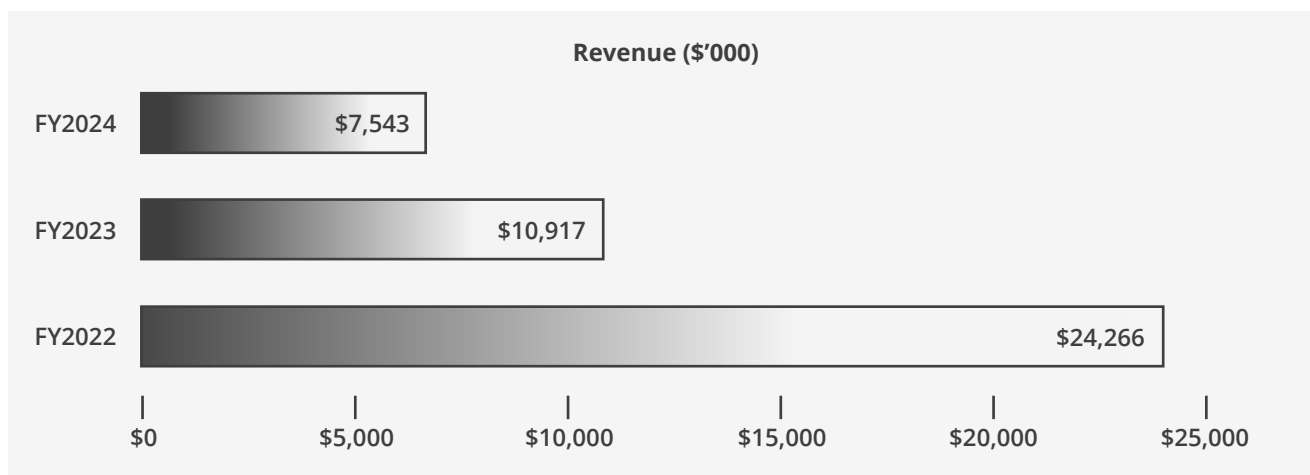
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# OPERATING AND FINANCIAL REVIEW

## FINANCIAL PERFORMANCE

### Revenue

The Group generated a revenue of \$7,543,000 in FY2024, a decrease of 30.9%, or \$3,374,000, as compared to \$10,917,000 achieved in FY2023 as the retailers continue to clear excessive inventories in 1H FY2024 that were built as a buffer due to massive uncertainty in supply chain following the outbreak of the COVID-19 pandemic and Russia-Ukraine war.



### Other income

Other income increased by \$354,000 from \$338,000 in FY2023 to \$692,000 in FY2024. The increase was mainly attributed to the bad debts recovered from a customer of \$171,000, the recovery of deposit paid previously written off amounting to \$388,000, the reversal of a long outstanding payable of \$32,000 and the gain on remeasurement of DLL as an associated company of \$11,000. The increase was, however, partially offset by the lower rental, and grant income as well as the absence of gain on dilution of interest in an associated company of \$225,000 in FY2024.

### Costs and expenses

The decrease in cost of inventories was in line with the decrease in revenue for FY2024.

Other costs and expenses for FY2024 increased by \$5,000 or 0.2% from \$3,053,000 in FY2023 to \$3,058,000 in FY2024. Excluding DLL's cost and expenses for the months from April to June 2024 of \$353,000, the other cost and expenses for the Group was \$2,705,000, a reduction of \$348,000, as compared to FY2023, attributable mainly to the lower staff costs, research and development expenses incurred in FY2024.

Share of losses from DLL decreased by \$80,000 from \$439,000 in FY2023 to \$359,000 in FY2024 as DLL ceased to be an associated company from April 2024.

# OPERATING AND FINANCIAL REVIEW

## FINANCIAL POSITION

Total assets of the Group decreased by \$746,000 or 21.4% from \$3,481,000 as at the end of FY2023 to \$2,735,000 as at the end of FY2024.

### Non-current assets

Non-current assets decreased by \$278,000 or 28.2% from \$987,000 as at the end of FY2023 to \$709,000 as at the end of FY2024 due to the:

- (i) deemed disposal of an associated company; and
- (ii) decrease in the net book value of the plant and equipment due to depreciation charges.

The decrease was, however, partially offset by the fair value gain on financial assets at fair value through other comprehensive income and the goodwill arising from the consolidation of DLL.

### Current assets

Current assets decreased by \$468,000 or 18.8% from \$2,494,000 as at the end of FY2023 to \$2,026,000 as at the end of FY2024, mainly attributed to:

- (i) Higher inventories of \$86,000 from consolidation of DLL inventories;
- (ii) Lower trade and other current assets of \$279,000 which was in line with the decrease in revenue for FY2024; and
- (iii) Lower cash and bank balances of \$275,000. Refer to explanation in section titled "CASH FLOWS" below.

### Total liabilities

Total liabilities of the Group increased by \$39,000 or 3.2% from \$1,206,000 as at the end of FY2023 to \$1,245,000 as at the end of FY2024 arising mainly from the increase in the lease liabilities, partially offset by the decrease in the trade and other payables.

## CASH FLOWS

Cash and cash equivalents decreased by \$275,000 or 16.5% in FY2024 as compared to FY2023 attributed mainly to the payment of operating expenses, offset by the net cash inflow from consolidation of DLL cash balances as DLL became a subsidiary of the Group in April 2024.

Net cash used in operating activities was \$1,014,000, attributed to:

- (i) operating cash outflow before movements in working capital of \$1,398,000;
- (ii) net positive working capital movement of \$385,000;
- (iii) income tax paid of \$2,000; and
- (iv) net currency translation gain of \$1,000.

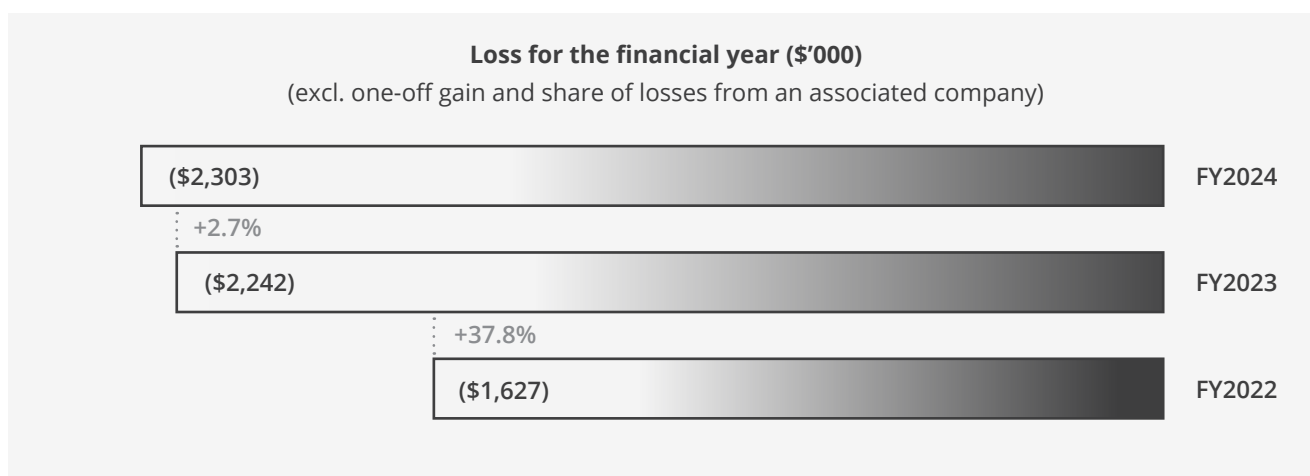
Net cash generated from investing activities was \$863,000, deriving mainly from the cash inflow from consolidation of DLL and the interest received from placement of fixed deposits with the banks.

Net cash used in financing activities was \$123,000, arising mainly from the repayment of lease liabilities and interest.

# OPERATING AND FINANCIAL REVIEW

## OVERALL PERFORMANCE

The Group's losses (excluding one-off gain from bad debts recovered from a customer amounting to \$171,000, the recovery of deposit paid previously written off of \$388,000, disclaimer of a long outstanding payable of \$32,000, loss on dilution of interest in an associated company of \$16,000, gain on remeasurement of an associated company of \$11,000, and share of losses from an associated company of \$359,000) for FY2024 was \$2,303,000, a slight increase of 2.7% from \$2,242,000 (excluding one-off gain on dilution of interest in associated company of \$225,000 and share of losses from an associated company of \$439,000) in FY2023, attributable to lower staff cost, research and development expenses as well as consolidation DLL's costs and expenses for the months from April 2024 to June 2024 as DLL became a subsidiary company of the Group in April 2024.



The onboarding process of new retailers and brand owners in the US remains challenging as the global economy continues to be fraught with uncertainties and this situation is expected to remain throughout 2024, according to the World Economic Forum's January 2024 Chief Economists Outlook<sup>1</sup>.

DLL has successfully completed the trial deployments of its Automated Visual Acuity Test device with several public eye hospitals in Singapore and Hong Kong during FY2024 and is expecting its first commercial deployment in 4th quarter of 2024.

<sup>1</sup> <https://www.weforum.org/agenda/2024/01/economic-outlook-2024-recession-inflation/>



# CORPORATE GOVERNANCE REPORT

DISA Limited (“**DISA**” or the “**Company**”) is fully committed to maintaining high standards of corporate governance within the Company and its subsidiaries (collectively, the “**Group**”). The Board recognises the importance of good corporate governance and the offering of high standards of accountability to the shareholders.

This report describes the Company’s corporate governance processes and activities for the financial year ended 30 June 2024 (“**FY2024**”), with specific references made to the Principles and Provisions of the revised Code of Corporate Governance 2018 (the “**Code**”) and the accompanying Practice Guidance issued on 6 August 2018. The Board confirms that for FY2024, the Company has adhered to the Principles and Provisions as set out in the Code, where applicable, and has specified and explained deviations from the Code, if any, in this annual report in accordance to Rule 710 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Board will continue to assess the needs of the Company and improve on its corporate governance practices as appropriate. This report should be read in totality, instead of being read separately under each Principle of the Code.

## PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

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The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

### Provisions of the Code

### DISA’s Corporate Governance Practices

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1.1 Directors are fiduciaries who act objectively in the best interests of the Company

The Board is accountable to the shareholders of the Company and oversees the overall management of the business and affairs of the Group, including providing leadership and supervision to the management (the “**Management**”) of the Group so as to protect and enhance long-term value and returns for its shareholders.

Besides carrying out its statutory responsibilities, the Board’s principal responsibilities include:

- (1) guide the formulation of strategic directions, financial plans and major corporate policies;
- (2) monitor and review the Group’s financial and operating performance;
- (3) review Management performance;
- (4) oversee the adequacy and integrity of the Group’s internal controls, risk management, financial reporting and compliance;
- (5) identify principal risks of the Group’s business, ensuring that such risks are assessed and managed, including safeguarding of shareholders’ interests and the Company’s assets;
- (6) approve major investment and divestment proposals, material acquisitions and disposals of assets;
- (7) assume responsibilities for good corporate governance practices;
- (8) approve the release of the financial results and annual report of the Group to shareholders; and
- (9) consider sustainability issues such as environmental and social factors as part of its strategic formulation.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

Each director (each a **"Director"** and collectively the **"Directors"**) is required to promptly disclose any conflicts or potential conflicts of interest, whether direct or indirect, in relation to a transaction contemplated by the Group. Where an actual or potential conflict of interest arises, the Director concerned does not participate in discussion, refrains from exercising any influence over other members of the Board and abstains from voting on resolutions regarding the relevant matter.

The Board exercises due diligence and independent judgement, and are obliged to act in good faith and objectively discharge their duties and responsibilities at all times as fiduciaries in the interest of the Company.

The Board instils an ethical corporate culture and sets the Company's values and standards of doing business (including ethical standards and code of conduct) and ensures proper accountability within the Company.

### 1.2 Directors' induction, training and development

The Chief Executive Officer (**"CEO"**) ensures that Board members are provided with complete, adequate and timely information on a regular basis to enable them to be fully cognisant of the affairs of the Group.

New Directors, upon appointment, are briefed on the Group's structure, businesses, governance policies and regulatory issues. Newly appointed Directors will also be provided with a formal letter setting out their duties and obligations. In accordance with Rule 406(3)(a) of the Catalist Rules (which was revised to be consistent with the Code with effect from 1 January 2019), newly-appointed Directors who do not have prior experience as a director of a public listed company in Singapore will undergo mandatory training courses organised by the Singapore Institute of Directors on the roles and responsibilities of a director of a listed company, or other training institutions in areas such as management, accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

From time to time, the Company Secretary and the Company's auditors will advise the Directors or if necessary, conduct briefings to the Directors on the new accounting standards and corporate governance practices as well as updates on any changes in the Companies Act 1967, of Singapore (the **"Companies Act"**) and the Catalist Rules. Directors may also request to visit the Group's operation facilities and meet with the Management in order to have a better understanding of the Group's business operations.

The Directors are fully aware of the requirements in respect of their duties and obligations as a director and how to discharge those duties and obligations.

The Company has available budget and will arrange for Directors to receive further relevant trainings in connection with their duties. Relevant courses include programs conducted by the Singapore Institute of Directors or other training institutions. The CEO also updates the Board at each Board meeting on business and strategic developments relating to the industry that the Group operates in.

During FY2024, the Directors were provided with briefings and/or updates on: (i) the developments in financial reporting and governance standards by the external auditors of the Company, Baker Tilly TFW LLP; (ii) business and strategic developments of the Group by the Management during the Board and/or Board Committee meetings; and (iii) updates to the Catalist Rules by the Company's continuing sponsor, SAC Capital Private Limited.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

	<p>Pursuant to Rule 720(6) of the Catalist Rules, as at the date of this annual report, all Directors have completed the mandatory training course on sustainability matters.</p>
1.3 Matters requiring Board's approval	<p>Matters which are specifically reserved for decision by the Board include, amongst others, those involving material acquisitions and disposals of assets, corporate or financial restructuring and share issuance, dividends and other returns to shareholders.</p> <p>The Board also meets physically or by way of tele-conference, video-conferencing or other electronic communication facilities to review and consider, amongst others, the following corporate matters:</p> <ul style="list-style-type: none"> <li>- approval of half yearly and year-end results announcements;</li> <li>- approval of the annual report and financial statements;</li> <li>- convening of shareholders' meetings;</li> <li>- material acquisition and disposal of assets;</li> <li>- major corporate actions;</li> <li>- major investments and funding decisions;</li> <li>- financial performance and key operational initiatives;</li> <li>- interested person transactions; and</li> <li>- overseeing the implementation of appropriate systems to manage the Group's business risk.</li> </ul>
1.4 Board Committees	<p>To facilitate effective management, certain functions have been delegated to various board committees, namely the Nominating Committee ("<b>NC</b>"), Remuneration Committee ("<b>RC</b>") and Audit and Risks Management Committee ("<b>ARMC</b>") (collectively the "<b>Board Committees</b>"), each of which has its own defined scope of duties and written terms of reference setting out the manner in which it is to operate and the functions for achieving its stated objectives. The Chairman of the respective Board Committees will report to the Board the outcome of the respective Board Committees' meetings. Minutes of the Board Committee meetings are made available to all Board members. The key terms of reference and composition of each Board Committee can be found in this report.</p>
1.5 Board Meetings and Attendance	<p>The Board will convene its regular scheduled meetings on a half-yearly basis to review and evaluate the Group's operations and performance and to address key policy matters of the Group, where necessary. Additional ad-hoc meetings are convened when circumstances require. The Board may also meet informally where necessary. All Directors are required to declare their board appointments. When a Director has multiple listed company board representations, the NC will consider whether the Director is able to adequately carry out his duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. The NC has reviewed and is satisfied that notwithstanding their multiple board appointments, Mr. Toh Hock Ghim, Mr. Lau Kay Heng and Mr. Lim Soon Hock who sit on multiple boards, have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Director of the Company.</p>

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

The Board conducts regular scheduled meetings and additional or ad-hoc meetings are convened when circumstances require. The Company's Constitution allows for a Board meeting to be conducted by way of tele-conference, video-conference or other electronic communication facilities through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously.

At Board and Board Committee meetings, the Directors are free to discuss and openly challenge the views presented by the Management and the other Directors.

In lieu of physical meetings, written resolutions are also circulated for approval by members of the Board.

The frequency of meetings and attendance of each Director at every Board and Board Committee meeting, are disclosed below:

### ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS

Directors	Board		ARMC		NC		RC	
	No. of Meetings Held	Attendance	No. of Meetings Held	Attendance	No. of Meetings Held	Attendance	No. of Meetings Held	Attendance
Toh Hock Ghim (Chairman)	2	2	2	2	1	1	1	1
Chng Weng Wah (Managing Director/ CEO)	2	2	NA	NA	NA	NA	NA	NA
Lau Kay Heng	2	2	2	2	1	1	1	1
Lim Soon Hock	2	2	2	2	1	1	1	1

NA – Not Applicable

#### 1.6 Access to information

Board members are provided with adequate and timely information prior to Board and Board Committee meetings, and on an on-going basis.

Board papers incorporating sufficient information from Management are forwarded to the Board members in advance of each Board meeting to enable each Board member sufficient time to prepare for the meetings. As a general rule, notices are sent to the Directors one week in advance of Board meetings, followed by Board papers, in order for the Directors to be adequately prepared for the meetings.

Requests for information from the Board are dealt with promptly by the Management as needed for the Directors to make informed decisions. Board interaction with, and independent access to, the Management is encouraged.

The Board is informed of all material events and transactions as and when they occur. The Board is provided with Management reports, and papers containing relevant background or explanatory information required to support the decision-making process on an on-going basis.

Proposals to the Board for decisions or mandate sought by Management are in the form of memorandums or Board papers that give the facts, analysis, resources needed, expected outcome, conclusions and recommendations. However, sensitive matters may be tabled at the meeting itself or discussed without papers being distributed.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

### 1.7 Access to Management, Company Secretary and external advisers

The Directors have separate and independent access to the Management, the Company Secretary, the Company's sponsor, external and internal auditors, and other external advisers (where necessary).

Management provides the Executive Director with a monthly financial report. Monthly meetings are conducted involving the Management and the respective business unit heads. Additional or ad-hoc meetings are conducted, when required.

Management makes presentations to the Board on a half-yearly basis on the financial performance of the Group, or as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Company's performance, position and prospects.

The Company Secretary administers and prepares minutes of Board Committees' meetings and Board meetings attended. Such minutes of meetings are circulated to the Board. The Company Secretary also assists the Board to ensure that Board procedures are followed and that applicable rules and regulations (in particular the Code, the Companies Act and the Catalist Rules) are complied with. The agenda for Board and Board Committee meetings are prepared in consultation with the Chairman, the Chairman of the respective committees, and the CEO to ensure good information flow within the Board and Board Committees, as well as between the Management and the Non-Executive Directors. The Company Secretary advises the Board on all governance matters and attends all Board and Board Committee meetings.

The Board, as a whole, is involved in the appointment and removal of the Company Secretary.

The Directors, whether as a group or individually, may seek or obtain legal and other independent professional advice, concerning any aspect of the Group's operations or undertakings in order to fulfil their roles and responsibilities as directors. Any cost of obtaining such professional advice will be borne by the Company.

## PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

## Provisions of the Code

## DISA's Corporate Governance Practices

### 2.1 Directors independence

The independence of each Director is reviewed annually by the NC. Each Independent Director is required to complete a checklist annually to confirm his independence based on the Provision 2.1 as set out in the Code and the relevant Catalist Rules.

The NC adopts the definition of what constitutes an Independent Director from the Code and the Catalist Rules in its review. The Board, after taking into account the views of the NC, is of the view that the Independent Directors are independent in character and judgement and there are no relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Company.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

Under Rules 406(3)(d)(i) and 406(3)(d)(ii) of the Catalist Rules, it stipulates that a Director will not be considered as independent if he is employed by the issuer or any of its related corporations for the current or any of the past three (3) financial years; or if he has an immediate family member who is employed or has been employed by the issuer or any of its related corporation for the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the issuer. In this regard, the Independent Directors have confirmed that they and their respective associates do not have any employment relationships with the Company or any of its related corporations for the current or any of the past three (3) financial years.

The Directors who are considered to be independent are Toh Hock Ghim ("**Mr. Toh**"), Lau Kay Heng ("**Mr. Lau**") and Lim Soon Hock ("**Mr. Lim**").

The effectiveness and independence of Mr. Toh and Mr. Lau who had each served on the Board beyond nine (9) years was subject to particularly rigorous scrutiny. Despite their long period of service, the NC found and recommended to the Board that Mr. Toh and Mr. Lau have, at all times, expressed their individual viewpoints, objectively debated issues brought up at meetings of the Board and/or Board Committees and closely scrutinized Board matters and Board Committee matters. Mr. Toh and Mr. Lau sought clarification and advice, as and when they considered necessary, from Management, other employees and external advisors, and exercised strong independence in character and impartial judgment whilst discharging their duties as members of the Board and Board Committees. Both the Board and NC noted that Mr. Toh and Mr. Lau have made decisions objectively in the best interests of the Group and its stakeholders. The Board, having considered the NC recommendation and weighting the need for the Board's refreshment against tenure and familiarity with the Group's businesses and operations, deems Mr. Toh and Mr. Lau as independent and agrees that their years of service have not compromised their independence or ability to discharge their duties as the members to the Board and Board Committees.

Notwithstanding that Mr. Toh and Mr. Lau had served as independent directors of the Company beyond nine (9) years since the date of their first appointment, the Board is of the view that Mr. Toh and Mr. Lau are independent as:

- neither they and nor their immediate family members have any relationship or business dealings with the Group and the Company's substantial shareholders in the current or immediate past financial year;
- neither they and nor their immediate family members have been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years;
- they have, over the years, actively participated in the proceedings and decision-making process of Board meetings. The Board considers both Mr. Toh and Mr. Lau to have made impartial advice and insights and have exercised independent judgement in doing so without dominating the Board discussions in these proceedings and/or meetings;
- they have constructively challenged and helped develop proposals on strategy and reviewed the performance of Management in achieving agreed goals; and
- they have provided overall guidance to Management and in protecting the Company's assets and shareholders' best interests.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

Both Mr. Toh and Mr. Lau had abstained from the Board's and NC's review on their independence status.

Both Mr. Toh and Mr. Lau had also sought for shareholders' approval in the last Annual General Meeting ("AGM") convened on 28 October 2021 for their continued appointment as independent directors of the Company under the two-tier voting process and their appointment will remain in force until the earlier of their retirement, or resignation, or the conclusion of the third AGM.

However, pursuant to Rule 406(3)(d)(iv) of the Catalist Rules introduced on 11 January 2023, Mr. Toh and Mr. Lau will no longer be deemed independent after the conclusion of the AGM of the Company for the financial year ended 30 June 2024. New non-executive independent directors will be appointed by the Board after the AGM.

2.2 Independent directors make up a majority of the Board

2.3 Non-executive directors make up a majority of the Board

As at the date of this annual report, the Board has four (4) Directors, which comprises one (1) Executive Director and three (3) Non-Executive and Independent Directors. As a cornerstone to achieving high standards of corporate governance, there is a strong and independent element on the Board, with Independent Directors making up three (3) out of four (4) members of the Board, including the Chairman of the Board. The composition of the Board complies with the Provisions of the Code that Independent Directors and Non-Executive Directors make up the majority of the Board. This enables the Board to exercise independent judgement on corporate affairs and provides Management with a diverse and objective perspective on issues and no individual or small group of individuals dominates the Board's decision-making process. The Non-Executive Directors constructively challenge and help develop proposals and strategies and review Management's performance and monitor the reporting of performance. The composition of the Company's Board and Board Committees is set out below:

Directors	Board Appointments <ul style="list-style-type: none"> <li>● Executive or Non-Executive Director</li> <li>● Independent or Non-Independent Director</li> </ul>	Board Committees As Chairman or Member		
		ARMC	NC	RC
Toh Hock Ghim (Chairman)	Non-Executive/ Independent	Member	Member	Chairman
Chng Weng Wah (Managing Director/ CEO)	Executive/ Non-Independent	-	-	-
Lau Kay Heng	Non-Executive/ Independent	Chairman	Member	Member
Lim Soon Hock	Non-Executive/ Independent	Member	Chairman	Member

2.4 Board composition

The Board comprises respected individuals from different backgrounds and whom as a group provides core competencies, such as business management experience, industry knowledge, financial and strategic planning experience and customer-based knowledge that are extensive and critical to meet the Group's objectives. Together, the Directors bring a wide and diverse range of business, finance and management experience that will provide effective governance and stewardship for the Group. Please refer to the "Board of Directors" section of this annual report for the Directors' profile.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

The Company has a Board Diversity Policy. The Company believes that diversity is an important attribute of a well-functioning and effective Board. The Company has embraced diversity on the Board and Board Committees and as evidenced by the diversity of its members who hail from different professional and business backgrounds, as well as age and length of service on the Board and recognises the benefits of having an effective and diverse Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. In reviewing the Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including functional and domain skills, knowledge, experience, cultural and educational background, gender, age, tenure and other relevant aspects of diversity of perspectives appropriate to its business, so as to avoid group think, foster constructive debate, and enable the Board to make decisions in the best interests of the Company. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments will be based on merit, in the context of the skills, knowledge, experience and independence which the Board as a whole requires to be effective, having due regard for the benefits of diversity on the Board.

On an annual basis, the NC conducts its review composition of the Board to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board. The Board, taking into account the scope and nature of the operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and its Board Committees, is of the view that its current size and composition of the Board and its Board Committees are appropriate to meet the Company's objectives and facilitates effective decision making, and is in line with the Company's Board Diversity Policy.

2.5 Meetings of Non-Executive Directors without the presence of Management

Where warranted, the Non-Executive Directors meet without the presence of Management or Executive Director(s) to review any matter that may be raised privately. During the year, the Non-Executive Directors communicated among themselves and met without the presence of the Management as and when warranted. The Non-Executive Directors subsequently provided material feedback received to the Board.

## PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

## Provisions of the Code

## DISA's Corporate Governance Practices

3.1 Separation of the roles of the Chairman and the CEO

The Chairman and CEO are separate persons. Their responsibilities are clearly defined and separated to ensure a balance of power and authority within the Company.

3.2 Division of responsibilities between the Chairman and CEO

The Chairman of the Board, Mr. Toh is an Independent Non-Executive Director. As Chairman of the Board, Mr. Toh is responsible for leading the Board and facilitating its effectiveness and his duties include promoting high standards of corporate governance.



# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

As part of his duties, the Chairman also ensures that Board meetings are held when necessary and sets the Board meeting agenda in consultation with the CEO, acting as facilitator at Board meetings and maintaining regular dialogue with the Management on all operational matters. In addition, the Chairman ensures that Board members are provided with complete, adequate and timely information, facilitates the effective contribution of Non-Executive Directors, ensures there is effective communication with shareholders and promotes high standards of corporate governance.

The CEO, Mr. Chng Weng Wah, has full executive responsibilities of the overall business and operational decisions of the Company.

### 3.3 Lead Independent Director

There is no lead independent director appointed as the Chairman is not conflicted.

## PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

## Provisions of the Code

## DISA's Corporate Governance Practices

### 4.1 Role of the NC

The NC comprises three (3) Independent Non-Executive Directors. The composition of the NC is set out under Provisions 2.2 and 2.3 of this report.

### 4.2 Composition of NC

The responsibilities of the NC are described in its written terms of reference. The NC's principal responsibilities include the following:

- (1) make recommendations to the Board on all Board appointments;
- (2) propose to re-nominate existing Directors, having regard to the Directors' contribution and performance (e.g. attendance, preparedness, participation and candor) including, if applicable, as an Independent Director;
- (3) assess annually whether or not a Director is independent;
- (4) assess whether or not a Director is able to and has been adequately carrying out his duties as a Director;
- (5) propose an objective performance criteria to evaluate the Board's performance, subject to the approval of the Board;
- (6) review training and professional development programs for the Board; and
- (7) assess the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board, and to decide how the Board may be evaluated.

### 4.3 Board renewal and succession planning

The search and nomination process for new Directors, if any, will be through search companies, contacts and recommendations to cast its net as wide as possible for the right candidate. In identifying and evaluating nominees for appointment as Directors, the NC assesses the candidates based on their background, qualification, work experience and integrity. In the case of candidates for Independent Directors, the NC will also consider the independence of such candidates. The NC reports the results of such assessments and makes recommendations to the Board for the Board to decide on the appointment.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

The NC assesses and recommends re-appointments of Directors to the Board. Each member of the NC shall abstain from recommending his own re-election.

In accordance with Regulations 92 and 93 of the Company's Constitution, all Directors shall retire from office once at least in each three (3) years by rotation and all newly appointed directors will have to retire at the next AGM following their appointments. The retiring directors are eligible to offer themselves for re-election. The NC will review and nominate the Director(s) who is/are due retirement for re-election at the forthcoming AGM of the Company (the "**Nomination**").

In considering the Nomination, the NC took into account the contribution of the Director with reference to his attendance and participation at Board and other Board Committee meetings as well as the proficiency with which he has discharged his responsibilities.

At the upcoming AGM, Mr. Toh will be retiring by rotation pursuant to Article 92 of the Constitution of the Company. However, Mr. Toh is not seeking for re-election and will retire as a Director at the conclusion of the AGM. Upon his cessation as Director, Mr. Toh will also cease to be the Chairman of the Board of Directors, Chairman of the Remuneration Committee and a member of the Audit and Risks Committee and Nominating Committee of the Company.

### 4.4 Circumstances affecting Director's independence

The NC has reviewed the independence of each Director for FY2024 in accordance with the definition of independence under the Code and Catalyst Rules and is satisfied that the majority of the Board comprised of Independent Directors. The NC carries out the review of independence of each Director on an annual basis.

The key information in respect of the Directors' academic and professional qualifications, date of first appointment as a Director, date of last re-appointment as a Director, present directorships or chairmanship and those held over the preceding five (5) years in other listed companies and other principal commitments are set out in the "Board of Directors" section of this annual report. In addition, information on shareholdings in the Company held by each Director is set out in the Directors' Statement in the "Financial Statements" section of this annual report.

