

**BAN LEONG TECHNOLOGIES LIMITED  
AND SUBSIDIARY COMPANIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

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A. Condensed interim consolidated statement of profit and loss and other comprehensive income

	Group		Increase/ (Decrease)
	01.04.2023 to 30.09.2023 S\$	01.04.2022 to 30.09.2022 S\$	
<b>Revenue</b>	102,429,987	100,349,266	2.1%
Cost of sales	(93,395,471)	(91,132,343)	2.5%
<b>Gross profit</b>	<b>9,034,516</b>	<b>9,216,923</b>	<b>(2.0%)</b>
	8.8%	9.2%	
Other operating income	80,337	194,007	(58.6%)
Selling and distribution expenses	(3,742,768)	(3,858,506)	(3.0%)
General and administrative expenses	(2,968,978)	(2,842,618)	4.4%
<b>Profit from operations before foreign exchange</b>	<b>2,403,107</b>	<b>2,709,806</b>	<b>(11.3%)</b>
Foreign exchange gain	284,007	370,070	(23.3%)
<b>Profit from operations</b>	<b>2,687,114</b>	<b>3,079,876</b>	<b>(12.8%)</b>
Financial expenses	(47,345)	(60,325)	(21.5%)
Financial income	11,478	2,765	315.1%
<b>Operating profit before taxation</b>	<b>2,651,247</b>	<b>3,022,316</b>	<b>(12.3%)</b>
Taxation	(484,143)	(619,044)	(21.8%)
<b>Profit after taxation</b>	<b>2,167,104</b>	<b>2,403,272</b>	<b>(9.8%)</b>
<b>Attributable to:</b>			
Owners of the Company	2,169,786	2,360,499	(8.1%)
Non controlling interests	(2,682)	42,773	(106.3%)
	2,167,104	2,403,272	(9.8%)
<b>Other comprehensive income:</b>			
Foreign currency translation	(398,908)	(568,781)	(29.9%)
<b>Other comprehensive income for the period, net of tax</b>	<b>(398,908)</b>	<b>(568,781)</b>	<b>(29.9%)</b>
<b>Total comprehensive income for the period</b>	<b>1,768,196</b>	<b>1,834,491</b>	<b>(3.6%)</b>
Total comprehensive income attributable to:			
Owners of the Company	1,845,327	1,924,611	(4.1%)
Non controlling interests	(77,131)	(90,120)	(14.4%)
	<b>1,768,196</b>	<b>1,834,491</b>	<b>(3.6%)</b>
<b>Earnings per share for profit for the period attributable to the owners of the Company during the period:</b>			
Basic (SGD in cent)	1.94	2.08	
Diluted (SGD in cent)	1.94	2.08	

**B. Condensed interim statements of financial position**

	Group		Company	
	30.09.2023	31.03.2023	30.09.2023	31.03.2023
	S\$	S\$	S\$	S\$
<b>Non-current assets</b>				
Property, plant and equipment	361,962	469,111	204,396	275,084
Right of use assets	762,415	1,254,771	285,704	604,552
Investment in subsidiaries	-	-	639,938	639,938
Deferred tax assets	14,200	14,200	1,783	1,783
Non current other receivable	1,362,000	1,329,000	1,362,000	1,329,000
	2,500,577	3,067,082	2,493,821	2,850,357
<b>Current assets</b>				
Inventories	30,498,738	28,667,829	17,239,969	17,142,310
Trade receivables	24,104,946	24,831,494	20,577,160	19,660,877
Other receivables and deposits	3,733,303	4,461,617	3,184,306	4,413,659
Prepayments	91,986	73,807	69,140	57,522
Cash and cash equivalents	18,907,146	18,005,421	12,303,599	11,871,990
	77,336,119	76,040,168	53,374,174	53,146,358
<b>Current Liabilities</b>				
Trade payables	(25,156,064)	(23,191,593)	(19,372,860)	(17,827,328)
Bills payable to banks	(1,585,521)	(852,550)	(900,606)	(852,550)
Short-term loans	(1,200,000)	(800,000)	(1,200,000)	(800,000)
Other payables and accruals	(6,325,037)	(7,670,779)	(4,452,788)	(5,749,732)
Lease liability - current	(353,774)	(760,168)	(136,438)	(492,522)
Income tax payable	(774,690)	(800,498)	(734,403)	(755,913)
	(35,395,086)	(34,075,588)	(26,797,095)	(26,478,045)
<b>Net current assets</b>	41,941,033	41,964,580	26,577,079	26,668,313
<b>Non-current liabilities</b>				
Lease liability - non current	(290,251)	(429,360)	(26,028)	(46,203)
Deferred tax liabilities	-	-	-	-
	(290,251)	(429,360)	(26,028)	(46,203)
<b>Net assets</b>	44,151,359	44,602,302	29,044,872	29,472,467
<b>Equity attributable to owners of the Company</b>				
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	(1,277,447)	(1,018,212)	(1,277,447)	(1,018,212)
Other reserve	65,685	65,685	-	-
Retained earnings	33,377,351	33,167,469	19,254,035	19,422,395
Foreign currency translation reserve	(868,985)	(544,526)	-	-
	42,364,888	42,738,700	29,044,872	29,472,467
Non-controlling interests	1,786,471	1,863,602	-	-
<b>Total equity</b>	44,151,359	44,602,302	29,044,872	29,472,467

