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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2025

Commission File Number: 001-42523

**GCL Global Holdings Ltd**  
(Exact Name of Registrant as Specified in its Charter)

29 Tai Seng Avenue, #02-01  
Singapore 534119  
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: +65 80427330

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

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On August 29, 2025, in connection with the recently completed acquisition (the “Acquisition”) of Ban Leong Technologies Limited (“Ban Leong”) by GCL Global Holdings Ltd (“GCL” or the “Company”), the Company published Ban Leong’s audited financial statements for the fiscal years ended March 31, 2024 and 2025, and certain unaudited pro forma financial information about the Acquisition, a copy of which is being furnished as Exhibit 99.1 and 99.2, respectively hereto. It also published Ban Leong’s Management’s Discussion and Analysis of Financial Condition and Results of Operations for the last two fiscal years, a copy of which is being furnished as Exhibit 99.3 hereto.

On August 28, 2025, the Company issued a press release relating to its subsidiary, 2Game Digital Limited, a copy of which is furnished as Exhibit 99.4 hereto.

#### Exhibit Index

| <b>No.</b> | <b>Description of Exhibit</b>   |
|------------|---|
| 99.1       | <a href="#">Ban Leong’s audited financial statements for the fiscal years ended March 31, 2024 and 2025</a>       |
| 99.2       | <a href="#">Unaudited Pro Forma Condensed Combined Financial Information</a>                                      |
| 99.3       | <a href="#">Ban Leong’s Management’s Discussion and Analysis of Financial Condition and Results of Operations</a> |
| 99.4       | <a href="#">Press release dated August 28, 2025</a>   |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 29, 2025

**GCL Global Holdings Ltd.**

By: /s/ Sebastian Toke

Name: Sebastian Toke

Title: Group CEO

Company Registration No. 199303898C

Ban Leong Technologies Limited

Consolidated Financial Statements  
March 31, 2025 and 2024

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**BAN LEONG TECHNOLOGIES LIMITED**

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**BAN LEONG TECHNOLOGIES LIMITED**

**Report of Independent Auditors**

To the Shareholders and the Board of Directors of Ban Leong Technologies Limited

**Opinion**

We have audited the consolidated financial statements of Ban Leong Technologies Limited (the "Company"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at March 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Company to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

**BAN LEONG TECHNOLOGIES LIMITED**

**Report of Independent Auditors (continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ Ernst & Young LLP

Singapore

August 26, 2025

**BAN LEONG TECHNOLOGIES LIMITED**  
**CONSOLIDATED BALANCE SHEETS**  
(Amounts in Singapore dollars (“\$”))

|   | Note  | As of March 31,   |                   |
|---|-------|-------------------|-------------------|
|   |       | 2025              | 2024              |
|   |       | \$                | \$                |
| <b>ASSETS</b>   |       |                   |                   |
| <b>Current assets</b>   |       |                   |                   |
| Cash and cash equivalents   | 3     | 21,053,603        | 18,068,999        |
| Accounts receivable, net of allowance for credit losses of \$200,029 and \$182,690 as of March 31, 2025 and 2024 respectively | 4     | 22,685,598        | 23,159,074        |
| Inventories, net  | 5     | 33,567,179        | 31,208,023        |
| Other receivables and other assets, net   | 6     | 4,404,891         | 2,859,760         |
| Prepayments   |       | 103,415           | 104,053           |
| <b>Total current assets</b>   |       | <b>81,814,686</b> | <b>75,399,909</b> |
| <b>Non-current assets</b>   |       |                   |                   |
| Property and equipment, net   | 7     | 663,357           | 779,245           |
| Other receivables and other assets, net   | 6     | –                 | 3,502,200         |
| Operating leases right-of-use assets  |       | 2,976,712         | 3,813,724         |
| Finance leases right-of-use assets  |       | –                 | 917               |
| Deferred tax assets, net  | 18    | 35,315            | 14,200            |
| <b>Total non-current assets</b>   |       | <b>3,675,384</b>  | <b>8,110,286</b>  |
| <b>TOTAL ASSETS</b>   |       | <b>85,490,070</b> | <b>83,510,195</b> |
| <b>LIABILITIES AND SHAREHOLDERS’ EQUITY</b>   |       |                   |                   |
| <b>Current liabilities</b>  |       |                   |                   |
| Bank loans  | 8     | 2,242,598         | 2,513,502         |
| Accounts payable  | 9     | 24,641,332        | 22,212,268        |
| Other payables and accrued liabilities  | 10    | 5,345,222         | 6,459,345         |
| Operating lease liabilities, current  | 11    | 859,401           | 856,537           |
| Finance lease liabilities, current  | 11    | –                 | 33,044            |
| Income tax payables   |       | 574,501           | 805,335           |
| <b>Total current liabilities</b>  |       | <b>33,663,054</b> | <b>32,880,031</b> |
| <b>Non-current liabilities</b>  |       |                   |                   |
| Operating lease liabilities, non-current  | 11    | 2,257,549         | 3,051,767         |
| <b>Total non-current liabilities</b>  |       | <b>2,257,549</b>  | <b>3,051,767</b>  |
| <b>TOTAL LIABILITIES</b>  |       | <b>35,920,603</b> | <b>35,931,798</b> |
| <b>Shareholders’ equity</b>   |       |                   |                   |
| Ordinary shares, 117,181,818 shares issued and outstanding  | 12(a) | 11,173,106        | 11,173,106        |
| Treasury shares, 8,703,300 and 7,211,300 shares outstanding as of March 31, 2025 and 2024 respectively                        | 12(b) | (2,722,887)       | (2,219,906)       |
| Returned shares, 681,818 shares outstanding as of March 31, 2025 and 2024   | 12(b) | (104,822)         | (104,822)         |
| Other reserve   | 13    | 65,685            | 65,685            |
| Accumulated other comprehensive income  | 13    | (447,720)         | (1,025,137)       |
| Retained earnings   |       | 39,579,622        | 37,842,099        |
| <b>Total Ban Leong Technologies Limited shareholders’ equity</b>  |       | <b>47,542,984</b> | <b>45,731,025</b> |
| Non-controlling interests   |       | 2,026,483         | 1,847,372         |
| <b>TOTAL SHAREHOLDERS’ EQUITY</b>   |       | <b>49,569,467</b> | <b>47,578,397</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY</b>   |       | <b>85,490,070</b> | <b>83,510,195</b> |

