

**BAN LEONG TECHNOLOGIES LIMITED
AND SUBSIDIARY COMPANIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

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

	Group		Increase/ (Decrease)
	01.04.2024 to 30.09.2024 S\$	01.04.2023 to 30.09.2023 S\$	
Revenue	97,533,912	102,429,987	(4.8%)
Cost of sales	(89,780,099)	(93,395,471)	(3.9%)
Gross profit	7,753,813	9,034,516	(14.2%)
	7.9%	8.8%	
Other operating income	237,771	80,337	196.0%
Selling and distribution expenses	(3,913,728)	(3,742,768)	4.6%
General and administrative expenses	(2,740,545)	(2,968,978)	(7.7%)
Profit from operations before foreign exchange	1,337,311	2,403,107	(44.4%)
Foreign exchange gain	473,911	284,007	66.9%
Profit from operations	1,811,222	2,687,114	(32.6%)
Financial expenses	(150,354)	(47,345)	217.6%
Financial income	32,363	11,478	182.0%
Operating profit before taxation	1,693,231	2,651,247	(36.1%)
Taxation	(297,400)	(484,143)	(38.6%)
Profit after taxation	1,395,831	2,167,104	(35.6%)
Attributable to:			
Owners of the Company	1,384,314	2,169,786	(36.2%)
Non controlling interests	11,517	(2,682)	(529.4%)
	1,395,831	2,167,104	(35.6%)
Other comprehensive income:			
Foreign currency translation	931,373	(398,908)	(333.5%)
Other comprehensive income for the period, net of tax	931,373	(398,908)	(333.5%)
Total comprehensive income for the period	2,327,204	1,768,196	31.6%
Total comprehensive income attributable to:			
Owners of the Company	2,175,436	1,845,327	17.9%
Non controlling interests	151,768	(77,131)	(296.8%)
	2,327,204	1,768,196	31.6%
Earnings per share for profit for the period attributable to the owners of the Company during the period:			
Basic (SGD in cent)	1.28	1.94	
Diluted (SGD in cent)	1.28	1.94	

B. Condensed interim statements of financial position

	Group		Company	
	30.09.2024	31.03.2024	30.09.2024	31.03.2024
	S\$	S\$	S\$	S\$
Non-current assets				
Property, plant and equipment	666,832	779,245	536,077	643,303
Right of use assets	3,468,341	3,814,641	2,984,313	3,285,453
Investment in subsidiaries	-	-	1,089,107	1,089,107
Deferred tax assets	14,200	14,200	1,783	1,783
Non current other receivable	3,436,200	3,502,200	1,281,000	1,347,000
	7,585,573	8,110,286	5,892,280	6,366,646
Current assets				
Inventories	35,509,788	31,208,023	21,135,713	17,060,126
Trade receivables	23,553,511	23,159,074	20,296,909	18,457,666
Other receivables and deposits	1,855,404	2,859,760	1,583,786	2,673,199
Prepayments	130,183	104,053	101,661	92,064
Cash and cash equivalents	17,281,439	18,068,999	11,326,577	12,198,490
	78,330,325	75,399,909	54,444,646	50,481,545
Current Liabilities				
Trade payables	(22,387,065)	(22,212,268)	(17,563,277)	(15,723,992)
Bills payable to banks	(1,476,657)	(1,713,502)	(1,138,188)	(950,538)
Short-term loans	(2,100,000)	(800,000)	(2,100,000)	(800,000)
Other payables and accruals	(7,942,755)	(6,459,345)	(5,920,085)	(4,671,390)
Lease liability - current	(930,275)	(889,581)	(643,051)	(620,284)
Income tax payable	(577,557)	(805,335)	(692,229)	(833,621)
	(35,414,309)	(32,880,031)	(28,056,830)	(23,599,825)
Net current assets	42,916,016	42,519,878	26,387,816	26,881,720
Non-current liabilities				
Lease liability - non current	(2,677,138)	(3,051,767)	(2,461,902)	(2,779,808)
Deferred tax liabilities	-	-	-	-
	(2,677,138)	(3,051,767)	(2,461,902)	(2,779,808)
Net assets	47,824,451	47,578,397	29,818,194	30,468,558
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	(2,568,811)	(2,219,906)	(2,568,811)	(2,219,906)
Other reserve	65,685	65,685	-	-
Retained earnings	37,494,168	37,842,099	21,318,721	21,620,180
Foreign currency translation reserve	(234,015)	(1,025,137)	-	-
	45,825,311	45,731,025	29,818,194	30,468,558
Non-controlling interests	1,999,140	1,847,372	-	-
Total equity	47,824,451	47,578,397	29,818,194	30,468,558