**C. Condensed interim statements of changes in equity**

2023/24 Group	Attributable to owners of the Company							Non-	Total equity
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign	Other	Total equity		
Opening balance at 1 April 2023	11,173,106	(104,822)	(1,018,212)	33,167,469	(544,526)	65,685	42,738,700	1,863,602	44,602,302
Profit for the period	-	-	-	2,169,786	-	-	2,169,786	(2,682)	2,167,104
Other comprehensive income for the period	-	-	-	-	(324,459)	-	(324,459)	(74,449)	(398,908)
Total comprehensive income for the period	-	-	-	2,169,786	(324,459)	-	1,845,327	(77,131)	1,768,196
Purchase of treasury shares	-	-	(259,235)	-	-	-	(259,235)	-	(259,235)
Dividends	-	-	-	(1,959,904)	-	-	(1,959,904)	-	(1,959,904)
Balance as at 30 September 2023	11,173,106	(104,822)	(1,277,447)	33,377,351	(868,985)	65,685	42,364,888	1,786,471	44,151,359

2022/23 Group	Attributable to owners of the Company							Non-	Total equity
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign	Other	Total equity		
Opening balance at 1 April 2022	11,173,106	(104,822)	(757,251)	31,516,279	(5,905)	65,685	41,887,092	1,763,752	43,650,844
Profit for the period	-	-	-	2,360,499	-	-	2,360,499	42,773	2,403,272
Other comprehensive income for the period	-	-	-	-	(435,888)	-	(435,888)	(132,893)	(568,781)
Total comprehensive income for the period	-	-	-	2,360,499	(435,888)	-	1,924,611	(90,120)	1,834,491
Purchase of treasury shares	-	-	(121,508)	-	-	-	(121,508)	-	(121,508)
Dividends	-	-	-	(3,394,056)	-	-	(3,394,056)	-	(3,394,056)
Balance as at 30 September 2022	11,173,106	(104,822)	(878,759)	30,482,722	(441,793)	65,685	40,296,139	1,673,632	41,969,771

2023/24 Company	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
Opening balance as at 1 April 2023	11,173,106	(104,822)	(1,018,212)	19,422,395	29,472,467
Profit for the period	-	-	-	1,791,544	1,791,544
Total comprehensive income for the period	-	-	-	1,791,544	1,791,544
Purchase of treasury shares	-	-	(259,235)	-	(259,235)
Dividends	-	-	-	(1,959,904)	(1,959,904)
Balance as at 30 September 2023	11,173,106	(104,822)	(1,277,447)	19,254,035	29,044,872

2022/23 Company	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
Opening balance as at 1 April 2022	11,173,106	(104,822)	(757,251)	18,941,048	29,252,081
Profit for the period	-	-	-	2,000,896	2,000,896
Total comprehensive income for the period	-	-	-	2,000,896	2,000,896
Purchase of treasury shares	-	-	(121,508)	-	(121,508)
Dividends	-	-	-	(3,394,056)	(3,394,056)
Balance as at 30 September 2022	11,173,106	(104,822)	(878,759)	17,547,888	27,737,413

