

EUROSPORTS GLOBAL LIMITED
Company Registration Number: 201230284Z

**Unaudited Condensed Interim Financial Statements
For The Six Months Ended 30 September 2024**

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The contact person for the sponsor is Mr. Mah How Soon at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com.

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Group		Change %
		6 months ended		
		30-Sep-24	30-Sep-23	
		S\$'000	S\$'000	
Revenue		29,382	8,627	240.6
Cost of sales		<u>(25,729)</u>	<u>(7,508)</u>	242.7
Gross profit		3,653	1,119	226.5
Other income		364	301	20.9
Interest income		29	20	45.0
Other gains		75	100	(25.0)
Marketing and distribution expenses		(772)	(901)	(14.3)
Administrative expenses		(6,475)	(6,742)	(4.0)
Other losses		(729)	(506)	44.1
Finance costs		<u>(450)</u>	<u>(185)</u>	143.2
Loss before income tax	5	(4,305)	(6,794)	(36.6)
Income tax expense	6	<u>-</u>	<u>-</u>	
Net loss		(4,305)	(6,794)	(36.6)
Other comprehensive income:				
Item that may be reclassified subsequent to profit or loss:				
Foreign currency translation adjustment		<u>(1)</u>	<u>(3)</u>	(66.7)
Total comprehensive loss		(4,306)	(6,797)	(36.6)
Net loss attributable to:				
Equity holders of the company		(3,904)	(6,193)	(37.0)
Non-controlling interests		<u>(401)</u>	<u>(601)</u>	(33.3)
Net loss		(4,305)	(6,794)	(36.6)
Total comprehensive loss attributable to:				
Equity holders of the company		(3,905)	(6,196)	(37.0)
Non-controlling interests		<u>(401)</u>	<u>(601)</u>	(33.3)
Total comprehensive loss		(4,306)	(6,797)	(36.6)
		Cents	Cents	
Earnings per share(loss):				
Basic and diluted	7	<u>(1.59)</u>	<u>(2.49)</u>	(36.1)

Note:
n.m. denotes not meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Company	
		As at		As at	
		30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
<u>Non-current assets</u>					
Plant and equipment	10	1,884	2,061	-	-
Right-of-use assets		873	1,977	491	1,473
Intangible assets	11	12,179	11,230	-	-
Investment in subsidiaries		-	-	12,444	12,444
Financial assets at FVTPL		139	139	139	139
Total non-current assets		15,075	15,407	13,074	14,056
<u>Current assets</u>					
Inventories		18,065	12,123	-	-
Trade and other receivables		1,305	2,279	11,238	4,057
Other non-financial assets		6,237	6,295	562	574
Cash and cash equivalents	12	7,838	5,302	111	20
Total current assets		33,445	25,999	11,911	4,651
Total assets		48,520	41,406	24,985	18,707
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	13	14,825	15,046	14,825	15,046
Other reserves		976	423	-	-
Accumulated losses		(13,123)	(9,219)	(13,294)	(12,402)
Equity attributable to equity holders of the company		2,678	6,250	1,531	2,644
Non-controlling interests		3,561	3,768	-	-
Total equity		6,239	10,018	1,531	2,644
<u>Non-current liabilities</u>					
Other financial liabilities	14	3,300	3,669	3,300	3,388
Lease liabilities		94	-	-	-
Total non-current liabilities		3,394	3,669	3,300	3,388
<u>Current liabilities</u>					
Trade and other payables		9,570	4,983	12,395	9,143
Other financial liabilities	14	17,454	8,249	7,246	2,000
Lease liabilities		803	2,394	513	1,532
Other non-financial liabilities	15	11,024	11,992	-	-
Income tax payables		36	101	-	-
Total current liabilities		38,887	27,719	20,154	12,675
Total liabilities		42,281	31,388	23,454	16,063
Total equity and liabilities		48,520	41,406	24,985	18,707

