

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR FINANCIAL RESULTS

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

BAN LEONG TECHNOLOGIES LIMITED
CONSOLIDATED INCOME STATEMENT

	Group		
	01.04.2020 to 30.09.2020 S\$	01.04.2019 to 30.09.2019 S\$	Increase/ (Decrease)
Revenue	87,107,425	74,241,749	17.3%
Cost of sales	(79,217,650)	(67,517,066)	17.3%
Gross profit	7,889,775	6,724,683	17.3%
	9.06%	9.06%	
Other operating income	820,418	204,472	301.2%
Selling and distribution expenses	(3,246,231)	(3,274,962)	(0.9%)
General and administrative expenses	(2,763,872)	(2,625,909)	5.3%
Profit from operations before foreign exchange	2,700,090	1,028,284	162.6%
Foreign exchange gain	358,545	244,430	46.7%
Profit from operations	3,058,635	1,272,714	140.3%
Financial expenses (Note A)	(45,462)	(81,372)	(44.1%)
Financial income	7,816	12,019	(35.0%)
Operating profit before taxation	3,020,989	1,203,361	151.0%
Taxation	(565,189)	(233,976)	141.6%
Profit after taxation	2,455,800	969,385	153.3%
Attributable to:			
Owners of the Company	2,339,954	968,071	141.7%
Non controlling interests	115,846	1,314	8716.2%
	2,455,800	969,385	153.3%
Other comprehensive income :			
Foreign currency translation	243,450	215,031	13.2%
Other comprehensive income for the period, net of tax	243,450	215,031	13.2%
Total comprehensive income for the period	2,699,250	1,184,416	127.9%
Total comprehensive income attributable to :			
Owners of the Company	2,607,385	1,070,366	143.6%
Non controlling interests	91,865	114,050	(19.5%)
	2,699,250	1,184,416	127.9%

Note 1- Profit before income tax is stated after (charging) /crediting the following:

	Group		
	01.04.2020 to 30.09.2020 S\$	01.04.2019 to 30.09.2019 S\$	Increase/ (Decrease)
Allowance for doubtful trade receivables	(54,000)	(54,000)	0.0%
Depreciation of property, plant and equipment and right of use assets	(681,205)	(628,375)	8.4%
Allowance for inventory obsolescence	(126,484)	(150,000)	(15.7%)

	Group		
	01.04.2020 to 30.09.2020 S\$	01.04.2019 to 30.09.2019 S\$	Increase/ (Decrease)
Financial expenses			
Trade bill interest	157	3,392	(95.4%)
Loan interest	4,300	30,205	(85.8%)
Finance lease interest	41,005	47,775	(14.2%)
	45,462	81,372	(44.1%)

n.m. = not meaningful

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

BAN LEONG TECHNOLOGIES LIMITED
STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	S\$	S\$	S\$	S\$
Non-current assets				
Property, plant and equipment	1,042,293	1,236,088	924,864	1,096,649
Right of use assets	2,483,341	2,944,601	2,215,420	2,537,595
Investment in subsidiaries	-	-	119,182	119,182
Investment in unquoted equity shares	-	-	-	-
Deferred tax assets	30,395	30,275	-	-
	3,556,029	4,210,964	3,259,466	3,753,426
Current assets				
Inventories	23,847,245	21,136,221	12,875,038	11,250,905
Trade receivables	21,773,118	22,059,899	18,141,675	20,885,492
Other receivables and deposits	924,931	4,466,904	492,796	3,618,677
Prepayments	221,199	206,240	183,584	174,527
Cash and cash equivalents	11,960,941	14,842,141	6,785,514	9,462,906
	58,727,434	62,711,405	38,478,607	45,392,507
Current Liabilities				
Trade payables	(14,834,621)	(17,590,455)	(10,108,719)	(14,558,930)
Bills payable to banks (unsecured)	-	(773,652)	-	(773,652)
Short-term loans	-	(3,350,000)	-	(3,350,000)
Other payables and accruals	(8,661,017)	(7,562,722)	(6,653,349)	(6,863,125)
Lease liability - current	(814,638)	(900,216)	(676,223)	(691,014)
Income tax payable	(1,028,327)	(649,561)	(801,072)	(523,385)
	(25,338,603)	(30,826,606)	(18,239,363)	(26,760,106)
Net current assets	33,388,831	31,884,799	20,239,244	18,632,401
Non-current liabilities				
Lease liability - non current	(1,746,604)	(2,157,481)	(1,626,378)	(1,965,564)
Deferred tax liabilities	(57,666)	(57,666)	(57,666)	(57,666)
Net assets	35,140,590	33,880,616	21,814,666	20,362,597
Equity attributable to owners of the Company				
Share capital	11,173,106	11,173,106	11,173,106	11,173,106
Returned shares	(104,822)	(104,822)	(104,822)	(104,822)
Treasury shares	(586,632)	(570,703)	(586,632)	(570,703)
Other reserve	65,685	65,685	-	-
Retained earnings	22,064,793	21,148,186	11,333,014	9,865,016
Foreign currency translation reserve	307,466	40,035	-	-
	32,919,596	31,751,487	21,814,666	20,362,597
Non-controlling interests	2,220,994	2,129,129	-	-
Total equity	35,140,590	33,880,616	21,814,666	20,362,597