C. Condensed interim statements of changes in equity

2024/25 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 2024	11,173,106	(104,822)	(2,219,906)	37,842,099	(1,025,137)	65,685	45,731,025	1,847,372	47,578,397
Profit for the period	-	-	-	1,384,314	-	-	1,384,314	11,517	1,395,831
Other comprehensive income for the period	-	-	-	-	791,122	-	791,122	140,251	931,373
Total comprehensive income for the period	-	-	-	1,384,314	791,122	-	2,175,436	151,768	2,327,204
Purchase of treasury shares	-	-	(348,905)	-	-	-	(348,905)	-	(348,905)
Dividends	-	-	-	(1,732,245)	-	-	(1,732,245)	-	(1,732,245)
Balance as at 30 September 2024	11,173,106	(104,822)	(2,568,811)	37,494,168	(234,015)	65,685	45,825,311	1,999,140	47,824,451

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

2024/25 Company	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
Opening balance as at 1 April 2024	11,173,106	(104,822)	(2,219,906)	21,620,180	30,468,558
Profit for the period	-	-	-	1,430,786	1,430,786
Total comprehensive income for the period	-	-	-	1,430,786	1,430,786
Purchase of treasury shares	-	-	(348,905)	-	(348,905)
Dividends	-	-	-	(1,732,245)	(1,732,245)
Balance as at 30 September 2024	11,173,106	(104,822)	(2,568,811)	21,318,721	29,818,194

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

D. Condensed interim consolidated statement of cash flows

	Group	
	01.04.2024 to 30.09.2024 S\$	01.04.2023 to 30.09.2023 S\$
Cash flows from operating activities		
Profit before taxation	1,693,231	2,651,247
Adjustments for:		
Depreciation of property, plant and equipment and right of use assets	613,341	620,566
Loss on disposal of property, plant and equipment	105	-
Allowance for expected credit losses	54,000	54,000
Allowance for inventory to net realisable value	170,898	170,958
Interest expense	150,354	47,345
Interest income	(32,363)	(11,478)
Translation difference	573,384	(209,012)
Operating cash flows before working capital changes	3,222,950	3,323,626
(Increase)/decrease in:		
Inventories	(4,472,663)	(2,001,867)
Trade receivables	(448,437)	672,548
Other receivables and deposits	1,070,356	695,314
Prepayments	(26,130)	(18,179)
Increase/(decrease) in:		
Trade payables	174,797	1,964,471
Other payables and accruals	1,483,410	(1,345,742)
Cash flows generated from operations	1,004,283	3,290,171
Interest expense paid	(150,354)	(47,345)
Interest income received	32,363	11,478
Income tax paid	(525,178)	(509,951)
Net cash flows from operating activities	361,114	2,744,353
Cash flows from investing activities		
Purchase of property, plant and equipment	(41,416)	(48,838)
Net cash flows used in investing activities	(41,416)	(48,838)
Cash flows from financing activities		
Bills payable to banks	(236,845)	732,971
Proceeds from short-term loans	1,300,000	400,000
Repayment of principal portion of lease liabilities	(436,836)	(524,895)
Purchase of treasury shares	(348,905)	(259,235)
Dividend paid	(1,732,245)	(1,959,904)
Net cash flows used in financing activities	(1,454,831)	(1,611,063)
Net (decrease)/increase in cash and cash equivalents	(1,135,134)	1,084,452
Effect of exchange rate changes on cash and cash equivalents	347,573	(182,727)
Cash and cash equivalents at the beginning of the period	18,068,999	18,005,421
Cash and cash equivalents at the end of the period	17,281,438	18,907,146

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 2024 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 2024.

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 2024.

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 2024 is \$35,509,788 (31 March 2024: \$31,208,023).

(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 2024 is \$23,553,511 (31 March 2024: \$23,159,074).

(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 \$577,557 (31 March 2024: \$805,335). 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 2024: \$14,200) and \$Nil (31 March 2024: \$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.