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Group					
	Share	Other	Accumulated	Attributable	Non-	Total
	capital	reserves	losses	to equity	controlling	equity
S\$'000	S\$'000	S\$'000	holders of the company S\$'000	interests S\$'000	S\$'000	
Current year:						
Opening balance at 1 April 2024	15,046	423	(9,219)	6,250	3,768	10,018
Total comprehensive loss for the period	-	(1)	(3,904)	(3,905)	(401)	(4,306)
Purchase of treasury shares	(221)	-	-	(221)	-	(221)
Share-based payment	-	554	-	554	194	748
Closing balance at 30 September 2024	14,825	976	(13,123)	2,678	3,561	6,239
Previous year:						
Opening balance at 1 April 2023	15,866	376	(972)	15,270	4,113	19,383
Total comprehensive loss for the period	-	(3)	(6,193)	(6,196)	(601)	(6,797)
Changes in ownerships interests without a change in control	-	3	(524)	(521)	543	22
Purchase of treasury shares	(543)	-	-	(543)	-	(543)
Share-based payment	-	522	-	522	185	707
Closing balance at 30 September 2023	15,323	898	(7,689)	8,532	4,240	12,772

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Company		
	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Current year:			
Opening balance at 1 April 2024	15,046	(12,402)	2,644
Total comprehensive loss for the period	-	(892)	(892)
Purchase of treasury shares	(221)	-	(221)
Closing balance at 30 September 2024	<u>14,825</u>	<u>(13,294)</u>	<u>1,531</u>
Previous year:			
Opening balance at 1 April 2023	15,866	(10,650)	5,216
Total comprehensive loss for the period	-	(1,040)	(1,040)
Purchase of treasury shares	(543)	-	(543)
Closing balance at 30 September 2023	<u>15,323</u>	<u>(11,690)</u>	<u>3,633</u>

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	6 months ended	
	30-Sep-24	30-Sep-23
	S\$'000	S\$'000
<u>Cash flows used in operating activities</u>		
Loss before tax	(4,305)	(6,794)
Adjustments for:		
Depreciation of plant and equipment	206	255
Depreciation of right-of-use assets	1,303	1,010
(Gain)/Loss on disposal of plant and equipment	71	(27)
Interest income	(29)	(20)
Interest expense on financial liabilities	430	153
Interest expense on lease liabilities	20	32
Performance share expense	749	707
Gain from ROU lease termination	(4)	-
Operating cash flows before changes in working capital	(1,559)	(4,684)
Inventories	(5,942)	(2,580)
Trade and other receivables	974	724
Other non-financial assets	57	(5,114)
Other non-financial liabilities	(968)	3,887
Trade and other payables	4,587	3,609
Net cash flows used in operations	(2,851)	(4,158)
Income taxes expense	(64)	(83)
Net cash flows used in operating activities	(2,915)	(4,241)
<u>Cash flows used in investing activities</u>		
Additions to intangible assets	(950)	(1,990)
Purchase of plant and equipment	(123)	(100)
Disposal of plant and equipment	23	283
Interest income received	29	20
Net cash flows used in investing activities	(1,021)	(1,787)
<u>Cash flows from financing activities</u>		
Repayment of loans and borrowing	(10,523)	(1,975)
Increase in loans and borrowing	19,181	4,617
Increase in security deposits for banking facilities	(1,229)	(29)
Purchase of treasury shares	(221)	(543)
Payment of lease liabilities	(1,692)	(1,457)
Proceeds from issue of convertible bond	-	3,300
Interest expense paid	(272)	(123)
Net cash flows from financing activities	5,244	3,790
Net increase/ (decrease) in cash and cash equivalents	1,308	(2,238)
Cash and cash equivalents, statement of cash flows, beginning balance	737	4,557
Effect of currency translation	(1)	(3)
Cash and cash equivalents, statement of cash flows, ending balance	2,044	2,316
(Note 12A)		

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

EuroSports Global Limited (the “**Company**” or “**ESG**”) is incorporated in Singapore and its shares are publicly traded on the Catalist Board of Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 September 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The principal activities of the Company are those of an investment holding company and the provision of management services.

The principal activities of the Group are:

- (a) Distribution and retailing of imported automobiles, import of parts and accessories and repairs and servicing of automobiles;
- (b) Developing innovative new technologies, services and solutions for electric motorcycles;
- (c) Distribution of automobiles, parts and accessories in Indonesia; and
- (d) Trading and distribution of watches and related accessories.

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 Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (“**S\$**”) which is the Company’s functional currency and all values are rounded to the nearest thousand (“**S\$’000**”) except when otherwise indicated.

2.1 NEW AND REVISED STANDARDS ADOPTED

The Group has fully adopted the new and revised SFRS(I)s and related Interpretations to SFRS(I) (“**SFRS(I) INT**”) that are relevant to the Group and effective for the financial period beginning on or after 1 April 2024. The adoption of these new and revised SFRS(I)s and SFRS(I) INT did not result in any substantial change to the Group’s accounting policies and has no material effect on the condensed interim financial statements.