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

Amount repayable in one year or less, or on demand

30.09.2020		31.03.2020	
Secured	Unsecured	Secured	Unsecured
36,490	-	35,598	4,123,652

Amount repayable after one year

30.09.2020		31.03.2020	
Secured	Unsecured	Secured	Unsecured
132,448	-	150,871	-

Details of any collateral

Finance lease is secured by the fixed assets acquired under the lease arrangement.

1(c)

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

BAN LEONG TECHNOLOGIES LIMITED

CASH FLOW STATEMENTS

	Group	
	01.04.2020 to 30.09.2020 S\$	01.04.2019 to 30.09.2019 S\$
Cash flows from operating activities		
Profit before taxation	3,020,989	1,203,361
Adjustments for:		
Depreciation of property, plant and equipment and right of use assets	681,205	628,375
Gain on disposal of property, plant and equipment	(359)	(2,438)
Allowance for doubtful trade receivables	54,000	54,000
Allowance for inventory obsolescence	126,484	150,000
Interest expense	45,462	81,372
Interest income	(7,816)	(12,019)
Translation difference	276,869	59,058
Operating cash flows before working capital changes	4,196,834	2,161,709
(Increase)/decrease in		
Inventories	(2,837,508)	102,000
Trade receivables	232,781	3,399,969
Other receivables and deposits	3,541,973	1,065,569
Prepayments	(14,959)	(15,090)
Increase/(decrease) in :		
Trade payables	(2,755,834)	(6,897,879)
Bills payable to banks (unsecured)	(773,652)	(457,568)
Other payables and accruals	1,098,295	(691,502)
(Repayment of)/proceeds from short-term loans	(3,350,000)	500,000
Cash used in operations	(662,070)	(832,792)
Interest expense paid	(45,462)	(81,372)
Interest income received	7,816	12,019
Income tax paid	(186,543)	(341,261)
Net cash used in operating activities	(886,259)	(1,243,406)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	26,778	2,493
Purchase of property, plant and equipment	(58,587)	(546,043)
Net cash used in investing activities	(31,809)	(543,550)
Cash flow from financing activities		
Repayment of principal portion of lease liabilities	(491,057)	(455,604)
Purchase of treasury shares	(15,929)	-
Dividend paid	(1,423,347)	(1,135,821)
Net cash used in financing activities	(1,930,333)	(1,591,425)
Net decrease in cash and cash equivalents	(2,848,401)	(3,378,381)
Effect of exchange rate changes on cash and cash equivalents	(32,799)	149,839
Cash and cash equivalents at the beginning of the period	14,842,141	13,494,085
Cash and cash equivalents at the end of the period	11,960,941	10,265,543

