



GDS
Global Limited

GDS GLOBAL LIMITED

(Company Registration No.: 201217895H)
(Incorporated in the Republic of Singapore on 19 July 2012)

GDS GLOBAL LIMITED
(Registration No. 201217895H)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
31 MARCH 2025

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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

		Group		
		Six months ended 31 March		Increase / (Decrease)
		2025	2024	
		S\$'000	S\$'000	%
		Unaudited	Unaudited	
	Note			
Revenue	4	11,131	5,534	>100%
Cost of sales		(7,083)	(3,674)	92.8%
Gross profit		4,048	1,860	>100%
Other operating income		117	67	74.6%
Marketing and distribution expenses		(674)	(141)	>100%
Administrative expenses		(3,318)	(2,499)	32.8%
Other operating expenses		(93)	(143)	(35.0%)
Other gains and losses		61	(22)	n.m.
Finance costs		(80)	(78)	2.6%
Profit (loss) before tax	6	61	(956)	n.m.
Income tax expense	7	(50)	(29)	72.4%
Profit (loss) for the period		11	(985)	n.m.
Other comprehensive (loss) income:				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations		(64)	17	n.m.
Other comprehensive (loss) income for the period, net of tax		(64)	17	n.m.
Total comprehensive loss for the period		(53)	(968)	(94.5%)
Profit (loss) attributable to:				
Owners of the Company		(180)	(1,148)	(84.3%)
Non-controlling interests		191	163	17.2%
		11	(985)	n.m.
Total comprehensive (loss) income attributable to:				
Owners of the Company		(244)	(1,131)	(78.4%)
Non-controlling interests		191	163	17.2%
		(53)	(968)	(94.5%)
Loss per share attributable to Owners of the Company (\$ per share)				
Basic	8	(0.08)	(0.51)	(84.3%)
Diluted	8	(0.04)	(0.51)	(92.3%)

Note:

n.m. denotes not meaningful.

B. Condensed interim statements of financial position

	Note	Group		Company	
		As at		As at	
		31.03.2025	30.09.2024	31.03.2025	30.09.2024
		S\$'000	S\$'000	S\$'000	S\$'000
		Unaudited	Audited	Unaudited	Audited
ASSETS					
Current assets					
Cash and cash equivalents		6,552	4,302	3,402	2,074
Trade and other receivables		5,026	2,889	6,524	5,084
Contract assets		2,325	1,174	-	-
Inventories		2,756	2,022	-	-
Total current assets		16,659	10,387	9,926	7,158
Non-current assets					
Property, plant and equipment	11	970	1,103	-	-
Right-of-use assets		4,372	5,031	-	-
Intangible assets	12	1,078	1,142	-	-
Subsidiaries		-	-	4,240	4,240
Total non-current assets		6,420	7,276	4,240	4,240
Total assets		23,079	17,663	14,166	11,398
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		4,978	2,259	401	209
Contract liabilities		475	392	-	-
Lease liabilities		1,504	1,499	-	-
Income tax payable		126	118	-	-
Total current liabilities		7,083	4,268	401	209
Non-current liabilities					
Deferred tax liabilities		4	4	-	-
Lease liabilities		3,705	4,434	-	-
Convertible bonds	13	3,400	-	3,400	-
Other payables		36	53	-	-
Total non-current liabilities		7,145	4,491	3,400	-
Total liabilities		14,228	8,759	3,801	209
Capital, reserves and non-controlling interests					
Share capital	14	7,485	7,485	7,485	7,485
Reserves		(89)	155	2,880	3,704
Equity attributable to owners of the Company		7,396	7,640	10,365	11,189
Non-controlling interests		1,455	1,264	-	-
Total equity		8,851	8,904	10,365	11,189
Total liabilities and equity		23,079	17,663	14,166	11,398

C. Condensed interim statements of changes in equity

	Attributable to owners of the Company					Non-controlling interests	Total Equity
	Share capital	Translation reserve	Capital reserves	Merger reserve	Retained earnings	Total equity attributable to owners of the Company	
The Group							
<u>Unaudited</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 October 2024	7,485	36	277	19	(177)	7,640	8,904
Total comprehensive income (loss) for the period							
(Loss) Profit for the period	-	-	-	-	(180)	(180)	11
Other comprehensive loss for the period	-	(64)	-	-	-	(64)	(64)
Total	-	(64)	-	-	(180)	(244)	(53)
Transactions with owners, recognised directly in equity							
Dividends paid to non-controlling shareholders by subsidiary	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Balance at 31 March 2025	7,485	(28)	277	19	(357)	7,396	8,851