2.2 USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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. 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.

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.

3. SEASONAL OPERATIONS

The Group's businesses were not affected significantly by seasonal or cyclical factors during the first half year ended 30 September 2024 ("1HFY2025").

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

4.1 INFORMATION ABOUT REPORTABLE SEGMENT PROFIT OR LOSS, ASSETS AND LIABILITIES

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the Group.

For management purposes the Group is organised into the following major strategic operating segments that offer different products and services: (1) automobiles distribution, (2) sustainable mobility and (3) other. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system.

It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The principal segments and type of products and services are as follows:

- (i) Automobiles distribution business retails new luxury automobiles as well as pre-owned automobiles;
- (ii) Sustainable mobility (electric motorcycles); and
- (iii) Other includes sales of watch.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprise mainly profit before taxation.

4.2 GEOGRAPHICAL INFORMATION

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods:

	Group	
	6 months ended	
	30-Sep-24	30-Sep-23
	S\$'000	S\$'000
Singapore	21,449	3,145
South East Asia ^(a)	7,933	5,482
	29,382	8,627

Note:

(a) South East Asia includes Malaysia and Indonesia.

Revenue is attributed to countries on the basis the customer's location irrespective of the origin of the goods.

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4.3 PROFIT OR LOSS FROM CONTINUING OPERATIONS AND RECONCILIATIONS

6 months ended	Automobiles distribution		Sustainable mobility		Other		Consolidated	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	29,365	8,608	2	1	15	18	29,382	8,627
Inter-segment revenue	-	-	-	-	-	-	-	-
Revenue from external parties	29,365	8,608	2	1	15	18	29,382	8,627
- Sales of automobiles	27,007	6,723	-	-	-	-	27,007	6,723
- Sales of watches	-	-	-	-	15	18	15	18
- Sales of merchandise, parts and servicing	2,358	1,885	2	1	-	-	2,360	1,886
Segment profit	3,642	1,110	(1)	-	12	9	3,653	1,119
Other income	271	263	93	38	-	-	364	301
Interest income	29	20	-	-	-	-	29	20
Other gains	48	100	27	2	-	(2)	75	100
Marketing and distribution expenses	(706)	(774)	(66)	(127)	-	-	(772)	(901)
Administrative expenses	(4,093)	(4,218)	(2,377)	(2,516)	(5)	(8)	(6,475)	(6,742)
- Depreciation of plant and equipment	(94)	(123)	(112)	(132)	-	-	(206)	(255)
- Depreciation of right-of-use assets	(1,121)	(995)	(182)	(15)	-	-	(1,303)	(1,010)
Other losses	(729)	(506)	-	-	-	-	(729)	(506)
Finance costs	(445)	(182)	(5)	(3)	-	-	(450)	(185)
(Loss)/ Profit before tax	(1,983)	(4,187)	(2,329)	(2,606)	7	(1)	(4,305)	(6,794)
Income tax expense	-	-	-	-	-	-	-	-
(Loss)/Profit, net of tax	(1,983)	(4,187)	(2,329)	(2,606)	7	(1)	(4,305)	(6,794)

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4.4 ASSETS, LIABILITIES AND RECONCILIATIONS

	Segment assets		Segment liabilities	
	As at		As at	
	30-Sep-24 S\$'000	31-Mar-24 S\$'000	30-Sep-24 S\$'000	31-Mar-24 S\$'000
Automobiles distribution	42,490	33,942	39,566	28,689
Sustainable mobility	17,333	16,344	9,949	7,129
Other	59	54	4,688	4,689
	59,882	50,340	54,203	40,507
Elimination of inter-segment	(11,362)	(8,934)	(11,922)	(9,119)
Total	48,520	41,406	42,281	31,388

5. LOSS BEFORE TAX

The following significant items have been included in arriving at loss before tax:

5.1 OTHER INCOME

	Group	
	6 months ended	
	30-Sep-24 S\$'000	30-Sep-23 S\$'000
Commission income	20	70
Rental income	43	62
Storage income	105	153
Sales incentives from manufacturers	48	(88)
Other income ^(a)	148	104
	364	301

Note:

(a) Other income includes forfeited customer deposits.