As Mr. Toh and Mr. Lau have served the Board as Independent Non-Executive Directors for more than nine (9) years, the NC had performed a rigorous review of their continuing independence. During its review, the NC noted that, notwithstanding that they have served the Board beyond nine (9) years, they continue to demonstrate strong independence in character and judgement in engaging and challenging Management in the interests of the Group at the Board and Board Committee meetings. Neither they nor their immediate family members have any relationship or business dealings with the Group and the Company's substantial shareholders in the current or immediate past financial year. Mr. Toh and Mr. Lau have, over the years, participated in the proceedings and decision-making process of Board meetings. They have constructively challenged and reviewed the performance of Management in achieving agreed goals. The NC also recognises that Mr. Toh and Mr. Lau developed substantial insight of the Group's business and operations and will continue to value add to the Board. In considering the above factors and taking into account their contribution in terms of experience, expertise, professionalism and integrity, the NC is of the view that Mr. Toh and Mr. Lau continue to be independent in FY2024. The Board, having taken into account the views of the NC, determines that Mr. Toh and Mr. Lau are independent in FY2024.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

As mentioned under Guideline 2.1 above, pursuant to Catalist Rule 406(3)(d) (iv) which took effect from 11 January 2023, Mr. Toh and Mr. Lau would not be considered as Independent Directors after the conclusion of the upcoming AGM.

4.5 Multiple listed company directorships and other principal commitments

Notwithstanding that some of the Directors have multiple listed company board representations, the NC is satisfied that each Director is able to and has been adequately carrying out his duties as Director of the Company. The Board is of the view that it may not be necessary at this juncture to set a maximum number of listed company board representations which any Director may hold as the contribution of each Director would depend on their individual circumstances.

The Board will take into consideration the same criteria for selection of Directors such as his qualifications, competencies and independence. Currently, there is no alternate Director on the Board.

## PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of its board committees and individual directors.

## Provisions of the Code

## DISA's Corporate Governance Practices

5.1 and 5.2 Assessment of effectiveness of the Board and Board Committees and assessing the contribution by individual director

The NC has established review processes to assess the performance and effectiveness of the Board as a whole and its Board Committees and the assessment of the contribution by the Chairman and each individual Director to the effectiveness of the Board.

The NC will evaluate the Board's performance on a collective basis by means of a questionnaire that deals with matters on Board composition, information to the Board, Board procedures, Board and CEO/top Management accountability and the standards of conduct. The objective of the performance evaluation exercise is to uncover strengths and challenges so that the Board is in a better position to provide the required expertise and oversight.

The NC has conducted a formal assessment of the effectiveness of the individual Board members, the Board Committees and the Board on a collective basis for FY2024 by means of questionnaires. During the financial year, all Directors were requested to complete questionnaires to assess the overall effectiveness of the individual Board members, including the Chairman, the Board and the Board Committees. Factors evaluated include, among other matters, Board structure, meetings and accountability, access to information, risk management and internal control, Management performance, succession planning, remuneration and communication with shareholders. The results of the questionnaires are first reviewed by the NC, and then tabled as an agenda for Board's discussion to determine areas for improvement and enhancement.

After the NC's review of the contribution by each Director to the effectiveness of the Board as a whole and its Board Committees for FY2024, the NC is satisfied with the effectiveness of the Board as a whole and the Board Committees, as well as the contribution by each Director to the effectiveness of the Board. The NC is of the view that the Board, as a group, also possesses the necessary core competencies to direct the Company and Management to perform efficiently and effectively.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

The NC, on an annual basis and in considering the re-appointment of any Director, will evaluate the performance of the Director. The assessment of each Director's performance is undertaken by the Chairman of the NC. The criteria for assessment include but not limited to attendance record at meetings of the Board and Board committees, intensity of participation at meetings and the quality of contributions. The NC, in concurrence with the Chairman of the Board, is satisfied that each Director is contributing to overall effectiveness of the Board.

There is no external facilitator engaged for the Board's assessment process for FY2024.

## PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

## Provisions of the Code

## DISA's Corporate Governance Practices

6.1 RC to recommend remuneration framework and packages

The RC comprises three (3) members, all of whom are Non-Executive and Independent Directors. The composition of the RC is set out under Provisions 2.2 and 2.3 of this report.

6.2 Composition of RC

The RC is regulated by its terms of reference. The duties of the RC include the following:

- (1) recommending to the Board a framework of remuneration for the Board, key management personnel of the Group and those employees related to the Directors and substantial shareholders of the Group, covering all aspects of remuneration such as Directors' fees, salaries, allowances, bonuses, options and benefits in kind;
- (2) reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders of the Company to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (3) reviewing the Company's obligations arising in the event of termination of service contracts entered into between the Group and its Executive Director(s) or Executive Officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly onerous to the Group;
- (4) if necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;
- (5) reviewing annually the remuneration package in order to maintain their attractiveness to retain and motivate the Directors and Executive Officers and to align the interests of the Directors and Executive Officers with the long-term interests of the Company; and

# CORPORATE GOVERNANCE REPORT

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	<p>(6) overseeing the administration of the DISA Employee Share Option Scheme 2010 and 2021 ("<b>DISA ESOS</b>") and the DISA Performance Shares Scheme ("<b>DISA PS Scheme</b>") (refer to Provisions 7.1 and 7.3 of this report for further details of both schemes) or any other similar share plans as may be implemented by the Company from time to time and decide on the allocations and grants of such options or shares to eligible participants.</p>
<p>6.3 RC to consider and ensure all aspects of remuneration are fair</p>	<p>The Company sets remuneration packages to ensure it is competitive and sufficient to attract, retain and motivate Directors and key management personnel of the required experience and expertise to run the Group successfully.</p> <p>The RC recommends for Board's endorsement, a framework of remuneration which covers all aspects of remuneration, including but not limited to Directors' fees (where applicable), salaries, allowances, bonuses, share options, and benefits in kind and specific remuneration packages for each Director and key executive.</p> <p>The RC's recommendations will be submitted for endorsement by the Board. No Director is involved in deciding his own remuneration, compensation or any form of benefit to be granted to himself, his associates or employees who are related to him.</p> <p>The RC will also review the Company's obligations arising in the event of termination of the Executive Director's and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses, which are not overly generous.</p>
<p>6.4 Expert advice on remuneration</p>	<p>Where necessary, the RC shall seek expert advice inside and/or outside the Company on the remuneration of all directors. The RC shall ensure that any relationship between the appointed consultant and any of its Director or the Company will not affect the independence and objectivity of the remuneration consultant. There was no remuneration consultant engaged for FY2024.</p>

## PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate to the sustained performance and value creation of the company, taking into account the strategic objectives of the Company.

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## DISA's Corporate Governance Practices

<p>7.1 and 7.3 Remuneration of Executive Directors and key management personnel are appropriately structured to link rewards to performance</p>	<p>In determining the level of remuneration, the RC shall:</p> <ul style="list-style-type: none"> <li>• give due consideration to the Code's Principles and Provisions notes on the level and mix of remuneration so as to ensure that the level of remuneration is appropriate to attract, retain and motivate directors needed to run the Company successfully, taking into account the risk policies of the Company and be symmetric with risks outcomes and be sensitive to the time horizon of risks;</li> <li>• ensure that a proportion of the remuneration is linked to corporate and individual's performance; and</li> <li>• design remuneration packages in such manner to align the interests of the Executive Director(s) and key management personnel with those of shareholders.</li> </ul>
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Annual review is carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel commensurate with the Company's and their performance, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO is reviewed periodically by the RC and the Board.

The Company's remuneration system is flexible and responsive to the market and the performance of the Company and the individual Executive Director or key management personnel. The total remuneration mix comprises annual fixed cash and annual performance incentive. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances. The annual performance incentive is tied to the performance of the Company and the individual Executive Director or key management personnel. Taking into consideration the nature of the Company's business activities, certain performance measurements include key financial targets and operational efficiency indicators.

The Company does not have contractual provisions to allow the reclaim of incentive components of remuneration from Executive Directors and key management personnel. In exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group, the Company believes that there are alternative legal avenues that will enable the Company to recover financial losses arising from such exceptional events from the Executive Director and key management personnel. The RC, together with the Board, will monitor and re-assess at the appropriate juncture again on whether such contractual provisions are necessary.

The Company has a share option scheme, DISA ESOS, which serves as a long-term incentive scheme for the Directors and employees of the Company.

DISA ESOS (the "**ESOS 2010**") was approved and adopted by the shareholders of the Company at an Extraordinary General Meeting ("**EGM**") held on 28 October 2010 ("**Date of 2010 Adoption**"). The ESOS 2010 shall continue to be in force at the discretion of the Company subject to a maximum period of ten (10) years commencing from the Date of 2010 Adoption till 27 October 2020. Controlling shareholders of the Company or associates of controlling shareholders shall not participate in the ESOS 2010, unless it has been approved by the independent shareholders in general meeting under separate resolutions for each such person and, in respect of each such person, under separate resolutions for each of (i) his participation and (ii) the actual number of shares and terms of any option to be granted to him.

The ESOS 2010 is administered by a committee comprising Mr. Lau Kay Heng (Chairman), Mr. Chng Weng Wah and Mr. Toh Hock Ghim. However, no member of the committee shall be involved in any deliberation in respect of options to be granted to him. Details of the ESOS 2010 are disclosed in the "Directors' Statement" section of the Annual Report.

The ESOS 2010 had expired on 28 October 2020.

# CORPORATE GOVERNANCE REPORT

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## DISA's Corporate Governance Practices

DISA ESOS (the "ESOS 2021") was approved and adopted by the shareholders of the Company at an EGM held on 28 October 2021 ("Date of 2021 Adoption"). The ESOS 2021 shall continue to be in force at the discretion of the Company subject to a maximum period of ten (10) years commencing from the Date of 2021 Adoption till 27 October 2031. Controlling shareholders of the Company or associates of controlling shareholders shall not participate in the ESOS 2021, unless it has been approved by the independent shareholders in general meeting under separate resolutions for each such person and, in respect of each such person, under separate resolutions for each of (i) his participation and (ii) the actual number of shares and terms of any option to be granted to him.

The ESOS 2021 is administered by RC and Mr. Chng Weng Wah, the Managing Director and CEO of the Group. However, no member of the committee or Mr. Chng Weng Wah shall be involved in any deliberation in respect of options to be granted to each of them. Details of the ESOS 2021 are disclosed in the "Directors' Statement" section of the Annual Report.

The Company also has a performance shares scheme, DISA PS Scheme, which serves to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance. Shareholders have approved the renewal of DISA PS Scheme on 26 October 2018. Controlling shareholders of the Company and their associates are eligible to participate in the DISA PS Scheme.

No awards were granted under the DISA PS Scheme during FY2024. The DISA PS Scheme is administered by a committee comprising Mr. Toh Hock Ghim (Chairman), Mr. Chng Weng Wah and Mr. Lau Kay Heng.

7.2 Remuneration for Non-Executive Directors dependent on contribution, effort, time spent and responsibilities

The Non-Executive Directors do not have any service contracts. Each of them is paid a basic fee, determined by the Board based on their level of contribution and scope of responsibilities. The Chairman of the Board also receives a minimal fee for chairing the Board meetings. These fees are subject to approval by shareholders as a lump sum payment at the AGM of the Company. The Board, together with the NC, ensures that the Independent Non-Executive Directors are not compensated to the extent that their independence is compromised.

## PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and this relationships between remuneration, performance and value creation.

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8.1 and 8.3 Remuneration disclosure of Directors and key management personnel as well as the details of employee share option schemes

### Directors' Remuneration

There are both fixed and variable components to the Executive Director's remuneration. The variable components are tied to the Group's performance.

8.2 Remuneration disclosures of related employees

# CORPORATE GOVERNANCE REPORT

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Given the highly competitive conditions of the Company's industry and that the total Directors' fees payable to Directors are subject to shareholders approval, the Company believes that the full disclosure of each Director's remuneration as recommended by the Code may not be in the best interest of the Company. Nevertheless, the Company is cognisant of the new Catalyst Rule 1204(10D), which was implemented with effect from 11 January 2023 and will disclose the exact amounts with breakdown of remuneration paid to each individual director and the CEO, on a named basis, by the Company and its subsidiaries in its Annual Report in respect of the financial year ending 30 June 2025 onwards. A breakdown showing the level and percentage mix of each individual Director's remuneration paid/payable for FY2024 are as follows:

	Remuneration Band	Salary or Fees	Performance	Other Benefits*	Total Remuneration
			Related Income/Bonuses		
	\$	%	%	%	%
<b>Executive Director</b>					
Chng Weng Wah	Between 750,000 and 1,000,000	97	-	3	100
<b>Non-Executive Directors</b>					
Toh Hock Ghim	<250,000	100	-	-	100
Lau Kay Heng	<250,000	100	-	-	100
Lim Soon Hock	<250,000	100	-	-	100

\* Other Benefits include Company's contribution to provident fund, allowances for transport and insurance.

### Top 5 Key Management Personnel's Remuneration

For FY2024, the Group has four (4) key management personnel. The remuneration of the four (4) key management personnel (who are not Directors or the CEO of the Company) are set out below in bands of \$250,000:

	Salary	Bonus	Other Benefits*	Total
<b>&lt;\$250,000</b>				
Wong Ah Kiow	74%	5%	21%	100%
Han Yang Kwang	61%	2%	37%	100%
Jacob Gulbransen	85%	-	15%	100%
Poh Weijie	93%	-	7%	100%

\* Other Benefits include Company's contribution to provident fund, allowances for transport and housing.

The aggregate remuneration of the four (4) key management personnel for FY2024 is \$483,314. Given the highly competitive conditions of the Company's industry, the Company has weighed the advantages and disadvantages of disclosing details of the individual and aggregate remuneration of the Group's four (4) key management personnel (who are not Directors or the CEO) for FY2024 and believe that such disclosure may be prejudicial to its business interest.



# CORPORATE GOVERNANCE REPORT

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No termination, retirement and post-employment benefits was granted to our Directors, CEO and the four (4) key management personnel of the Group during FY2024.

Mr. Chng Weng Huat, is the sibling of Mr. Chng Weng Wah, the Managing Director and CEO of the Group. Mr. Chng Weng Huat is employed by the Group as Solutions Director of DISA Digital Safety Pte. Ltd. (wholly-owned subsidiary of the Group) ("**DiSa**") between 1 May 2017 and 31 August 2023 and Vice President, Operations of Digital Life Line Pte. Ltd. ("**DLL**") (55.41%-owned subsidiary of the Group) since 1 January 2022, and received remuneration in respective capacities during the respective periods. As the Solutions Director of DiSa, his duties were to assist Senior Vice President of Global Solution to provide support/assistance to suppliers to DiSa-Enabled their products. As the Vice President, Operations of DLL, his duties are to assist the Managing Director and CEO of the Group to oversee the field operations of DLL.

A breakdown showing the percentage mix of Mr. Chng Weng Huat's remuneration paid/payable for FY2024 are as follows:

Remuneration Band	Salary	Bonuses	Other Benefits*	Total Remuneration
\$	%	%	%	%
Between 50,000 and 100,000	90	-	10	100

\* Other Benefits include Company's contribution to provident fund and allowances for transport.

Details of DISA ESOS 2010 and 2021 and DISA PS Scheme are set out under Provisions 7.1 and 7.3 of this report, as well as the Directors' Statement in the "Financial Statements" section of this annual report.

## PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

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## DISA's Corporate Governance Practices

- 9.1 Board determines the nature and extent of risks
- 9.2 Assurance from CEO, CFO and other key management personnel

The Board oversees the Management in the area of risk management and internal control system. The Board regularly reviews and improves the Company's business and operational activities to identify areas of significant risks as well as take appropriate measures to control and mitigate these risks.

Management highlights and discusses (if any) salient risk management matters to the Board on a half-yearly basis. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks and internal controls. The Board reviews the adequacy and effectiveness of the Company's risk management framework and internal control system annually. For FY2024, the internal audit of the Group was outsourced to a third-party professional firm. The ARMC evaluates the findings of the external and internal auditors on the Group's internal controls annually.

# CORPORATE GOVERNANCE REPORT

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## DISA's Corporate Governance Practices

Although the Board acknowledges that it is responsible for the overall internal control framework, it also recognises that no cost-effective internal control system will preclude all errors and irregularities. A system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

Based on the internal control policies and procedures established and maintained by the Group, and the continuous effort at enhancing such controls and procedures, and the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the ARMC, is of the opinion that the Group has a robust and effective internal control system addressing financial, operational, compliance and information technology controls and risk management systems that is adequate and effective to meet the needs of the Group in its current business environment.

The Board has also received assurance from the CEO and the CFO that:

- (a) the financial records have been properly maintained and the financial statements for the financial year ended 30 June 2024 give a true and fair view of the Company's operations and finances; and
- (b) the Company's risk management and internal control systems including financial, operational, compliance and information technology controls, and risk management systems are adequate and effective.

The ARMC of the Company has been assisting the Board in carrying out, among other things, its responsibility of overseeing the Group's risk management framework and policies.

## PRINCIPLE 10: AUDIT AND RISKS MANAGEMENT COMMITTEE

The Board has an Audit Committee ("AC") which discharges its duties objectively.

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## DISA's Corporate Governance Practices

### 10.1 Duties of AC

The ARMC comprises three (3) members, all of whom are Non-Executive and Independent Directors. The composition of the ARMC is set out under Provisions 2.2 and 2.3 of this report. The profiles of the ARMC members are set out in the "Board of Directors" section of this annual report.

### 10.2 Composition of AC

The Board considers the members of the ARMC to be qualified to discharge the responsibilities of the ARMC as three (3) members of the ARMC, including the Chairman of the ARMC, have accounting or related financial management expertise or experience.

The ARMC is authorised by the Board to investigate into any activity within its terms of reference. It has unrestricted access to information relating to the Group, to both internal and external auditors and has full discretion to invite any Director or Executive Officer to attend its meetings. The ARMC has expressed power to commission investigations into any matters, which has or is likely to have material impact on the Group's operating results and/or financial position. The ARMC has adequate resources to enable it to discharge its responsibilities properly.

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## DISA's Corporate Governance Practices

The ARMC is regulated by its terms of reference and meets at least twice a year and as warranted by circumstances, to perform the following functions:

- (1) review significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (2) review of the external auditors' audit plan, audit report and their evaluation of the Group's systems of internal accounting controls;
- (3) review the scope and results of the external audit and its cost effectiveness;
- (4) review the co-operation given by the Management to the external auditors;
- (5) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Company or the Group's results or financial position;
- (6) review the Group's financial results, external auditors' reports and the results announcements before submission to the Board for approval;
- (7) make recommendations and nominate external auditors for appointment and re-appointment and review their independence and objectivity;
- (8) approve the appointment, remuneration and terms of engagement of the external auditors and internal auditors;
- (9) review interested person transactions, if any, and potential conflict of interests;
- (10) review the adequacy of the Group's material internal controls (including financial, operational, compliance and information technology controls) and risk management policies as well as the effectiveness of the Group's internal audit function;
- (11) review the scope and results of the internal audit procedures;
- (12) review arrangements by which staff of the Group may, in confidence raise concerns about possible improprieties in matters of financial reporting or other matters, so as to ensure that arrangements are in place for the independent investigation of such matters and for appropriate follow up action; and
- (13) assist the Board in ensuring that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Company's assets, and to determine the nature and extend of significant risk which the Board is willing to take in achieving its strategic objectives.

Minutes of the ARMC meetings are regularly submitted to the Board for its information and review.

During the financial year under review, the fees paid to the external auditor of the Company amounted to \$73,000. No non-audit service fee was paid to the external auditor of Company.

# CORPORATE GOVERNANCE REPORT

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## DISA's Corporate Governance Practices

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The ARMC has conducted a review and noted that there are no non-audit services provided by the external auditor of the Company during FY2024 and is satisfied with the independence and objectivity of the external auditor of the Company. The ARMC constantly bears in mind the need to maintain a balance between the independence and objectivity of the external auditor of the Company and the work carried out by the external auditor of the Company based on value-for-money considerations. The external auditor of the Company has unrestricted access to the ARMC.

In addition, the ARMC has reviewed the adequacy of the resources, experience of the external auditor of the Company and of the audit engagement partner assigned to the audit. The ARMC is satisfied that the external auditors are able to meet their audit obligations. Accordingly, the Company has complied with Rule 712 of the Catalist Rules.

Both the ARMC and the Board have noted that there is no appointment of different auditing firms for its subsidiaries. Accordingly, the Company has complied with Rule 715 of the Catalist Rules.

The ARMC had recommended and the Board had approved the nomination to re-appoint Messrs Baker Tilly TFW LLP as the Company's external auditor for the next financial year ending 30 June 2025.

The Group has in place, a whistle-blowing policy where employees of the Group and the public can raise, in confidence, concerns about possible improprieties. Such a policy serves to encourage and provide a channel for staff to report in good faith and without fear of reprisals, concerns about possible improprieties in financial reporting or other matters to any member of the ARMC.

The Group treats all information received confidentially and commits to protect the identity and the interests of all whistle-blowers, and is committed to ensuring that whistle-blowers will be treated fairly and protected against detrimental or unfair treatment from whistle-blowing in good faith. The ARMC is responsible for oversight and monitoring of the whistle-blowing policy.

Details of the whistle-blowing policies and arrangements have been made available to all employees. Members of the public can also refer to the Company's website at <http://disa.sg/investors.html> for whistle-blowing arrangements. During the financial year under review, there was no report of any whistle-blowing incidents being made to the ARMC.

In FY2024, the ARMC has reviewed, with the Management and the external auditor, the results of the Group before submitting them to the Board for its approval and announcement of the financial results. The ARMC also reviewed and monitored the Group's financial condition, internal and external audit reports, exposure to risks and the effectiveness of the Group's system of accounting and internal controls.

The ARMC also monitors proposed changes in accounting policies, reviews the internal audit functions and discusses accounting implications of major transactions including significant financial reporting issues.

# CORPORATE GOVERNANCE REPORT

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## DISA's Corporate Governance Practices

In its review of the financial statements for FY2024, the ARMC is of the view that the financial statements are fairly presented in conformity with the relevant Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) in all material aspects. In the review of the financial statements for FY2024, the ARMC had discussed with Management and the external auditors on significant issues and assumptions that impact the financial statements. In line with the recommendations by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and SGX-ST, the ARMC helped to improve transparency and enhance the quality of corporate reporting by providing a commentary on Key Audit Matters (“**KAM**”). The ARMC reviewed the KAM and concurred and agreed with the external auditor and Management on their assessment, judgements and estimates on the significant matter reported by the external auditor.

Upon request by any ARMC member, the Company will sponsor him for any relevant regulatory update courses. The ARMC members also receive and discuss any accounting standards update from its external auditors, whenever material changes in accounting standards affecting the Group arise.

For FY2024, the external auditor of the Company presented to the ARMC the audit plan and updates relating to change of accounting standards which have a direct impact on the financial statements during the ARMC meetings. The adoption of new and/or revised accounting standards did not result in any substantial changes or significant impact on the Group's financial statements.

10.3 AC does not comprise former partners or directors of the Company's auditing firm

No ARMC member is a former partner or Director of the Company's external auditor.

10.4 Primary reporting line of the internal audit function is to AC; Internal audit function has unfettered access to Company's documents, records, properties and personnel

The size of the existing operations of the Group does not warrant the Group to have an in-house internal audit team. The Group has outsourced its internal audit function to NLA Risk Consulting Pte. Ltd. (“**NLA**”) (“**Internal Auditors**”) to carry out internal audit review using a risk-based approach. The ARMC approves the hiring, removal, evaluation and compensation of the internal audit function.

The Internal Auditors has unfettered access to all the Company's documents, records, properties and personnel, including access to the ARMC.

NLA is part of NLA DFK, a group of accounting and corporate advisory firms, providing various professional services for many years. NLA DFK is a member of one of the top 10 international association of independent accounting firms and business advisers. NLA is a suitably appointed firm of risk consultants (including Certified Internal Auditors), with its processes guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. NLA is a corporate member of the Institute of Internal Auditors, Singapore and are the current internal auditors for more than 10 listed companies in Singapore.

The Head of Internal Audit, Gary Ng is a Certified Internal Auditor and Chartered Accountant of Singapore. He has close to 20 years of external and internal audit experience after graduating from Nanyang Technological University with a Bachelor of Accountancy degree. The engagement team also includes a manager, supported by two (2) internal auditors.

The internal audit has been carried out in accordance with the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

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The Internal Auditors plans its internal audit plan annually, following a risk assessment exercise, in consultation with, but independent of Management. The internal audit plan is submitted to the ARMC for approval prior to the commencement of the internal audit.

Internal audit reports are distributed to and discussed with the ARMC. The ARMC oversees and monitors the implementation of the improvements required for internal control weaknesses identified.

The ARMC has full access to and the co-operation of the Management and Internal Auditors, ensuring that the internal audit function is adequately and effectively resourced to perform its function. The ARMC is satisfied that for the financial year under review, the internal audit function is independent, effective, adequately resourced and has the appropriate standing within the Group.

10.5 The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually

For FY2024, the ARMC met with the external and internal auditors without the presence of the Management for the purpose of facilitating discussion of the responses by Management on audit matters. The ARMC has reviewed the findings of the auditors and the assistance given to the auditors by the Management.

## PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of the performance, position and prospects.

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## DISA's Corporate Governance Practices

11.1 Company provides shareholders with the opportunity to participate effectively and vote at general meetings

The Group's corporate governance culture and awareness promotes fair and equitable treatment for all shareholders. All shareholders enjoy specific rights under the Companies Act and the Company's Constitution. All shareholders are treated fairly and equitably. The Group respects the equal information rights of all shareholders and is committed to the practice of fair, transparent and timely disclosure pertaining to changes in the Group or its business which would be likely to materially affect the price or trading of the Company's shares.

11.2 Separate resolution on each substantially separate issue

11.3 All Directors and external auditors attend general meetings

Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company. At general meetings, shareholders will be informed of the rules and voting procedures relating to the general meetings.

Participation of shareholders is encouraged at the Company's general meetings. The Board (including the chairpersons of the respective committees), Management, as well as the external auditors, where applicable, are invited to attend the Company's general meetings to address any questions that shareholders may have. All Directors had attended the last AGM of the Company held on 27 October 2023.

All resolutions tabled in the general meetings are voted by poll, counted and validated by independent scrutineer and announcement of the detailed results of the general meetings will be released on the SGXNet after the general meetings.

# CORPORATE GOVERNANCE REPORT

## Provisions of the Code

## DISA's Corporate Governance Practices

Each item of special business included in the notice of the general meetings is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for each separate issue at the meeting.

All Directors including Chairman of the Board and respective Chairman for each of the Board Committees will endeavour to present at the AGM for FY2024 to address shareholders' questions relating to the work of the Board and the Board Committees. The external auditor will also be presented in the meeting and address any query directed to them related to the financials of the Company, the conduct of audit and preparation and content of the auditor's report.

11.4 Company's Constitution allows for absentia voting of shareholders

The Company's Constitution does allow a shareholder (who is not the Central Depository (Pte) Limited; and who is also not a relevant intermediary, as defined in Section 181 of the Companies Act) to vote either in person or appoint not more than two (2) proxies to attend and vote in his stead. Such proxy to be appointed need not be a shareholder. A shareholder of the Company who is a relevant intermediary (as defined in Section 181 of the Companies Act), may appoint more than two (2) proxies to attend, speak and vote at the general meetings of the Company.

As the authentication of Shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means. In this connection, the Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic means may only be possible following careful study to ensure that integrity of the information and authentication of the identity of the shareholders through the electronic means is not compromised.

11.5 Minutes of general meetings are published on the Company's corporate website

All minutes of general meetings, and a summary of the relevant questions and answers raised at general meetings are made available to shareholders on SGXNet.

The Company has published minutes of the last AGM held on 27 October 2023 to SGXNet within one (1) month after the date of AGM.

11.6 Dividend policy

The Company does not have a formalised dividend policy. The Board will need to further assess its on-going financial and operational requirements before arriving at any decision relating to the payment of dividends. No dividend was declared for FY2024 as the Company has incurred a loss in FY2024. Any dividend payouts will be clearly communicated to shareholders in public announcements and via announcements on the SGXNet when the Company discloses its financial results. Further, the Company will, in line with Rule 704(23) of the Catalist Rules, expressly disclose the reason(s) in the event that the Board decides not to declare or recommend a dividend, in its financial statement announcements.

# CORPORATE GOVERNANCE REPORT

## PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

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The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

### Provisions of the Code

### DISA's Corporate Governance Practices

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12.1 Company provides avenues for communication between the Board and shareholders

The Board is mindful of the obligation to keep shareholders informed of all major developments that affect the Group in accordance with the Catalist Rules. Trade and price sensitive information is publicly released via the SGXNet.

12.2 and 12.3 Company has in place an investor relations policy and the policy sets out mechanism of communication between the shareholders and the Company

Information is communicated to shareholders on a timely and non-selective basis through:

- annual reports that are prepared and issued to all shareholders within the mandatory period;
- public announcements via the SGXNet and the Company's corporate website; and
- notices of shareholders' meetings on SGXNet and advertised in a newspaper in Singapore.

Shareholders are encouraged to attend and raise questions to the Directors at the Company's general meetings. At these meetings, shareholders are given the opportunity to voice their views and raise issues either formally or informally. These meetings provide excellent opportunities for the Board to engage with shareholders to solicit their feedback.

The Company's website at <http://disa.sg> is another channel to solicit and understand the views of the shareholders.

The Board provides shareholders with half-yearly and annual financial reports within the legally prescribed periods. Results for the first 6 months are released to shareholders within 45 days of the financial period end. Annual results are released within 60 days of the financial year-end. In our financial result announcements to shareholders, the Board aims to provide shareholders with a balanced and understandable assessment of the Group's performance, position and prospects.