C. Condensed interim statements of changes in equity

	Attributable to owners of the Company					Non-controlling interests	Total Equity
	Share capital	Translation reserve	Capital reserves	Merger reserve	Retained earnings	Total equity attributable to owners of the Company	
The Group							
<u>Unaudited</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 October 2023	5,245	(53)	277	19	2,355	7,843	9,825
Total comprehensive (loss) income for the period							
(Loss) profit for the period	-	-	-	-	(1,148)	(1,148)	(985)
Other comprehensive income for the period	-	17	-	-	-	17	17
Total	-	17	-	-	(1,148)	(1,131)	(968)
Transactions with owners, recognised directly in equity							
Dividends paid to non-controlling shareholders by subsidiary	-	-	-	-	-	-	(490)
Total	-	-	-	-	-	-	(490)
Balance at 31 March 2024	5,245	(36)	277	19	1,207	6,712	8,367

C. Condensed interim statements of changes in equity

The Company	Share capital	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000
<u>Unaudited</u>			
Balance at 1 October 2024	7,485	3,704	11,189
Loss for the period, representing total comprehensive loss for the period	-	(824)	(824)
Balance at 31 March 2025	<u>7,485</u>	<u>2,880</u>	<u>10,365</u>
<u>Unaudited</u>			
Balance at 1 October 2023	5,245	4,194	9,439
Loss for the period, representing total comprehensive loss for the period	-	(88)	(88)
Balance at 31 March 2024	<u>5,245</u>	<u>4,106</u>	<u>9,351</u>

D. Consolidated interim statement of cash flows

	Group	
	Six months ended 31 March	
	2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Operating activities		
Profit (Loss) before tax	61	(956)
Adjustments for:		
Interest income	-	-
Interest expense	80	78
Depreciation of property, plant and equipment	208	257
Depreciation of right-of-use assets	687	685
Amortisation of intangible assets	64	64
Amortisation of deferred grant income	(15)	(34)
Net foreign exchange (gain) loss	(37)	7
Operating cash flows before movements in working capital	1,048	101
Inventories	(734)	(484)
Trade and other receivables	(2,135)	692
Contract assets	(1,151)	(44)
Trade and other payables	2,653	30
Contract liabilities	83	(346)
Cash used in operations	(236)	(51)
Income tax paid	(43)	(37)
Interest paid on lease liabilities	(80)	(78)
Net cash used in operating activities	(359)	(166)
Investing activities		
Purchase of property, plant and equipment	(76)	(127)
Interest received	-	-
Net cash used in investing activities	(76)	(127)
Financing activities		
Dividends paid to non-controlling shareholders by subsidiary	-	(490)
Repayment of lease liabilities	(752)	(689)
Proceeds on issue of convertible bonds	3,400	-
Net cash from (used in) financing activities	2,648	(1,179)
Net increase (decrease) in cash and cash equivalents	2,213	(1,472)
Cash and cash equivalents at beginning of period	4,302	5,876
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	37	(7)
Cash and cash equivalents at end of period	6,552	4,397

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

GDS Global Limited (the "Company") is incorporated and domiciled in Singapore. The Company was listed on the Catalist, the sponsor-supervised board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 19 April 2013. These condensed interim consolidated financial statements as at and for the six months ended 31 March 2025 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activity of the Company is that of investment holding.

The principal activities of the Group are manufacturing, supplying, installing, servicing and maintaining industrial doors & shutters, trading of production components and retail sale and wholesale of security and safety equipment.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 March 2025 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 30 September 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 new and amended standards as set out in Note 2.1.

The financial statements are expressed in Singapore dollars, and all values are rounded to the nearest thousand (\$'000) except where otherwise stated.

2.1. New and amended standards adopted by the Group

On 1 October 2024, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new / revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

2.2. Use of judgements 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 30 September 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.

In the process of applying the Group's accounting policies, management has not made any judgements that will have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations as discussed below.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes.