5.2. OTHER GAINS AND (OTHER LOSSES)

	Group	
	6 months ended	
	30-Sep-24 S\$'000	30-Sep-23 S\$'000
Allowance for impairment on trade and other receivables	(648)	(506)
Foreign exchange gains, net	71	73
(Loss)/ gain on disposal of plant and equipment	(71)	27
Miscellaneous losses, net	(6)	-
Net	(654)	(406)
Presented in profit or loss as:		
Other gains	75	100
Other losses	(729)	(506)
	(654)	(406)

5. LOSS BEFORE TAX (CONT'D)

5.3. MARKETING AND DISTRIBUTION EXPENSES AND ADMINISTRATIVE EXPENSES

The major components include the following:

	Group	
	6 months ended	
	30-Sep-24	30-Sep-23
	S\$'000	S\$'000
Marketing and distribution expenses		
Advertising and promotions	420	692
Employee benefits expense	182	36
Entertainment and gifts	158	135
Administrative expenses		
Depreciation of plant and equipment	206	255
Depreciation of right-of-use assets	1,303	1,010
Employee benefits expense	3,530	3,362

5.4. RELATED PARTY TRANSACTIONS

There were no material related party transactions apart from those disclosed elsewhere in the unaudited condensed interim financial statements for 1HFY2025.

6. INCOME TAX EXPENSES

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. No income tax expenses were recorded in the condensed interim consolidated statement of profit or loss and other comprehensive income for 1HFY2025 and half year ended 30 September 2023 ("1HFY2024") as the Group has sufficient unutilised tax losses and unutilised capital allowances to offset potential taxable profits. Deferred tax assets have not been recognised in the financial statements, as there is no reasonable certainty of their realisation in the near future.

7. EARNING PER SHARE (LOSS)

	Group	
	6 months ended	
	30-Sep-24	30-Sep-23
Net loss attributable to equity holders of the company (S\$'000)	(3,904)	(6,193)
Weighted average number of ordinary shares	245,422,432	248,941,975
Loss per share – basic and diluted (cents)	(1.59)	(2.49)

Loss per share is computed based on loss, net of tax, attributable to equity holders of the company, divided by the weighted average number of ordinary shares. For 1HFY2025 and 1HFY2024, the computation of diluted EPS does not assume the conversion of convertible bonds as they are considered anti-dilutive. Other than the convertible bonds, no potential dilutive ordinary shares existing for either financial period.

8. DIVIDENDS

No dividend has been paid for 1HFY2025 (1HFY2024: Nil).

9. NET ASSET VALUE

	Group		Company	
	As at		As at	
	30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
Net asset value (“NAV”) per ordinary shares (cents)	1.09	2.54	0.63	1.07
Equity attributable to equity holders of the company (S\$'000)	2,678	6,250	1,531	2,644
Number of ordinary shares used in computation of NAV per ordinary shares ('000)	244,760	246,012	244,760	246,012

10. PLANT AND EQUIPMENT

During 1HFY2025, the Group acquired plant and equipment amounting to S\$123,000 (1HFY2024: S\$100,000) and disposed plant and equipment with carrying amount of S\$94,000 (1HFY2024: S\$255,000).

11. INTANGIBLE ASSETS

	Group Development cost S\$'000
At 31 March 2024	
Cost	11,230
Accumulated amortisation and impairment	-
Carrying value	11,230
6 months ended 30 September 2024	
<u>Cost:</u>	
At 1 April 2024	11,230
Additions	949
At 30 September 2024	12,179
<u>Accumulated amortisation and impairment:</u>	
At 1 April 2024 and 30 September 2024	-
<u>Carrying value:</u>	
At 30 September 2024	12,179

Development cost relates to sustainable mobility in developing the electric motorcycles. The amortisation of the development cost begins when the development is complete and the asset is available for use.

All research costs and development costs not eligible for capitalisation have been expensed and are recognised in profit or loss.

11. INTANGIBLE ASSETS (CONT'D)

The intangible assets were tested for impairment at the end of the reporting period. An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs of disposal or its value in use. The recoverable amounts of cash-generating units have been measured based on the fair value less costs of disposal method or the value in use method as appropriate for the separate CGUs.

The value in use was measured by management. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the cash generating unit are consistent with those used for the measurement last performed and is analysed as follows:

The value in use is prepared on the assumption that the electric motorcycles are expected to generate revenue from year 2025 onwards.

Valuation technique and unobservable inputs	Range (weighted average)	
	30-Sep-24	31-Mar-24
Discounted cash flow method:		
Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the intangible assets.	22%	22%
Terminal growth rate	4.5%	4.5%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management	7 years	7 years

Actual outcomes could vary from these estimates. There is no impairment to the carrying value of the intangible assets:

- a) If the estimated discount rate applied to the discounted cash flows has been 2.5% less favourable than management's estimate; or
- b) If the estimated terminal growth rate applied to the discounted cash flows had been 2.5% less favourable than management's estimates.