To ensure compliance with legislative and regulatory requirements, including requirements under the Catalist Rules, the Board, through the Management, reviews the relevant compliance reports and ensure that the Management seeks the Board's approval of such reports or requirements.

The Company has in place an investor relations policy to promote effective communications with shareholders, investors and the investment community in large. Shareholders and investors can reach the Company's investor relations team via [stevenlau@digital-safety.com](mailto:stevenlau@digital-safety.com).

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# CORPORATE GOVERNANCE REPORT

## PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

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The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

### Provisions of the Code

### DISA's Corporate Governance Practices

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13.1 and 13.2 Engagement with material stakeholder groups

The Company's approach towards its engagement with stakeholders, including arrangements to identify and engage with its material stakeholder groups and to manage its relationship with such groups, and its strategy and key areas of focus in relation to the management of stakeholder relationships, is set out under the "Stakeholder Engagement" heading in the "Sustainability Report" section of this annual report.

13.3 Corporate website to engage stakeholders

## INTERNAL CODE ON DEALING IN SECURITIES

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### Rules of Catalist

### DISA's Corporate Governance Practices

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Rule 1204(19) of the Catalist Rules

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted an internal code on dealing in the Company's securities. All Directors and officers of the Company are not allowed to deal in the Company's shares during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

In addition, all Directors and employees are required to observe insider trading laws at all times and are prohibited from trading whilst in possession of unpublished price- or trade-sensitive information of the Group. They are also discouraged from dealing in the Company's shares on short-term considerations.

## MATERIAL CONTRACTS

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### Rules of Catalist

### DISA's Corporate Governance Practices

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Rule 1204(8) of the Catalist Rules

Save for the service agreement entered into between the CEO and the Company, there were no other material contracts entered into by the Company and subsidiaries involving the interests of the CEO, each Director or controlling shareholder which were either subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

# CORPORATE GOVERNANCE REPORT

## INTERESTED PERSON TRANSACTION (“IPT”) POLICY

### Rules of Catalyst

Rules 907 and 920 of the Catalyst Rules

### DISA’s Corporate Governance Practices

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARMC and that transactions are conducted at arm’s length and not prejudicial to the interests of the Company and minority shareholders.

Details of IPTs for FY2024 as required under Rule 907 of the Catalyst Rules are set out as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding all interested person transactions less than \$100,000 and under shareholders’ mandate pursuant to Rule 920)	Aggregate value of transactions conducted pursuant to shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	\$’000	\$’000
Circle Globe Limited* - Leasing of office space**	141	-

\* Wholly owned by Mr. Chng Weng Wah (Managing Director and Chief Executive Officer) as at 30 June 2024.

\*\* Please refer to announcement dated 13 February 2023 for further details on this interested person transaction.

The ARMC has reviewed, and is satisfied that the above IPTs are conducted at arm’s length and on terms that are fair and reasonable. The ARMC and the Board of Directors are satisfied that the terms of the above IPTs are not prejudicial to the interests of the Company or its minority shareholders.

## RISK MANAGEMENT

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. The Company reviews all significant controls, policies and procedures and highlights all significant matters to the ARMC and the Board. The risk issues are outlined in Note 28 of the financial statements.

## CATALIST SPONSOR

The Continuing Sponsor of the Company is SAC Capital Private Limited (“Sponsor”). There were no non-sponsor fees paid to the Sponsor by the Company during FY2024.

# SUSTAINABILITY REPORT

## 1. BOARD STATEMENT

We take this opportunity to express our appreciation to our stakeholders for their unwavering support throughout the development of our Company and reaffirm our commitment to sustainability with the publication of our sustainability report (“**Report**”). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, and governance (“**ESG**”) concerns as well as economic performance (collectively as “**Sustainability Factors**”).

We are committed to striking a balance between the Group’s growth, profit, governance, the environment, the development of our people, and the well-being of our communities to secure a long-term future for our Group. Our Board of Directors considers sustainability issues as part of its strategic formulation, carefully examines the material Sustainability Factors, and oversees the Management and monitoring of the material Sustainability Factors.

In this Report, we disclose performances on economic performance, energy consumption, greenhouse gas emissions, employment practices, and robust governance system, in alignment with our commitment to sustainable business development. We review our material ESG topics regularly, continue the engagement with multiple stakeholders and actively monitor and improve our performances.

We also aim to achieve a balance between our economic performance and ESG endeavours. It is important for us to find suitable solutions for sustainable monitoring and improvement of our Group’s ESG scorecard. We strive to extend the scope of reporting in the coming years to contribute to mitigating climate change, to improve community impact, and to contribute to sustainable value creation.

We recognize the importance of joint efforts in sustainability development and will actively collaborate with our business partners, customers, investors, and communities in dedication to offering services of better quality and sustainable solutions of greater efficiency.

## 2. REPORTING PERIOD AND SCOPE

This Report focuses on the Group’s sustainability efforts and strategies for our financial year from 1 July 2023 to 30 June 2024 (“**FY2024**” or “**Reporting Period**”).

As the Group is mainly focused on the Technology business segment, this Report covers the sustainability practices and performances for the key operating entities within the Group under the Technology business segment, contributing 100% (FY2023: 100%, FY2022: 100%) of the Group’s total revenue for the reporting period.

We welcome feedback and suggestions from our stakeholders on this Report. You may contact us through our investor relations email at [investors@disa.sg](mailto:investors@disa.sg).

The ESG data provided in this Report covers the following Group’s entities:

- Singapore
  - DISA Limited
  - Disa Digital Safety Pte. Ltd.
  - Digital Life Line Pte. Ltd.
- China
  - Disa Digital Safety (Shenzhen) Limited
- USA
  - Disa Digital Safety (USA)

# SUSTAINABILITY REPORT

## 3. REPORTING FRAMEWORK

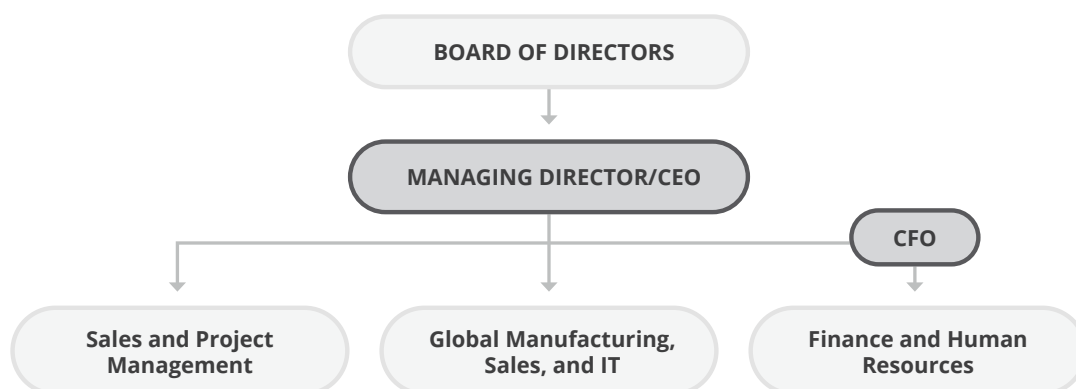
This Report is prepared with reference to the GRI Standards 2021 and in compliance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Catalist Rules**”). We have chosen to report using the GRI Standards and Task Force on Climate-related Financial Disclosures (“**TCFD**”) recommendations as they are internationally recognized reporting frameworks. The GRI content index and TCFD content index can be found in the Appendices to this Report.

While we have not sought external assurance for this Report, we have relied on internal data monitoring and verification to ensure accuracy. The reporting process has undergone internal review and was reviewed by the Board.

## 4. SUSTAINABILITY APPROACH

### 4.1 Sustainability Governance Structure

The Board advises and oversees the development of our sustainability strategy and performance targets. Our Managing Director/CEO, assisted by our Chief Financial Officer (“**CFO**”), leads the sustainability workgroup which comprises representatives from various support units. The Managing Director/CEO, assisted by the CFO, is responsible for reviewing our sustainability progress, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts. The Managing Director/CEO, assisted by the CFO, reports to the Board, reviews material impacts, considers stakeholders’ priorities, sets targets, as well as collects, verifies, monitors and reports performance data for this Report. The reporting structure for sustainability matters is presented as follows:



### 4.2 Stakeholder Engagement

We actively engage our business partners and stakeholders regularly to keep them abreast of the developments of our businesses. The stakeholder engagement provides valuable information on their needs and concerns, which helps us in offering satisfactory solutions and providing sustainability reporting, particularly in determining the material environmental and social issues. We will continue to engage our external stakeholders more extensively through regular dialogues on an extensive range of topics, using multiple platforms and feedback systems, to identify areas that are material, sustainable and necessary for future development.

# SUSTAINABILITY REPORT

Key Stakeholders	Engagement Channel	Engagement Frequency	Key Concern Raised by Stakeholders
Customers	Email communications	As and when needed	Product quality and reliability; Customer service standards; Customer data protection
	Phone calls		
	Tele-conferences		
Employees	Email communications	As and when needed	Equal employment opportunity; Workplace safety and health; Remuneration; Employee data protection
	Staff evaluation sessions		
Regulators	Consultations and briefings organised by key regulatory bodies such as the SGX-ST and relevant government agencies/ bodies	As and when needed	Corporate governance; Risk management; Sustainable development
Shareholders	Material announcement on SGXNet	As and when needed	Sustainable business performance; Market valuation; Dividend payment; Corporate governance
	Company website		
	Business publications		
	Investor relation events		
	Annual general meetings		
	Annual reports		

## 4.3 Materiality Assessment

With the aim of identifying and assessing the ESG issues, risks, and opportunities that are the most influential to our stakeholders and the Group, we follow the guidance of GRI to evaluate both the external and internal perspectives. Each Sustainability Factor is assigned a reporting priority that determines the actions required in the table below.

Number	Material factor	Key stakeholder	UN Sustainable Development Goals (SDGs)	Reporting priority
Economic				
1	Sustainable business performance	Shareholders; Customers; Employees		••
Environmental				
2	Energy, water conservation and emission reduction	Employees; Shareholders		•

# SUSTAINABILITY REPORT

Number	Material factor	Key stakeholder	UN Sustainable Development Goals (SDGs)	Reporting priority
Social				
3	Employee retention	Employees		...
4	Training and development	Employees		•
5	Equality and diversity at the workplace	Employees		**
Governance				
6	Robust corporate governance framework	Regulators; Shareholders		**
7	Proactive anti-corruption practices	Regulators; Shareholders		**

Reporting priority	Description	Criteria
...	High	Factors with high reporting priority should be reported in detail.
**	Medium	Factors with medium reporting priority should be considered for inclusion in the Report. We may decide to exclude them in the Report, if immaterial.
•	Low	Factors with low reporting priority may be reported to fulfil regulatory or other reporting requirements. If immaterial, these factors may be excluded from the report.

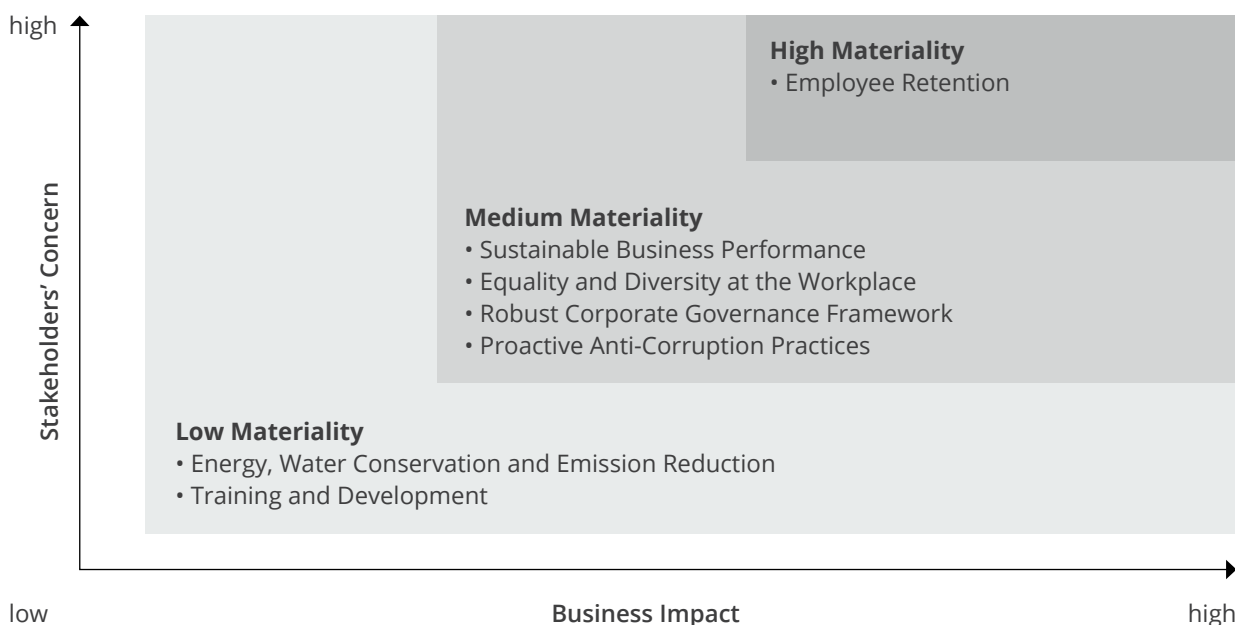
The reporting priority is supported by a material matrix that considers the level of concern to stakeholders (“**Stakeholders’ Concern**”) and the significance of our impacts on the economy, environment and society (“**Business Impact**”).

We update the material factors annually to reflect changes in business operations, stakeholder concerns and the sustainability landscape.

# SUSTAINABILITY REPORT

## 4.3.1 Materiality Matrix

According to the assessment, the Materiality Matrix is shown as below.



## 5. ECONOMIC PERFORMANCE

### 5.1 Sustainable Business Performance

We believe in creating long-term economic value for our shareholders as well as key stakeholders by adopting responsible business practices and growing business in a sustainable manner.

Our asset protection solutions are deployed on consumer products sold at retail stores to protect the retailers and their suppliers from theft and return fraud. The Group continues to expand and sell semiconductor devices as an extended service to existing and new customers during FY2024.

With our ongoing efforts to gain acceptance from retailers and their suppliers, our Technology business segment registered a revenue of S\$7,543,000 in FY2024, a decrease of S\$3,374,000 or 30.9% as compared to S\$10,917,000 in FY2023. The adjusted net loss for the Group, excluding the share of losses from an associate of S\$359,000 (FY2023: S\$439,000) and one-off gain from recovery of bad debts recovered from a customer amounting to S\$171,000 (FY2023: Nil), the recovery of deposit paid previously written off of \$388,000 (FY2023: Nil), disclaimer of a long outstanding payable of S\$32,000 (FY2023: Nil), loss on dilution of interest in an associated company of S\$16,000 (FY2023: gain of S\$225,000), gain on remeasurement of an associated company of S\$11,000 (FY2023: Nil) increased by S\$61,000 or 2.7% to S\$2,303,000 from S\$2,242,000 in FY2023.

Details of the Group's economic performance can be found in our Annual Report.

# SUSTAINABILITY REPORT

## 6. ENVIRONMENT

### 6.1 Energy, Water Conservation and Emissions Reduction

As a technology company, we are primarily providing asset protection solutions to our customers. Accordingly, our impact on the environment, after assessing the level of concern to external stakeholders and potential impact on the business, is deemed a material Sustainability Factor of lower priority. Nonetheless, we constantly track and control our resource consumption which comprises mainly petrol and electricity. We have also started tracking our water consumption.

We are driven by our commitment to responsible usage of energy and reducing carbon emissions, helping to preserve the environment we operate in and yet reducing our costs, resulting in enhanced returns to shareholders.

To run our operations, we rely on energy resources in the following areas:

- Petrol for consumption by our company-owned vehicles; and
- Electricity is required for lighting, office equipment and cooling.

Key statistics on energy consumption and related greenhouse gas (“GHG”) emission during the Reporting Period are as follows:

<b>Performance Indicator<sup>1</sup></b> <b>- DISA Limited/Disa Digital Safety Pte. Ltd./Digital Life Line Pte. Ltd. (Singapore)</b>	<b>FY2024</b>	<b>FY2023</b>	<b>FY2022</b>
Petrol consumption (litre)	3,959	2,726	2,616
Electricity consumption (kWh)	14,832	14,533	16,369
Direct GHG emissions (Scope 1) <sup>2</sup> (tonnes CO <sub>2</sub> e)	9.0	6.2	5.9
Indirect GHG emissions (Scope 2) <sup>3</sup> (tonnes CO <sub>2</sub> e)	6.0	5.9	6.6
<b>Total GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>15.0</b>	<b>12.1</b>	<b>12.5</b>

<b>Performance Indicator</b> <b>- Disa Digital Safety (Shenzhen) Limited</b>	<b>FY2024</b>	<b>FY2023</b>	<b>FY2022</b>
Petrol consumption (litre)	484	453	720
Electricity consumption (kWh)	4,966	5,343	5,488
Direct GHG emissions (Scope 1) <sup>4</sup> (tonnes CO <sub>2</sub> e)	1.1	1.0	1.6
Indirect GHG emissions (Scope 2) <sup>5</sup> (tonnes CO <sub>2</sub> e)	2.9	3.0	3.2
<b>Total GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>4.0</b>	<b>4.0</b>	<b>4.8</b>

<sup>1</sup> Disa Digital Safety (USA) is not included in this scope as the Company considers its contribution to the Group’s GHG emissions low and not material.

<sup>2</sup> Scope 1 GHG emissions are calculated based on the GHG Emissions Measurement and Reporting Guidelines published by the Energy Market Authority.

<sup>3</sup> Scope 2 GHG emissions are calculated based on the average emissions factors published in the Singapore Energy Statistics by the Energy Market Authority.

<sup>4</sup> Scope 1 GHG emissions are calculated based on the GHG Emissions Measurement and Reporting Guidelines published by the Ministry of Ecology and Environment of the People’s Republic of China. This calculation only consists of emissions from mobile combustion as we consider fugitive emissions and emissions from stationary combustion to be insignificant.

<sup>5</sup> Scope 2 GHG emissions are calculated based on the average emissions factors published in the Ministry of Ecology and Environment of the People’s Republic of China.



# SUSTAINABILITY REPORT

Energy Consumption

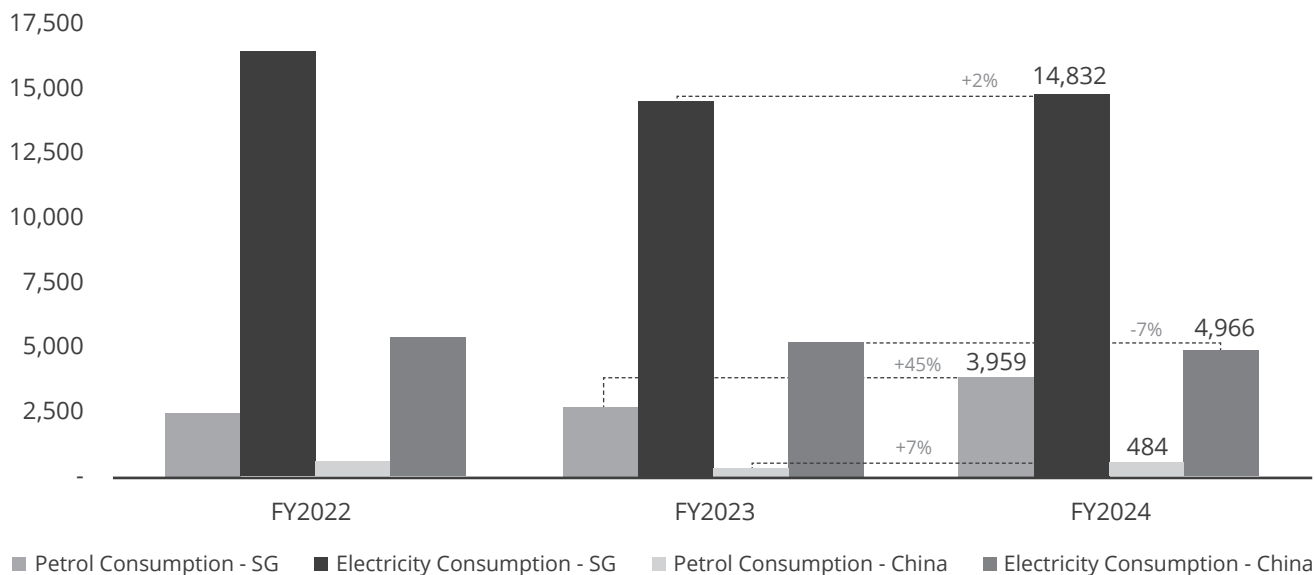


Diagram 1: Energy consumption – Group

Performance Indicator - Group	FY2024	FY2023	FY2022
Total GHG emissions (tonnes CO <sub>2</sub> e)	19.0	16.1	17.3
GHG emission intensity (tonnes CO <sub>2</sub> e / S\$'000)	0.003	0.001	0.001

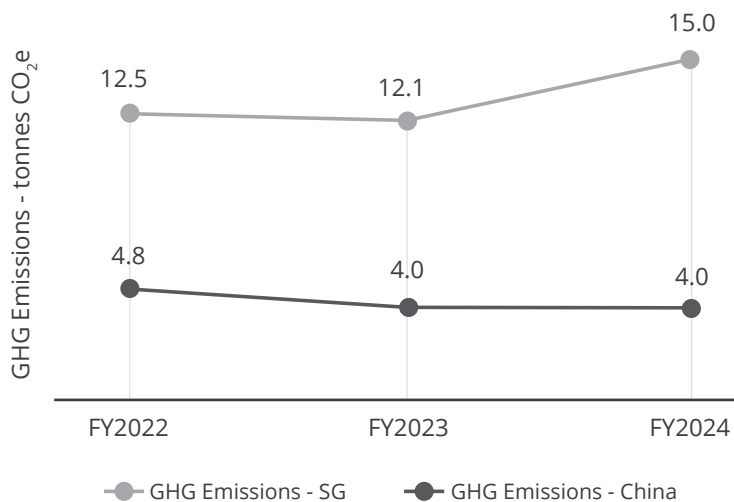


Diagram 2: GHG emissions trend based on geographic location

# SUSTAINABILITY REPORT

Target for FY2024	Performance in FY2024	Target for FY2025
Reduce Group's petrol consumption by 5%.	Group's total GHG emissions increased to 19.0 from 16.1 tonnes CO <sub>2</sub> e due to higher petrol consumption.	Reduce Group's petrol consumption by 10%.
Reduce Group's electricity consumption by 5%.		Reduce Group's electricity consumption by 5%.
Maintain or reduce the Group's total GHG emissions and emission intensity.		Maintain or reduce the Group's total GHG emissions and emission intensity.

## 7. SOCIAL

### 7.1 Equality and Diversity at the Workplace

We are committed to diversity and equal opportunity in employment to grow our human capital. Accordingly, we strive to provide a work environment for our employees that fosters fairness, equity and respect for social and cultural diversity, regardless of their gender, age or educational background.

On gender diversity, the percentage of female to total employees was 55% (FY2023: 52%; 2022: 50%), with about 20% (FY2023: 18%; FY2022: 17%) of our managers being female as at 30 June 2024.

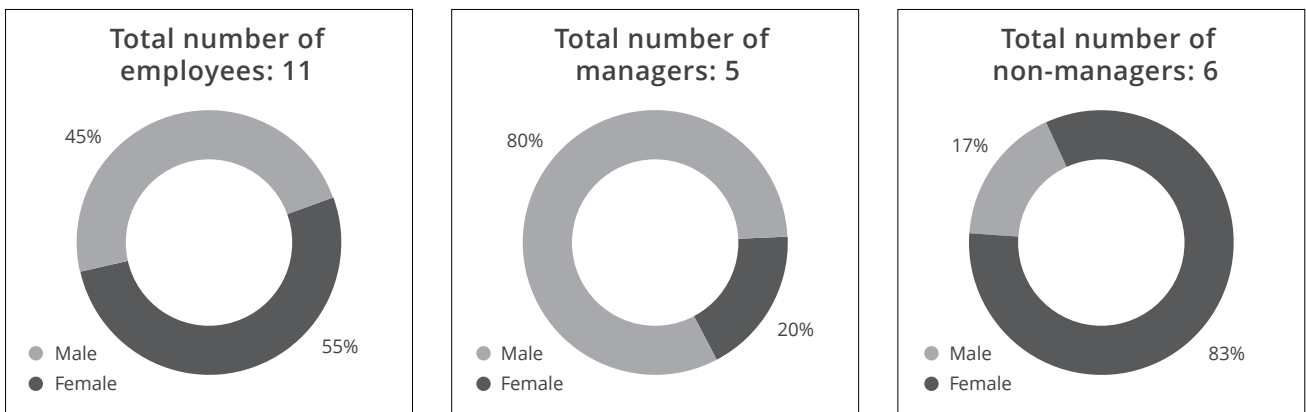


Diagram 3: Gender diversity profile

On age diversity, matured workers are valued for their experience knowledge and skills. As at 30 June 2024, 73% (FY2023: 70%; FY2022: 66%) of our employees under the Technology business segment were at least 40 years old.

# SUSTAINABILITY REPORT

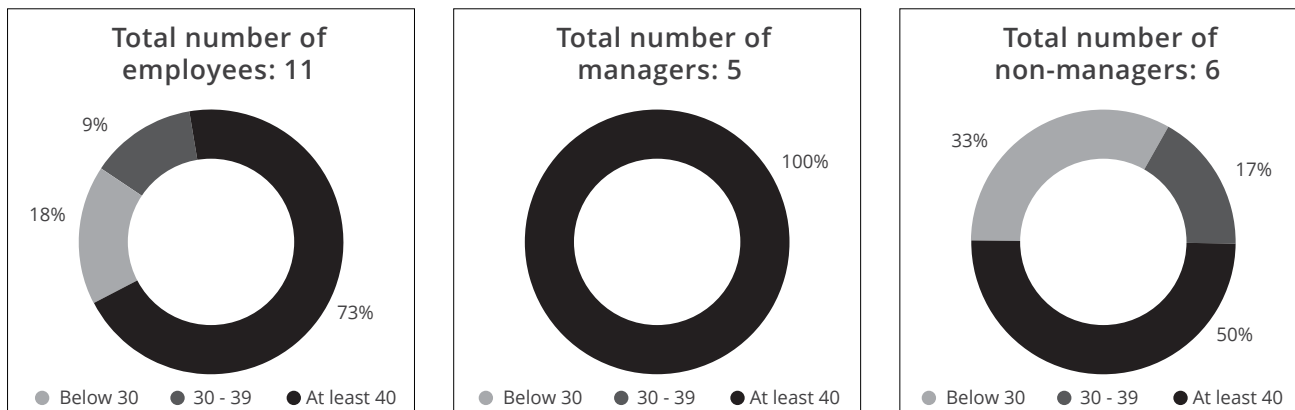


Diagram 4: Age diversity profile

To promote equal opportunity, we have put in place the following measures:

- A human resource policy is in place to recruit employees based on merit and competency.
- For staff recruitment, emphasis is placed on ensuring advertisements do not state age, race, gender or religion as a preference or requirement

Target for FY2024	Performance in FY2024	Target for FY2025
Move towards a more balanced age and educational diversity ratio.	The percentage of female employees increased slightly to 55% as compared to FY2023 of 52%.	Move towards a more balanced age and educational diversity ratio.
Continue to maintain a balanced gender ratio.	As at 30 June 2024, 73% (FY2023: 70%) of the employees under the Technology business segment were at least 40 years old.	Continue to maintain a balanced gender ratio.
	All of the employees are tertiary educated as at 30 June 2024 (FY2023: 100%).	

# SUSTAINABILITY REPORT

## 7.2 Employee Retention

The success of our business pivots on a team of skilled and experienced staff supervised by experienced and knowledgeable managers. Accordingly, we are committed to employee retention through the following efforts:

- Establishing procedures and guidance to recruit and promote employees based on merit and competency; and
- Staff assessment is performed regularly to evaluate the performance of employees and employees could express their views and provide feedback.

A low turnover contributed to improving the sustainability of our business. As at 30 June 2024, the total number of employees under the Group stands at 11 (including 5 managers) (FY2023: 12 (including 6 managers); FY2022: 12 (including 6 managers)) with approximately 64% (FY2023: 70%; FY2022: 66%) of the employees and 80% (FY2023: 91%; FY2022: 67%) of the managers having more than 5 years of service in the Group. The breakdown of employees and managers by the years of service are as follows:

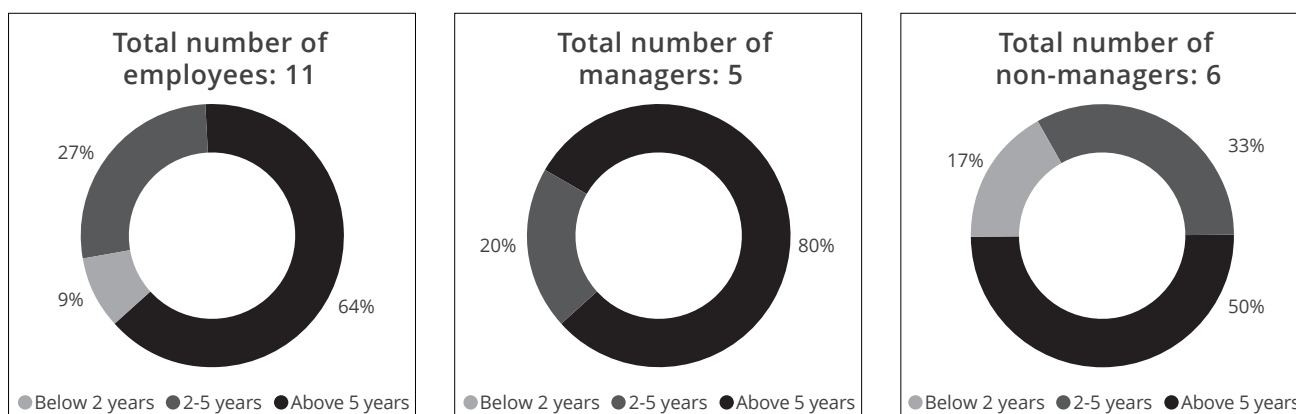


Diagram 5: Profile on year of service in the Group

Target for FY2024	Performance in FY2024	Target for FY2025
Improve or maintain employee retention rate.	Total number of employees under the Group reduced to 11 (including 5 managers) as compared to FY2023 of 12 (including 6 managers)	Improve or maintain employee retention rate.