**D. Condensed interim consolidated statement of cash flows**

	Group	
	01.04.2023 to 30.09.2023 S\$	01.04.2022 to 30.09.2022 S\$
<b>Cash flows from operating activities</b>		
Profit before taxation	2,651,247	3,022,316
Adjustments for:		
Depreciation of property, plant and equipment and right of use assets	620,566	724,153
Gain on disposal of property, plant and equipment	-	(17,587)
Allowance for expected credit losses	54,000	54,000
Allowance for inventory to net realisable value	170,958	150,000
Interest expense	47,345	60,325
Interest income	(11,478)	(2,765)
Translation difference	(209,012)	(415,129)
<b>Operating cash flows before working capital changes</b>	3,323,626	3,575,313
(Increase)/decrease in		
Inventories	(2,001,867)	(7,645,601)
Trade receivables	672,548	1,408,566
Other receivables and deposits	695,314	(1,587,796)
Prepayments	(18,179)	(21,735)
Increase/(decrease) in:		
Trade payables	1,964,471	1,278,136
Other payables and accruals	(1,345,742)	(2,357,365)
<b>Cash flows generated from/(used in) operations</b>	3,290,171	(5,350,482)
Interest expense paid	(47,345)	(60,325)
Interest income received	11,478	2,765
Income tax paid	(509,951)	(1,002,477)
<b>Net cash flows from/(used in) operating activities</b>	2,744,353	(6,410,519)
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	17,587
Purchase of property, plant and equipment	(48,838)	(54,016)
<b>Net cash flows used in investing activities</b>	(48,838)	(36,429)
<b>Cash flows from financing activities</b>		
Bills payable to banks	732,971	(371,810)
Proceeds from /(repayment of) short-term loans	400,000	650,000
Repayment of principal portion of lease liabilities	(524,895)	(510,410)
Purchase of treasury shares	(259,235)	(121,508)
Dividend paid	(1,959,904)	(3,394,056)
<b>Net cash flows used in financing activities</b>	(1,611,063)	(3,747,784)
<b>Net increase/(decrease) in cash and cash equivalents</b>	1,084,452	(10,194,732)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(182,727)	(142,798)
<b>Cash and cash equivalents at the beginning of the period</b>	18,005,421	19,900,146
<b>Cash and cash equivalents at the end of the period</b>	18,907,146	9,562,616

**E. Notes to the condensed interim consolidated financial statements**
**1 Corporate Information**

Ban Leong Technologies Limited (the "Company") is a limited liability company which is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 150 Ubi Avenue 4, #04-01 Ubi Biz-Hub, Singapore 408825.

The principal activities of the Company and its subsidiaries (the "Group") are the wholesale and distribution of computer peripherals, accessories and other multimedia products.

**2 Basis of Preparation**

The condensed interim financial statements for the six months ended 30 September 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of the new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars (SGD or S\$).

## 2.1 New and amended standards adopted by the Group

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

## 2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023.

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

## 2.3 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 are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### (i) Allowance for inventory to net realisable value

Allowance for inventory to net realisable value is estimated based on the best available facts and circumstances, including but not limited to the stocks' own physical conditions, their market selling prices, the sales trend, estimated costs to be incurred for their sales and price protection and support provided by suppliers. The allowances are re-evaluated and adjusted as additional information received affects the amount estimated.

The carrying amount of the Group's inventories as at 30 September 2023 is \$30,498,738 (31 March 2023: \$28,667,829).

### (ii) Allowance for expected credit losses ("ECL")

The allowance for ECL is established on the basis of making debtor specific impairment loss provision, which is based on the assessment of the ability of individual debtors who are credit impaired, and for remaining trade receivable balances by determining the default rates to be applied against trade receivables after the specific impairment loss provision.

The assessment of the debtor's ability to pay are based on the age of the balances, payment history, status of negotiations with debtors and other external information available to management to assess the creditworthiness of the debtor. The default rates are based on the Group's historical credit loss experience, profiling customers by credit risk characteristics and are adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the Group's trade receivables as at 30 September 2023 is \$24,104,946 (31 March 2023: \$24,831,494).