12. CASH AND CASH EQUIVALENTS

	Group	
	As at	
	30-Sep-24	31-Mar-24
	S\$'000	S\$'000
Not restricted in use	2,044	737
Security deposits for bank facilities	5,794	4,565
Total	7,838	5,302

	Company	
	As at	
	30-Sep-24	31-Mar-24
	S\$'000	S\$'000
Not restricted in use	111	20

12. CASH AND CASH EQUIVALENTS (CONT'D)

12A. CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS:

	Group As at	
	30-Sep-24 S\$'000	30-Sep-23 S\$'000
Amount as shown on statements of financial position.	7,838	6,841
Security deposits for bank facilities	(5,794)	(4,525)
Cash and cash equivalents for statement of cash flows purposes, ending balance	2,044	2,316

During 1HFY2025, the security deposits for bank facilities bear interest range from 0.35% to 2.39% (1HFY2024: 0.10% to 2.00%) per annum for the Group. As at 30 September 2024, the security deposits for bank facilities of S\$5,794,000 (30 September 2023: S\$4,525,000) of the Group has been pledged to banks.

13. SHARE CAPITAL

	The Group and the Company			
	30-Sep-24		31-Mar-24	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	246,012	15,046	247,660	15,323
Purchase of treasury shares	(1,252)	(221)	(1,648)	(277)
End of interim period	244,760	14,825	246,012	15,046

The ordinary shares, with no par value, are fully paid, carry one vote each, and have no right to fixed income.

As at 30 September 2024 and 31 March 2024, the convertible bonds of the Company are convertible up to 7,333,333 ordinary shares of the Company pursuant to the terms of the convertible agreement. Please also refer to Note 14D for more information.

Treasury shares:

Movement in the Company's treasury shares were as follows:

	30-Sep-24		31-Mar-24	
	Number of treasury shares '000	Amount S\$'000	Number of treasury shares '000	Amount S\$'000
	Beginning of interim period	18,988	3,423	17,340
Purchase during the year	1,252	221	1,648	277
End of interim period	20,240	3,644	18,988	3,423

13. SHARE CAPITAL (CONT'D)

During 1HFY2025, the Company bought back 1,252,000 shares by way of market acquisition and all shares acquired are held as treasury shares. As at 30 September 2024, the Company held 20,240,000 treasury shares which represented approximately 8.27% of the 244,760,000 total issued shares (excluding treasury shares and subsidiary holdings). As at 31 March 2024, the Company held 18,988,000 treasury shares which approximately 7.72% of the 246,012,000 total issued shares (excluding treasury shares and subsidiary holdings).

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the reporting period.

There were no holdings in the Company by any subsidiary as at the end of the reporting period and as at the end of the corresponding period of the immediately preceding financial year.

14. OTHER FINANCIAL LIABILITIES

	Group	
	As at	
	30-Sep-24	31-Mar-24
	S\$'000	S\$'000
Non-current:		
Bank loans (secured)	-	281
Convertible bonds	3,300	3,388
Non-current, total	3,300	3,669
Current:		
Bank loans (secured)	926	1,282
Trust receipts and bills payables (secured)	5,179	1,956
Short term loans	11,349	5,011
Current, total	17,454	8,249
Total	20,754	11,918
The non-current portion is repayable as follow:		
Due within 2 to 5 years	3,300	3,669

	Company	
	As at	
	30-Sep-24	31-Mar-24
	S\$'000	S\$'000
Non-current:		
Convertible bonds	3,300	3,388
Non-current, total	3,300	3,388
Current:		
Short term loans	7,246	2,000
Current, total	7,246	2,000
Total	10,546	5,388
The non-current portion is repayable as follow:		
Due within 2 to 5 years	3,300	3,388

14A. Bank loans

The loan agreements provide for the following, among other terms:

- (a) Corporate guarantee by the Company; and
- (b) The bank loans comprised temporary bridging loans under Enterprise Financing Scheme, which is repayable in 48 monthly instalments of approximately: (i) S\$43,000 from 1 June 2021 and (ii) S\$65,000 from 1 July 2021 respectively.

14B. Short term loan

Short term loans amounting to S\$11,349,000 (31 March 2024: S\$5,011,000) bear fixed interest between 0% to 8.88% (2024: 0% to 7.25%) per annum.