## 7.3 Training and Development

We ensure that all our employees receive regular performance review (FY2024: 100%; FY2023: 100%; FY2022: 100%). To provide our employees with opportunities of self-improvement, we provide 3 days study leave per annum. The funding for external training of this Reporting Period is S\$304 (FY2023: S\$427; FY2022: Nil).

Target for FY2024	Performance in FY2024	Target for FY2025
Provide funding of higher amount for external training in FY2024.	3 days per annum of study leave provided.  Funding of S\$304 for external training provided.	Provide funding of higher amount for external training in FY2025.

# SUSTAINABILITY REPORT

## 8. GOVERNANCE

### 8.1 Robust Corporate Governance Framework

We are committed to high standards of corporate governance and believe that a high standard of corporate governance is integral in ensuring sustainability of the Group's business as well as safeguarding shareholders' interests and maximizing long-term shareholder's value.

The Board and the Management believe that our quest for good governance lies in putting in place an effective framework of risk management and internal controls. Refer to the Corporate Governance Report of our Annual Report for details of our corporate governance practices.

We have in place a whistle-blowing policy to provide a mechanism for employees and the public to raise concerns through an accessible confidential disclosure channel, via a dedicated email account, about possible improprieties in matters of financial reporting and others. This policy is considered as an important part in the management of our internal control. The whistle-blowing policy intends to help employees who have major concerns over any wrong-doing to unlawful conduct, financial malpractice or dangers to the Group. Specific examples could include:

- a criminal offence (e.g. fraud, corruption or theft) has been/is likely to be committed;
- a miscarriage of justice has been/is likely to occur;
- the health or safety of any individual has been/is likely to be endangered;
- the environment has been/is likely to be damaged;
- public funds are being used in an unauthorized manner;
- breaches of internal rules and regulation by member and/or officers;
- sexual or physical abuse of any member of staff or service recipient is taking place;
- discrimination is occurring to any member of staff or service recipient on grounds of sex, race or disability;
- deliberate concealment of any malpractice;
- any other form of improper action or conduct is taking place; or
- information relating to any of the above is being deliberately concealed or attempts are being made to conceal the same.

With the aim of encouraging employees to feel confident in raising serious concerns and to question and act upon their concerns, the policy is applicable to all Group employees including part-timers, secondees and contracted employees. In response, matters raised may (1) be investigated by Management, internal auditor, the Investigation Committee or through the disciplinary process; (2) be referred to the police; (3) be referred to the external auditor; or (4) form the subject of an independent inquiry.

DISA takes the issues of corporate governance seriously and will continue to make efforts to provide guidance to employees on proper conducts and reflect the culture of our Group. Our employee management strictly follows the guidance of DISA Human Resources Policies and Procedures, which regulates relevant issues, including retirement and service extension, transfer and re-assignment, normal work, public holidays, remuneration and allowances, benefits and welfare. We also place grievance mechanisms that respond to any grievance raised by reporting or investigating.

Our overall Singapore Governance and Transparency Index ("SGTI") score assessed by National University of Singapore Business School is witnessed to decrease slightly to 58 for the year 2024 (for FY2023), from 60 for the year 2023 (for FY2022) and 44 for the year 2022 (for FY2021). We will continuously work towards improving our SGTI score.

More details on our corporate governance practices may be referred to in Corporate Governance Report of this Annual Report.

# SUSTAINABILITY REPORT

## 8.2 Proactive Anti-corruption Practices

We are committed to carrying out our business with integrity by avoiding corruption in any form, including bribery, and complying with the prevention of corruption act in Singapore and countries where we operate in.

During the Reporting Period, no serious offence<sup>6</sup> was reported (FY2023: zero incident; FY2022: zero incident).

Target for FY2024	Performance in FY2024	Target for FY2025
Maintain zero incident of serious offence.	Zero incident of serious offence reported for FY2024.	Maintain zero incident of serious offence.

## 8.3 Risk Management

We take risk management as a key part in its governance structure. Our Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders. Our Board also receives suggestions and assurance from CEO and CFO to oversee the Group's risk management framework and policies.

An Audit and Risks Management Committee ("**ARMC**") which discharges our Board's duties objectively is placed and authorized to investigate into any activity within its terms of reference. ARMC needs to perform the functions of reviewing significant financial reporting issues and judgements, the external auditors' audit plan, audit report and their evaluation of the Group's systems of internal accounting controls.

The key financial risks, including foreign exchange risk, interest rate risk, credit risk and liquidity risk, are closely monitored by the Board of Directors and its relevant implementation agencies. Our Annual Report can be referred to for further details on financial risk management.

We will assess the future impact of climate change on our business and value chain under different scenarios. If the impact is deemed significant, we will integrate climate risk into our current risk management framework.

<sup>6</sup> A serious offence is defined as one that involves fraud or dishonesty amounting to not less than S\$100,000 and punishable by imprisonment for a term of not less than 2 years which is being or has been committed against the company by officers or employees of the company.

# SUSTAINABILITY REPORT

## 9. TCFD TABLE

TCFD Recommendations	Expected Implementation	Time Frame
<b>Climate-Related Risks</b>		
<b>Transition Risks</b>		
Policy and Legal	<p>Increased pricing of GHG emissions and increased exposure to litigation can lead to negative impacts, including increased operating costs (e.g., higher compliance costs, increased insurance premiums) or reduced demand for products and services resulting from fines and judgments.</p> <p>Our Group addresses the problem by strictly following the relevant regulations and implementing practises in alignment with the responsibilities we have promised. We report on our sustainability performance every year and will continue to cover a larger scope of the reporting.</p>	Short-term
Technology	Considering the key role that technology plays in our Group, we closely monitor and assess the performances of our technology products and response to the clients' needs proactively. We will also consider ways of engaging renewable energy in our future development planning.	Long-term
Market	We recognise the shifts in supply and demand for certain commodities, products, and services can be vulnerable to climate change and take these risks in our consideration. Our Group also responses by actively engaging stakeholders via various channels and regularly take in their suggestions.	Long-term
Reputation	<p>Shifts in consumer preferences, stigmatization of sector, and increased stakeholder concern or negative stakeholder feedback are the potential reputational risks our company faces. These may result in reduced revenue from decreased demand for goods/services, reduced revenue from decreased production capacity, reduced revenue from negative impacts on workforce, management and planning, and reduction in capital availability.</p> <p>Our Group is and will stay aware of relevant problems by the robust management system, concerns on diverse engagement of workforce, and active communication with our stakeholders.</p>	Long-term
<b>Physical Risks</b>		
Acute	Not applicable	
Chronic	Not applicable	

# SUSTAINABILITY REPORT

TCFD Recommendations	Expected Implementation	Time Frame
<b>Climate-related Opportunities</b>		
Resource Efficiency	Adoption of more efficient production and distribution processes as well as usage of recycling can help us in reducing operating costs and increasing production capacity.	Medium-term
Energy Source	Involvement of supportive policy incentives can benefit reputation and increase demand for goods or services. Shifting our energy usage towards low emission energy sources could potentially save on our annual energy costs.	Medium-term
Products and Services	Development and expansion of low emission goods and services, climate adaptation and insurance risk solutions influence our business planning.  Our Group hopes to innovate and develop new low-emission products and services may improve their competitive position and capitalize on shifting consumer and producer preferences.	Long-term
Markets	Active participation in sustainable fields will allow us access to new markets, which may increase revenues through access to new and emerging markets. New opportunities can also be captured through underwriting or financing green bonds and infrastructure.	Long-term
Resilience	Our Group recognises the significance of resource substitutes and diversification. We hope to implement resource resilience into sales and project management and increase reliability of our supply chains. By seizing the opportunities of resilience, we may be more likely to succeed in longer-term financing and investment.	Long-term

Time Frame	Description
Short-term	Within 1 year
Medium-term	2-5 years
Long-term	Above 5 years



# SUSTAINABILITY REPORT

## APPENDIX I - SUSTAINABILITY PERFORMANCE TABLE

S/N	Performance Indicator	Sustainability Performance		
		FY2024	FY2023	FY2022
<b>Economic</b>				
1	Revenue (S\$'000)	7,543	10,917	24,266
2	Net loss after tax (S\$'000)	(2,076)	(2,456)	(2,002)
<b>Environment</b>				
Energy, Water Conservation and Emissions Reduction				
3	Petrol consumption – SG (litre)	3,959	2,726	2,616
4	Electricity consumption – SG (kWh)	14,832	14,533	16,369
5	Direct GHG emissions (Scope 1) – SG (tonnes)	9.0	6.2	5.9
6	Indirect GHG emissions (Scope 2) – SG (tonnes)	6.0	5.9	6.6
7	Petrol consumption – China (litre)	484	453	720
8	Electricity consumption – China (kWh)	4,966	5,343	5,488
9	Direct GHG emissions (Scope 1) – China (tonnes)	1.1	1.0	1.6
10	Indirect GHG emissions (Scope 2) – China (tonnes)	2.9	3.0	3.2
11	Total GHG emissions – Group (tonnes CO <sub>2</sub> )	19.0	16.1	17.3
12	GHG emissions intensity (tonnes CO <sub>2</sub> e / S\$'000)	0.003	0.001	0.001
13	Water consumption (cbm)	69.3	68.3	50.9
<b>Social</b>				
Employee Retention				
14	Percentage of employee receiving regular performance and career development reviews	100%	100%	100%
15	Percentage of employees who have served more than 5 years	64%	70%	64%
16	Percentage of managers who have served more than 5 years	80%	91%	67%
Equality and Diversity in the Workplace				
17	Ratio of female over total Board members	Nil	Nil	Nil
18	Ratio of female against total full-time employees	55%	52%	50%
19	Ratio of female against total managers	20%	18%	17%
20	Ratio of employees who are at least 40 years old	73%	70%	66%
21	Ratio of female new hires	Nil	100%	Nil
22	Ratio of new hires above 50 years old	Nil	100%	Nil
23	Ratio of employees with non-tertiary education	Nil	Nil	Nil
24	Number of reported incidents of unlawful discrimination against employees	Nil	Nil	Nil
<b>Governance</b>				
Robust corporate governance framework				
25	Number of incidents of serious offence	Nil	Nil	Nil
26	SGTI score	Not applicable	58	60

# SUSTAINABILITY REPORT

## APPENDIX II - GRI INDEX

<b>Statement of use</b>	DISA Limited has reported the information cited in this GRI content index for the period 1 July 2023 to 30 June 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Location</b>	
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	Section 2 – Reporting Period and Scope
	2-2	Entities included in the organisation’s sustainability reporting	
	2-3	Reporting period, frequency and contact point	
	2-7	Employees	Section 7 – Social
	2-9	Governance structure and composition	Section 4.1 – Sustainability Governance Structure
	2-12	Role of the highest governance body in overseeing the management of impacts	
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-22	Statement on sustainable development strategy	Section 1 – Board Statement
	2-23	Policy commitments	Section 6 – Environment
	2-24	Embedding policy commitments	Section 7 – Social Section 8 – Governance
	2-26	Mechanisms for seeking advice and raising concerns	Section 8 – Governance
	2-27	Compliance with laws and regulations	
	2-29	Approach to stakeholder engagement	Section 4.2 – Stakeholder Engagement
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Section 4.3 – Materiality Assessment
	3-2	List of material topics	
	3-3	Management of material topics	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Section 6.1 – Energy, Water Conservation and Emissions Reduction
	302-3	Energy intensity	
	302-4	Reduction of energy consumption	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-4	GHG emissions intensity	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Section 7.2 – Employee Retention
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	Section 7.3 – Training and Development
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Section 7.1 – Equality and Diversity at the Workplace
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Section 8.2 – Proactive Anti-corruption Practices

# SUSTAINABILITY REPORT

## APPENDIX III - TCFD CONTENT TABLE

TCFD Recommendations	Company Approach	Location	
<b>Governance</b>			
Disclose the organization's governance around climate-related risks and opportunities.	<p>a. Describe the board's oversight of climate-related risks and opportunities.</p> <p>b. Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>As the Board advises and oversees the development of our sustainability strategy and performance targets, we operate under a sustainability governance structure, which is spearheaded by the Managing Director/CEO.</p> <p>The Managing Director/CEO is responsible for reviewing our sustainability progress, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts.</p>	Section 4.1 – Sustainability Governance Structure
<b>Strategy</b>			
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<p>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>We highlight possible environmental impacts in the disclosures of petrol and electricity consumption and GHG emissions. We also include potential climate-related risks and expected implementation in the TCFD table.</p>	<p>Section 6.1 – Energy, Water Conservation and Emissions Reduction</p> <p>Section 9 – TCFD Table</p>

# SUSTAINABILITY REPORT

TCFD Recommendations	Company Approach	Location	
<b>Risk Management</b>			
<p>Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p>a. Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the organization's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>We engage our stakeholders when identifying and assessing material topics we should take notice of, among which include energy conservation and emission reduction. Climate-related risks are involved in the discussion of managing environmental impacts. We are at the initial stage of identifying the materiality of climate-related risks, and the result will inform the integration of climate-related risks into the Company's overall risk management framework.</p>	<p>Section 4 – Sustainability Approach</p> <p>Section 8.3 – Risk Management</p>
<b>Metrics and Targets</b>			
<p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.</p> <p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>We display how materiality assessment is done and material topics are decided and illustrate how our risk management system operate under the sustainability governance structure.</p> <p>As a technology company, we are primarily providing asset protection solutions to our customers. Accordingly, our impact on the environment, after assessing the level of concern to external stakeholders and potential impact on the business, is deemed a material Sustainability Factor of lower priority. Nonetheless, we constantly track and control our resource consumption which comprises mainly petrol and electricity. We have also started tracking our water consumption.</p>	<p>Section 4.1 – Sustainability Governance Structure</p> <p>Section 6.1 – Energy, Water Conservation and Emissions Reduction</p>

# DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of DISA Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2024.

In the opinion of the directors:

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 71 to 116 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"); and
- (b) at the date of this statement, after considering the measures taken by the Group and the Company with respect to the Group's and the Company's ability to continue as going concerns as described in Note 3 to the financial statements, there are reasonable grounds to believe that the Group and Company will be able to pay its debts as and when they fall due.

## Directors

The directors in office at the date of this statement are:

### Executive director

Chng Weng Wah

### Independent Non-Executive directors

Toh Hock Ghim

Lau Kay Heng

Lim Soon Hock

## Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than share options as disclosed in this statement.

## Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as follows:

	Direct interests		Deemed interests	
	At 1.7.2023	At 30.6.2024	At 1.7.2023	At 30.6.2024
<b>The Company</b>				
<i>Ordinary shares</i>				
Chng Weng Wah	658,970,850	1,058,970,850	463,050,000 <sup>(1)</sup>	463,050,000 <sup>(1)</sup>
<i>Share options</i>				
Chng Weng Wah	582,000,000	182,000,000	-	-
Toh Hock Ghim	40,000,000	40,000,000	-	-
Lau Kay Heng	25,000,000	25,000,000	-	-
Lim Soon Hock	22,500,000	22,500,000	-	-

# DIRECTORS' STATEMENT

## Directors' interest in shares or debentures (cont'd)

	Direct interests		Deemed interests	
	At 1.7.2023	At 30.6.2024	At 1.7.2023	At 30.6.2024
<b>Digital Life Line Pte. Ltd.</b>				
<i>Ordinary shares</i>				
Chng Weng Wah	4,125,000	8,175,000	-	-

<sup>(1)</sup> As at 1.7.2023 and 30.6.2024, the director, Mr Chng Weng Wah is deemed to have interest in the 463,050,000 ordinary shares in the Company held through Citibank Nominees Singapore Pte. Ltd..

The directors' interests in the ordinary shares of the Company at 21 July 2024 were the same as those as at 30 June 2024.

## Share Options

### **DISA Employee Share Option Scheme 2021 (the "DISA ESOS 2021")**

The DISA ESOS 2021 was approved and adopted by members of the Company at an Extraordinary General Meeting ("EGM") held on 28 October 2021 ("Date of Adoption"). The DISA ESOS 2021 is administered by the DISA ESOS 2021 Committee comprising:

Toh Hock Ghim	Non-Executive Director
Lau Kay Heng	Non-Executive Director
Lim Soon Hock	Non-Executive Director
Chng Weng Wah	Executive Director

Information regarding the DISA ESOS 2021 is set out below:

- 1) The exercise price of the options can be set at a discount not exceeding 20% of the weighted-average of the last-dealt price for a share for the five (5) consecutive market days immediately preceding the date of grant in respect of options granted at the time of grant.
- 2) The aggregate number of ordinary shares which may be allotted and issued upon the exercise of options granted pursuant to the DISA ESOS 2021 of the Company shall not exceed 15% of the total number of issued shares of the Company from time to time.

As at 30 June 2024, outstanding options issued under the DISA ESOS 2021 represent 1.8% (2023: 1.9%) of the total number of issued shares of the Company.

- 3) Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at the market prices will be exercisable after the first anniversary of the offer date of that option. Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at a discount to the market price will only be exercisable after the second anniversary of the offer date of that option.
- 4) The vesting period for options granted is to be determined by the ESOS Committee in its sole and absolute discretion on the date of grant of that option.

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

The DISA ESOS 2010 was approved and adopted by members of the Company at an Extraordinary General Meeting ("EGM") held on 28 October 2010 ("Date of Adoption"). The DISA ESOS 2010 is administered by the DISA ESOS 2010 Committee comprising:

Lau Kay Heng	Chairman, Non-Executive Director
Toh Hock Ghim	Non-Executive Director
Chng Weng Wah	Executive Director

# DIRECTORS' STATEMENT

## Share Options (cont'd)

### *DISA Employee Share Option Scheme (the "DISA ESOS 2010") (cont'd)*

Information regarding the DISA ESOS 2010 is set out below:

- 1) The exercise price of the options can be set at a discount not exceeding 20% of the weighted-average of the last-dealt price for a share for the three (3) consecutive market days immediately preceding the date of grant in respect of options granted at the time of grant.
- 2) The aggregate number of ordinary shares which may be allotted and issued upon the exercise of options granted pursuant to the DISA ESOS 2010 of the Company shall not exceed 15% of the total number of issued shares of the Company from time to time.

As at 30 June 2024, outstanding options issued under the DISA ESOS 2010 represent 7.0% (2023: 11.4%) of the total number of issued shares of the Company.

- 3) Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at the market prices will be exercisable after the first anniversary of the offer date of that option. Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at a discount to the market price will only be exercisable after the second anniversary of the offer date of that option.
- 4) The vesting period for options granted after October 2017 had been adjusted to create better retention of talent and knowledge according to the following vesting schedule:

	Vesting Period	Percentage of options which are exercisable	
		Directors %	Employees %
Options which are exercisable at no discount to the market price	On or after the first anniversary of the date of grant	33.30	25
	On or after the second anniversary of the date of grant	33.30	25
	On or after the third anniversary of the date of grant	33.40	25
	On or after the fourth anniversary of the date of grant	Not applicable	25
Options which are exercisable at a discount to the market price	On or after the first anniversary of the date of grant	Not applicable	Not applicable
	On or after the second anniversary of the date of grant	33.30	25
	On or after the third anniversary of the date of grant	33.30	25
	On or after the fourth anniversary of the date of grant	33.40	25
	On or after the fifth anniversary of the date of grant	Not applicable	25

- 5) DISA ESOS 2010 expired on 27 October 2020, 10 years from the Date of Adoption and options granted will expire after 10 years from offer date of the option for executives, directors and employees of the Company and its subsidiaries.

### *DLL Employee Share Option Scheme 2024 (the "DLL ESOS 2024")*

The Digital Life Line Pte. Ltd. ("DLL") ESOS 2024 was approved and adopted by members of DLL, a subsidiary of the Group, at an Extraordinary General Meeting ("EGM") held on 18 March 2024 ("Date of Adoption"). The DLL ESOS 2024 is administered by the Board of Directors of DLL.

# DIRECTORS' STATEMENT

## Share Options (cont'd)

### DLL Employee Share Option Scheme 2024 (the "DLL ESOS 2024") (cont'd)

The aggregate number of ordinary shares which may be allotted and issued upon the exercise of options granted pursuant to the DLL ESOS 2024 shall not exceed 9.09% of the total number of issued shares of DLL from time to time.

The vesting period for options granted under DLL ESOS 2024 shall be according to the following vesting schedule:

Vesting schedule	Percentage of new shares over which the option is exercisable
Before the first anniversary of the date of grant	Nil
Between the first anniversary and the second anniversary of the date of grant	25%
Between the second anniversary and the third anniversary of the date of grant	25%
Between the third anniversary and the fourth anniversary of the date of grant	25%
Between the fourth anniversary and up to the tenth anniversary of the date of grant	25%

The options granted will expire after 10 years from the offer date.

At the end of the financial year, details of the options granted under the DISA ESOS 2010, DISA ESOS 2021 and DLL ESOS 2024 on the unissued ordinary shares of the Company and its subsidiaries, were as follows:

Date of grant	Balance as at 1 July 2023	Exercised	Options forfeited	Balance as at 30 June 2024	Exercise price per share (\$)	Exercisable period
<i>DISA ESOS 2010</i>						
8 January 2015	7,500,000	-	-	<b>7,500,000</b>	0.00600	8 January 2016 to 7 January 2025
8 December 2016	6,000,000	-	-	<b>6,000,000</b>	0.01110	8 December 2017 to 7 December 2026
16 March 2017	2,000,000	-	-	<b>2,000,000</b>	0.03010	16 March 2018 to 15 March 2027
3 April 2017	8,000,000	-	-	<b>8,000,000</b>	0.02920	3 April 2018 to 2 April 2027
3 July 2017	2,500,000	-	-	<b>2,500,000</b>	0.01350	3 July 2018 to 2 July 2027
1 November 2017	81,000,000	-	(10,000,000)	<b>71,000,000</b>	0.01420	1 November 2018 to 31 October 2027
13 November 2017	4,000,000	-	-	<b>4,000,000</b>	0.01360	13 November 2018 to 12 November 2027
28 November 2017	11,500,000	-	-	<b>11,500,000</b>	0.01290	28 November 2018 to 27 November 2027
6 August 2018 <sup>(1)</sup>	20,000,000	-	-	<b>20,000,000</b>	0.00720	6 August 2020 to 5 August 2028
17 October 2018	335,000,000	-	(10,000,000)	<b>325,000,000</b>	0.00500	17 October 2019 to 16 October 2028
11 January 2019	10,000,000	-	-	<b>10,000,000</b>	0.00300	11 January 2020 to 10 January 2029
1 July 2019	16,000,000	-	-	<b>16,000,000</b>	0.00200	1 July 2020 to 30 June 2029
19 December 2019	652,000,000	(400,000,000)	-	<b>252,000,000</b>	0.00200	19 December 2020 to 18 December 2029
	<b>1,155,500,000</b>	<b>(400,000,000)</b>	<b>(20,000,000)</b>	<b>735,500,000</b>		

<sup>(1)</sup> These share options were granted at a 10% discount.



# DIRECTORS' STATEMENT

## Share Options (cont'd)

Date of grant	Balance as at 1 July 2023	Exercised	Options forfeited	Balance as at 30 June 2024	Exercise price per share (\$)	Exercisable period
<i>DISA ESOS 2021</i>						
6 December 2021	180,500,000	-	-	<b>180,500,000</b>	0.00100	6 December 2023 to 5 December 2031
13 January 2022	7,000,000	-	-	<b>7,000,000</b>	0.00840	13 January 2024 to 12 January 2032
	<u>187,500,000</u>	<u>-</u>	<u>-</u>	<u><b>187,500,000</b></u>		

Date of grant	Balance as at 1 July 2023	Additions	Options forfeited	Balance as at 30 June 2024	Exercise price per share (\$)	Exercisable period
<i>DLL ESOS 2024</i>						
11 March 2024	-	14,000,000	-	<b>14,000,000</b>	0.00493	11 March 2025 to 10 March 2034

The details of the options granted under the DISA ESOS 2010 and DISA ESOS 2021 to persons who were directors of the Company during the financial year are as follows:

Name of director	Options granted during financial year under review	Aggregate options granted since commencement of the DISA ESOS to the end of financial year under review	Aggregate options forfeited/exercised since commencement of the DISA ESOS to the end of the financial year	Aggregate options outstanding as at the end of financial year under review
Chng Weng Wah	-	650,000,000	(468,000,000)	182,000,000
Toh Hock Ghim	-	40,000,000	-	40,000,000
Lau Kay Heng	-	25,000,000	-	25,000,000
Lim Soon Hock	-	22,500,000	-	22,500,000
	<u>-</u>	<u>737,500,000</u>	<u>(468,000,000)</u>	<u>269,500,000</u>

Except as disclosed above, there were no other unissued shares of the Company or its subsidiary corporations under options granted by the Company or its subsidiaries as at the end of the financial year.

During the financial year, 400,000,000 (2023: Nil) share options were exercised.

Apart from the following who have in aggregate received 5% or more of the total number of options available under DISA ESOS 2010, DISA ESOS 2021 and DLL ESOS 2024, none of the other executives, directors and employees of the Group who participated in DISA ESOS 2010, DISA ESOS 2021 and DLL ESOS 2024 has received 5% or more of the total number of options available:

	Options granted during the financial year	Aggregate options granted since commencement of DISA ESOS 2010	Aggregate options exercised since commencement of DISA ESOS 2010	Aggregate options outstanding as at 30 June 2024
<i>DISA ESOS 2010</i>				
Chng Weng Wah	-	650,000,000	(468,000,000)	182,000,000
Han Yang Kwang	-	196,000,000	-	196,000,000
Wong Ah Kiow	-	90,000,000	-	90,000,000

# DIRECTORS' STATEMENT

## Share Options (cont'd)

	Options granted during the financial year	Aggregate options granted since commencement of DISA ESOS 2021	Aggregate options exercised since commencement of DISA ESOS 2021	Aggregate options outstanding as at 30 June 2024
<u>DISA ESOS 2021</u>				
Han Yang Kwang	-	100,000,000	-	100,000,000
Wong Ah Kiow	-	50,000,000	-	50,000,000
Wong Lem Eng	-	20,000,000	-	20,000,000
Chng Weng Huat	-	10,000,000	-	10,000,000

	Options granted during the financial year	Aggregate options granted since commencement of DLL ESOS 2024	Aggregate options exercised since commencement of DLL ESOS 2024	Aggregate options outstanding as at 30 June 2024
<u>DLL ESOS 2024</u>				
Han Yang Kwang	3,000,000	3,000,000	-	3,000,000
Poh Weijie	3,000,000	3,000,000	-	3,000,000
Wong Ah Kiow	2,000,000	2,000,000	-	2,000,000
Chng Weng Huat	2,000,000	2,000,000	-	2,000,000
Muhammad Azri Bin Razali	1,500,000	1,500,000	-	1,500,000
Ong Wee Ping	1,500,000	1,500,000	-	1,500,000
Wong Lem Eng	1,000,000	1,000,000	-	1,000,000

The options granted by the Company and its subsidiaries do not entitle the holders of the options, by virtue of such holding, to any rights to participate in any share issue of any other company.

## Performance shares

### ***DISA Performance Share Scheme (the "DISA PS Scheme")***

The DISA PS Scheme was approved and adopted by members of the Company at an EGM held on 31 October 2008. The DISA PS Scheme had expired on 26 October 2018 and continued with shareholders' approval at an annual general meeting held on 26 October 2018, for a further period of 10 years from 26 October 2018 ("Date of Renewal") to (and including) 25 October 2028. The DISA PS Scheme is administered by the DISA PS Scheme Committee. The members of the committee at the end of financial year and at the date of this statement are:

Toh Hock Ghim	Chairman, Non-Executive Director
Chng Weng Wah	Executive Director
Lau Kay Heng	Non-Executive Director

Selected employees of the Group, Executive Directors and Non-Executive Directors of the Company and Directors who are also controlling shareholders of the Company and their associates ("Participants") are eligible to participate in this DISA PS Scheme. However, participation of and grant of awards to controlling shareholders of the Company and/or their associates will be subject to specific shareholders' approval.

The Company has the flexibility to either issue and deliver new shares of the Company, or purchase and deliver existing shares of the Company to Participants upon the vesting of the awards.

# DIRECTORS' STATEMENT

## Share Options (cont'd)

### Performance shares (cont'd)

#### *DISA Performance Share Scheme (the "DISA PS Scheme") (cont'd)*

Participants will receive fully paid shares of the Company, provided that certain prescribed performance targets are met within a prescribed period.

A Participant's award of ordinary shares in the share capital of the Company ("Award Shares") under the DISA PS Scheme (the "Award") will be determined at the sole discretion of the DISA PS Scheme Committee, which will oversee and administer the DISA PS Scheme.

During the financial year, no awards were granted under the DISA PS Scheme (2023: Nil).

Information regarding the DISA PS Scheme is set out below:

- 1) The aggregate number of Award Shares to be delivered to the vesting of the Awards on any date, when added to the number of shares issued and/or issuable under such other share-based incentive schemes (including the DISA ESOS) of the Company shall not exceed 15% of the issued shares of the Company on the day preceding that date.
- 2) The aggregate number of Award Shares available to eligible controlling shareholders and their associates under the DISA PS Scheme shall not exceed 25% of the shares available under this DISA PS Scheme. In addition, the number of Award Shares available to each such controlling shareholder or his associate shall not exceed 10% of the shares available under this DISA PS Scheme.
- 3) The DISA PS Scheme shall continue to be in force at the discretion of the DISA PS Scheme Committee, subject to a maximum period of 10 years commencing on the Date of Renewal (expiring on 25 October 2028) of the DISA PS Scheme, provided always that the DISA PS Scheme may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

## Audit and Risks Management Committee

The members of the Audit and Risks Management Committee during the financial year and at the date of this statement are:

Lau Kay Heng	Chairman, Non-Executive Director
Toh Hock Ghim	Non-Executive Director
Lim Soon Hock	Non-Executive Director

The Audit and Risks Management Committee carried out its functions specified in Section 201B(5) of the Companies Act. Their functions are detailed in the Report on Corporate Governance.