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

STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Total equity attributable to owners of the parent		
2020/21 Group									
Opening balance at 1 April 2020	11,173,106	(104,822)	(570,703)	21,148,186	40,035	65,685	31,751,487	2,129,129	33,880,616
Profit for the period	-	-	-	2,339,954	-	-	2,339,954	115,846	2,455,800
Other comprehensive income for the period	-	-	-	-	267,431	-	267,431	(23,981)	243,450
Total comprehensive income for the period	-	-	-	2,339,954	267,431	-	2,607,385	91,865	2,699,250
Purchase of treasury shares	-	-	(15,929)	-	-	-	(15,929)	-	(15,929)
Dividends	-	-	-	(1,423,347)	-	-	(1,423,347)	-	(1,423,347)
Balance as at 30 September 2020	11,173,106	(104,822)	(586,632)	22,064,793	307,466	65,685	32,919,596	2,220,994	35,140,590

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Total equity attributable to owners of the parent		
2019/20 Group									
Opening balance at 1 April 2019	11,173,106	(104,822)	(570,703)	19,426,077	132,413	65,685	30,121,756	1,957,702	32,079,458
Profit for the period	-	-	-	968,071	-	-	968,071	1,314	969,385
Other comprehensive income for the period	-	-	-	-	102,295	-	102,295	112,736	215,031
Total comprehensive income for the period	-	-	-	968,071	102,295	-	1,070,366	114,050	1,184,416
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	(1,135,821)	-	-	(1,135,821)	-	(1,135,821)
Balance as at 30 September 2019	11,173,106	(104,822)	(570,703)	19,258,327	234,708	65,685	30,056,301	2,071,752	32,128,053

	Attributable to owners of the Company				
	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
2020/21 Company					
Opening balance as at 1 April 2020	11,173,106	(104,822)	(570,703)	9,865,016	20,362,597
Profit for the period	-	-	-	2,891,345	2,891,345
Total comprehensive income for the period	-	-	-	2,891,345	2,891,345
Purchase of treasury shares	-	-	(15,929)	-	(15,929)
Dividends	-	-	-	(1,423,347)	(1,423,347)
Balance as at 30 September 2020	11,173,106	(104,822)	(586,632)	11,333,014	21,814,666

	Attributable to owners of the Company				
	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
2019/20 Company					
Opening balance as at 1 April 2019	11,173,106	(104,822)	(570,703)	8,744,162	19,241,743
Profit for the period	-	-	-	660,988	660,988
Total comprehensive income for the period	-	-	-	660,988	660,988
Purchase of treasury shares	-	-	-	-	-
Dividends	-	-	-	(1,135,821)	(1,135,821)
Balance as at 30 September 2019	11,173,106	(104,822)	(570,703)	8,269,329	18,766,910

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

Treasury shares	HY2020/21		HY2019/20	
	No. of share	S\$	No. of share	S\$
Balance as at 1 April	2,577,000	570,703	2,577,000	570,703
Purchased during the period	62,500	15,929	-	-
Balance as at 30 September	2,639,500	586,632	2,577,000	570,703

1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30.09.2020	31.03.2020
Total no. of issued shares (excluding treasury shares and returned shares)	113,860,500	113,923,000

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

Not applicable as there were no sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the financial period.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as there were no sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the financial period.

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

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 March 2020 except for the adoption of new or revised SFRS(I) and INT SFRS(I) that are mandatory for financial years beginning on or after 1 April 2020. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's consolidated financial statements.

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

Please refer to item 4 above.

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

	Group	
	30.09.2020	30.09.2019
Earnings per ordinary share (cents)		
Based on weighted average number of ordinary shares in issue	2.05	0.85
Based on a fully diluted basis	2.05	0.85
Weighted average number of shares	113,911,388	113,923,000

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

	Group		Company	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the period reported on	28.91	27.87	17.99	17.87

Net asset value per ordinary share for the period ended 30 September 2020 was calculated based on net assets of the Group and Company after deducting non controlling interests divided by 113,860,500 shares, excluding 2,639,500 treasury shares and 681,818 returned shares. (FY2019/20:113,923,000 shares, excluding 2,577,000 treasury shares and 681,818 returned shares).

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion on the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Turnover, Earnings & Cost

Revenue increased by \$12.9mil or 17.3% from \$74.2mil in HY2019/20 to \$87.1mil in HY2020/21 and almost all the increase was attributable to stronger demand for video collaboration tools mainly driven by the rising work from home, learn from home trends. Additionally, demand for gaming accessories also improved due to popularity of online video games amid the pandemic-led stay at home environment.