Amount of S\$2,603,000 (31 March 2024: S\$1,511,000) included in short term loans are secured by pledge over the inventories of the group.

14C. Trust receipt and bills payables

The credit facilities for trust receipts and bills payables provide among other matters for the following:

- (a) A fixed and floating charge over security deposits, inventories and accounts receivables; and
- (b) Corporate guarantee by the Company.

The period of financing under trust receipts was 120 days inclusive of suppliers' credit. The interest rate applicable is 5.18% to 6.20% (2024: 5.80% - 8.10%) per annum as determined by the bank on the day of transaction or at such other rate at the sole discretion of the bank.

14D. Convertible bonds

On 3 August 2023, the Company issued 4% convertible bonds denominated in Singapore dollars with a nominal value of S\$3,300,000. The convertible bonds have a maturity term of 36 months and a coupon rate of 4.00%, payable annually in arrears. Additionally, bondholders have the option to convert into ESG or exchange into Scorpio Electric Pte. Ltd. ("**SEC**") ordinary shares at conversion prices of S\$0.45 per share (the "**ESG Conversion Price**") and S\$74.72 per share (the "**SEC Conversion Price**") respectively, at any time commencing from the date of issuance.

Bondholders may opt to redeem up to 50% of the subscription amount in cash at maturity or, under specific conditions, such as SEC entering into a 'Business Combination Agreement' with a listed Special Purpose Acquisition Company ("**SPAC**") through a de-SPAC process, an Initial Public Offering of SEC, a Trade Sale of SEC, or the volume-weighted average price of the Company's shares reaching and/or exceeding S\$0.60 per share for seven consecutive market days, to convert the bonds to ESG or SEC shares based on the conversion prices mentioned.

Convertible bond issued by the Company is designated as financial liability measured at fair value through profit or loss. Accordingly, the Company has engaged an independent professional valuer to determine the fair value of the convertible bond at 31 March 2024, taking into consideration certain parameters such as the credit rating, share price, strike price, trigger price, volatility, risk-free rate, and credit spread. The fair value of the convertible bond at the end of the financial year was not recognised as the difference was not material.

15. OTHER NON-FINANCIAL LIABILITIES

	Group	
	As at	
	30-Sep-24	31-Mar-24
	S\$'000	S\$'000
Warranty provision	462	503
Deposits from customers (Note 15A)	10,562	11,489
Total	11,024	11,992

15A. Deposits from customers

Deposits from customers are not refundable and will be utilised upon purchases of automobiles by customers. These are expected to be recognised as revenue within a year.

16. CATEGORIES FINANCIAL ASSETS AND LIABILITIES

The following table categorises the carrying amount of financial assets and liabilities recorded as at 30 September 2024 and 31 March 2024:

	Group		Company	
	As at		As at	
	30-Sep-24 S\$'000	31-Mar-24 S\$'000	30-Sep-24 S\$'000	31-Mar-24 S\$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	9,143	7,581	11,349	4,077
Financial assets at FVTPL	139	139	139	139
	9,282	7,720	11,488	4,216
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	27,957	15,907	20,154	12,675
Financial liabilities at FVTPL	3,300	3,388	3,300	3,388
	31,257	19,295	23,454	16,063

17. SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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

The condensed interim financial statements of EuroSports Global Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the six months ended 30 September 2024 have not been audited or reviewed by the Company’s auditors.

1a. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer opinion:

- (a) Update on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

2. **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 of 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.**

Review of the Group's performance

Revenue

Overall, revenue of the Group has increased by S\$20.76 million or 240.6%, from S\$8.63 million in 1HFY2024 to S\$29.38 million in 1HFY2025 with automobiles distribution segment as the main revenue contributor of the Group's total revenue. Revenue from automobiles distribution segment has increased by S\$20.76 million or 241.1%, from S\$8.61 million in 1HFY2024 to S\$29.37 million in 1HFY2025.

Sales of automobiles was boosted by the arrival of new models resulted in an increase of S\$20.28 million to S\$27.01 million in 1HFY2025 from S\$6.72 million in 1HFY2024.

Sales of merchandise, parts and servicing increased by 25.1% to S\$2.36 million in 1HFY2025 from S\$1.89 million in 1HFY2024. Sales of Lamborghini automobile was S\$27.01 million in 1HFY2025 or 91.9% of the Group's total revenue (1HFY2024: S\$6.72 million or 77.9% of the Group's total revenue).