In performing its functions, the Audit and Risks Management Committee met with the Company's independent and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit and Risks Management Committee also reviewed the following:

- (a) the audit plan and results of the external audit, including the evaluation of internal accounting controls and its cost effectiveness, and the independence and objectivity of the independent auditor, including the review of the extent of non-audit services provided by the independent auditor to the Group;
- (b) the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;
- (c) Group's half-yearly and annual financial statements and the independent auditor's report on the annual financial statement of the Group and of the Company before their submission to the Board of Directors;

# DIRECTORS' STATEMENT

## **Audit and Risks Management Committee (cont'd)**

- (d) the half-yearly and annual announcements as well as the related press releases on the results of the Group and financial position of the Group and of the Company;
- (e) the adequacy of the Group's risk management processes;
- (f) the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;
- (g) interested person transactions in accordance with SGX listing rules;
- (h) nomination of independent auditor and approval of their compensation; and
- (i) submission of report of actions and minutes of the audit and risks management committee to the Board of Directors with any recommendations as the audit and risks management committee deems appropriate.

The Audit and Risks Management Committee is satisfied with the independence and objectivity of the independent auditor and has recommended to the Board of Directors that Baker Tilly TFW LLP be nominated for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

## **Independent auditor**

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Chng Weng Wah  
Director

Lau Kay Heng  
Director

27 September 2024

# INDEPENDENT AUDITOR'S REPORT

To the members of Disa Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of DISA Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 71 to 116, which comprise the statements of financial position of the Group and of the Company as at 30 June 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") 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 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial 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 *Auditor's 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 ("ACRA") *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. We have determined the matter described below to be the key audit matter to be communicated in our report.

#### *Step acquisition of Digital Life Line Pte. Ltd. ("DLL")*

During the financial year, the Group increased its shareholdings in DLL from 38.79% as at 30 June 2023 to 55.41% as at 30 June 2024 pursuant to shares issuance and rights issue by DLL where the Group subscribed for 70,981,628 rights share at a total cash consideration of \$349,656 as disclosed in Notes 13 and 14 to the financial statements. This transaction resulted in DLL becoming a subsidiary of the Group. Consequently, the Group has recognised a gain of \$11,412 resulting from this step acquisition in profit or loss and a goodwill amounting to \$30,891.

We have identified this to be a key audit matter due to the significant management's judgement and estimates involved, particularly in determining the fair value of the previously held equity interest in DLL, the identification of the identifiable assets and liabilities of DLL and the determination of their respective fair values at the acquisition date.

The Group's disclosure of the significant judgement and estimates in the accounting for the step acquisition is disclosed in Note 3 to the financial statements.

# INDEPENDENT AUDITOR'S REPORT

To the members of Disa Limited

## **Report on the Audit of the Financial Statements (cont'd)**

### ***Key Audit Matters (cont'd)***

*Our procedures to address the key audit matter*

We obtained and documented our understanding of management's process related to the acquisition accounting. We reviewed the supporting documents of the rights issue and management's assessment of the change in ownership interest in accordance with SFRS(I) 10 *Consolidated Financial Statements*. We evaluated the appropriateness of the Group's accounting treatment for the step acquisition in accordance with SFRS(I) 3 *Business Combinations*, including the fair valuation of the previously held equity interest, the identification of identifiable assets and liabilities of DLL and the determination of their respective fair values at the acquisition date. This included assessing the reasonableness of the valuation methodologies used.

We have also assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements.

### ***Other Information***

Management is responsible for the other information. The other information comprises the information included in the directors' statement and the annual report, but does not include the financial statements and our auditor's report thereon.

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.

### ***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 SFRS(I), 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.

### ***Auditor's 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.

# INDEPENDENT AUDITOR'S REPORT

To the members of Disa Limited

## **Report on the Audit of the Financial Statements (cont'd)**

### ***Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)***

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 control.
- Obtain an understanding of internal control 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 control.
- 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 auditor's 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 auditor's 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 control 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 to 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 described these matters in our auditor's report unless law or regulation precludes 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.

# INDEPENDENT AUDITOR'S REPORT

To the members of Disa Limited

## **Report on the Audit of the Financial Statements (cont'd)**

### **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 the 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 auditor's report is Guo Shuqi.

Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

27 September 2024



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2024

	Note	Group	
		2024 \$'000	2023 \$'000
<b>Revenue</b>	4	<b>7,543</b>	10,917
<b>Other income</b>			
- Interest	5a	<b>36</b>	30
- Others	5b	<b>656</b>	308
Total revenue		<b>8,235</b>	11,255
<b>Expenses</b>			
Cost of inventories		<b>(6,820)</b>	(10,175)
Subcontractor expenses		<b>(41)</b>	(27)
Depreciation expenses	11	<b>(271)</b>	(284)
Staff costs	6	<b>(1,931)</b>	(1,900)
Legal and professional expenses		<b>(263)</b>	(215)
Other expenses		<b>(593)</b>	(654)
Finance costs	7	<b>(31)</b>	(17)
Total expenses		<b>(9,950)</b>	(13,272)
Share of results of an associated company, net of tax		<b>(359)</b>	(439)
Loss before tax	8	<b>(2,074)</b>	(2,456)
Tax expense	9	<b>(2)</b>	–*
<b>Loss for the financial year</b>		<b>(2,076)</b>	(2,456)
<b>Other comprehensive income/(loss):</b>			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation		<b>(1)</b>	(26)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value gain on financial assets at fair value through other comprehensive income		<b>150</b>	–
<b>Other comprehensive income/(loss) for the financial year, net of tax</b>		<b>149</b>	(26)
<b>Total comprehensive loss for the financial year</b>		<b>(1,927)</b>	(2,482)
<b>Loss attributable to:</b>			
Equity holders of the Company		<b>(1,923)</b>	(2,456)
Non-controlling interests		<b>(153)</b>	–
<b>Loss for the financial year</b>		<b>(2,076)</b>	(2,456)
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company		<b>(1,774)</b>	(2,482)
Non-controlling interests		<b>(153)</b>	–
<b>Total comprehensive loss for the financial year</b>		<b>(1,927)</b>	(2,482)
<b>Loss per share attributable to equity holders of the Company</b> <i>(expressed in cents per share)</i>			
Basic and diluted	10	<b>(0.02)</b>	(0.02)

\* Amount below \$1,000

The accompanying notes form an integral part of these financial statements.

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	528	574	100	169
Intangible assets	12	31	-	-	-
Investment in subsidiaries	13	-	-	-	-
Investment in an associated company	14	-	413	-	-
Financial assets at fair value through other comprehensive income	15	150	-	-	-
<b>Total non-current assets</b>		<b>709</b>	<b>987</b>	<b>100</b>	<b>169</b>
<b>Current assets</b>					
Inventories	16	100	14	-	-
Trade receivables	17	110	725	-	-
Other current assets	18	424	88	43	7
Cash and cash equivalents	19	1,392	1,667	77	390
<b>Total current assets</b>		<b>2,026</b>	<b>2,494</b>	<b>120</b>	<b>397</b>
<b>Total assets</b>		<b>2,735</b>	<b>3,481</b>	<b>220</b>	<b>566</b>
<b>Non-current liability</b>					
Borrowings	20	201	235	11	26
<b>Total non-current liability</b>		<b>201</b>	<b>235</b>	<b>11</b>	<b>26</b>
<b>Current liabilities</b>					
Trade and other payables	22	186	236	89	78
Contract liabilities	4	29	29	-	-
Accruals	23	533	527	284	299
Borrowings	20	296	179	15	15
<b>Total current liabilities</b>		<b>1,044</b>	<b>971</b>	<b>388</b>	<b>392</b>
<b>Total liabilities</b>		<b>1,245</b>	<b>1,206</b>	<b>399</b>	<b>418</b>
<b>Net assets/(liabilities)</b>		<b>1,490</b>	<b>2,275</b>	<b>(179)</b>	<b>148</b>
<b>Equity</b>					
Share capital	24	60,084	58,884	60,084	58,884
Other reserves	25	5,253	5,458	5,271	5,627
Accumulated losses		(63,990)	(62,067)	(65,534)	(64,363)
Non-controlling interests		143	-	-	-
<b>Total equity</b>		<b>1,490</b>	<b>2,275</b>	<b>(179)</b>	<b>148</b>

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2024

	Attributable to equity holders of the Company									
	Note	Share capital	Currency translation reserve	Share option reserve	Capital reserve	Fair value reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		(Note 24)	(Note 25)	(Note 25)	(Note 25)	(Note 25)				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>										
2024										
Balance at 1 July 2023		58,884	(19)	5,386	241	(150)	(62,067)	2,275	-	2,275
Loss for the financial year		-	-	-	-	-	(1,923)	(1,923)	(153)	(2,076)
<b>Other comprehensive income/(loss)</b>										
Fair value gain on financial assets at fair value through other comprehensive income		-	-	-	-	150	-	150	-	150
Currency translation differences arising on consolidation		-	(1)	-	-	-	-	(1)	-	(1)
Total comprehensive loss for the financial year		-	(1)	-	-	150	(1,923)	(1,774)	(153)	(1,927)
Employee share option scheme	6	-	-	46	-	-	-	46	-	46
Employee share option exercised	24	1,200	-	(400)	-	-	-	800	-	800
Acquisition of a subsidiary	13	-	-	-	-	-	-	-	296	296
Balance at 30 June 2024		<b>60,084</b>	<b>(20)</b>	<b>5,032</b>	<b>241</b>	<b>-</b>	<b>(63,990)</b>	<b>1,347</b>	<b>143</b>	<b>1,490</b>

	Attributable to equity holders of the Company									
	Note	Share capital	Currency translation reserve	Share option reserve	Capital reserve	Fair value reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		(Note 24)	(Note 25)	(Note 25)	(Note 25)	(Note 25)				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>										
2023										
Balance at 1 July 2022		58,884	7	5,205	241	(150)	(59,611)	4,576	-	4,576
Loss for the financial year		-	-	-	-	-	(2,456)	(2,456)	-	(2,456)
<b>Other comprehensive loss</b>										
Currency translation differences arising on consolidation		-	(26)	-	-	-	-	-	-	(26)
Total comprehensive loss for the financial year		-	(26)	-	-	-	(2,456)	(2,456)	-	(2,482)
Employee share option scheme	6	-	-	181	-	-	-	-	-	181
Balance at 30 June 2023		<b>58,884</b>	<b>(19)</b>	<b>5,386</b>	<b>241</b>	<b>(150)</b>	<b>(62,067)</b>	<b>2,275</b>	<b>-</b>	<b>2,275</b>

The accompanying notes form an integral part of these financial statements.

# STATEMENT OF CHANGE IN EQUITY

For the financial year ended 30 June 2024

	Share capital (Note 24) \$'000	Share option reserve (Note 25) \$'000	Capital reserve (Note 25) \$'000	Accumulated losses \$'000	Total Equity \$'000
<b>Company</b>					
Balance as at 1 July 2022	58,884	5,205	241	(62,717)	1,613
Loss and total comprehensive loss for the financial year	-	-	-	(1,646)	(1,646)
Employee share option scheme	-	181	-	-	181
Balance as at 30 June 2023	58,884	5,386	241	(64,363)	148
Loss and total comprehensive loss for the financial year	-	-	-	(1,171)	(1,171)
Employee share option scheme	-	44	-	-	44
Employee share option exercised	1,200	(400)	-	-	800
<b>Balance as at 30 June 2024</b>	<b>60,084</b>	<b>5,030</b>	<b>241</b>	<b>(65,534)</b>	<b>(179)</b>

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2024

	Note	Group	
		2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Loss before tax		(2,074)	(2,456)
Adjustments for:			
Depreciation of property, plant and equipment	11	271	284
Employee share-based payment expenses	6	46	181
Interest expenses	7	31	17
Interest income	5(a)	(36)	(30)
Loss/(gain) on dilution of interest in an associated company	14	16	(225)
Share of results of an associated company		359	439
Gain on remeasurement of an associated company	14	(11)	-
Operating cash flows before movements in working capital		(1,398)	(1,790)
Inventories		(36)	51
Trade and other receivables		299	525
Trade and other payables		122	95
Contract liabilities		-	(17)
Currency translation adjustments		1	55
Cash used in operations		(1,012)	(1,081)
Income tax paid		(2)	(30)
<b>Net cash used in operating activities</b>		<b>(1,014)</b>	<b>(1,111)</b>
<b>Cash flows from investing activities</b>			
Interest received		36	28
Purchases of property, plant and equipment	11(c)	(5)	-
Proceeds from disposals of property, plant and equipment		1	-
Acquisition of a subsidiary, net of cash acquired	13	831	-
<b>Net cash generated from investing activities</b>		<b>863</b>	<b>28</b>
<b>Cash flows from financing activities</b>			
Interest paid		(16)	(17)
Repayments of lease liabilities		(107)	(206)
<b>Net cash used in financing activities</b>		<b>(123)</b>	<b>(223)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(274)</b>	<b>(1,306)</b>
Cash and cash equivalents at beginning of the financial year		1,667	3,049
Effect of exchange rate changes on cash and cash equivalents		(1)	(76)
<b>Cash and cash equivalents at end of the financial year</b>	19	<b>1,392</b>	<b>1,667</b>

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2024

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	<b>Lease liabilities (Notes 20 and 21) \$'000</b>
Balance at 1 July 2022	252
Changes from financing cash flows:	
- Repayment	(206)
- Interest paid	(17)
Non-cash changes:	
- Interest expenses	17
- Addition of new lease	389
- Currency translation differences	(21)
Balance at 30 June 2023	414
Changes from financing cash flows:	
- Repayment	(107)
- Interest paid	(16)
Non-cash changes:	
- Interest expenses	31
- Addition of new lease	176
- Currency translation differences	(1)
<b>Balance at 30 June 2024</b>	<b>497</b>

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1 Corporate information

The Company (Co. Reg. No. 197501110N) is incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The address of its registered office is at 120 Lower Delta Road, #03-15 Cendex Centre Singapore 169208.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries and associated company are disclosed in Notes 13 and 14.

## 2 Material accounting policies

### a) Basis of preparation

The financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ("S\$'000") except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Act, the Company's separate statement of comprehensive income is not presented.

#### *Use of estimates and judgements*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables, other current assets and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### a) Basis of preparation (cont'd)

#### *New and revised standards*

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group except as disclosed below:

#### **Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies**

The amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies, and provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Group has adopted the amendments to SFRS(I) 1-1 on disclosures of accounting policies. The amendments have no impact on the measurement, recognition and presentation of any items in the Group's and the Company's financial statements.

#### *New and revised standards not yet effective*

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 30 June 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

### b) Revenue recognition

#### *Sale of goods*

Sale of asset protection codes and trading of semiconductor devices are recognised at a point in time when the goods have been delivered and control of the goods has transferred to its customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Goods are sold to customers where there is no right of returns. Sales to customers are made with a credit term of cash-on-delivery to 90 days, which is consistent with market practice. No element of financing is deemed present.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Where there is advance billing to customer, a contract liability is recognised for billing in excess of revenue recognised.

#### *Services income*

Services income relates to management services provided to group entities which are recognised as a performance obligation satisfied over time as management services are performed.

#### *Interest income*

Interest income is recognised using the effective interest method.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### c) Basis of consolidation

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position.

Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

### d) Property, plant and equipment

Depreciation of right-of-use assets is calculated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Depreciation for other items of property, plant and equipment is calculated on a straight-line basis to allocate the depreciable amount of property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings and renovation	5
Other equipment	3
Motor vehicles	5
Leasehold properties	Over the lease term of 2 to 3 years

### e) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### e) Impairment of non-financial assets excluding goodwill (cont'd)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

### f) Leases

#### ***When a Group entity is the lessee***

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. small items of office equipment). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### *Lease liabilities*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments).

The lease liability is presented within "borrowings" in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### f) Leases (cont'd)

#### *When a Group entity is the lessee (cont'd)*

##### *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset.

The right-of-use assets are presented within "property, plant and equipment" in the statements of financial position. The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(e).

### g) Financial assets

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income ("FVOCI").

##### *Debt instruments*

Debt instruments include cash and cash equivalents, trade and other current assets (excluding advance payment to supplier, GST recoverable and prepayments). The Group's debt instruments are measured at amortised cost.

##### *Equity instruments*

The Group has designated all of its equity investments that are not held for trading at FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss except for equity investment designated at FVOCI which would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to retained earnings upon disposal. Dividends from equity investments are recognised in profit or loss and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### g) Financial assets (cont'd)

#### *Impairment*

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

#### *Offset*

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### h) Financial liabilities

Financial liabilities include trade and other payables (excluding GST payable), accruals (excluding provision for unutilised leave) and borrowings. Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 2 Material accounting policies (cont'd)

### i) Employee benefits

#### *Share-based compensation*

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share options reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share options reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share options reserve are credited to share capital account if new ordinary shares are issued, or credited to the "treasury shares" account if treasury shares are re-issued to the employees. Upon expiry of the options, the balance in the share options reserve is transferred within equity, i.e. a transfer from one component of equity to another.

## 3 Critical accounting judgements and key sources of estimation uncertainty

### *Critical judgements in applying the Group's accounting policies*

In the process of applying the Group's accounting policies, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with in the subsequent paragraphs).

#### *Going concern*

The Group incurred a net loss of \$2,076,000 (2023: \$2,456,000) and operating cash outflow of \$1,014,000 (2023: \$1,111,000) for the financial year ended 30 June 2024. As at that date, the Company's total and current liabilities exceeded its total and current assets by \$179,000 (2023: net total assets \$148,000) and \$268,000 (2023: net current assets \$5,000) respectively.

Management has performed a detailed analysis for the Group's and Company's going concern assessment and continues to have a reasonable expectation that the Group and Company have adequate resources to continue in operation for at least the next 12 months and that the going concern basis of preparation of these financial statements remains appropriate.

The appropriateness of the going concern basis of accounting is dependent on the plans to strengthen its capital base going forward. Also, to respond to the current economic conditions, the Group is also implementing cost reduction initiatives in order to optimise the Group's cashflows while preserving liquidity.

The directors of the Company are of the view that the going concern is appropriate for the preparation of these financial statements after taking into consideration of the following:

- (i) The Company has an arrangement with a director of the Company to defer his salary payments for the next twelve months from the date of authorisation of these financial statements to help ease the cash outflow of the Company. The outstanding salary payment shall be used to offset against the proceeds from the exercise of share options by the director, if any or as soon as the Company's cash position permits, whichever is earlier.
- (ii) A director of the Company will provide advances amounting to approximately \$192,000 to the Group in the next twelve months from the end of the reporting period and this advance payment shall be used to offset against the proceeds from the exercise of share options by the director, if any.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

### ***Critical judgements in applying the Group's accounting policies (cont'd)***

#### *Going concern (cont'd)*

- (iii) Subsequent to 30 June 2024, the Group is in the process of raising additional capital by way of rights issue through its subsidiary, Digital Life Line Pte. Ltd. ("DLL"), with total expected proceeds amounting to approximately \$400,000, of which \$222,000 will be subscribed by the Group. The rights issue will be offered to and fully subscribed by the existing shareholders of DLL.
- (iv) DLL is principally engaged in the manufacturing and distribution of healthcare tools and is currently in negotiations with several institutions on the sale and lease of its Automated Visual Acuity Test ("AVAT") device. Trial deployment of the AVAT device is also currently ongoing at several institutions in Singapore and overseas. The revenue and margin contribution to be generated from this business is expected to improve the Group's operating cash flows and profitability.

The appropriateness of the going concern basis of accounting of the Company is dependent on the advances provided by the revenue generating subsidiaries to enable the Company to pay its debts as and when they fall due. In view of the factors as described above, the directors are satisfied that such financial support will be available when required.

### ***Key sources of estimation uncertainty***

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### *Calculation of loss allowance*

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions on the assumptions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade receivables. Details of ECL measurement and carrying value of trade receivables at reporting date are disclosed in Notes 28 and 17.

#### *Step acquisition of Digital Life Line Pte. Ltd. ("DLL")*

The accounting for step acquisition involves determining the fair value of the previously held interest in DLL, the identification of the acquired identifiable assets and liabilities and their respective fair values at acquisition date. Any changes in the assumptions used and estimates made in determining the fair values will impact the carrying amount of the assets and liabilities identified and consequently, the gain on remeasurement of an associated company and goodwill as recorded in the consolidated financial statements.

During the financial year, the Group increased its shareholdings in DLL from 38.79% as at 30 June 2023 to 55.41% as at 30 June 2024 and has accounted for the investment in DLL as a subsidiary from the date the Group obtained control. Management has assessed that no separate intangible assets have been identified in this acquisition and that the fair values of the acquired assets and liabilities approximates its respective carrying amounts at acquisition date. Management has also assessed the fair value of previously held interest in DLL based on its share of net assets of DLL at acquisition date. Further details of the step acquisition are disclosed in Note 13.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 4 Revenue

	Group	
	2024 \$'000	2023 \$'000
Sale of goods	7,454	10,798
Services income	89	119
	<b>7,543</b>	<b>10,917</b>

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market and timing of revenue recognition.

	Group					
	Sale of goods		Services income		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Primary geographical market</b>						
Singapore	771	3,572	89	119	860	3,691
United States of America	448	298	-	-	448	298
Thailand	1	-	-	-	1	-
Hong Kong	6,077	6,692	-	-	6,077	6,692
People's Republic of China	157	236	-	-	157	236
	<b>7,454</b>	<b>10,798</b>	<b>89</b>	<b>119</b>	<b>7,543</b>	<b>10,917</b>
<b>Timing of revenue recognition</b>						
At a point in time	7,454	10,798	-	-	7,454	10,798
Over time	-	-	89	119	89	119
	<b>7,454</b>	<b>10,798</b>	<b>89</b>	<b>119</b>	<b>7,543</b>	<b>10,917</b>

The Group receives payments from customers as established in contracts. Contract liabilities relate to advance consideration received from customers and billings in excess of revenue recognised to-date. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract liabilities from contracts with customers.

	2024 \$'000	2023 \$'000	1.7.2022 \$'000
Group			
Trade receivable from contracts with customers	110	725	1,264
Contract liabilities	29	29	46

There were no significant change in the contract liabilities balance during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 5a Interest income

	Group	
	2024	2023
	\$'000	\$'000
Interest income		
- Fixed deposits	36	30

## 5b Other income

	Group	
	2024	2023
	\$'000	\$'000
Government grants	6	23
Gain on dilution of interest in an associated company (Note 14)	-	225
Gain on remeasurement of an associated company (Note 14)	11	-
Sundry income	80	60
Bad debts recovered <sup>(1)</sup>	171	-
Recovery of deposit paid previously written off <sup>(1)</sup>	388	-
	<b>656</b>	<b>308</b>

(1) During the financial year, the Group recovered \$559,000 in aggregate with regards to a receivable and deposit paid to secure potential investment resulting from a legal proceeding made in previous financial years, which had been previously fully written off. Details of the legal proceedings has been disclosed in the previous years' financial statements. Based on legal communications received, management assessed that the remaining balance of the claim shall not be recognised as an inflow of economic benefits arising from the remaining balance of claim is remote.

## 6 Staff costs

	Group	
	2024	2023
	\$'000	\$'000
Salaries and bonuses and other benefits	1,669	1,557
Employer's contribution to defined contribution plans	119	106
Share-based payments	46	181
Other benefits	97	56
	<b>1,931</b>	<b>1,900</b>

## 7 Finance costs

	Group	
	2024	2023
	\$'000	\$'000
Interest expenses		
- Lease liabilities (Note 21)	31	17



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 8 Loss before tax

In addition to the profit or loss line items disclosed elsewhere in notes to the financial statements, the loss before tax is arrived at after charging/(crediting):

	Group	
	2024 \$'000	2023 \$'000
Audit fees paid/payable to:		
- Auditors of the Company	73	66
- Other auditor	-	2
Directors' fees (Note 27(b))	139	139
Loss/(gain) on dilution of interest in an associated company (Note 14)	16	(225)
Research and development expense	125	172
Foreign currency exchange losses, net	1	60
Upkeep of computer	99	99

In 2024 and 2023, there are no non-audit fees paid to the auditors of the Company and \$Nil (2023: \$1,000) was paid to other external auditor.

## 9 Tax expense

Tax expense attributable to losses is made up of:

	Group	
	2024 \$'000	2023 \$'000
Under provision in respect of previous financial year		
- current income tax	2	-*

\* Amount below \$1,000

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the domestic rates applicable in the countries where the Group entities operates due to the following factors:

	Group	
	2024 \$'000	2023 \$'000
Loss before tax	(2,074)	(2,456)
Share of results of an associated company, net of tax	359	439
Loss before tax and share of results of an associated company	(1,715)	(2,017)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(291)	(344)
Income not subject to tax	(6)	(41)
Expenses not deductible for tax purposes	203	285
Deferred tax assets not recognised	94	100
Under provision in respect of previous financial year	2	-*
	2	-*

\* Amount below \$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 9 Tax expense (cont'd)

The income tax applicable to the Company is 17% (2023: 17%). The corporate income tax rate applicable to the subsidiaries in Singapore, People's Republic of China, United States and Hong Kong are 17% (2023: 17%), 25% (2023: 25%), 21% (2023: 21%) and 16.5% (2023: 16.5%) respectively.

As at 30 June 2024, the Group has unutilised tax losses of \$30,794,000 (2023: \$30,205,000), unabsorbed capital allowances of \$Nil (2023: \$30,000) and unutilised donations of \$48,000 (2023: \$52,000) available for carry-forward to set-off against future taxable income arising from trade source subject to the agreement of the tax authorities and compliance with relevant provisions of the tax legislation of the respective countries in which the Group operate. The potential deferred tax assets have not been recognised in the financial statements as it is not probable that future taxable profit will be sufficient to allow the related tax benefits to be utilised. The tax losses have no expiry date except for an amount of \$9,000 (2023: \$9,000) that can be carried forward up to five years from the year of loss against future taxable profits/income of the PRC subsidiary in which the tax losses arose, subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation in the PRC. Other losses do not expire under current tax legislation.

## 10 Loss per share

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	2024	2023
Net loss attributable to equity holders of the Company (\$'000)	(1,923)	(2,456)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	10,113,241	10,106,683
Basic and diluted loss per share (cents per share)	(0.02)	(0.02)

For the financial year ended 30 June 2024 and 2023, the computation of diluted loss per share does not adjust for the effects of the potential ordinary shares from employee share options as they have an anti-dilutive effect on the loss per share calculation.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 11 Property, plant and equipment

	Furniture and fittings \$'000	Other equipment \$'000	Motor vehicles \$'000	Leasehold properties \$'000	Total \$'000
<b>Group</b>					
<b>2024</b>					
<b>Cost</b>					
Balance at 1 July 2023	33	49	441	526	1,049
Acquisition of a subsidiary	32	104	-	-	136
Additions	4	1	-	176	181
Disposal	-	(61)	-	-	(61)
Written off	(32)	(1)	-	(167)	(200)
Currency translation differences	-*	-*	-	(1)	(1)
Balance at 30 June 2024	<b>37</b>	<b>92</b>	<b>441</b>	<b>534</b>	<b>1,104</b>
<b>Accumulated depreciation</b>					
Balance at 1 July 2023	32	47	241	155	475
Acquisition of a subsidiary	32	58	-	-	90
Depreciation charge	-	8	80	183	271
Disposal	-	(61)	-	-	(61)
Written off	(32)	(1)	-	(167)	(200)
Currency translation differences	-*	-*	-	1	1
Balance at 30 June 2024	<b>32</b>	<b>51</b>	<b>321</b>	<b>172</b>	<b>576</b>
<b>Net carrying value</b>					
Balance at 30 June 2024	<b>5</b>	<b>41</b>	<b>120</b>	<b>362</b>	<b>528</b>
<b>2023</b>					
<b>Cost</b>					
Balance at 1 July 2022	33	58	441	455	987
Additions	-	-	-	389	389
Written off	-	(9)	-	(288)	(297)
Currency translation differences	-*	-*	-	(30)	(30)
Balance at 30 June 2023	33	49	441	526	1,049
<b>Accumulated depreciation</b>					
Balance at 1 July 2022	31	52	153	268	504
Depreciation charge	2	3	88	191	284
Written off	-	(9)	-	(288)	(297)
Currency translation differences	(1)	1	-	(16)	(16)
Balance at 30 June 2023	32	47	241	155	475
<b>Net carrying value</b>					
Balance at 30 June 2023	1	2	200	371	574

\* Amount below \$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 11 Property, plant and equipment (cont'd)

	Furniture and fittings \$'000	Other equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>Company</b>				
<b>2024</b>				
<b>Cost</b>				
Balance at 1 July 2023 and 30 June 2024	12	6	383	401
<b>Accumulated depreciation</b>				
Balance at 1 July 2023	12	3	217	232
Depreciation charge	-	3	66	69
Balance at 30 June 2024	12	6	283	301
<b>Net carrying value</b>				
Balance at 30 June 2024	-	-	100	100
<b>2023</b>				
<b>Cost</b>				
Balance at 1 July 2022 and 30 June 2023	12	6	383	401
<b>Accumulated depreciation</b>				
Balance at 1 July 2022	12	2	140	154
Depreciation charge	-	1	77	78
Balance at 30 June 2023	12	3	217	232
<b>Net carrying value</b>				
Balance at 30 June 2023	-	3	166	169

- (a) As at 30 June 2024, the net carrying value of the Group's and Company's property, plant and equipment under right-of-use assets were \$362,000 (2023: \$395,000) and \$Nil (2023: \$24,000) respectively (Note 21).
- (b) A motor vehicle with carrying amount of \$99,500 (2023: \$144,000) is held in trust by a director of the Company. A motor vehicle with carrying amount of \$20,350 (2023: \$32,000) is held in trust by an employee of the Group.
- (c) Net cash outflow for purchase of property, plant and equipment

	Group	
	2024 \$'000	2023 \$'000
Aggregate cost of property, plant and equipment acquired	181	389
Less: Addition of right-of-use assets (Note 21)	(176)	(389)
Net cash outflow for purchase of property, plant and equipment	5	-

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 12 Intangible assets

	Core technology \$'000	Development costs \$'000	Goodwill \$'000	Total \$'000
<b>Group</b>				
<b>Cost</b>				
Balance at 1 July 2022, 30 June 2023 and 1 July 2023	31,624	609	-	32,233
Acquisition of subsidiary	-	-	31	31
Balance at 30 June 2024	<b>31,624</b>	<b>609</b>	<b>31</b>	<b>32,264</b>
<b>Accumulated amortisation and impairment losses</b>				
Balance at 1 July 2022, 30 June 2023 and 30 June 2024	<b>31,624</b>	<b>609</b>	-	<b>32,233</b>
Representing:				
Accumulated amortisation	22,493	609	-	23,102
Accumulated impairment loss	9,131	-	-	9,131
Balance at 30 June 2023 and 30 June 2024	<b>31,624</b>	<b>609</b>	-	<b>32,233</b>
<b>Net carrying value</b>				
Balance at 30 June 2023	-	-	-	-
Balance at 30 June 2024	-	-	<b>31</b>	<b>31</b>

Goodwill arose from the acquisition of Digital Life Line Pte. Ltd. during the financial year (Note 13).