Loss allowance

The Group measures allowance based on an assessment of the recoverability of trade and other receivables and contract assets where events or changes in circumstances indicate that the balances may not be collectible with supportable forward-looking information. The estimation of loss allowance requires the use of judgement and estimates. Where the expectation is different from the original estimate, such differences will impact the carrying value of trade and other receivables, contract assets and loss allowance expenses in the period in which such estimate has been changed.

Management monitors outstanding receivables and the financial health of customers, particularly those of larger debtors. Where there are indications that raises doubt about the financial health of customers, management takes proactive steps to recover outstanding debts. Management assesses and determines the loss allowance by calculating the expected future receipts from customers based on past payment trends, relative age of the debtors, knowledge of the customers' business and its financial condition, and forward-looking adjustments based on macroeconomic factors.

As at 31 March 2025, the Group has trade receivables amounting to S\$4,189,000 (30 September 2024: S\$2,521,000) and contract assets amounting to S\$2,325,000 (30 September 2024: S\$1,174,000). There is no loss allowance for trade receivables and contract assets as at 31 March 2025 and 30 September 2024.

Impairment of goodwill

The recoverable amount is based on the value in use of the cash-generating unit. The value in use methodology that is based on cash flow forecasts requires significant management's judgement about future market conditions, including growth rates and discount rates. The carrying amount of goodwill at the end of the reporting period was S\$659,000 (30 September 2024: S\$659,000). Details of the impairment assessment are provided in Note 12.

Allowance for inventory obsolescence

At the end of each reporting period, management assesses and determines whether allowance for inventory obsolescence is required, taking into consideration the usability, market demand and market value of the inventory. For spare parts that are in usable condition but market value and demand are diminishing, allowance for inventory obsolescence will be made over time.

Arising from the reviews, management sets up the necessary allowance for obsolete and slow-moving inventories for any shortfall in the net realisable value of the inventories.

Based on management's assessment, there was no allowance for inventory obsolescence and inventory written-off during the current reporting period.

Impairment of non-current assets

The recoverable amount is based on the value in use of the cash-generating unit, to which the assets belong to. The value in use methodology that is based on cash flow forecasts requires significant management's judgement about future market conditions, including growth rates and discount rates.

The impairment assessment is assessed and reviewed annually where the estimates and underlying assumptions will be reviewed. Revisions to accounting estimates, if any, are recognised at end of the year.

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

By business segment

The Group operates and manages its business primarily as a single operating segment in the manufacture and supply of doors and shutter systems, provision of service and maintenance works and trading of production component products. As such, no operating segmental revenue and results have been prepared. The Group's chief operating decision maker reviews the consolidated results prepared based on the Group's accounting policies when making decisions, including the allocation of resources and assessment of performance of the Group.

4.1. Disaggregation of Revenue

A disaggregation of the Group's revenue for the period is as follows:

	Group	
	Six months ended 31 March	
	2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Type of revenue		
Sale of doors and shutter systems	7,369	1,866
Service and maintenance works	1,640	1,557
Trading of production components	2,122	2,111
	11,131	5,534

	Group	
	Six months ended 31 March	
	2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Revenue recognised at a point in time		
Sale of doors and shutter systems	7,369	1,866
Service and maintenance works	1,640	1,557
Trading of production components	2,122	2,111
	11,131	5,534

By geographical segment

The Group operates mainly in Singapore and in geographical areas of Europe, Asia Pacific, North America, Middle East and East Asia. The Group's revenue from external customers by geographical locations are as follows:

	Group	
	Six months ended 31 March	
	2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Revenue from external customers (based on location of products delivered)		
Singapore	8,413	3,038
Europe	1,721	1,700
Asia Pacific	825	651
North America	142	96
Middle East	30	43
Others*	-	6
Total	11,131	5,534

*Others includes Mauritius.