2024/25	Group			
	IT accessories S\$	Multimedia S\$	Data storage S\$	Total S\$
Revenue	37,245,445	58,784,326	1,504,141	97,533,912
Segment result	899,384 2.4%	866,494 1.5%	45,344 3.0%	1,811,222 1.9%
Financial expenses				(150,354)
Financial income				32,363
Profit before taxation				1,693,231
Taxation				(297,400)
Profit after taxation				1,395,831
Assets and liabilities:				
Inventories	17,132,838	18,050,116	326,834	35,509,788
Unallocated assets				50,406,110
Total assets				85,915,898
Unallocated liabilities				38,091,447
Total liabilities				38,091,447
Depreciation of property, plant and equipment and right of use assets				613,341
Other non-cash expenses				225,003
Capital expenditure				41,416

2023/24	Group			
	IT accessories S\$	Multimedia S\$	Data storage S\$	Total S\$
Revenue	40,129,453	61,574,877	725,657	102,429,987
Segment result	1,074,147 2.7%	1,589,839 2.6%	23,128 3.2%	2,687,114 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
Assets and liabilities:				
Inventories	14,293,256	16,112,290	93,192	30,498,738
Unallocated assets				49,337,958
Total assets				79,836,696
Unallocated liabilities				35,685,337
Total liabilities				35,685,337
Depreciation of property, plant and equipment and right of use assets				620,566
Other non-cash expenses				224,958
Capital expenditure				48,838

4.2 Geographical segments

	Revenue	
	30.09.2024 S\$	30.09.2023 S\$
Singapore	80,588,742	82,659,141
Malaysia	9,330,043	9,217,633
Thailand	4,845,970	5,311,585
Asia	1,795,230	5,106,232
Others	973,927	135,396
Total	97,533,912	102,429,987
Timing of transfer of goods or services		
At a point in time	97,533,912	102,429,987

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 2024 and 31 March 2024.

	The Group		The Company	
	30.09.2024	31.03.2024	30.09.2024	31.03.2024
	\$	\$	\$	\$
Financial Assets				
Trade receivables	23,553,511	23,159,074	20,296,909	18,457,666
Other receivables and deposits	996,223	2,403,673	886,976	2,337,175
Cash and cash equivalents	17,281,439	18,068,999	11,326,577	12,198,490
Financial assets at amortised cost	41,831,173	43,631,746	32,510,462	32,993,331
Financial Liabilities				
Trade payables	22,268,612	22,068,813	17,384,706	15,591,371
Bills payables to bank	1,476,657	1,713,502	1,138,188	950,538
Short-term loans	2,100,000	800,000	2,100,000	800,000
Other payables and accruals	7,018,604	5,968,745	5,166,465	4,307,866
Financial liabilities at amortised cost	32,863,873	30,551,060	25,789,359	21,649,775

6 Profit before taxation

6.1 Significant items

	The Group	
	30.09.2024	30.09.2023
	S\$	S\$
Depreciation of property, plant and equipment and right of use assets	613,341	620,566
Loss on disposal of property, plant and equipment	105	-
Allowance for expected credit losses	54,000	54,000
Allowance for inventory to net realisable value	170,898	170,958
Employee benefits expense	4,668,693	4,847,245
Foreign exchange gain, net	(473,911)	(284,007)
Operating lease expenses	251,796	221,057

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	
	30.09.2024	30.09.2023
	S\$	S\$
Current income tax expense	297,400	484,143

8 Dividends

Interim dividend was recommended for HY2024/25 (HY2023/24:0.60cent).

	The Group	
	30.09.2024	30.09.2023
	S\$	S\$
Ordinary dividends paid:		
Interim exempt 2025 dividend of 0.50cent per share (2024:0.60cent)	541,327	671,967
Dividend per share (net of tax)	0.50cent	0.60cent

9 Net Asset Value

	Group		Company	
	30.09.2024	31.03.2024	30.09.2024	31.03.2024
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the period reported on	42.33	41.84	27.54	27.88

Net asset value per ordinary share for period ended 30 September 2024 was calculated based on net assets of the Group and Company after deducting non controlling interests divided by 108,265,300 shares, excluding 8,234,700 treasury shares and 681,818 returned shares. (FY2023/24 : 109,288,700 shares, excluding 7,211,300 treasury shares and 681,818 returned shares).