### *Impairment test for core technology and development costs*

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

At 30 June 2024 and 30 June 2023, management has assessed that there is no indication that the impairment loss recognised in prior years for intangible assets may no longer exist or may have decreased, hence no reversal of the previously impaired amount was made.

## 13 Investment in subsidiaries

	Company	
	2024 \$'000	2023 \$'000
<b>Unquoted equity shares, at cost</b>		
Balance at beginning and end of financial year	<b>47,824</b>	47,824
Impairment allowances:		
Balance at beginning and end of financial year	<b>47,824</b>	47,824
<b>Net carrying amount</b>	<b>-</b>	-

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 13 Investment in subsidiaries (cont'd)

### a) Details of subsidiaries are as follows:

Name of subsidiaries	Principal place of business/country of incorporation	Principal activities	Group's effective equity interest	
			2024 %	2023 %
<i>Held by the Company</i>				
Disa Digital Safety Pte. Ltd. <sup>(1)</sup> ("DDSPL")	Singapore	Provision of digital security, anti-theft solutions and anti-counterfeiting solutions.	100	100
<i>Held by Disa Digital Safety Pte. Ltd.</i>				
Disa Digital Safety (Shenzhen) Limited <sup>(2) (3)</sup>	People's Republic of China	Research, development and provision of technical support.	100	100
Disa Digital Safety (USA) <sup>(2) (3)</sup>	United States	Provision of marketing services.	100	100
Digital Life Line Pte. Ltd. <sup>(1)</sup>	Singapore	Manufacturing and distribution of healthcare tools.	55.41	38.79
<i>Held by Disa Digital Safety (Shenzhen) Limited</i>				
Disa Digital Safety Limited <sup>(2) (3) (4)</sup>	Hong Kong	Dormant	100	100

(1) Audited by Baker Tilly TFW LLP.

(2) Statutory audit is not required in the country of incorporation.

(3) Subsidiaries are not material to the Group.

(4) Subsidiary is in the process of strike off.

### b) Significant restrictions

Cash and bank balances of \$1,000 (2023: \$52,000) are held in the People's Republic of China and are subject to local exchange control regulations. These regulations place restrictions on the amount of currency being exported from the country, other than through dividends.

### c) Company level - Impairment review of investment in subsidiaries

*Disa Digital Safety Pte. Ltd. and its subsidiaries ("DDSPL subgroup")*

At 30 June 2024, management has assessed that there is no indication that the impairment loss recognised in prior years on the investment in DDSPL subgroup may no longer exist or may have decreased, hence no reversal of the previously impaired amount was made.

### d) Step acquisition of a subsidiary

On 2 April 2024, DDSPL, a wholly owned subsidiary of the Company, participated in the rights issue exercise of Digital Life Line Pte. Ltd. ("DLL") and had subscribed for 70,981,628 rights share at a total cash consideration of \$349,656. As a result, DDSPL's equity interest in DLL increased to 55.41% and accordingly, DLL became a subsidiary of DDSPL.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 13 Investment in subsidiaries (cont'd)

### d) Step acquisition of a subsidiary (cont'd)

*Fair values of identifiable assets and liabilities of DLL at acquisition date*

	2024 \$'000
Property, plant and equipment	46
Trade and other receivables	23
Inventories	49
Cash and cash equivalents	1,181
Trade and other payables	(635)
Total identifiable net assets acquired	664
Goodwill (Note 12)	31
Non-controlling interest	(296)
Fair value of the previously held interest in the associated company	(49)
Total consideration transferred	350

*Effect on cash flows of the Group*

	2024 \$'000
Cash paid	350
Less: Cash and cash equivalents in DLL acquired	(1,181)
Net cash inflow from acquisition of subsidiary	831

DLL contributed net loss of \$344,000 to the Group for the period from 2 April 2024 to 30 June 2024. If the acquisition had occurred on 1 July 2023, the Group's net loss would have been \$2,690,000.

### e) Summarised financial information of subsidiaries with material non-controlling interests ("NCI")

The Group has the following subsidiaries that have NCI that are considered by management to be material to the Group:

Name of subsidiary	Principal activities (Country of incorporation)	2024 Ownership interests held by NCI
Digital Life Line Pte. Ltd. ("DLL")	Manufacturing and distribution of healthcare tools (Singapore)	44.59%

The following are the summarised financial information of the Group's subsidiaries with NCI that are considered by management to be material to the Group. This financial information includes consolidation adjustments but before inter-company eliminations.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 13 Investment in subsidiaries (cont'd)

### e) Summarised financial information of subsidiaries with material non-controlling interests ("NCI") (cont'd)

*Digital Life Line Pte. Ltd.*

*Summarised Statement of Financial Position*

	2024 \$'000
Non-current assets	41
Current assets	506
Current liabilities	(224)
<b>Net assets</b>	<b>323</b>
<b>Net assets attributable to NCI</b>	<b>143</b>

*Summarised Statement of Comprehensive income*

	2024 \$'000
Loss before tax, representing total comprehensive loss for the financial year	344
<b>Total comprehensive loss for the year allocated to NCI</b>	<b>153</b>

*Summarised Statement of Cash Flows*

	2024 \$'000
Cash flows used in operating activities	(1,219)
Cash flows used in investing activities	(6)
Cash flows generated from financing activities	575
<b>Net decrease in cash and cash equivalents</b>	<b>(650)</b>

## 14 Investment in an associated company

The Group's investment in an associated company is summarised below:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Digital Life Line Pte. Ltd.	-	413	-	-



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 14 Investment in an associated company (cont'd)

Name of company	Country of incorporation	Principal activities	Group's effective equity interest	
			2024 %	2023 %
Digital Life Line Pte. Ltd.*	Singapore	Manufacturing and distribution of healthcare tools.	-	38.79

\* Audited by Baker Tilly TFW LLP.

The following summarises the financial information of Digital Life Line Pte. Ltd. ("DLL") based on its financial statements prepared in accordance with FRS and a reconciliation to the carrying amounts of the investments in the consolidated financial statements.

	2023 \$'000
<b>Results</b>	
Revenue	9
Loss after tax and total comprehensive loss for the financial year	<u>(1,132)</u>
<b>Assets and liabilities</b>	
Non-current assets	55
Current assets	1,084
Current liabilities	<u>(75)</u>
<b>Net assets</b>	<u>1,064</u>
Group's share of net assets based on proportion of ownership interest, representing interest in Digital Life Line Pte. Ltd.	<u>413</u>

During the financial year ended 30 June 2022, the Group has provided a loan of \$1,000,000 to DLL, to be repaid through the allotment and issuance of new DLL shares at the issue price of \$0.40 each at a date to be determined and agreed between parties. On 22 July 2022, the Group's loan of \$1,000,000 to DLL was repaid through the allotment and issuance of 2,500,000 ordinary shares of the associated company.

On the same date, DLL also settled its loans from three individual shareholders of \$250,000 each (being \$750,000 in aggregate), through issuance of 625,000 ordinary shares to each shareholder, totaling 1,875,000 ordinary shares. Additionally, DLL issued the first tranche of 2,378,906 and 625,000 preference shares to Isaac Newton Corporation Ltd and SG Global Enterprise Pte. Ltd. for cash consideration of \$875,000 and \$250,000 respectively.

On 29 August 2022, DLL further issued the second and final tranche of 625,000 preference shares to SG Global Enterprise Pte. Ltd. for cash consideration of \$250,000.

Consequently, as at 30 June 2023, the Group holds 38.79% of the total paid-up share capital of DLL and the Group recognised a gain on dilution of interest amounting to \$225,000 in the profit or loss.

On 21 August 2023, DLL has issued a total of 2,900,195 ordinary shares to NUS Technology Holdings Pte. Ltd. ("NUS") at no consideration in pursuant to a license agreement signed with NUS. Following the issuance of shares, the Group's equity interest in DLL decreased from 38.79% to 36.94% and the Group recognised a loss on dilution of interest amounting to \$16,319 in the profit or loss.

On 2 April 2024, DLL increased its share capital by way of rights issue and the Group participated in the rights issue and subscribed for 70,981,628 rights share at a total cash consideration of \$349,656. Subsequent to this, as at 2 April 2024 and 30 June 2024, the Group holds 55.41% of the total paid-up share capital of DLL through DDSPL. As a result of the step acquisition, the Group recognised a gain of \$11,412 in the profit or loss and has accounted for the investment in DLL as a subsidiary.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 15 Financial assets at fair value through other comprehensive income

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000

### Non-current assets

#### Equity investments designated at FVOCI

Unquoted equity shares	150	-	-	-
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- (a) Represent interests in Gema Holding Ltd (“Gema”) and Icreate Group Limited (“Icreate”) as at 30 June 2024 and 30 June 2023. Gema and Icreate is incorporated in Singapore and British Virgin Islands respectively and are investment holding companies. It is the Group’s strategy to hold these investments for long-term purposes and accordingly, management has elected to designate these investments in equity shares at fair value through other comprehensive income.
- (b) As at 30 June 2024, the investment in Gema is \$Nil (2023: \$Nil). Management determined the fair value of this investment to be \$Nil, taking into account the investee company’s latest performance and financial position available. The fair value measurement is categorised in Level 3 of the fair value hierarchy.
- (c) As at 30 June 2024, the investment in Icreate is \$150,000 (2023: \$Nil). The fair value was determined using the market approach based on the recent transaction price of the investee company’s equity. Subsequent to the reporting date, the Group has disposed its investment in Icreate for a total cash consideration of \$150,000. Accordingly, the Group recognised a fair value gain of \$150,000 in the statement of comprehensive income. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

## 16 Inventories

	Group	
	2024 \$'000	2023 \$'000
Finished goods	100	14

Inventories cost is determined on a weighted average basis. The cost of inventories recognised as an expense and included in “Cost of inventories” amounted to \$6,820,000 (2023: \$10,175,000).

## 17 Trade receivables

	Group	
	2024 \$'000	2023 \$'000
Trade receivables - third parties	110	725

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 18 Other current assets

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Prepayments	52	60	5	5
Interest receivables	–*	4	–	1
Sundry receivable	32	24	4	1
Amount due from subsidiary	–	–	34	–
Advance payment to supplier	340	–	–	–
	<b>424</b>	<b>88</b>	<b>43</b>	<b>7</b>

\* Amount below \$1,000

The amount due from subsidiary is non-trade in nature, interest-free, unsecured and repayable on demand.

## 19 Cash and cash equivalents

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and on hand	1,053	402	77	126
Fixed deposits	339	1,265	–	264
Total cash and cash equivalents	<b>1,392</b>	<b>1,667</b>	<b>77</b>	<b>390</b>

## 20 Borrowings

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Non-current</i>				
Lease liabilities - third parties (Note 21)	99	26	11	26
Lease liabilities - related parties (Note 21)	102	209	–	–
	<b>201</b>	<b>235</b>	<b>11</b>	<b>26</b>
<i>Current</i>				
Lease liabilities - third parties (Note 21)	72	40	15	15
Lease liabilities - related parties (Note 21)	224	139	–	–
	<b>296</b>	<b>179</b>	<b>15</b>	<b>15</b>
Total lease liabilities	<b>497</b>	<b>414</b>	<b>26</b>	<b>41</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 21 Leases

### *The Group and the Company as a lessee*

#### **Nature of the Group's and the Company's leasing activities**

The Group's and the Company's activities comprise the following:

- i) The Group and the Company lease office units from related and non-related parties. The leases have an average tenure of between two to three years.
- ii) The Group and the Company lease a motor vehicle from a non-related party through a hire purchase arrangement. The lease has a tenure of eight years.

The maturity analysis of the lease liabilities is disclosed in Note 28.

Information about leases for which the Group and the Company is a lessee is presented below:

#### **Carrying amount of right-of-use assets**

The carrying amount of right-of-use assets are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Classified within property, plant and equipment</i>				
Leasehold properties	362	371	-	-
Motor vehicles	-	24	-	24
	<b>362</b>	<b>395</b>	<b>-</b>	<b>24</b>

#### **Amounts recognised in profit or loss**

	Group	
	2024	2023
	\$'000	\$'000
<i>Depreciation charge for the financial year</i>		
Leasehold properties	183	191
Motor vehicles	24	33
Interest expenses on lease liabilities (Note 7)	<b>31</b>	<b>17</b>

During the financial year, the Group's total cash flows for leases amounted to \$123,000 (2023: \$223,000).

Addition of right-of-use assets during the financial year was \$176,000 (2023: \$389,000).

As at 30 June 2024, the Group and the Company are not committed to any short-term leases.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 22 Trade and other payables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade payable - third parties	38	13	-	-
Other payables - third parties	113	111	53	40
Amount due to a related party	35	105	-	-
Amount due to a director	-	7	-	1
Amount due to a subsidiary	-	-	36	37
	<b>186</b>	236	<b>89</b>	78

The amounts due to a related party, director and subsidiary are non-trade in nature, interest-free, unsecured and repayable on demand.

## 23 Accruals

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Accrued staff costs	167	123	72	91
Accrued operating expenses	366	404	212	208
	<b>533</b>	527	<b>284</b>	299

## 24 Share capital

	Group and Company			
	2024		2023	
	Number of issued shares ( <b>'000</b> )	Total share capital ( <b>\$'000</b> )	Number of issued shares ( <b>'000</b> )	Total share capital ( <b>\$'000</b> )
Balance at 1 July	10,106,683	58,884	10,106,683	58,884
Issue of ordinary shares by virtue of exercise of share options	400,000	1,200	-	-
Balance at 30 June	<b>10,506,683</b>	<b>60,084</b>	10,106,683	58,884

All issued ordinary shares have no par value and are fully paid.

During the financial year ended 30 June 2024, the Company issued 400,000,000 new ordinary shares at \$0.002 per share, for total consideration of \$800,000, following the exercise of options granted under DISA ESOS 2010. The consideration was settled through the offset of other payables. When the options were exercised, the related balance previously recognised in the share options reserve of \$400,000 were also credited to share capital account.

The newly issued ordinary shares shall rank *pari passu* in all respects with the existing shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 25 Other reserves

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Currency translation reserve <sup>(a)</sup>	(20)	(19)	-	-
Capital reserve <sup>(b)</sup>	241	241	241	241
Fair value reserve <sup>(c)</sup>	-	(150)	-	-
Share option reserve <sup>(d)</sup>	5,032	5,386	5,030	5,386
	<b>5,253</b>	<b>5,458</b>	<b>5,271</b>	<b>5,627</b>

### (a) **Currency translation reserve**

Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollar are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component in equity under the header of currency translation reserve.

### (b) **Capital reserve**

Capital reserve pertains to transfer from equity portion of convertible bonds derecognised.

### (c) **Fair value reserve**

Fair value reserve arises from the fair value gains or losses on financial assets at fair value through other comprehensive income.

### (d) **Share option reserve**

The share option reserve arises due to the grant of share options to employees under the employee share option plan. Further information about share-based payments to employees is disclosed in Note 26.

All the above reserves are not distributable.

## 26 Share-based payments

### **DLL Employee Share Option Scheme 2024 (the "DLL ESOS 2024")**

The DLL ESOS 2024 was approved and adopted by members of Digital Life Line Pte. Ltd. ("DLL") at an Extraordinary General Meeting ("EGM") held on 18 March 2024 ("Date of Adoption"). The DLL ESOS 2024 is administered by the Board of Directors of DLL.

The aggregate number of ordinary shares which may be allotted and issued upon the exercise of options granted pursuant to the DLL ESOS 2024 shall not exceed 9.09% of the total number of issued shares of DLL from time to time. As at 30 June 2024, outstanding options issued under the DLL ESOS 2024 represent 8.30% of the total number of issued shares of DLL.

The options granted will expire after 10 years from the offer date.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DLL Employee Share Option Scheme 2024 (the "DLL ESOS 2024") (cont'd)*

Movement in the number of share options and their related weighted average exercise prices is as follows:

<b>Date of grant</b>	<b>Balance as at 1 July 2023</b>	<b>Additions</b>	<b>Options forfeited</b>	<b>Balance as at 30 June 2024</b>	<b>Exercise price per share (\$)</b>	<b>Exercisable period</b>
<i>DLL ESOS 2024</i>						
11 March 2024	-	14,000,000	-	<b>14,000,000</b>	0.00493	11 March 2025 to 10 March 2034

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black Scholes Model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

#### *Fair value of share options granted and assumptions*

	<b>DLL ESOS 2024</b>
Share price	\$0.00218
Exercise price	\$0.00493
Expected volatility	50%
Expected option life	10 years
Expected dividends	0%
Risk-free interest rate	2.88%

The expected volatility is based on the historic volatility (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

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

#### *DISA Employee Share Option Scheme 2021 (the "DISA ESOS 2021")*

The DISA ESOS 2021 was approved and adopted by members of the Company at an Extraordinary General Meeting ("EGM") held on 28 October 2021 ("Date of Adoption"). The DISA ESOS 2021 shall continue to be in force at the discretion of the Company subject to a maximum period of 10 years commencing from the Date of Adoption and which expires on 27 October 2031.

The DISA ESOS 2021 replaced the DISA ESOS 2010 that was approved and adopted by members of the Company at an EGM held on 28 October 2010. The DISA ESOS 2010 expired on 27 October 2020.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DISA Employee Share Option Scheme (the "DISA ESOS") (cont'd)*

#### *DISA Employee Share Option Scheme 2021 (the "DISA ESOS 2021") (cont'd)*

Other information regarding the DISA ESOS 2021 is set out below:

- 1) The exercise price of the options can be set at a discount not exceeding 20% of the weighted-average of the last-dealt price for a share for the five (5) market consecutive market days immediately preceding the date of grant in respect of options granted at the time of grant.
- 2) The aggregate number of ordinary shares which may be allotted and issued upon the exercise of options granted pursuant to the DISA ESOS 2021 of the Company shall not exceed 15% of the total number of issued shares of the Company from time to time.
- 3) Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at the market prices will be exercisable after the first anniversary of the offer date of that option. Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at a discount to the market price will only be exercisable after the second anniversary of the offer date of that option.
- 4) The vesting period for options granted is to be determined by the ESOS Committee in its sole and absolute discretion on the date of grant of that option.

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

The ECL ESOS ("ECL ESOS 2010") was approved and adopted by members of the Company at an EGM held on 28 October 2010. The ESOS 2010 shall continue to be in force at the discretion of the Company subject to a maximum period of 10 years commencing from the Date of Adoption and expired on 27 October 2020.

The ECL ESOS 2010 replaced the ECL ESOS 1999 that was approved and adopted by members of the Company at an EGM held on 23 December 1999. The ECL ESOS 1999 expired on 22 December 2009. Subsequently, ECL ESOS has been renamed to DISA ESOS with effect from 13 February 2017.

Other information regarding the DISA ESOS 2010 is set out below:

- 1) The exercise price of the options could be set at a discount not exceeding 20% of the weighted-average of the last-dealt price for a share for the three (3) consecutive market days immediately preceding the date of grant in respect of options granted at the time of grant.
- 2) The aggregate number of ordinary shares which might be allotted and issued upon the exercise of options granted pursuant to the DISA ESOS 2010 of the Company should not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.
- 3) Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at the market price would be exercisable after the first anniversary of the offer date of that option. Options granted to and accepted by executives, directors and employees in respect of an option granted with a subscription price at a discount to the market price would only be exercisable after the second anniversary of the offer date of that option.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DISA Employee Share Option Scheme (the "DISA ESOS") (cont'd)*

#### *DISA Employee Share Option Scheme 2010 (the "DISA ESOS 2010") (cont'd)*

Other information regarding the DISA ESOS 2010 is set out below (cont'd):

- 4) As announced by the Company on 27 August 2019, the vesting period for options granted after October 2017 has been adjusted to create better retention of talent and knowledge according to the following vesting schedule.

	Vesting schedule	Vesting Period	
		Percentage of options which are exercisable	
		Directors %	Employees %
Options which are exercisable at no discount to the market price	On or after the first anniversary of the date of grant	33.30	25
	On or after the second anniversary of the date of grant	33.30	25
	On or after the third anniversary of the date of grant	33.40	25
	On or after the fourth anniversary of the date of grant	Not applicable	25
Options which are exercisable at a discount to the market price	On or after the first anniversary of the date of grant	Not applicable	Not applicable
	On or after the second anniversary of the date of grant	33.30	25
	On or after the third anniversary of the date of grant	33.30	25
	On or after the fourth anniversary of the date of grant	33.40	25
	On or after the fifth anniversary of the date of grant	Not applicable	25

- 5) The options granted will expire after 10 years from the offer date of the option for executives, directors and employees of the Company and its subsidiaries.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DISA Employee Share Option Scheme (the "DISA ESOS") (cont'd)*

Movement in the number of share options and their related weighted average exercise prices is as follows:

<b>Date of grant</b>	<b>Balance as at 1 July 2023</b>	<b>Exercised</b>	<b>Options forfeited</b>	<b>Balance as at 30 June 2024</b>	<b>Exercise price per share (\$)</b>	<b>Exercisable period</b>
<b>2024</b>						
<i>DISA ESOS 2010</i>						
8 January 2015	7,500,000	-	-	<b>7,500,000</b>	0.00600	8 January 2016 to 7 January 2025
8 December 2016	6,000,000	-	-	<b>6,000,000</b>	0.01110	8 December 2017 to 7 December 2026
16 March 2017	2,000,000	-	-	<b>2,000,000</b>	0.03010	16 March 2018 to 15 March 2027
3 April 2017	8,000,000	-	-	<b>8,000,000</b>	0.02920	3 April 2018 to 2 April 2027
3 July 2017	2,500,000	-	-	<b>2,500,000</b>	0.01350	3 July 2018 to 2 July 2027
1 November 2017	81,000,000	-	(10,000,000)	<b>71,000,000</b>	0.01420	1 November 2018 to 31 October 2027
13 November 2017	4,000,000	-	-	<b>4,000,000</b>	0.01360	13 November 2018 to 12 November 2027
28 November 2017	11,500,000	-	-	<b>11,500,000</b>	0.01290	28 November 2018 to 27 November 2027
6 August 2018 <sup>(1)</sup>	20,000,000	-	-	<b>20,000,000</b>	0.00720	6 August 2020 to 5 August 2028
17 October 2018	335,000,000	-	(10,000,000)	<b>325,000,000</b>	0.00500	17 October 2019 to 16 October 2028
11 January 2019	10,000,000	-	-	<b>10,000,000</b>	0.00300	11 January 2020 to 10 January 2029
1 July 2019	16,000,000	-	-	<b>16,000,000</b>	0.00200	1 July 2020 to 30 June 2029
19 December 2019	652,000,000	(400,000,000)	-	<b>252,000,000</b>	0.00200	19 December 2020 to 18 December 2029
	<b>1,155,500,000</b>	<b>(400,000,000)</b>	<b>(20,000,000)</b>	<b>735,500,000</b>		

(1) These share options were granted at a 10% discount.

<b>Date of grant</b>	<b>Balance as at 1 July 2023</b>	<b>Additions</b>	<b>Options forfeited</b>	<b>Balance as at 30 June 2024</b>	<b>Exercise price per share (\$)</b>	<b>Exercisable period</b>
<i>DISA ESOS 2021</i>						
6 December 2021	180,500,000	-	-	<b>180,500,000</b>	0.00100	6 December 2022 to 5 December 2031
13 January 2022	7,000,000	-	-	<b>7,000,000</b>	0.00840	13 January 2023 to 12 January 2032
	<b>187,500,000</b>	<b>-</b>	<b>-</b>	<b>187,500,000</b>		

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DISA Employee Share Option Scheme (the "DISA ESOS") (cont'd)*

<b>Date of grant</b>	<b>Balance as at 1 July 2022</b>	<b>Exercised</b>	<b>Options forfeited</b>	<b>Balance as at 30 June 2023</b>	<b>Exercise price per share (\$)</b>	<b>Exercisable period</b>
2023						
<i>DISA ESOS 2010</i>						
8 January 2015	7,500,000	-	-	7,500,000	0.00600	8 January 2016 to 7 January 2025
8 December 2016	6,000,000	-	-	6,000,000	0.01110	8 December 2017 to 7 December 2026
16 March 2017	2,000,000	-	-	2,000,000	0.03010	16 March 2018 to 15 March 2027
3 April 2017	8,000,000	-	-	8,000,000	0.02920	3 April 2018 to 2 April 2027
3 July 2017	2,500,000	-	-	2,500,000	0.01350	3 July 2018 to 2 July 2027
1 November 2017	82,000,000	-	(1,000,000)	81,000,000	0.01420	1 November 2018 to 31 October 2027
13 November 2017	4,000,000	-	-	4,000,000	0.01360	13 November 2018 to 12 November 2027
28 November 2017	11,500,000	-	-	11,500,000	0.01290	28 November 2018 to 27 November 2027
6 August 2018 <sup>(1)</sup>	20,000,000	-	-	20,000,000	0.00720	6 August 2020 to 5 August 2028
17 October 2018	346,000,000	-	(11,000,000)	335,000,000	0.00500	17 October 2019 to 16 October 2028
11 January 2019	10,000,000	-	-	10,000,000	0.00300	11 January 2020 to 10 January 2029
1 July 2019	16,000,000	-	-	16,000,000	0.00200	1 July 2020 to 30 June 2029
19 December 2019	652,000,000	-	-	652,000,000	0.00200	19 December 2020 to 18 December 2029
	<u>1,167,500,000</u>	<u>-</u>	<u>(12,000,000)</u>	<u>1,155,500,000</u>		

(1) These share options were granted at a 10% discount.

<b>Date of grant</b>	<b>Balance as at 1 July 2022</b>	<b>Additions</b>	<b>Options forfeited</b>	<b>Balance as at 30 June 2023</b>	<b>Exercise price per share (\$)</b>	<b>Exercisable period</b>
<i>DISA ESOS 2021</i>						
6 December 2021	180,500,000	-	-	180,500,000	0.00100	6 December 2022 to 5 December 2031
13 January 2022	9,000,000	-	(2,000,000)	7,000,000	0.00840	13 January 2023 to 12 January 2032
	<u>189,500,000</u>	<u>-</u>	<u>(2,000,000)</u>	<u>187,500,000</u>		

Out of the outstanding options of 923,000,000 (2023: 1,343,000,000) shares, options for 859,238,000 (2023: 1,212,775,000) shares are exercisable at the end of the reporting period. The weighted average exercise price at the time of exercise is \$0.00480 (2023: \$0.00416) per share.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 26 Share-based payments (cont'd)

### *DISA Performance Shares Scheme (the "DISA PS Scheme")*

The DISA PS Scheme was approved by the members of the Company at an EGM held on 31 October 2008 and renewed on 26 October 2018 ("Date of Renewal").

The DISA PS Scheme differs from the existing DISA ESOS in that it allows the Company to target specific performance objectives and to provide an incentive for participants in the DISA PS Scheme ("Participants") to achieve these targets. The DISA ESOS, on the other hand, provides a more broad-based incentive that is based on the overall performance of the Company. The DISA PS Scheme is not intended to replace the existing DISA ESOS, but to complement it.

The Company has the flexibility to either issue and deliver new shares of the Company, or purchase and deliver existing shares of the Company to Participants upon the vesting of the shares awarded.

Participants will receive fully paid shares of the Company, provided that certain prescribed performance targets are met within a prescribed period.

A Participant's award of shares under the DISA PS Scheme (the "Award") will be determined at the sole discretion of the DISA PS Scheme Committee, which will oversee and administer the DISA PS Scheme.

During and at the end of the financial year, no awards were granted under the DISA PS Scheme (2023: Nil).