### (iii) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. The Group establishes tax provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group companies' domicile.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amount of the Group's income tax payable at the end of the reporting period was \$774,690 (31 March 2023: \$800,498). The carrying amount of the Group's deferred tax assets and deferred tax liabilities at the end of the reporting period was \$14,200 (31 March 2023: \$14,200) and \$Nil (31 March 2023: \$Nil) respectively.

### 3 Seasonal operations

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

### 4 Segment and revenue information

The Group is organised into business units based on their products and services and is organised into 3 main operating segments, namely:

(a) Multimedia

Audio and visual products, such as ear phones, speakers, cameras and commercial and consumer displays.

(b) Data storage

Products that are used in the storage of data such as cloud drives, HDD enclosures, Blu-ray and portable DVD-RW.

(c) IT accessories

PC-related accessories such as computer systems, components, peripherals, printers, mobile products from wearables, accessories and powerpacks. New categories include smart home solutions and robotics

These operating segments are reported in a manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Business segments

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied, net of discounts, returns and applicable goods and services tax.

	Group			Total
	IT accessories	Multimedia	Data storage	
	S\$	S\$	S\$	S\$
2023/24				
Revenue	40,129,453	61,574,877	725,657	102,429,987
Segment result	1,074,147	1,589,839	23,128	2,687,114
	2.7%	2.6%	3.2%	2.6%
Financial expenses				(47,345)
Financial income				11,478
Profit before taxation				2,651,247
Taxation				(484,143)
Profit after taxation				2,167,104
<b>Assets and liabilities:</b>				
Inventories	14,293,256	16,112,290	93,192	30,498,738
Unallocated assets				49,337,958
<b>Total assets</b>				<b>79,836,696</b>
Unallocated liabilities				35,685,337
<b>Total liabilities</b>				<b>35,685,337</b>
Depreciation of property, plant and equipment and right of use assets				620,566
Other non-cash expenses				224,958
Capital expenditure				48,838

	Group			Total
	IT accessories	Multimedia	Data storage	
	S\$	S\$	S\$	S\$
2022/23				
Revenue	43,000,364	56,241,290	1,107,612	100,349,266
Segment result	1,531,438	1,511,044	37,394	3,079,876
	3.6%	2.7%	3.4%	3.1%
Financial expenses				(60,325)
Financial income				2,765
Profit before taxation				3,022,316
Taxation				(619,044)
Profit after taxation				2,403,272
<b>Assets and liabilities:</b>				
Inventories	15,191,375	13,324,360	152,094	28,667,829
Unallocated assets				50,439,421
<b>Total assets</b>				<b>79,107,250</b>
Unallocated liabilities				34,504,948
<b>Total liabilities</b>				<b>34,504,948</b>
Depreciation of property, plant and equipment and right of use assets				724,153
Other non-cash expenses				186,413
Capital expenditure				54,016

#### 4.2 Geographical segments

	Revenue	
	30.09.2023	30.09.2022
	S\$	S\$
Singapore	82,659,141	77,465,034
Malaysia	9,217,633	11,504,632
Thailand	5,311,585	6,300,334
Asia	5,106,232	4,949,711
Others	135,396	129,555
Total	102,429,987	100,349,266
<b>Timing of transfer of goods or services</b>		
At a point in time	102,429,987	100,349,266

## 5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2023 and 31 March 2023.

	The Group		The Company	
	30.09.2023	31.03.2023	30.09.2023	31.03.2023
	\$	\$	\$	\$
Financial Assets				
Trade receivables	24,104,946	24,831,494	20,577,160	19,660,877
Other receivables and deposits	3,233,663	4,056,583	2,831,385	3,562,247
Cash and cash equivalents	18,907,146	18,005,421	12,303,599	11,871,990
<b>Financial assets at amortised cost</b>	<b>46,245,755</b>	<b>46,893,498</b>	<b>35,712,144</b>	<b>35,095,114</b>
Financial Liabilities				
Trade payables	24,798,343	22,797,971	19,095,651	17,459,046
Bills payables to bank	1,585,521	852,550	900,606	852,550
Short-term loans	1,200,000	800,000	1,200,000	800,000
Other payables and accruals	5,786,804	7,230,742	4,071,522	4,869,375
<b>Financial liabilities at amortised cost</b>	<b>33,370,668</b>	<b>31,681,263</b>	<b>25,267,779</b>	<b>23,980,971</b>