	Group	
	As at	
	31.03.2025	30.09.2024
	S\$'000	S\$'000
	Unaudited	Audited
Non-current assets		
(based on location of assets)		
Singapore*	6,420	7,276

*All non-current assets for the Group and Company are located in Singapore.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2025 and 30 September 2024:

	Group		Company	
	As at		As at	
	31.03.2025	30.09.2024	31.03.2025	30.09.2024
	Unaudited	Audited	Unaudited	Audited
Financial assets:				
At amortised cost (including cash and cash equivalents)	13,443	8,130	9,889	7,118
Financial liabilities:				
At amortised cost	8,347	2,228	3,801	209
Lease liabilities	5,209	5,933	-	-

6. Profit (Loss) before taxation

6.1. Significant items

	Group	
	Six months ended 31 March	
	2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Other operating income:		
Sundry income	23	25
Grant income	94	42
	117	67
Interest revenue:		
Interest income from bank deposits	-	-
Interest expense on lease liabilities	(80)	(78)
Depreciation of property, plant and equipment	(208)	(257)
Depreciation of right-of-use assets	(687)	(685)
Amortisation of intangible assets	(64)	(64)
Net foreign exchange gains (losses)	61	(22)

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:

	Group	
	Six months ended 31 March 2025	2024
	S\$'000	S\$'000
	Unaudited	Unaudited
Income tax expense comprises:		
- Current tax expense	50	29
Total income tax expense	50	29

8. (Loss) per Share ("LPS")

	Group	
	Six months ended 31 March 2025	2024
	Unaudited	Unaudited
<u>Basic</u>		
(Loss) attributable to owners of the Company (S\$'000)	(180)	(1,148)
Weighted average number of ordinary shares ('000)	224,000	224,000
LPS - Basic (cents)	(0.08)	(0.51)
<u>Diluted</u>		
(Loss) attributable to owners of the Company (S\$'000)	(180)	(1,148)
Weighted average number of ordinary shares ('000)	458,245	224,000
LPS - Diluted (cents)	(0.04)	(0.51)

On 1 August 2024, 112,000,000 new ordinary shares were issued at an issue price of S\$0.02 per share as part of the Rights cum Warrants Issue during the six months ended 30 September 2024 ("2H2024"). Please refer to the SGXNet announcement dated 1 August 2024.

On 25 February 2025, the Company issued a total of S\$3,400,000 in aggregate principal amount of unlisted and non-transferable convertible bonds (the "Convertible Bonds"), convertible into up to 54,838,704 new ordinary shares in the share capital of the Company at a conversion price of S\$0.062.

The loss per share (basic) was calculated by dividing the net loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue.

The net loss per share (on a fully diluted basis) was calculated by dividing the net loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue, adjusted to take into account the dilutive effect arising from the outstanding Warrants pursuant to the Company's Rights cum Warrants issue that was completed on 1 August 2024 and the Convertible Bonds issue that was completed on 25 February 2025.

9. Dividends

There was no dividend paid by the Company during the six months ended 31 March 2025 and 31 March 2024.

10. Net Asset Value ("NAV")

	Group		Company	
	As at		As at	
	31.03.2025 Unaudited	30.09.2024 Unaudited	31.03.2025 Unaudited	30.09.2024 Unaudited
NAV per ordinary share (cents)	3.30	3.41	4.63	5.00
Number of ordinary shares used in computation of NAV per ordinary share ('000)	224,000	224,000	224,000	224,000

11. Property, Plant and Equipment

During the six months ended 31 March 2025, the Group acquired S\$76,000 (31 March 2024: S\$215,000) of property, plant and equipment at cost. There were no disposal of property, plant and equipment for periods ended 31 March 2025 and 31 March 2024.

12. Intangible assets

Intangible assets comprise of patent, goodwill and other intangible assets acquired where other intangible assets relate to a subsidiary's website.

As at 31 March 2025, the carrying amount of patent, goodwill and other intangible assets are S\$370,000 (30 September 2024: S\$417,000), S\$659,000 (30 September 2024: S\$659,000), S\$49,000 (30 September 2024: S\$66,000) respectively.

The patent has a finite useful life. Amortisation is charged using the straight-line method over its estimated useful life of 18 years.

Goodwill acquired in a business combination is allocated to the cash generating units ("CGUs") that are expected to benefit from that business combination.

The Group tests goodwill annually for impairment or more frequently if there are indicators that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. On an annual basis, the Group prepares cash flow forecasts approved by management for the next five years based on estimated revenue and growth rate.