Cost of sales

Cost of sales of the Group increased by S\$18.22 million or 242.7%, from S\$7.51 million in 1HFY2024 to S\$25.73 million in 1HFY2025. This is in tandem with the increase in revenue.

Gross profit and gross profit margin

Gross profit increased by S\$2.53 million or 226.5%, from S\$1.12 million in 1HFY2024 to S\$3.65 million in 1HFY2025. The gross profit margin of the Group decreased by 0.6 percentage point, from 13.0% in 1HFY2024 to 12.4% in 1HFY2025. Lower gross profit margin was due to sale of automobiles with lower profit margins.

Other income

Other income of the Group has increased by S\$0.06 million or 20.9%, from S\$0.3 million in 1HFY2024 to S\$0.36 million in 1HFY2025. Sales incentives of S\$0.05 million from manufacturers as compared to negative S\$0.9 million in the previous period as sales activity picked up in 1HFY2025.

Other gains and (other losses), net

Other losses, net of S\$0.65 million was mainly due to impairment on trade receivables. The Company is actively monitoring its trade and other receivables and based on the past experience, believes that there is no additional credit risk beyond what was already accounted for.

Marketing and distribution expenses

Marketing and distribution expenses of the Group decreased by S\$0.13 million, or 14.3%, from S\$0.9 million in 1HFY2024 to S\$0.77 million in 1HFY2025. Higher advertising and promotions activities in 1HFY2024 was attributed to the launch campaign of Revuelto.

Administrative expenses

Administrative expenses of the Group decreased by S\$0.27 million or 4.0%, from S\$6.74 million in 1HFY2024 to S\$6.48 million in 1HFY2025. The increase in depreciation and employee benefits, amounting to S\$0.24 million and S\$0.17 million respectively, was offset by the Group's tight control over expenses such as consultancy, travel & accommodation, and transport charges. Operation leverage is evident, as higher revenue was achieved without an increase in workforce size.

Finance costs

Finance costs of the Group increased by S\$0.27 million or 143.2%, from S\$0.19 million in 1HFY2024 to S\$0.45 million in 1HFY2025. It was mainly due to higher interest from trade financing and short-term loans due to higher activity and investment in sustainable mobility.

Review of the Group's financial position**Non-current assets**

Non-current assets of the Group decreased by S\$0.33 million, from S\$15.41 million as at 31 March 2024 to S\$15.07 million as at 30 September 2024. This is mainly due to decrease in net book value of plant and equipment and right-of-use assets by S\$1.28 million, partially offset by increase in intangible assets by S\$0.95 million, which relates to development costs of electric motorcycle.

Current assets

Current assets of the Group increased by S\$7.45 million, from S\$26 million as at 31 March 2024 to S\$33.45 million as at 30 September 2024. This was mainly due to increase in (i) inventories by S\$5.94 million, and (ii) cash and cash equivalents by S\$2.54 million, partially offset by decrease in trade and other receivables by S\$0.97 million. The increase in (i) & (ii) related to higher working capital requirement of automobiles distribution with the delivery of new models.

Equity

Equity comprises share capital, other reserves, accumulated losses and non-controlling interest. The Group equity stood at S\$6.24 million, decrease of S\$3.78 million from 31 March 2024, mainly due to loss, net of tax for 1HFY2025. The Company conducted share buy-back amounted S\$0.22 million in 1HFY2025.

Non-current liabilities

Non-current liabilities of the Group decreased by S\$0.28 million from S\$3.67 million as at 31 March 2024 to S\$3.39 million as at 30 September 2024, due to repayment of bank loans.

Current liabilities

Current liabilities of the Group increased by S\$11.17 million, from S\$27.72 million as at 31 March 2024 to S\$38.89 million as at 30 September 2024, mainly due to increase in (i) trade payables by S\$4.59 million for payment to suppliers, and (ii) other financial liabilities by S\$9.21 million, partially offset by decrease in lease liabilities by S\$1.59 million and other non-financial liabilities by S\$0.97 million. The increase in (i) & (ii) related to higher financing and outstanding payables in automobiles distribution due to the delivery of new models, as well as developments in sustainable mobility as the business progressed toward mass production of X1.

Review of the Group's cash flows

Net cash used in operating activities amounted to S\$2.92 million in 1HFY2025. This was mainly due to negative operating cash flows before changes in working capital of S\$1.56 million and net working capital outflow of S\$1.29 million.