## 6 Profit before taxation

### 6.1 Significant items

	The Group	
	30.09.2023	30.09.2022
	\$	\$
Depreciation of property, plant and equipment and right of use assets	620,566	724,153
Gain on disposal of property, plant and equipment	-	(17,587)
Allowance for expected credit losses	54,000	54,000
Allowance for inventory to net realisable value	170,958	150,000
Employee benefits expense	4,847,245	4,703,179
Foreign exchange gain, net	(284,007)	(370,070)
Operating lease expenses	221,057	155,817

### 6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

## 7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group	
	30.09.2023	30.09.2022
	\$	\$
Current income tax expense	484,143	619,044
Deferred income tax expense relating to origination and reversal of temporary differences	-	-

## 8 Dividends

Interim dividend was recommended for HY2023/24 (HY2022/23:0.75cent).

	The Group	
	30.09.2023	30.09.2022
	\$	\$
Ordinary dividends paid:		
Interim exempt 2024 dividend of 0.60cent per share (2023:0.75cent)	671,967	846,249
Dividend per share (net of tax)	0.60cent	0.75cent

9 Net Asset Value

	Group		Company	
	30.09.2023	31.03.2023	30.09.2023	31.03.2023
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the period reported on	37.83	37.91	25.93	26.14

Net asset value per ordinary share for period ended 30 September 2023 was calculated based on net assets of the Group and Company after deducting non controlling interests divided by 111,994,500 shares, excluding 4,505,500 treasury shares and 681,818 returned shares. (FY2022/23 : 112,733,200 shares, excluding 3,766,800 treasury shares and 681,818 returned shares).

10 Property, plant and equipment

During the six months ended 30 September 2023, the Group acquired assets amounting to \$48,838 (HY2022/23: \$54,016) and disposed of assets amount to \$1,076 (HY2022/23: \$67,425)

11 Borrowings

	The Group	
	30.09.2023	31.03.2023
	\$	\$
Amount repayable within one year or on demand		
Secured *	723,248	37,452
Unsecured	2,100,606	1,652,550
Amount repayable after one year		
Secured *	13,112	32,502
Unsecured	-	-

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

12 Share capital

Share capital	HY2023/24		HY2022/23	
	No. of share	\$	No. of share	\$
Issued and fully paid ordinary share	117,181,818	11,173,106	117,181,818	11,173,106

Treasury shares	HY2023/24		HY2022/23	
	No. of share	\$	No. of share	\$
Balance as at 1 April	3,766,800	1,018,212	3,095,700	757,251
Purchased during the period	738,700	259,235	269,100	121,508
Balance as at 30 September	4,505,500	1,277,447	3,364,800	878,759

13 Fair value of assets and liabilities

(a) Fair value hierarchy

The Group and Company categorised fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- (i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- (ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Lease liabilities, trade receivables, other receivables and deposits, cash and cash equivalents, trade payables, bills payable to banks (unsecured) and short-term loans, other payables and accruals.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature. Lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

## F. OTHER INFORMATION

### 1 Review

The condensed consolidated statement of financial position of Ban Leong Technologies Limited and its subsidiaries as at 30 September 2023 and the related consolidated profit and loss and other comprehensive income, condensed statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2 Review of performance of the Group

#### Turnover, Earnings & Cost

Revenue increased by \$2.1mil or 2.1% from \$100.3mil in HY2022/23 to \$102.4mil in HY2023/24 with increase mainly contributed by the multimedia segment improving by \$5.4mil or 9.5% from \$56.2mil in HY2022/23 to \$61.6mil in HY2023/24. The IT accessories and the storage segment decreased by \$2.9mil and \$0.4mil or 6.7% and 34.5% respectively as compared to last financial period. The retail and online segment recorded a decline in revenue while the B2B segment secured more projects and contributed to the positive growth in revenue.

Gross profits decreased by about \$0.2mil or 2.0% from \$9.2mil in HY2022/23 to \$9.0mil in HY2023/24 as the appreciation of USD has increased cost of purchase and eroded margin by 0.4% from 9.2% in HY2022/23 to 8.8% in HY2023/24.