The principal terms of the DISA PS Scheme are:

#### Size and duration

- 1) The aggregate number of Award shares to be delivered to the vesting of the Award on any date, when added to the number of shares issued and/or issuable under such other share-based incentive schemes (including the DISA ESOS) of the Company shall not exceed 15% of the issued shares of the Company on the day preceding that date.
- 2) The aggregate number of Award shares available to eligible controlling shareholders and their associates under the DISA ESOS shall not exceed 25% of the shares available under this DISA PS Scheme. In addition, the number of Award shares available to each such controlling shareholder or his associate shall not exceed 10% of the shares available under this DISA PS Scheme.
- 3) The DISA PS Scheme shall continue to be in force at the discretion of the DISA PS Scheme Committee, subject to a maximum period of 10 years commencing on the Date of Renewal (expiring on 25 October 2028) of the DISA PS Scheme, provided always that the DISA PS Scheme may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

#### Participants of the DISA PS Scheme

In respect of the DISA PS Scheme, the following persons shall be eligible to participate:

- 1) Employees of the Company and its subsidiaries who have been employed for a minimum of 1 year or such shorter period as the DISA PS Scheme Committee may determine and have attained the age of 21 years on or before the date of commencement of the DISA PS Scheme;
- 2) Executive Directors of the Company and its subsidiaries; and
- 3) Non-Executive Directors (including Independent Directors) of the Company and its subsidiaries.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 27 Related party transactions

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

	<b>Group</b>	
	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
<b>With an associated company</b>		
Sales of goods and services	<b>134</b>	240
<b>With other related parties</b>		
Purchase of goods and services	<b>140</b>	-
Rental paid - leasehold properties	<b>141</b>	148
<b>With a director of the Company</b>		
Royalties for use of patents	<b>41</b>	27

Other related parties comprise companies which is controlled by one of the Group's directors or is a shareholder of.

- b) Key management personnel compensation

Total key management personnel compensation is analysed as follows:

	<b>Group</b>	
	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Salaries and bonuses	<b>1,322</b>	1,216
Employer's contribution to defined contribution plans	<b>54</b>	43
Directors' fees	<b>139</b>	139
Share-based payments	<b>29</b>	146
	<b>1,544</b>	1,544

The key management personnel comprise directors of the Company and its subsidiaries, senior management of the Company such as Chief Financial Officer, General Managers and others, and their compensation is disclosed as above.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments

### *Categories of financial instruments*

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Financial assets</i>				
Financial assets at fair value through other comprehensive income	150	-	-	-
Financial assets at amortised costs	1,521	2,414	111	391
	<b>1,671</b>	2,414	<b>111</b>	391
<i>Financial liabilities</i>				
At amortised cost	<b>1,076</b>	1,049	<b>331</b>	331

### *Financial risk management*

The Group is exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. Management then establishes the detailed policies such as risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

There has been no change to the Group's exposure to these financial risks or the manner in which the Group manages and measures financial risk.

#### *Foreign exchange risk*

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than the respective functional currencies of entities in the Group. The foreign currencies in which the Group's currency risk arises are mainly United States Dollar ("USD"). The Group does not hedge against foreign exchange exposure as the currency risk is not expected to be significant.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments (cont'd)

### Financial risk management (cont'd)

#### Foreign exchange risk (cont'd)

At the end of reporting period, the Group has the following financial assets and financial liabilities denominated in foreign currencies based on information provided to key management:

Denominated in:	Group	Company
	USD \$'000	USD \$'000
<b>At 30 June 2024</b>		
<i>Financial assets</i>		
Cash and cash equivalents	1,250	2
Trade receivables and other current assets	108	-
	<b>1,358</b>	<b>2</b>
<i>Financial liabilities</i>		
Trade and other payables	(31)	-
Accruals	(107)	-
<b>Net financial assets denominated in USD</b>	<b>(138)</b>	<b>-</b>
<b>At 30 June 2023</b>		
<i>Financial assets</i>		
Cash and cash equivalents	1,503	344
Trade receivables and other current assets	718	-
	<b>2,221</b>	<b>344</b>
<i>Financial liabilities</i>		
Trade and other payables	(17)	-
Accruals	(160)	-
	<b>(177)</b>	<b>-</b>
<b>Net financial assets denominated in USD</b>	<b>2,044</b>	<b>344</b>

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's loss after tax:

	Group		Company	
	Increase/(decrease) in loss after tax		Increase/(decrease) in loss after tax	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
USD/SGD - strengthened 10% (2023: 10%)	(101)	(170)	-*	(29)
- weakened 10% (2023: 10%)	101	170	-*	29

\* Amount below \$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments (cont'd)

### *Financial risk management (cont'd)*

#### *Interest rate risk*

The Group's exposure to interest rate risk arises primarily from their borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk (i.e. the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates). Borrowings at fixed rates expose the Group to fair value interest rate risk (i.e. the risk that the value of a financial instrument will fluctuate due to changes in market rates). The Group's policy is to obtain most favourable interest rate available whenever the Group obtains additional financing through bank borrowings. The Group does not utilise derivatives to mitigate its interest rate risk.

As the Group has no significant interest-bearing assets and liabilities, the Group's income is substantially independent of changes in market interest rates.

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

#### *Concentration of credit risk and maximum exposure*

The Group does not have significant credit exposure except that the Group's 1 (2023: 1) largest trade receivables represented 76% (2023: 90%) of total trade receivables. As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statements of financial position.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

<b>Description of evaluation of financial assets</b>	<b>Basis for recognition and measurement of ECL</b>
Debtors has a low risk of default and does not have any past due amount	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

#### *Significant increase in credit risk*

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments (cont'd)

### *Financial risk management (cont'd)*

#### *Credit risk (cont'd)*

#### *Significant increase in credit risk (cont'd)*

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

#### *Definition of default*

The Group considers information developed internally or obtained from external sources that indicates that the debtor is unlikely to pay its creditors, including the Group as constituting an event of default for internal credit risk management purposes. Based on historical experience, it indicates that receivables that meet the criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

#### *Estimation techniques and significant assumptions*

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowance.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments (cont'd)

### *Financial risk management (cont'd)*

#### *Credit risk (cont'd)*

##### Trade receivables

The Group has applied the simplified approach by using a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

##### Other financial assets at amortised cost

Other financial assets at amortised costs include cash and cash equivalents and other current assets (excluding advance payment to supplier, GST recoverable and prepayments).

The table below details the credit quality of the Group's and the Company's financial assets at amortised cost:

2024 Group	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Trade receivables	Lifetime ECL	110	-	110
Other current assets (excluding advance payment to supplier, prepayments and GST recoverable)	12-month ECL	19	-	19
Cash and cash equivalents	N.A. (Exposure Limited)	1,392	-	1,392
<b>Company</b>				
Other current assets (excluding prepayments and GST recoverable)	12-month ECL	34	-	34
Cash and cash equivalents	N.A. (Exposure Limited)	77	-	77
<b>2023 Group</b>				
Trade receivables	Lifetime ECL	725	-	725
Other current assets (excluding prepayments and GST recoverable)	12-month ECL	22	-	22
Cash and cash equivalents	N.A. (Exposure Limited)	1,667	-	1,667
<b>Company</b>				
Other current assets (excluding prepayments and GST recoverable)	12-month ECL	1	-	1
Cash and cash equivalents	N.A. (Exposure Limited)	390	-	390

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 28 Financial instruments (cont'd)

### Financial risk management (cont'd)

#### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group manage the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities.

The table below summarises the maturity profile of the Group's and Company's non-derivative financial liabilities at end of the reporting period based on contractual undiscounted repayment obligations:

	1 year or less \$'000	1 to 5 year \$'000	Total \$'000
<b>Group</b>			
<b>2024</b>			
Trade and other payables	181	-	181
Accruals	398	-	398
Borrowings	319	210	529
	<b>898</b>	<b>210</b>	<b>1,108</b>
2023			
Trade and other payables	212	-	212
Accruals	423	-	423
Borrowings	189	284	473
	824	284	1,108
<b>Company</b>			
<b>2024</b>			
Trade and other payables	89	-	89
Accruals	216	-	216
Borrowings	16	11	27
	<b>321</b>	<b>11</b>	<b>332</b>
2023			
Trade and other payables	78	-	78
Accruals	212	-	212
Borrowings	16	27	43
	306	27	333

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 29 Fair value of assets and liabilities

### a) Fair value hierarchy

The Group analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
- iii) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### b) Fair value measurements of assets and liabilities that are carried at fair value

The following table analyses within the fair value hierarchy the Group's financial assets and liabilities (by class) measured at fair value:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>2024</b>				
<b>Financial assets</b>				
Fair value through other comprehensive income				
- Unquoted equity shares	-	-	150	150
<b>2023</b>				
<b>Financial assets</b>				
Fair value through other comprehensive income				
- Unquoted equity shares	-	-	-	-

### c) Determination of fair values

The basis to determine fair value of unquoted equity securities are disclosed in Note 15.

### d) Movements in Level 3 assets measured at fair value

	Unquoted equity shares	
	2024 \$'000	2024 \$'000
Balance at beginning of financial year	-	-
Fair value gain recognised in other comprehensive income	150	-
Balance at end of financial year	150	-

### e) Fair value of financial instruments by classes that are not carried at fair value and those carrying amounts are reasonable approximation of fair value

The carrying amounts of financial assets and liabilities (other than lease liabilities) are reasonable approximation of fair values due to their short-term nature.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 30 Segment information

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

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

	Technology		Investment holding		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Segment revenue:</b>						
Sales to external customers, representing total revenue	<b>7,543</b>	10,917	-	-	<b>7,543</b>	10,917
<b>Segment results, net of tax</b>	<b>(931)</b>	(824)	<b>(1,145)</b>	(1,632)	<b>(2,076)</b>	(2,456)
- Interest expense	<b>(30)</b>	(15)	<b>(1)</b>	(2)	<b>(31)</b>	(17)
- Depreciation and amortisation	<b>(202)</b>	(206)	<b>(69)</b>	(78)	<b>(271)</b>	(284)
<b>Other significant non-cash expenses:</b>						
- (Loss)/gain on dilution of interest in an associated company	<b>(16)</b>	225	-	-	<b>(16)</b>	225
- Gain on remeasurement of an associated company	<b>11</b>	-	-	-	<b>11</b>	-
- Share-based payment expenses	<b>(2)</b>	-	<b>(44)</b>	(181)	<b>(46)</b>	(181)
<b>Segment assets</b>	<b>2,549</b>	2,915	<b>186</b>	566	<b>2,735</b>	3,481
Additions to non-current assets	<b>181</b>	389	-	-	<b>181</b>	389
<b>Segment liabilities</b>	<b>(882)</b>	(825)	<b>(363)</b>	(381)	<b>(1,245)</b>	(1,206)

### Segment results

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

### Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments.

### Segment liabilities

The amounts provided to the management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

## 30 Segment information (cont'd)

### Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Singapore	860	3,691	407	335
People's Republic of China	157	236	152	239
Hong Kong	6,077	6,692	-	-
United States of America	448	298	-	-
Thailand	1	-	-	-
	<b>7,543</b>	<b>10,917</b>	<b>559</b>	<b>574</b>

Non-current assets information presented above are non-current assets as presented on the consolidated statement of financial position excluding financial instruments and investment in an associated company.

### Information about major customer

Revenue is derived from 2 (2023: 2) external customers who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

Attributable segments		Group	
		2024 \$'000	2023 \$'000
Customer A	Technology	5,912	5,604
Customer B	Technology	751	3,511
		<b>6,663</b>	<b>9,115</b>

## 31 Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group and the Company do not have any external borrowings. The debt-to-adjusted capital ratio therefore does not provide a meaningful indicator of the risk of borrowings.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 30 June 2024 and 30 June 2023.

The capital of the Group consists of share capital, and the Group's overall strategy remains unchanged from 2023.

## 32 Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors dated 27 September 2024.

# APPENDIX

9 OCTOBER 2024

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

This Appendix is circulated to Shareholders of DISA Limited (the “**Company**”) together with the Company’s Annual Report. Its purpose is to explain to Shareholders the rationale and provide information relating to the Proposed Renewal of the Share Purchase Mandate (as defined herein) to be tabled at the Annual General Meeting to be held at 2 Bukit Merah Central, Podium Block, Level 3, Room P301, Singapore 159835, on 25 October 2024 at 10.00 a.m..

The Notice of AGM and a Proxy Form are enclosed with the Annual Report.

If you have sold or transferred all your issued and fully paid ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (the “**CDP**”), you need not forward this Appendix to the purchaser or transferee as arrangements will be made by the CDP for a separate Appendix with the Notice of AGM and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your issued and fully paid ordinary shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Appendix, together with the Annual Report, the Notice of AGM and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Appendix has been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix. The details of the contact person for the Sponsor is Ms. Lee Khai Yinn (Registered Professional, SAC Capital Private Limited), Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, Tel: +65 6232 3210.

The logo for DISA Limited, featuring the word "DISA" in a bold, sans-serif font. The letter "D" is stylized with a horizontal bar extending to the left.

**DISA LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 197501110N)

## **APPENDIX TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

# APPENDIX

## 1. DEFINITIONS

For the purposes of this Appendix, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

<b>"2023 AGM"</b>	:	The AGM held on 27 October 2023
<b>"2024 AGM"</b>	:	The AGM scheduled to be held on 25 October 2024
<b>"ACRA"</b>	:	The Accounting and Corporate Regulatory Authority of Singapore
<b>"Act"</b>	:	The Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
<b>"AGM"</b>	:	The Annual General Meeting of the Company
<b>"Annual Report"</b>	:	The annual report of the Company for the financial year ended 30 June 2024
<b>"Appendix"</b>	:	This Appendix to the Shareholders dated 9 October 2024 in relation to the proposed renewal of the Share Purchase Mandate
<b>"Associate"</b>	:	(a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:  (i) his immediate family;  (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and  (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and  (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more,  or such other definition as the Catalist Rules may from time to time prescribe
<b>"associated company"</b>	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company has control
<b>"Board"</b>	:	The board of Directors of the Company for the time being
<b>"Catalist"</b>	:	The Catalist Board of the SGX-ST
<b>"Catalist Rules"</b>	:	Section B: Rules of Catalist of the Listing Manual of SGX-ST, as amended, modified or supplemented from time to time
<b>"CDP"</b>	:	The Central Depository (Pte) Limited
<b>"Company"</b>	:	DISA Limited



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<b>“Constitution”</b>	:	The constitution of the Company, as may be amended, modified or supplemented from time to time
<b>“control”</b>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact exercises control over the Company,  or such other definition as the Catalist Rules may from time to time prescribe
<b>“Directors”</b>	:	The directors of the Company (whether executive or non- executive) for the time being
<b>“EPS”</b>	:	Earnings per Share
<b>“Group”</b>	:	The Company and its subsidiaries, collectively
<b>“Latest Practicable Date”</b>	:	16 September 2024, being the latest practicable date prior to the printing of this Appendix
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Market Purchase”</b>	:	An on-market purchase of Shares by the Company, transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers or dealers appointed by the Company for the purpose
<b>“Maximum Price”</b>	:	Has the meaning ascribed to it in paragraph 2.3(e) of this Appendix
<b>“Notice of AGM”</b>	:	The notice of AGM as set out in the Annual Report
<b>“NTA”</b>	:	Net tangible assets
<b>“Off-Market Purchase”</b>	:	An off-market purchase of Shares by the Company, otherwise than on a stock exchange, in accordance with an equal access scheme as may be determined or formulated by the Directors as they may consider fit, which scheme shall satisfy all the conditions prescribed in the Act and the Catalist Rules
<b>“Proxy Form”</b>	:	The proxy form as set out in the Annual Report
<b>“Relevant Period”</b>	:	The period commencing from the date on which the ordinary resolution relating to the proposed renewal of the Share Purchase Mandate is passed in a general meeting and expiring on the earliest of (i) the date on which the next AGM is held or is required by law to be held, (ii) the date on which the Share Purchases are carried out to the full extent of the Share Purchase Mandate, or (iii) the date the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting
<b>“Resolution 7”</b>	:	Ordinary resolution 7 in respect of the proposed renewal of the Share Purchase Mandate to be proposed at the 2024 AGM

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<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
<b>“SFA”</b>	:	The Securities and Futures Act 2001 of Singapore, as may be amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, and where the context admits, mean the Depositors whose Securities Accounts are credited with Shares
<b>“Share(s)”</b>	:	Ordinary share(s) in the capital of the Company
<b>“Share Purchase”</b>	:	The purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
<b>“Share Purchase Mandate”</b>	:	The general mandate to enable the Company to purchase or otherwise acquire its issued Shares within the Relevant Period, in accordance with the terms of that mandate, as well as the rules and regulations set forth in the Act and the Catalist Rules
<b>“Substantial Shareholder”</b>	:	A person (including a corporation) who has an interest (directly or indirectly) in not less than 5% of all the issued voting Shares
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers, as may be amended, modified or supplemented from time to time
<b>“S\$” or “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
<b>“%”</b>	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Act. The term **“subsidiary holdings”** means shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Act. The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to natural persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Act, the Catalist Rules, the SFA, the Take-over Code or any statutory or regulatory modification thereof and used in this Appendix shall, where applicable, have the same meaning assigned to it under the Act, the Catalist Rules, the SFA, the Take-over Code or any statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in the tables included in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Appendix shall be a reference to Singapore time and date respectively, unless otherwise stated.

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## DISA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 197501110N)

Board of Directors:

Toh Hock Ghim (Non-Executive Chairman and Independent Director)  
Chng Weng Wah (Chief Executive Officer and Managing Director)  
Lau Kay Heng (Non-Executive and Independent Director)  
Lim Soon Hock (Non-Executive and Independent Director)

**Registered Office:**

120 Lower Delta Road  
#03-15 Cendex Centre  
Singapore 169208

9 October 2024

To: The Shareholders of DISA Limited

Dear Sir/Madam,

### PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

## 2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

### 2.1 Background

We refer to the Notice of AGM dated 9 October 2024 accompanying the Annual Report convening the 2024 AGM to be held on 25 October 2024 and Resolution 7 set out in the Notice of AGM. The purpose of this Appendix is to provide Shareholders with information relating to, and to seek their approval for, the proposed renewal of the Share Purchase Mandate.

At the 2023 AGM, the Shareholders approved, *inter alia*, the renewal of the Share Purchase Mandate to enable the Company to purchase or otherwise acquire the Shares. The Share Purchase Mandate will expire on the date of the forthcoming 2024 AGM, being 25 October 2024. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the forthcoming 2024 AGM, to take effect until the conclusion of the next following AGM or such date as the next AGM is required by law to be held, unless prior thereto, the Share Purchase is carried out to the full extent mandated or the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting.

The Company has not undertaken any purchase or acquisition of Shares pursuant to the Share Purchase Mandate approved by Shareholders at the 2023 AGM up to the Latest Practicable Date.

### 2.2 Rationale for the Share Purchase Mandate

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Group, the Directors strive to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. Share purchase is one of the ways through which the return on equity of the Group can be enhanced.
- (b) Share purchases or acquisitions are an efficient, expedient and cost-efficient way for the Company to return surplus cash which is in excess of the capital requirements and possible investment needs of the Group to the Shareholders. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure, cash reserves and its dividend policy.
- (c) Share repurchases or acquisitions also help buffer short-term share price volatility and offset the effects of short-term speculators and investors and, in turn, bolster shareholder confidence and employee morale.
- (d) Repurchased Shares which are held in treasury may be transferred for the purposes of or pursuant to any employees' share or share option schemes as may be implemented by the Company.

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The Share Purchase Mandate would afford the Company the flexibility to undertake Share Purchases at any time, up to the 10% limit described in paragraph 2.3(a) below, and subject to market conditions, during the period when the Share Purchase Mandate is in force. The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, enhance the EPS of the Company, and will only be made when the Directors believe that such purchase or acquisitions would benefit the Company and its Shareholders and in circumstances which would not have a material adverse effect on the financial position of the Company.

While the proposed renewal of the Share Purchase Mandate would authorise a purchase or acquisition of Shares by the Company up to the 10% limit described in paragraph 2.3(a) below, Shareholders should note that the purchase or acquisition of Shares pursuant to the Share Purchase Mandate might not be carried out by the Company to the full 10% limit as authorised.

## 2.3 Authority and Limits of the Share Purchase Mandate

The terms of the Share Purchase Mandate, if renewed at the 2024 AGM, are substantially the same as previously approved by Shareholders at the 2023 AGM. The authority for and limitations placed on purchases or acquisitions of Shares by the Company under the Share Purchase Mandate are as follows:

(a) **Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

In accordance with Rule 867 of the Catalist Rules, the total number of Shares that may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings), ascertained as at the date of the general meeting at which the Share Purchase Mandate is approved, in this case, being the date of the 2024 AGM, unless:

- (i) the Company has, at any time during the Relevant Period reduced its share capital by a special resolution under Section 78C of the Act; or
- (ii) the High Court of the Republic of Singapore has, at any time during the Relevant Period, made an order under Sections 78G and 78I of the Act approving the reduction of share capital of the Company,

in which event the total number of Shares shall be taken to be the total number of Shares as altered by the special resolution of the Company or the order of the court, as the case may be.

For purposes of calculating the percentage of issued Shares above, any of the Shares which are held as treasury shares or any subsidiary holdings will be disregarded for purposes of computing the 10% limit.

**For illustrative purposes only**, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date, comprising 10,506,683,403 Shares, and assuming that no further Shares are issued on or prior to the 2024 AGM, not more than 1,050,668,340 Shares (representing 10% of the total number of issued Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate. There are no treasury shares or subsidiary holdings as at the Latest Practicable Date.

(b) **Duration of Authority**

Purchases or acquisitions of Shares may be made during the Relevant Period, at any time and from time to time, on and from the date of the 2024 AGM, at which the proposed renewal of the Share Purchase Mandate is approved, up to the earliest of:

- (i) the date on which the next AGM is held or required by law to be held; or

# APPENDIX

- (ii) the date on which the aggregate purchases or acquisition of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated as described in paragraph 2.3(a) above; or
- (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting.

The Share Purchase Mandate may be renewed at each AGM or other general meetings of the Company.

(c) **Solvency**

Purchases or acquisitions of Shares may only be made if the Company is solvent.

The Company is considered solvent if at the date of the payment referred to in Section 76F(4) of the Act:

- (i) there is no ground on which the Company could be found to be unable to pay its debts;
- (ii) if it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up or if it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (iii) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase or acquisition become less than the value of its liabilities (including contingent liabilities).

(d) **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (i) Market Purchases, and/or
- (ii) Off-Market Purchases.

For Off-Market Purchases, the Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Catalist Rules and the Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

# APPENDIX

In addition, the Catalist Rules provide that if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders containing at least the following information:

- (i) terms and conditions of the offer;
- (ii) period and procedures for acceptances;
- (iii) the reasons for the proposed Share Purchase;
- (iv) the consequences, if any, of Share Purchases that will arise under the Take-over Code or other applicable take-over rules;
- (v) whether the Share Purchase, if made, would have any effect on the listing of the Shares on Catalist;
- (vi) details of any Share Purchases in the previous 12 months (whether through Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased or acquired, the purchase or acquisition price per Share or the highest and lowest prices paid for the Share Purchases, where relevant, and the total consideration paid for the Share Purchases; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

(e) **Maximum Purchase Price**

The purchase price (excluding applicable brokerage, commission, stamp duties, goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid by the Company for the Shares as determined by the Directors must not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares, and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 110% of the Average Closing Price (as defined below) of the Shares,

in either case, excluding related expenses of the Share Purchase (the **"Maximum Price"**).

For the above purposes:

**"Average Closing Price"** means the average of the last dealt prices (excluding any transaction that the SGX-ST requires to be excluded for this purpose) of a Share for the 5 consecutive Market Days on which the Shares are transacted on Catalist, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer (pursuant to an Off-Market Purchase), and deemed to be adjusted in accordance with the Catalist Rules for any corporate action which occurs during the relevant 5-day period and the day of the Share Purchase, and

**"date of the making of the offer"** means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

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## 2.4 Status of Purchased Shares

Shares purchased or acquired by the Company pursuant to the Share Purchase Mandate are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares in accordance with the Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, and which are not held as treasury shares.

Any Shares purchased or acquired by the Company and cancelled will be automatically delisted by the SGX-ST. Certificates in respect of purchased or acquired Shares that are cancelled by the Company will be cancelled by the Company as soon as reasonably practicable following settlement of any purchase or acquisition of such Shares.

At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company and as the Directors deem fit in the interests of the Company at that time.

## 2.5 Treasury Shares

Under the Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Act are summarised below:

(a) **Maximum Holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Act within 6 months or such further periods as ACRA may allow.

(b) **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury shares into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time, but subject always to the Take-over Code:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

# APPENDIX

In addition, under the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

## 2.6 Source of Funds

In purchasing or acquiring Shares under the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with its Constitution, and the applicable laws in Singapore. Any Share Purchase must be made out of the Company's profits and/or capital as long as the Company is solvent (as defined in Section 76F(4) of the Act and set out in paragraph 2.3(c) of this Appendix).

In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimations of assets or liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

The Company may use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance such purchase or acquisition. However, in considering the option of external financing, the Directors will also consider the financial position of the Group, particularly the prevailing gearing level of the Group.

The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the liquidity, working capital and overall financial position of the Company would be materially and adversely affected. The Share Purchases will only be effected after considering relevant factors such as working capital requirements, availability of financial resources, expansion and investment plans of the Group as a whole and prevailing market conditions. The Directors will also have regard to any relevant financial covenants which are applicable to the Company and/or the Group under any agreements for banking and credit facilities which may be granted by a financial institution to the Company and/or the Group from time to time. The Company will not effect any Share Buyback if such purchases or acquisitions would result in any breaches of the relevant financial covenants.

## 2.7 Financial Effects

The financial effects on the Company and the Group arising from the purchase or acquisition of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company or the Group, the number of Shares purchased or acquired and the consideration paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Where the Company finances the purchase or acquisition of Shares through external borrowings, the gearing level of the Group will increase and the current ratio of the Group will decrease.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding applicable brokerage, commission, stamp duties, goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.



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Where the Shares purchased or acquired by the Company are subsequently cancelled by the Company, the share capital of the Company will be correspondingly reduced. Where the Shares purchased or acquired by the Company are held as treasury shares, the total number of issued Shares would remain unchanged.

The illustrative financial effects on the Group, based on the audited financial statements of the Group for the financial year ended 30 June 2024, are based on the assumptions set out below:

(a) **Share Purchase Mandate**

It has been assumed that the Share Purchase Mandate was effective as at the Latest Practicable Date.

(b) **Number of Shares Acquired or Purchased**

Purely for illustrative purposes, on the basis of 10,506,683,403 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued, on or prior to the 2024 AGM, the purchase or acquisition by the Company of 1% of its issued Shares will result in the purchase or acquisition of 105,066,834 Shares.

(c) **Maximum Price Paid for Shares Acquired or Purchased**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 1% of its issued Shares at the maximum price of S\$0.0019 per Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date, rounded to 4 decimal places), the maximum amount of funds required for the purchase or acquisition of 105,066,834 Shares is S\$199,627.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 1% of its issued Shares at the maximum price of S\$0.0020 per Share (being the price equivalent to 10% above the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date, rounded to 4 decimal places), the maximum amount of funds required for the purchase or acquisition of 105,066,834 Shares is S\$210,134.

(d) **Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7(b) and 2.7(c) above and the following:

- (i) the purchase or acquisition of 105,066,834 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made entirely out of capital and held in treasury;
- (ii) the purchase or acquisition of 105,066,834 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made entirely out of capital and held in treasury; and
- (iii) the transaction costs incurred for the Share Purchases were insignificant and have been ignored for the purpose of computing the financial effects,

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the financial effects of the Share Purchases pursuant to the Share Purchase Mandate on the audited financial statements of the Group and Company for the financial year ended 30 June 2024 are set out below:

## **Scenario 1**

*Market Purchases of 1% of issued Shares made entirely out of capital and held in treasury.*

S\$'000	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Share capital	60,084	60,084	60,084	60,084
Treasury shares	-	(200)	-	(200)
Other reserves	5,253	5,253	5,271	5,271
Accumulated losses	(63,990)	(63,990)	(65,534)	(65,534)
Shareholders' fund	1,347	1,147	(179)	(379)
Non-controlling interests	143	143	-	-
Total equity	1,490	1,290	(179)	(379)
NTA attributable to Shareholders	1,316	1,116	(179)	(379)
Cash and bank balances	1,392	1,192	77	(123)
Current assets	2,026	1,826	120	(80)
Current liabilities	1,044	1,044	388	388
Borrowings <sup>(1)</sup>	497	497	26	26
Net loss after tax attributable to Shareholders	(1,923)	(1,923)	(1,171)	(1,171)
Number of Shares ('000)	10,506,683	10,401,617	10,506,683	10,401,617
<b><u>Financial Ratios</u></b>				
NTA per Share (cents) <sup>(2)</sup>	0.013	0.011	(0.002)	(0.004)
Gearing (times) <sup>(3)</sup>	Net cash	Net cash	Negative equity	Negative equity
Current ratio (times) <sup>(4)</sup>	1.94	1.75	0.31	(0.21)
Loss per Share (cents) <sup>(5)</sup>	(0.018)	(0.018)	(0.011)	(0.011)

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## Scenario 2

*Off-Market Purchases of 1% of issued Shares made entirely out of capital and held in treasury.*

S\$'000	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Share capital	60,084	60,084	60,084	60,084
Treasury shares	-	(210)	-	(210)
Other reserves	5,253	5,253	5,271	5,271
Accumulated losses	(63,990)	(63,990)	(65,534)	(65,534)
Shareholders' fund	1,347	1,137	(179)	(389)
Non-controlling interests	143	143	-	-
Total equity	1,490	1,280	(179)	(389)
NTA attributable to Shareholders	1,316	1,106	(179)	(389)
Cash and bank balances	1,392	1,182	77	(133)
Current assets	2,026	1,816	120	(90)
Current liabilities	1,044	1,044	388	388
Borrowings <sup>(1)</sup>	497	497	26	26
Net loss after tax attributable to Shareholders	(1,923)	(1,923)	(1,171)	(1,171)
Number of Shares ('000)	10,506,683	10,401,617	10,506,683	10,401,617
<b>Financial Ratios</b>				
NTA per Share (cents) <sup>(2)</sup>	0.013	0.011	(0.002)	(0.004)
Gearing (times) <sup>(3)</sup>	Net cash	Net cash	Negative equity	Negative equity
Current ratio (times) <sup>(4)</sup>	1.94	1.74	0.31	(0.23)
Loss per Share (cents) <sup>(5)</sup>	(0.018)	(0.018)	(0.011)	(0.011)

### Notes:

- (1) Borrowings comprise finance lease liabilities and lease liabilities arising from adoption of SFRS(I) 16.
- (2) Based on total equity less intangible assets and non-controlling interests.
- (3) Gearing is computed based on the ratio of total borrowings after deducting cash and cash equivalents to Shareholders' funds.
- (4) Current ratio is derived based on the ratio of current assets to current liabilities.
- (5) Loss per share is derived based on net loss after tax attributable to Shareholders over number of Shares.

**SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATIVE PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the proposed renewal of the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury. Shareholders should note that the above analysis is based on the audited financial statements of the Group for the financial year ended 30 June 2024 and is not necessarily representative of future financial performance of the Group and the Company.**

# APPENDIX

Further, the Directors would emphasise that they do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group, or results in the Company being delisted from Catalist. The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution.

## 2.8 Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications of Share Purchases by the Company, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

## 2.9 Reporting Requirements under the Act

Within 30 days of the passing of a Shareholders' resolution to approve the proposed renewal of the Share Purchase Mandate, the Company shall lodge a copy of such resolution with the ACRA. Within 30 days of a purchase or acquisition of Shares on Catalist or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including *inter alia*, details of the Share Purchase, the total number of Shares purchased or acquired by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before and after the Share Purchase, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form as required by ACRA.

## 2.10 Requirements under the Catalist Rules

The Company does not have any individual shareholding limit or foreign shareholding limit. Rule 723 of the Catalist Rules requires a listed company to ensure that at least 10% of any class of its listed securities (excluding treasury shares, preference shares and convertible equity securities) must be held by public shareholders. The term "**public**", as defined under the Catalist Rules, are persons other than (i) the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholder of the Company and its subsidiaries; and (ii) Associates of the persons in (i). As at the Latest Practicable Date, approximately 79.34% of the issued Shares are in the hands of the public. No Shares were held by the Company as treasury shares as at the Latest Practicable Date. Assuming the Company had purchased or acquired Shares from the public up to the full 10% limit pursuant to the Share Purchase Mandate on the Latest Practicable Date, the percentage of the issued Shares held by public Shareholders as at that date would approximately be 77.04%.

The Company will not undertake the Share Purchases to the extent that (i) the number of Shares held by the public would fall below 10% of the total number of issued Shares, thereby affecting the listing status of the Shares on Catalist, and (ii) such Share Purchases would cause market illiquidity or adversely affect the orderly trading of the Shares.

## 2.11 Take-over Implications under the Take-over Code

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

### 2.11.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert obtains or consolidates effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code, unless the conditions for exemption pursuant to paragraph 3(a) of Appendix 2 of the Take-over Code are satisfied.

# APPENDIX

Under Rule 14 of the Take-over Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, *inter alia*, he and persons acting in concert with him increase their voting rights in the Company to 30% or more or, if they, together holding between 30% and 50% of the Company's voting rights, increase their voting rights in the Company by more than 1% in any period of 6 months.

## **2.11.2 Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will be presumed to be acting in concert:

- a) a company with its parent company, subsidiaries, fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;
- b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- c) a company with any of its pension funds and employee share schemes;
- d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;
- e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- f) directors of a company, together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts, which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- g) partners; and
- h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which the Shareholders (including the Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

# APPENDIX

## 2.11.3 ***Effect of Rule 14 and Appendix 2 of the Take-over Code***

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted pursuant to paragraph 3(a) of Appendix 2 of the Take-over Code, the Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

**SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.**

## 2.11.4 ***Application of the Take-over Code***

The number of Shares held by the Directors and Substantial Shareholders are set out in paragraph 3 below. In the event the Company purchases the maximum number of Shares permissible under the Share Purchase Mandate, the shareholdings and voting rights of:

- (a) each of the Directors and their concert parties (as defined in the Take-over Code) remain below 30%; and
- (b) the Substantial Shareholders and their concert parties (as defined in the Take-over Code) remain below 30%,

and accordingly, no mandatory take-over offer is required to be made pursuant to the Take-over Code.

As at the Latest Practicable Date, the Directors are not aware of any other Shareholder who may become obligated to make a mandatory take-over offer for the Company in the event that the Company purchases or acquires the maximum number of Shares under the Share Purchase Mandate.

## 2.12 **Announcement Requirements**

The Catalist Rules specify that a listed company shall announce all purchases or acquisitions of its shares not later than 9:00 am (i) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer made by the Company. Such announcement (which must be in the form of Appendix 8D to the Catalist Rules) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased or acquired, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased or acquired as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase or acquisition.

# APPENDIX

## 2.13 No Purchases or Acquisition during Price or Trade Sensitive Developments

While the Catalist Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times. However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision of the Directors until such time as the price or trade sensitive information has been publicly announced or disseminated in accordance with the requirements of the Catalist Rules.

In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off- Market Purchases during the period commencing 2 weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and 1 month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or 1 month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

## 2.14 Shares Purchased or Acquired by the Company

The Company has not undertaken any purchase or acquisition of Shares pursuant to the Share Purchase Mandate approved by Shareholders at the 2023 AGM up to the Latest Practicable Date.

## 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The shareholding interests of the Directors and the Substantial Shareholders as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest		No. of Shares comprised in outstanding Options or awards granted by the Company	Total Interest		
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>		No. of Shares	% <sup>(1)</sup>	
<b>Directors</b>								
Toh Hock Ghim	-	-	-	-	40,000,000	-	-	
Chng Weng Wah	1,058,970,850	10.08	463,050,000 <sup>(2)</sup>	4.41	182,000,000	1,522,020,850	14.49	
Lim Soon Hock	-	-	-	-	22,500,000	-	-	
Lau Kay Heng	-	-	-	-	25,000,000	-	-	
<b>Substantial Shareholder (other than Directors)</b>								
Tang Wee Loke	627,641,500	5.97	2,000,000 <sup>(3)</sup>	0.02	-	629,641,500	5.99	

### Notes:

- (1) Based on 10,506,683,403 issued Shares as at the Latest Practicable Date.
- (2) Mr. Chng Weng Wah is deemed interested in 463,050,000 Shares held in the custodian account with Citibank Nominees Singapore Pte Ltd, pursuant to Section 7 of the Act.
- (3) Mr. Tang Wee Loke is deemed interested in 2,000,000 Shares held by his children pursuant to Section 7 of the Act.

Save for their respective shareholding interests in the Company, none of the Directors and to the best of the Directors' knowledge, none of the Substantial Shareholders, has any direct or indirect interest in the proposed renewal of the Share Purchase Mandate.

# APPENDIX

## 4. DIRECTORS' RECOMMENDATION

Having considered, *inter alia*, the rationale and benefit of the proposed renewal of the Share Purchase Mandate, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate would be beneficial to, and is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the Share Purchase Mandate, as set out in the Notice of AGM.

## 5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

## 6. COMPLIANCE WITH GOVERNING LAWS, REGULATIONS AND THE CONSTITUTION

The Company confirms that the terms of the proposed renewal of the Share Purchase Mandate do not contravene any laws, regulation and the Constitution governing the Company.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to appoint a proxy to attend and vote at the 2024 AGM on their behalf must complete, sign and return the Proxy Form attached to the Notice of the 2024 AGM in accordance with the instructions printed thereon as soon as possible and (a) by depositing a physical copy at the registered office of the Company's Share Registrar at 30 Cecil Street #19-08 Prudential Tower Singapore 049712, or (b) by sending a scanned PDF copy by email to the Company's Share Registrar at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia) by 10.00 a.m. on 22 October 2024, being no less than seventy-two (72) hours before the time fixed for the AGM. The completion and return of a proxy form by a Shareholder does not preclude him/her from attending and voting in person at the AGM should he/she subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

Shareholders who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions at least seven (7) working days before the AGM in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf no later than the Proxy Deadline.

A Depositor shall not be regarded as a Shareholder of the Company and not entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register and/or the Register of Members at least seventy-two (72) hours before the 2024 AGM.

Shareholders may submit questions relating to the proposed renewal of the Share Buy-Back Mandate in line with the guidelines set out in the notice of the 2024 AGM.



# APPENDIX

## 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected by Shareholders at the Company's registered office at 120 Lower Delta Road, #03-15, Cendex Centre, Singapore 169208 during normal business hours from the date of this Appendix up to the date of the 2024 AGM:

- (a) the Constitution; and
- (b) the Annual Report of the Company.

Yours faithfully,

For and on behalf of the board of Directors of  
**DISA Limited**

Chng Weng Wah  
Managing Director and Chief Executive Officer

# STATISTICS OF SHAREHOLDINGS

As at 16 September 2024

Number of Shares	:	10,506,683,403
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per Share
Number of Treasury Shares	:	Nil
Number of Subsidiary Holdings	:	Nil

## DISTRIBUTION OF SHAREHOLDINGS AS AT 16 SEPTEMBER 2024

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	37	0.44	1,041	0.00
100 - 1,000	345	4.12	300,932	0.00
1,001 - 10,000	2,627	31.38	16,048,941	0.15
10,001 - 1,000,000	4,720	56.38	825,575,589	7.86
1,000,001 AND ABOVE	643	7.68	9,664,756,900	91.99
<b>TOTAL</b>	<b>8,372</b>	<b>100.00</b>	<b>10,506,683,403</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS AS AT 16 SEPTEMBER 2024

NO.	NAME	NO. OF SHARES	%
1	CHNG WENG WAH	1,058,970,850	10.08
2	DBS NOMINEES (PRIVATE) LIMITED	693,279,659	6.60
3	MAYBANK SECURITIES PTE. LTD.	668,807,266	6.37
4	TANG WEE LOKE	627,641,500	5.97
5	CITIBANK NOMINEES SINGAPORE PTE. LTD.	589,767,700	5.61
6	TAN HUI SONG	250,000,146	2.38
7	OCBC SECURITIES PRIVATE LIMITED	200,845,450	1.91
8	PHILLIP SECURITIES PTE. LTD.	161,509,985	1.54
9	CHUA TECK HENG	158,120,000	1.50
10	TAN ENG CHUA EDWIN	155,439,200	1.48
11	CHANG FOO HWA	149,261,200	1.42
12	ANDREW CHAN SZE TIAK	139,639,000	1.33
13	CHEW CHING IDA MRS IDA LEONG	130,000,000	1.24
14	TAN KOH YOUNG	113,500,000	1.08
15	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	111,115,450	1.06
16	HO BENG SIANG	105,500,000	1.00
17	DBSN SERVICES PTE. LTD.	104,953,400	1.00
18	EIO SAIK LIM LARRY	103,054,300	0.98
19	HENG JOON SIANG	90,880,000	0.86
20	TAY GIM SOON (ZHENG JINSHUN)	83,557,200	0.80
		<b>5,695,842,306</b>	<b>54.21</b>

# STATISTICS OF SHAREHOLDINGS

As at 16 September 2024

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

Substantial Shareholders	Direct Interest		Deemed Interest		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chng Weng Wah	1,058,970,850	10.08	463,050,000 <sup>(1)</sup>	4.41	1,522,020,850	14.49
Tang Wee Loke	627,641,500	5.97	2,000,000 <sup>(2)</sup>	0.02	629,641,500	5.99

(1) Mr. Chng Weng Wah is deemed interested in 463,050,000 shares held in the custodian account with Citibank Nominees Singapore Pte Ltd pursuant to Section 7 of the Companies Act 1967 (the “**Companies Act**”).

(2) Mr. Tang Wee Loke is deemed interested in 2,000,000 shares held by his children pursuant to Section 7 of the Companies Act.

Based on the information available to the Company as at 16 September 2024, approximately 79.34% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited is complied with.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Forty-Eighth Annual General Meeting (“**AGM**”) of DISA Limited (the “**Company**”) will be held at 2 Bukit Merah Central, Podium Block, Level 3, Room P301, Singapore 159835, on Friday, 25 October 2024 at 10.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements for the year ended 30 June 2024 together with the Auditors’ Report thereon.  
**(Resolution 1)**
2. To approve the Directors’ Fees of S\$138,800 for the year ended 30 June 2024 (2023: S\$138,800).  
**(Resolution 2)**
3. To note the retirement of Mr. Toh Hock Ghim who is retiring pursuant to Regulation 92 of the Company’s Constitution. Mr. Toh Hock Ghim has decided not to seek for re-election and will retire at the conclusion of the Annual General Meeting  
*[See Explanatory Note (a)]*
4. To re-appoint Messrs Baker Tilly TFW LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration.  
**(Resolution 3)**
5. To transact any other ordinary business which may be properly transacted at an AGM.

## AS SPECIAL BUSINESS

*To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:*

### 6. Authority to allot and issue shares

That pursuant to Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”) and Rule 806 of the Catalyst Rules, authority be and is hereby given to the Directors of the Company to:

- (A) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustment to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (B) (notwithstanding that the authority conferred by this Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Ordinary Resolution was in force,

provided that:

- (a) the aggregate number of Shares to be issued pursuant to this Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 100% of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 50% of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

# NOTICE OF ANNUAL GENERAL MEETING

- (b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the percentage of the total issued Shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of passing of this Ordinary Resolution, after adjusting for:
- (i) new Shares arising from the conversion or exercise of any convertible securities;
  - (ii) new Shares arising from exercise of share options or vesting of share awards, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with sub-paragraphs (b)(i) and (b)(ii) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Ordinary Resolution;

- (c) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Company's Constitution for the time being; and
- (d) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Ordinary Resolution shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law and the Catalist Rules to be held, whichever is the earlier; or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Ordinary Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

*[See Explanatory Note (b)]*

**(Resolution 4)**

7. **Authority to issue shares under the DISA Employee Share Option Scheme 2010 (the "DISA ESOS 2021"), DISA Employee Share Option Scheme 2021 (the "DISA ESOS 2021") and DISA Performance Shares Scheme (the "DISA PS Scheme")**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors of the Company to offer and grant share options and share awards in accordance with the provisions of the DISA ESOS 2021 and DISA PS Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the DISA ESOS 2021, and the vesting of share awards under the DISA PS Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of new Shares to be allotted and issued pursuant to the DISA ESOS 2021 and DISA PS Scheme and any other share schemes implemented or to be implemented by the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and such authority shall, unless revoked or varied by the Company in a general meeting, continue to in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law and the Catalist Rules to be held, whichever is earlier.

*[See Explanatory Note (c)]*

**(Resolution 5)**

8. **To approve the exercise of 182,000,000 options granted under the DISA ESOS 2010 by Mr. Chng Weng Wah, the Managing Director and Chief Executive Officer of the Company**

That subject to and contingent upon the passing of Ordinary Resolution 5, the exercise of 182,000,000 options granted under the DISA ESOS 2010 that would result in transferring of controlling interest in the Company to Mr. Chng Weng Wah be and is hereby approved.

*[See Explanatory Note (d)]*

**(Resolution 6)**

# NOTICE OF ANNUAL GENERAL MEETING

## 9. The Proposed Renewal of the Share Purchase Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the Directors of the Company be and are hereby authorised to purchase or otherwise acquire from time to time issued ordinary shares in the capital of the Company (whether by way of market purchases or off-market purchases on an equal access scheme) of up to a maximum of 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Ordinary Resolution at any price which the Directors may determine at their discretion, up to but not exceeding the Maximum Price (defined below), and such purchases and acquisitions of the Shares may be effected by way of:
  - (i) an on-market share acquisition ("**Market Purchase**") transacted on the SGX-ST through the ready market trading system, through one or more duly licensed stockbrokers or dealers appointed by the Company for such purpose; and/or
  - (ii) an off-market share acquisition ("**Off-Market Purchase**") pursuant to an equal access scheme(s) available to all shareholders, as may be determined or formulated by the Directors in their discretion, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise be in accordance with all other laws and regulations and rules of the SGX-ST ("**Share Purchase Mandate**");
- (b) the authority conferred on the Directors pursuant to the Share Purchase Mandate, unless revoked or varied by the Company in a general meeting, may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:
  - (i) the date on which the next AGM of the Company is held;
  - (ii) the date by which the next AGM of the Company is required by law to be held; and
  - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
- (c) in this Ordinary Resolution, the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors for the purposes to effect the purchase or acquisition of Shares. The purchase price to be paid for the Shares pursuant to the Share Purchase Mandate (both Market Purchases and Off-Market Purchases), excluding related expenses of the purchase or acquisition must not exceed ("**Maximum Price**", in each case below):
  - (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
  - (ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares.

For the above purposes:

**"Average Closing Price"** means the average of the last dealt prices of a Share for the 5 consecutive Market Days (as defined in the Appendix dated 9 October 2024 on which the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer (pursuant to an Off-Market Purchase), and deemed to be adjusted, in accordance with the Catalist Rules for any corporate action which occurs during the relevant 5-day period and the day of the Share Purchase; and

**"date of the making of the offer"** means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

# NOTICE OF ANNUAL GENERAL MEETING

- (d) the Directors and each of them be authorised, empowered to complete and do and execute all such things and acts as they or he may think necessary or expedient to give effect to this Ordinary Resolution, with such modifications thereto (if any) as they or he shall think fit in the interests of the Company.

[See Explanatory Note (e)]

**(Resolution 7)**

BY ORDER OF THE BOARD

Chng Weng Wah  
Managing Director and Chief Executive Officer  
Singapore, 9 October 2024

## Explanatory Notes:

- (a) Mr. Toh Hock Ghim, who is due to retire pursuant to Regulation 92 of the Constitution has decided not to seek for re-election and will therefore retire as a Director at the conclusion of the forthcoming Annual General Meeting. Upon his cessation as Director, Mr. Toh Hock Ghim will also cease to be the Chairman of the Board of Directors, Chairman of the Remuneration Committee and a member of the Audit and Risks Committee and Nominating Committee of the Company.
- (b) The Ordinary Resolution 4 above, if passed, will empower the Directors from the date of passing of the Ordinary Resolution 4 until the date of the next AGM of the Company, or the date by which the AGM of the Company is required by law and the Catalist Rules to be held or when varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares in the capital of the Company and to make or grant Instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such Instruments, up to a number not exceeding 100% of the issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings), of which up to 50% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of Shares which may be issued shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time the Ordinary Resolution 5 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time the Ordinary Resolution 5 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.
- (c) The Ordinary Resolution 5 above, if passed, will empower the Directors of the Company from the date of passing of the Ordinary Resolution 5 until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law and the Catalist Rules to be held or when varied or revoked by the Company in a general meeting, whichever is the earlier, to grant share options under the DISA ESOS 2010 which were approved at the Extraordinary General Meeting of the Company held 28 October 2010 and the DISA ESOS 2021 which were approved at the Extraordinary General Meeting of the Company held 28 October 2021, as well as grant of share awards under the DISA PS Scheme which was renewed at the Extraordinary General Meeting of the Company held on 26 October 2018, and to allot and issue shares upon the exercise of such share options granted in accordance with the DISA ESOS 2021 and the vesting of shares awards under the DISA PS Scheme shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.
- (d) Background

The Ordinary Resolution 6 above, if passed, will authorise the Directors of the Company to allot and issue 182,000,000 new ordinary shares in the issued and paid-up share capital of the Company ("**ESOS Shares**") to Mr. Chng Weng Wah, the Managing Director and Chief Executive Officer and substantial shareholder of the Company pursuant to the exercise of 182,000,000 options granted under the DISA ESOS 2010 at an exercise price of S\$0.002 each. The aggregate exercise price of S\$364,000 will be offset against the accrued salaries and business expenses owing to Mr. Chng and accordingly, no cash consideration will be involved in the exercise of these options. Upon the exercise of the said options, assuming no change to the existing issued and paid-up share capital of the Company as at the date of this notice ("**Existing Share Capital**"), the ESOS Shares represent 1.73% of the Existing Share Capital and 1.70% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company following the allotment and issuance of the ESOS Shares. Mr. Chng holds 15.94% of the total number of issued shares of the Company. Accordingly, Mr. Chng would become a Controlling Shareholder of the Company with effect from the same and shareholders' approval is required pursuant to Rule 803 of the Catalist Rules. The ESOS Shares shall rank *pari passu* in all respects with the existing shares of the Company.

# NOTICE OF ANNUAL GENERAL MEETING

## Rationale

As the Managing Director and CEO of the Group, Mr. Chng Weng Wah is responsible to oversee the Group's growth and executes strategies by developing infrastructure, processes and applications through the development of new digital solutions. He has been seeking development opportunities proactively to capitalise the benefits of digitalisation.

The Company considers Mr. Chng Weng Wah's contributions and participation in the Group as vital in ensuring the continued growth and expansion of the Group's business, and therefore wishes to allow Mr. Chng Weng Wah to exercise his 182,000,000 options granted under the DISA ESOS 2010 that would result in transferring of controlling interest in the Company to Mr. Chng Weng Wah.

The Company believes that Mr. Chng Weng Wah has made and will continue to make invaluable contributions to the Group. The Company is proposing that approval be given to allow the transferring of controlling interest in the Company to Mr. Chng Weng Wah.

## Abstention of vote

Mr. Chng Weng Wah and his associates (as defined under Catalist Rules) shall abstain from voting on this Ordinary Resolution 6. Mr. Chng Weng Wah and his associates shall also decline to accept appointment as proxies for any shareholder to vote in respect of Ordinary Resolution 6, unless the shareholder concerned have given specific instruction in the proxy form as to the manner in which his/her votes are to be cast in respect of Ordinary Resolution 6.

- (e) The Ordinary Resolution 7 above, will authorise the Directors of the Company, from the date this Ordinary Resolution 7 is passed until the next AGM of the Company or the date by which the next AGM of the Company is required by law and the Catalist Rules to be held or when varied or revoked by the Company in a general meeting, whichever is earlier, to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), at prices up to but not exceeding the Maximum Price (as defined above), as at the date of the passing of the Ordinary Resolution 7. Details of the proposed renewal of the Share Purchase Mandate are set out in the Appendix accompanying this Annual Report.

## **Notes:**

1. The members of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate virtually.
2. Documents relating to the Physical AGM are available to members via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at <https://disa.sg/investors.html>.

Printed copies of the Notice of AGM, Proxy Form, and Request Form will be sent to members.

3. Members may participate in the AGM by:
  - (a) attending the AGM in person;
  - (b) submitting questions in advance of, or at the AGM; and/or
  - (c) voting at the AGM themselves personally or through their duly appointed proxy(ies).

Persons who hold shares of the Company through Relevant Intermediaries as defined in Section 181 of the Companies Act, including CPF Investors and/or SRS Investors and who wish to participate in the AGM should contact their respective Relevant Intermediaries (including CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

In the event members encounter COVID-19 like symptoms prior to the AGM, members are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

4. A member (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to the represented by each proxy shall be specified in the form of the proxy. If no such proportion of number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.



# NOTICE OF ANNUAL GENERAL MEETING

5. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote in his/her stead at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) The Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. A proxy need not be a member of the Company.
7. A member of the Company which is a corporation is entitled to appoint its authorised representatives or proxies to vote on its behalf.
8. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

9. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 10.00 a.m. on 22 October 2024, being no later than seventy-two (72) hours before the time set for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
- (a) by sending a scanned PDF copy by email to the Company’s Share Registrar at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia), or
  - (b) by depositing a physical copy at the registered office of the Company’s Share Registrar at 30 Cecil Street #19-08 Prudential Tower Singapore 049712.

The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Seal or under the hand of its attorney or a duly authorised officer. The dispensation of the use of common seal pursuant to the Companies Act is applicable at this AGM.

The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the member being the appointer, is not shown to have shares entered against his/her/their name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company.

10. For investors who holds shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:
- (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the date of the AGM.

# NOTICE OF ANNUAL GENERAL MEETING

11. A member may ask questions relating to the items on the agenda of the AGM at the AGM or submit questions via mail to the Company's registered office at 120 Lower Delta Road #03-15, Cendex Centre Singapore 169208, or email to [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia) in advance of the AGM no later than 5.00 p.m. on 16 October 2024 (the "**Cut-off Time**"), in the following manner:

Members who wish to submit their questions are required to provide the following information together with their submission of questions:

- (a) Full name (for individuals)/company name (for corporates) as per CDP/SRS/CPF account records;
- (b) NRIC or passport number (for individuals)/Company Registration Number (for corporates);
- (c) Number of shares held;
- (d) Contact Number;
- (e) Email Address; and
- (f) Shareholding Type (e.g. CDP or CPF/SRS).

CPF and SRS Investors should contact their respective CPF Agent Banks or SRS Operators through which they hold such shares to submit their questions related to the resolutions to be tabled for approval at the AGM based on the abovementioned instructions.

12. The Company shall address all substantial and relevant questions received from members by the Cut-Off Time, by publishing the responses to such questions on SGXNet and the Company's website no later than 10.00 a.m. on 20 October 2024, being at least forty-eight (48) hours before the closing date and time for the lodgment of proxy form.

The Company will address any subsequent clarification sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the Cut-Off Time which have not already been addressed prior to the AGM, at the AGM.

Verified members and proxy(ies) attending the AGM will be able to ask questions in person at the AGM venue. The minutes of the AGM shall thereafter be published on SGXNet and the Company's corporate website, within one (1) month from the conclusion of the AGM.

13. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it deems fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act.

## Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting, proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), addressing relevant and substantial questions from members received before and/or during the AGM and if necessary, following up with the relevant members in relation to such questions and enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. Photographic, sound, and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the member of the Company or the member's proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such Purposes.

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

*The contact person for the Sponsor is Ms. Lee Khai Yinn (Telephone number: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*

# DISA LIMITED

(Company Registration No. 197501110N)  
(Incorporated in the Republic of Singapore)  
(the "Company")

## IMPORTANT

1. The Annual General Meeting ("AGM") will be held physically at 2 Bukit Merah Central, Podium Block, Level 3, Room P301, Singapore 159835. Members will not have an option to participate virtually.
2. Relevant Intermediaries may appoint more than two proxies to attend the AGM and vote (please see Note 2 for the definition of "Relevant Intermediaries").
3. For investors holding shares through a Relevant Intermediary (including CPF and SRS investors), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. The investors should contact their respective relevant intermediary, Agent Banks or SRS Operations if they have any queries regarding their appointment as proxies.

## PROXY FORM

(Please see notes overleaf before completing this form)

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL <https://www.sgx.com/securities/company-announcements> and <http://disa.sg/investors.html>.

I/We (Name) \_\_\_\_\_ (NRIC/Passport No./Company Registration No.\*) \_\_\_\_\_

of \_\_\_\_\_ (Address),  
being a member/members\* of DISA Limited (the "Company") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or\* (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her/them\*, the Chairman of the Meeting, as my/our\* proxy/proxies\* to attend and vote for me/us\* on my/our\* behalf, by poll, at the Annual General Meeting ("AGM") of the Company to be held physically at 2 Bukit Merah Central, Podium Block, Level 3, Room P301, Singapore 159835 on Friday, 25 October 2024 at 10.00 a.m. and at any adjournment thereof.

I/We\* direct my/our\* proxy/proxies\* to vote for, against, or abstain the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2024			
2	Approval of Directors' fees of S\$138,800 for the financial year ended 30 June 2024 (2023: S\$138,800)			
3	Re-appointment of Messrs Baker Tilly TFW LLP as the Auditors of the Company and authority for the Directors to fix their remuneration			
<b>SPECIAL BUSINESS</b>				
4	Authority to allot and issue shares and/or other instruments			
5	Authority to issue shares under the (i) DISA Employee Share Option Scheme 2010, (ii) DISA Employee Share Option Scheme 2021 and (iii) DISA Performance Shares Scheme			
6	Approval to exercise 182,000,000 options by Mr. Chng Weng Wah granted under DISA Employee Share Option Scheme 2010			
7	Proposed renewal of the Share Purchase Mandate			

\* Delete accordingly

**Note:** If you wish to exercise all your votes "For", "Against" or "Abstain", please tick (✓) within the box provided. Alternatively, please indicate the number of votes "For", "Against" or "Abstain" for each resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024

**Total Number of Ordinary Shares Held**

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Signature(s) of Member(s)/Common Seal of Corporate Member

**IMPORTANT:** Please read notes overleaf



**Notes:**

1. A member of the Company (other than a Relevant Intermediary) is entitled to appoint not more than two proxies to attend and vote in his/her/their stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
2. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the AGM of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her/their stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
  4. A member can appoint the Chairman of the Meeting as his/her/their proxy but this is not mandatory.  
  
In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment for that resolution will be treated as invalid.
  5. Where a member appoints more than one proxy, he/she/they shall specify the proportion of his/her/their shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
  6. A member should insert the total number of shares held. If the member has shares entered against his/her/their name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act), he/she/they should insert that number of shares. If the member has shares registered in his/her/their name in the Register of Members of the Company, he/she/they should insert that number of shares. If the member has shares entered against his/her/their name in the Depository Register and registered in his name in the Register of Members, he/she/they should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all shares held by the member.
  7. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 10.00 a.m. on 22 October 2024, being not less than 72 hours before the time set for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
    - (a) by sending a scanned PDF copy by email to the Company's Share Registrar at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia), or
    - (b) by depositing a physical copy at the registered office of the Company's Share Registrar at 30 Cecil Street #19-08 Prudential Tower Singapore 049712.
  8. For investors who holds shares of the Company through their respective relevant intermediaries (as defined in Section 181 of the Companies Act), including Central Provident Fund Investment Scheme and Supplementary Retirement Scheme Investors:
    - (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
    - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the date of the AGM.
  9. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Seal or under the hand of its attorney or a duly authorised officer. The dispensation of the use of common seal pursuant to the Companies Act 1967 of Singapore is applicable at this AGM.
  10. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  11. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967 of Singapore.

**General:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the member being the appointer, is not shown to have shares entered against his/her/their name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative to vote at the AGM and/or any adjournment thereof, member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of Annual General Meeting of the Company dated 9 October 2024.



Co. Reg. No.: 197501110N  
120 Lower Delta Road  
#03-15, Cendex Centre  
Singapore 169208

website: <http://disa.sg>