Net cash used in investing activities amounted to S\$1.02 million in 1HFY2025. This was mainly due to addition to intangible and tangible assets of S\$0.95 million and S\$0.12 million respectively.

Net cash from financing activities amounted to S\$5.24 million in 1HFY2025. This was mainly due to net increase in loan and trade financing of S\$8.66 million offset by payment of lease liabilities of S\$1.69 million and purchase of treasury shares of S\$0.22 million.

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

The financial results are in line with the commentary provided in section F4 of the result announcement for the full year ended 31 March 2024 (“FY2024”). The 1HFY2025 revenue of S\$29.38 million represents an increase of S\$20.76 million compared to 1HFY2024 and S\$12.89 million compared to second half financial year ended 31 March 2024.

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.**

Ultra-luxury Automobile Distribution and Aftersales

The luxury automotive sector continues to face a downward trend, largely driven by the increased taxes on high-end vehicles introduced in Singapore's 2023 Budget. This decline is reflected in the car registration figures released by the Land Transport Authority¹.

On a positive note, as highlighted in section F4 of unaudited condensed interim financial statements for the six months and full year ended 31 March 2024 announcement and, in the outlook, & future plans section of the joint letter to our shareholders in the FY2024 annual report, we anticipated an improvement in our financial performance with the commencement of deliveries for the Urus Performante and Revuelto models. Looking ahead to the next six months, we are well-positioned to continue delivering these models, supported by a promising order backlog.

Furthermore, The World's First Plug-in Hybrid Super SUV, the Urus SE had its debut in Singapore at The Jewel Cloud9 Piazza to great success. Customer feedback and order intake for the Urus SE have been very encouraging, and we expect this positive trend to continue with the arrival of the demonstrator and showroom unit in the second half of 2025.

In August 2024, our esteemed brand partner – Automobili Lamborghini presented Temerario, the all-new super sports car equipped with a twin-turbo V8 hybrid powertrain that redefines the very concepts of performance, driving pleasure and comfort. The Temerario is the second model in the Lamborghini High Performance Electrified Vehicle (HPEV) range, after the Revuelto, and completes the hybridization of Sant'Agata Bolognese's line-up following the market debut of the Urus SE. The launch of the Temerario has generated positive enquiries which contributed to the order intake of the vehicle with deliveries slated for 2026.

Sustainable Mobility – Singapore's First Electric Motorcycle Manufacturer

Our subsidiary, SEC, has achieved considerable progress in research and development, and is preparing for mass production. SEC secured the Special Purpose License from the Land Transport Authority of Singapore in July 2024, becoming the first Singapore based electric motorcycle manufacturer to have our electric motorcycle prototype tested on Singapore public roads.

Our first product, the X1, an electric maxi scooter, is undergoing further development testing and European certification: an essential phase prior to mass production. Deliveries are expected to commence in 2025.

Earlier this year, SEC announced the appointment of distributors in Japan, Philippines, Portugal and Spain. SEC is in the midst of establishing new distribution and aftersales channels in the Asia Pacific and European regions. In the next 12 months, we plan to grow our distributor and dealer network in over 10 to 15 cities across the Asia Pacific and European regions. The Group anticipates top line growth when we commence deliveries in 2025.

5. Dividend information

5a. Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

¹ https://www.lta.gov.sg/content/dam/ltagov/who_we_are/statistics_and_publications/statistics/pdf/M03-Car_Regn_by_make.pdf

5b. Corresponding period of the immediate preceding financial year

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

No.

5c. Date payable

Not applicable.

5d. Books closure date

Not applicable.

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

No dividend has been declared for the financial period ended 30 September 2024 as the Group is conserving cash for its business operations.

7. If the Group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of Singapore Exchange Securities Trading Limited. If no interested person transactions mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions. There were no interested person transactions of S\$100,000 or more for 1HFY2025.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company has procured undertakings from all its directors and executive officers (in the format as set out in Appendix 7H of the Catalist Rules) in accordance with Rule 720(1) of the Catalist Rules.

9. Disclosure required pursuant to Rule 706A of the Catalist Rules

Nil.

10. Confirmation pursuant to the Rule 705(5) of the Catalist Rules

The Board of Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to its attention which may render financial results for the half year ended 30 September 2024 to be false or misleading in any material aspect.

**On Behalf of the Board
EuroSports Global Limited**

**Goh Kim San
Executive Chairman
and Chief Executive Officer**

**Goh Kim Hup
Executive Director
and Deputy Chief Executive Officer**

8 November 2024