Other operating income decreased by \$113.7k or 58.6% from \$194.0k in HY2022/23 to \$80.3k in HY2023/24 as less government support including Job Support Scheme and Career Support Programs were received in this financial period.

The Group saw an decrease in selling and distribution expenses of \$0.1mil or 3.0% to \$3.7mil in HY2023/24 as the Group recorded a lower commission payout to the sales and product teams.

General and administrative expenses increased by \$0.2mil or 4.4% from \$2.8mil in HY2022/23 to \$3.0mil in HY2023/24 as the Group spent more in staff related expenses.

The Group recorded a lower foreign exchange gain of about \$0.3mil in HY2023/24 as compared to \$0.4mil in HY2022/23 as a stronger US dollar reduced the exchange gain as payments were made to suppliers during the period.

Finance expenses recorded at \$47.3k in HY2023/24, representing about 0.7% of total operating expenses (HY2022/23:0.9%).

#### Assets & Liabilities, Cash flow

The non-current assets decreased by \$0.6mil or 18.5%, from \$3.1mil in FY2022/23 to \$2.5mil in HY2023/24 from depreciation of the property, plant and equipment and the right of use assets.

Inventory increased by \$1.8mil or 6.4% from \$28.7mil in FY2022/23 to \$30.5mil in HY2023/24. Inventory turnover days remained at 58 days (FY2022/23:58 days). Specific allowance has been made for slow moving items and management deems it as adequate.

The Group saw trade receivables decreased by \$0.7mil or 2.9% from \$24.8mil in FY2022/23 to \$24.1mil in HY2023/24 and the trade receivables turnover in days decreased to 44 days (FY2022/23:45 days).

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

The trade payables increased by \$2.0mil or 8.5% from \$23.2mil in FY2022/23 to \$25.2mil in HY2023/24 with turnover days increased to 47 days (FY2022/23:44 days).

The Group has utilised credit facilities from banks such as bills payable and short term loans to support regional growth and finance the purchase of inventory.

Cash flows from operations was \$3.3mil in HY2023/23 as compared to negative \$5.4mil in HY2022/23. The negative cash flow in the last financial period was mainly contributed by the increased in inventory and the other receivables.

### 3 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.

### 4 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.

The prudent approach by the Group had delivered a stable performance for the HY2023/24.

While there remain opportunities to explore new business initiatives, the Group will adopt a conservative approach in evaluating any new business opportunities.

The conflicts in various parts of the world may impact the business and consumer sentiments in the demand of IT products, though we expect ongoing development of innovative electronic and IT gadgets.

We will continue to manage our cash flow prudently, including our inventories and receivables.

5 Dividend information

5a Current Financial Period Reported on

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

Name of Dividend	Interim
Dividend type	Interim
Dividend per share	0.60cent
Tax rate	Tax exempt

The Directors are pleased to declare a tax exempt one-tier interim cash dividend of 0.60cent per share (HY2022/23: 0.75cent per share) in respect of the half year ended 30 September 2023. The interim dividend will be paid to the shareholders on 08/12/2023.)

5b Corresponding Period of the Immediate Preceding Financial Year

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

Name of Dividend	Interim
Dividend type	Interim
Dividend per share	0.75cent
Tax rate	Tax exempt

5c Date Payable

08/12/2023

5d Books Closure Date

Date on which Registrable Transfer received by the company will be registered before entitlements to the dividend are determined: 29/11/2023, 5.00pm

6 Interested person transactions

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)	
	HY2022/23	HY2021/22	HY2023/24	HY2022/23
	Apr 23 - Sep 23	Apr 22 - Sep 22	Apr 23 - Sep 23	Apr 22 - Sep 22
	S\$	S\$	S\$	S\$
Hongkong Lava Technology Limited	-	-	3,901,888	3,077,580

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

The Company has received undertaking from all its directors and executive officers in the format as set out I Appendix 7.7 under Rule 720(1) of the Listing Manual of SGX-ST.

**Confirmation by the Board**

On behalf of the Board of Directors of the Company, I hereby confirm to the best of my knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 September 2023 to be false or misleading in any material aspects.

**On behalf of the Board of Directors**

RONALD TENG WOO BOON  
MANAGING DIRECTOR  
Date: 10 November 2023