Gross profits increased by about \$1.2mil or 17.3% from \$6.7mil in HY2019/20 to \$7.9mil in HY2020/21 mainly from higher revenue from the accessories segment. Gross profit margin remain relatively stable at 9.1% for both periods.

Other operating income increased by \$0.6mil or 301.2% from \$0.2mil in HY2019/20 to \$0.8mil HY2020/21 and a substantial part of the increase came from government support including Job Support Scheme, Capability Development Grant and Professional Conversion Programmes.

The Group saw a marginal decrease in selling and distribution expenses of about \$28.7k or 0.9% to \$3.2mil in HY2020/21 as the Group spent less on travelling.

General and administrative expenses increased by \$0.1mil or 5.3% as the Group recorded a loss on deregistration of a subsidiary amounting to \$0.1mil.

An increase in foreign exchange gain of \$0.1mil was recorded in HY2020/21 and these came from Malaysia ringgit strengthening against the USD.

Finance expenses decreased by about \$35.9k or 44.1% to \$45.5k for HY2020/21 as trade bills and bank loans were paid in full as at HY2020/21.

Assets & Liabilities, Cash flow

The non current assets decreased by \$0.6mil or 15.6%, from \$4.2mil in FY2019/20 to \$3.6mil in HY2020/21 as the Group depreciate the property, plant and equipment and the right of use assets.

The Group saw trade receivables decreased by \$0.3mil or 1.3% from \$22.1mil in FY2019/20 to \$21.8mil in HY2020/21 and the trade receivables turnover in days decreased to 46 days (FY2019/20:53 days).

Specific allowance has been made for doubtful debts after due consideration by the management and Board.

The trade payables decreased by \$2.8mil or 15.7% from \$17.6mil in FY2019/20 to \$14.8mil in HY2020/21 with turnover days decreased to 37 days (FY2019/20:55 days).

Inventory increased by \$2.7mil or 12.8% from \$21.1mil in FY2019/20 to \$23.8mil in HY2020/21. Inventory turnover in days decreased to 52 days (FY2019/20: 63 days). Specific allowance has been made for slow moving items and management deems it as adequate.

The Group paid up all trade bills and bank loans and there were no bank borrowings as at HY2020/21.

Cash from operations decreased to about \$0.7mil as the Group improved the collection from trade and other receivables for payment of trade payables, trade bills and bank loans.

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

No forecasts have been provided previously.

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

While the pandemic has brought disruptions to businesses and consumers, the prudent strategy adopted by the company has reaped rewards and we are able to deliver higher profits for this half year results.

Uncertainties in the industry and overall business activities are expected, as evidenced from the recent rising number of covid-19 cases in various countries in the region and globally. The continued demand for IT products from changes in businesses and individual practices may be positive for the IT industry. We will continue to remain vigilant in our inventory management and cashflow management for the second half of the financial year.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No interim dividend is recommended.

(b)(i) Current financial period

No interim dividend is recommended.

(b)(ii) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable

(d) The date the dividend is payable

Not applicable

(e) Books closure date The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared for HY2020/21 as the Board of Directors deems it appropriate to conserve funds for the Group's business activities and working capital requirement.

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

Name of Interested Person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	HY21	HY20	HY21	HY20
	Apr 20 - Sep 20	Apr 19 - Sep 19	Apr 20 - Sep 20	Apr 19 - Sep 19
	S\$	S\$	S\$	S\$
Beijing Lava Techonology Development Co., Ltd	-	-	4,150,727	-

14 Statement pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that We, Teng Woo Boon and Neo Gim Kiong, being the two Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the Group and the Company for the period ended 30 September 2020, to be false or misleading in any material aspect.

Teng Woo Boon
Managing Director

Neo Gim Kiong
Independent Director

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of Singapore Exchange Securities Trading Limited.

ON BEHALF OF THE BOARD

RONALD TENG WOO BOON
MANAGING DIRECTOR
Date: 06 November 2020