10 Property, plant and equipment

During the six months ended 30 September 2024, the Group acquired assets amounting to \$41,416 (HY2023/24: \$48,838) and disposed of assets amount to \$2,593 (HY2023/24: \$1,076)

11 Borrowings

	The Group	
	30.09.2024	31.03.2024
	\$	\$
Amount repayable within one year or on demand		
Secured *	338,469	795,467
Unsecured	3,238,188	1,750,538
Amount repayable after one year		
Secured *	13,113	32,502
Unsecured	-	-

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

12 Share capital

Share capital	HY2024/25		HY2023/24	
	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	HY2024/25		HY2023/24	
	No. of share	\$	No. of share	\$
Balance as at 1 April	7,211,300	2,219,906	3,766,800	1,018,212
Purchased during the period	1,023,400	348,905	738,700	259,235
Balance as at 30 September	8,234,700	2,568,811	4,505,500	1,277,447

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 2024 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 decreased by \$4.9mil or 4.8% from \$102.4mil in HY2023/24 to \$97.5mil in HY2024/25 mainly from the IT accessories and multimedia segments decreasing by \$2.9mil or 7.2% and 2.8mil or 4.5% respectively. The storage segment increased by \$0.8mil or 107.3% as compared to last financial period. The retail and online segment recorded marginal increase in revenue while the commercial segment saw a decline as fewer projects were secured during the financial period.

Gross profits decreased by about \$1.2mil or 14.2% from \$9.0mil in HY2023/24 to \$7.8mil in HY2024/25. Gross profit margin decreased across all market segments as the Group reduced average selling price to secure sales.

Other operating income increased by \$157.5k or 196.0% from \$80.3k in HY2023/24 to \$237.8k in HY2024/25 as government's wage support for prior year were received during the period.

The Group saw an increase in selling and distribution expenses of \$0.2mil or 4.6% to \$3.9mil in HY2024/25 from staff related and distribution expenses.

General and administrative expenses decreased by \$0.3mil or 7.7% from \$3.0mil in HY2023/24 to \$2.7mil in HY2024/25 due to lower provisions made for staff related expenses.

The Group recorded a higher foreign exchange gain of about \$0.5mil in HY2024/25 as compared to \$0.3mil in HY2023/24 as a weaker US dollar increased the exchange gain as payments were made to suppliers during the period.

Finance expenses increased to \$0.2mil in HY2024/25, representing about 2.3% of total operating expenses (HY2023/24:0.7%). The increased in finance expenses were due to increased borrowings as a result of higher inventory build up at the end of the financial period.

Assets & Liabilities, Cash flow

The non-current assets decreased by \$0.5mil or 6.5%, from \$8.1mil in FY2023/24 to \$7.6mil in HY2024/25 from depreciation of the property, plant and equipment and the right of use assets.

Inventory increased by \$4.3mil or 13.8% from \$31.2mil in FY2023/24 to \$35.5mil in HY2024/25. Inventory turnover days increased to 68 days (FY2023/24:58 days) as a result of slower sales. Specific allowance has been made for slow moving items and management deems it as adequate.

The Group saw trade receivables increased by \$0.4mil or 1.7% from \$23.2mil in FY2023/24 to \$23.6mil in HY2024/25 and the trade receivables turnover increased to 44 days (FY2023/24:42 days).

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

The trade payables increased by \$0.2mil or 0.8% from \$22.2mil in FY2023/24 to \$22.4mil in HY2024/25 with turnover days increased to 45 days (FY2023/24:44 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 \$1.0mil in HY2024/25 as compared to \$3.3mil in HY2023/24. The reduction in cash flow from operations was mainly contributed by the increased in inventory.

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 Group has reported slightly lower revenue as compared to the previous corresponding period and gross margins were also lower. This is from the overall slower demand. We expect these challenges to remain in the second half of the financial year.

The ongoing political conflicts globally will continue to have dampening effects on our business activities. Consumer spending has seen to have slightly weakened and business costs have risen. This may affect the margins of our products to promote the products at a more competitive pricing, as well as the overall margins of our businesses.

We will continue to adopt a prudent approach in managing our cash flow and inventories.

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	0.50cent
Tax rate	Tax exempt

The Directors are pleased to declare a tax exempt one-tier interim cash dividend of 0.50cent per share (HY2023/24: 0.6cent per share) in respect of the half year ended 30 September 2024. The interim dividend will be paid to the shareholders on 09 Dec 2024.

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	0.60cent
Tax rate	Tax exempt

5c Date Payable

09/12/2024

5d Books Closure Date

Date on which Registrable Transfer received by the company will be registered before entitlements to the dividend are determined:
29/11/2024, 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)	
	HY2024/25	HY2023/24	HY2024/25	HY2023/24
	Apr 24 - Sep 24	Apr 22 - Sep 23	Apr 24 - Sep 24	Apr 22 - Sep 23
	S\$	S\$	S\$	S\$
Hongkong Lava Technology Limited	-	-	493,973	3,901,888

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 2024 to be false or misleading in any material aspects.

On behalf of the Board of Directors

RONALD TENG WOO BOON
MANAGING DIRECTOR
 Date: 08 November 2024