13. Convertible Bonds

Amount repayable in one year or less, or on demand

	As at 31 March 2025		As at 30 September 2024	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Redeemable convertible bonds	-	-	-	-
	-	-	-	-

Amount repayable after one year

	As at 31 March 2025		As at 30 September 2024	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Redeemable convertible bonds	-	3,400	-	-
	-	3,400	-	-

Details of any collateral:

On 25 February 2025, the Company had issued Convertible Bonds with an aggregate principal amount of \$3.4 million to certain subscribers. The Convertible Bonds are unsecured, bear interests at 5% per annum and are convertible into new ordinary shares of the Company (the "Conversion Shares") at any time during the three-year tenure at a conversion price of S\$0.062 per Conversion Share.

14. Share capital

	Group and Company			
	Number of ordinary shares		Issued and paid up	
	As at		As at	
	31.03.2025 '000 Unaudited	30.09.2024 '000 Audited	31.03.2025 S\$'000 Unaudited	30.09.2024 S\$'000 Audited
Issued and paid up: At the beginning and end of the interim period	224,000	224,000	7,485	7,485

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

The Company has no treasury shares as at 31 March 2025 and 31 March 2024.

The Company's subsidiaries do not hold any shares in the Company as at 31 March 2025 and 31 March 2024.

On 25 February 2025, the Company completed the Convertible Bonds Issue ("Convertible Bonds") for a total of S\$3,400,000 in aggregate principal amount of unlisted and non-transferable Convertible Bonds, convertible into up to 54,838,704 new ordinary shares in the capital of the Company at a conversion price of S\$0.062 (31 March 2024: Nil)

As at 31 March 2025, there were 224,000,000 outstanding Warrants that can be exercised into 224,000,000 ordinary shares (31 March 2024: Nil).

Save for the outstanding Warrants and Convertible Bonds as disclosed, there are no outstanding convertibles as at 31 March 2025 and 31 March 2024.

**Other Information Required by Catalist Rule
Appendix 7C**

F. OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of the GDS Global Limited and its subsidiaries as at 31 March 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated 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.

The Group's latest audited financial statements for the financial year ended 30 September 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Review of the Group's Financial Performance

Overview

The Group recorded a marginal net profit of S\$0.01 million for the six-month period ended 31 March 2025 ("1H2025"), as compared to a net loss of S\$0.99 million in the corresponding six-month period ended 31 March 2024 ("1H2024").

Excluding the one-off adjustment of the Convertible Bonds Issue transaction costs of S\$0.2 million incurred in 1H2025, net profit for 1H2025 would have been S\$0.21 million (1H2024: Net loss of S\$0.99 million).

Revenue

For the sales of doors and shutter systems, the Group typically experiences a fluctuation in revenue contribution from its customers from period to period due to the project-based nature of its business. The Group's projects differ in their scope and size and are typically non-recurring.

The Group's revenue for 1H2025 was S\$11.13 million, an increase of S\$5.60 million from S\$5.53 million in 1H2024. The increase in revenue was mainly from the sales of door and shutter systems segment from several projects completed in 1H2025 and export sales.

Cost of sales

Cost of sales increased by S\$3.41 million or 92.8% from S\$3.67 million in 1H2024 to S\$7.08 million in 1H2025. The increase was mainly from increased purchases of raw materials, sub-contractors and labour cost to complete projects, in line with the higher revenue.

Gross profit

Gross profit increased by S\$2.19 million or 117.6% from S\$1.86 million in 1H2024 to S\$4.05 million in 1H2025, and gross profit margin increased from 34% in 1H2024 to approximately 36% in 1H2025. The increase is mainly driven by higher revenue generated from project completion of sales of door and shutter systems in 1H2025.

Other operating income

Other operating income increased by S\$0.05 million or 74.6% in 1H2025 from S\$0.07 million in 1H2024 to S\$0.12 million in 1H2025. The increase was mainly due to government grants and government incentives received in 1H2025.

Marketing and distribution expenses

Marketing and distribution expenses increased by S\$0.53 million in 1H2025 from S\$0.14 million in 1H2024 to S\$0.67 million in 1H2025. The increase was mainly from higher local logistics cost to complete projects (procurement of more rental forklifts and scissor lifts and lorry cranes to transport forklifts and scissor lifts to sites) and higher provision for marketing expenses set aside to support the Group's planned export market expansion strategy (penetrate new markets, deepen existing partnerships and investment to strengthen our brand equity to enhance long term competitive positioning) in line with the Group's strategic business focus and strategies.

Administrative expenses

Administrative expenses increased by S\$0.82 million or 32.8% from S\$2.50 million in 1H2024 to S\$3.32 million in 1H2025 mainly due to a one-off transaction cost in relation to Convertible Bonds issue of S\$0.20 million, additional headcount salaries and related statutory payments and additional dormitories for workers to cope with production and projects.

Other operating expenses

Other operating expenses decreased by S\$0.05 million or 35.0% in 1H2025. The decrease was mainly from lower research and development expense and fewer building security personnel, which is outsourced from a security company.

Other gains and losses

Other gains and losses reversed from a loss of S\$0.02 million in 1H2024 to a gain of S\$0.06 million in 1H2025. The reversal was mainly from realised and unrealised gains from foreign currency translation on subsidiary's assets (trade receivables and bank balances) which is primarily denominated in USD.

Finance costs

Finance costs increased by S\$2,000 or 2.6% from S\$78,000 in 1H2024 to S\$80,000 in 1H2025, mainly due to interest incurred on issuance of Convertible Bonds in February 2025. This increase was partially offset by a reduction in interest on lease liabilities.

Income tax expense

The income tax expense increased by S\$21,000 from S\$29,000 in 1H2024 to S\$50,000 in 1H2025. The increase in income tax expense was mainly due to higher taxable profit from subsidiary in 1H2025.

Profit (loss) for the period

As a result of the above, the Group reported a profit of S\$0.01 million for 1H2025, as compared to a loss of S\$0.99 million in 1H2024.

Review of the Group's Financial Position**Current assets**

Current assets increased by S\$6.27 million from S\$10.39 million as at 30 September 2024 to S\$16.66 million as at 31 March 2025. The increase in current assets was mainly due to:

- (i) an increase in cash and cash equivalents of S\$2.25 million;
- (ii) an increase in trade and other receivables of S\$2.14 million corresponding with increased sales on credit from higher revenue from higher project activities.
- (iii) an increase in contract assets of S\$1.15 million corresponding with higher revenue related to work performed but not yet invoiced; and
- (iv) an increase in inventories of S\$0.73 million, with more raw materials and supplies purchased and kept as inventories.

Non-current assets

Non-current assets decreased by S\$0.86 million, from S\$7.28 million as at 30 September 2024 to S\$6.42 million as at 31 March 2025. The decrease mainly due to depreciation of property, plant and equipment, and Right-of-Use assets and amortisation of intangible assets.

Current liabilities

Current liabilities increased by S\$2.81 million from S\$4.27 million as at 30 September 2024 to S\$7.08 million as at 31 March 2025. The increase in current liabilities was a result of mainly the following:

- (i) increase in trade and other payables of S\$2.72 million, in line with higher revenue from more projects completed;
- (ii) increase in contract liabilities which is mainly comprise of deposit received from customers of S\$0.08 million:

Non-current liabilities

Non-current liabilities increased by S\$2.66 million from S\$4.49 million as at 30 September 2024 to S\$7.15 million as at 31 March 2025. The increase in non-current liabilities was mainly due to issuance of convertible bonds of S\$3.40 million in 1H2025 which was partially offset by a decrease in lease liabilities of S\$0.73 million as the remaining lease periods decrease over the contractual lease term.

Capital, reserves and non-controlling interests

Total equity decreased by S\$0.05 million from S\$8.90 million as at 30 September 2024 to S\$8.85 million as at 31 March 2025 mainly due to current period loss, but partially offset by higher contribution from non-controlling interests.

Review of the Group's Cash Flows

Net cash used in operating activities

In 1H2025, the Group generated cash from operating activities before movement in working capital of S\$1.05 million. The Group's cash used in operations amounted to S\$0.24 million due to:

- (i) increase in inventories of S\$0.73 million
- (ii) increase in trade receivables of S\$2.14 million
- (iii) increase in contract assets (accrued revenue) of S\$1.15 million; offset by
- (iv) increase in trade and other payables of S\$2.65 million
- (v) increase in contract liabilities (deposit received from customers) of S\$0.08 million

Net cash used in investing activities

Net cash used in investing activities amounted to S\$0.08 million, due to the purchase of property, plant and equipment.

Net cash from financing activities

Net cash from financing activities amounted to S\$2.65 million, mainly from the proceeds on issuance of convertible bonds of S\$3.40 million, and offset by the repayment of lease liabilities (Right-Of-Use asset) of S\$0.75 million.

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

The Group's financial results for 1H2025 are in line with the Company's trends and competitive conditions previously disclosed in the Company's announcement dated 22 November 2024 in relation to its full year results for year ended 30 September 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 operating period and the next 12 months

Looking ahead, the Group will continue to focus on sustaining our 1H2025 growth momentum and actively pursue and secure more projects locally and overseas. The Group will have stronger focus on export sales and marketing from 6 months ended 30 September 2025 ("2H2025"), as well as planned actions to revitalise and enhance our strong brand presence.

Despite this, the Group expects the doors and shutters and trading of production components segments to be challenging in the next 6 to 12 months with US trade tariffs uncertainties which may drive up inflation and unrelenting Russia and Ukraine conflict affecting supply chain, pricier raw materials, freight and energy costs and demand for our goods and services as the Group is one of the end-process contractors, and all such factors may affect our export plans and overseas demands.

Nevertheless, the Group will continue with its strategic initiatives of growing our sales (with added focus on exports) and improving operational efficiencies to stay competitive. Locally, the Group will continue sales efforts to capture opportunities from improved Singapore construction industry prospects such as mega public infrastructure projects, housing projects, , future Changi Airport Terminal 5 and Tuas Port development, as well as government investment projects like renewable energy.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No

Name of Dividend	Not applicable
Dividend type Dividend per share Tax rate	Not applicable

5b. Corresponding Period of the Immediate Preceding Financial Year

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

No

Name of Dividend	Not applicable
Dividend type Dividend per share Tax rate	Not applicable

5c. Date Payable

Not applicable

5d. Book Closure Date

Not applicable

5e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared / recommended for the current financial period reported on, as it is the Company's practice to consider dividend declaration / recommendation (if any) during the full year financial period.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions. There were no interested person transactions during the period.

7. Use of Proceeds

(a) Use of proceeds from the Rights cum Warrants Issue

The status of the use of the net proceeds from the Rights cum Warrants as at the date of this announcement is as follows:

Intended Use of Net Proceeds	Amount of Net Proceeds ⁽¹⁾	Amount Utilised ⁽²⁾	Balance of Net Proceeds as at the date of this announcement
	(S\$'000)	(S\$'000)	(S\$'000)
General working capital purpose	1,953	1,953	-
Total	1,953	1,953	-

Notes:

(1) Please refer to the Offer Information Statement dated 10 July 2024 on the use of proceeds for details.

(2) Relates to payments including staff costs, administrative expenses and purchases from supplier.

Summary of expenses:	General Working capital
	(S\$'000)
Staff costs	316
Administrative expenses	358
Purchases from supplier	1,279
Total	1,953

The use of proceeds from the Rights cum Warrants issue is in accordance with the stated purpose and percentage in Offer Information Statement dated 10 July 2024 and has been fully utilised as at the date of this announcement.

(b) Use of proceeds from the Convertible Bonds Issue

The status of the use of the net proceeds from the Convertible Bonds as at the date of this announcement is as follows:

Intended Use of Net Proceeds	Amount of Net Proceeds ⁽³⁾	Amount Utilised	Balance of Net Proceeds as at the date of this announcement
	(S\$'000)	(S\$'000)	(S\$'000)
Funding project capital expenditures (including for the purchase of inventories and raw materials and scaling up of the Group's operations)	2,720	-	2,720
Funding existing business expansion	480	-	480
Total	3,200	-	3,200

Notes:

(3) Please refer to the announcement in relation to the entry into Subscription Agreement for Convertible Bonds dated 14 February 2025 for details on the use of proceeds of the issue of Convertible Bonds.

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

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

9. Disclosures on Acquisitions and Realisation of Shares pursuant to Rule 706(A) of the Catalist Rules

There were no acquisition or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during financial period under review. Neither was there any incorporation of new subsidiary or associated company by the Group during the financial period under review.

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our 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 months period ended 31 March 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lee Pei Fang

Executive Director

Aw Eng Hai

Lead Independent Non-Executive Director

Singapore

9 May 2025