*The accompanying notes are an integral part of the consolidated financial statements.*

**BAN LEONG TECHNOLOGIES LIMITED**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Amounts in Singapore dollars (“\$”))

|   | <u>Note</u> | <u>For the year ended March 31,</u> |                      |
|---|-------------|-------------------------------------|----------------------|
|   |             | <u>2025</u>                         | <u>2024</u>          |
|   |             | \$                                  | \$                   |
| <b>REVENUES</b>   |             |                                     |                      |
| Revenues  | 15          | 193,626,934                         | 208,080,530          |
| <b>Total revenues</b>   |             | <u>193,626,934</u>                  | <u>208,080,530</u>   |
| <b>COST OF REVENUES</b>   |             |                                     |                      |
| Cost of revenues  |             | (176,778,439)                       | (189,920,196)        |
| <b>Total cost of revenues</b>   |             | <u>(176,778,439)</u>                | <u>(189,920,196)</u> |
| <b>Gross profit</b>   |             | 16,848,495                          | 18,160,334           |
| <b>OPERATING EXPENSES</b>   |             |                                     |                      |
| Selling and marketing expenses  |             | (8,051,604)                         | (7,234,172)          |
| General and administrative expenses   |             | (4,842,891)                         | (4,969,183)          |
| <b>Total operating expenses</b>   |             | <u>(12,894,495)</u>                 | <u>(12,203,355)</u>  |
| <b>Income from operations</b>   |             | <u>3,954,000</u>                    | <u>5,956,979</u>     |
| <b>OTHER INCOME (EXPENSE)</b>   |             |                                     |                      |
| Other income, net   |             | 1,054,051                           | 2,428,288            |
| Interest income   | 16          | 60,007                              | 30,118               |
| Interest expense  | 16          | (115,958)                           | (79,240)             |
| <b>Total other income, net</b>  |             | <u>998,100</u>                      | <u>2,379,166</u>     |
| <b>Income before income taxes</b>   |             | 4,952,100                           | 8,336,145            |
| Taxation  | 18          | (893,015)                           | (955,401)            |
| <b>Net income</b>   |             | 4,059,085                           | 7,380,744            |
| Less: net income attributable to non-controlling interest                                       |             | 50,334                              | 78,863               |
| <b>Net income attributable to Ban Leong Technologies Limited shareholders</b>                   |             | <u>4,008,751</u>                    | <u>7,301,881</u>     |
| <b>Net income</b>   |             | <u>4,059,085</u>                    | <u>7,380,744</u>     |
| <b>OTHER COMPREHENSIVE INCOME</b>   |             |                                     |                      |
| Foreign currency translation adjustments  |             | 706,194                             | (575,704)            |
| <b>Comprehensive income</b>   |             | <u>4,765,279</u>                    | <u>6,805,040</u>     |
| Less: total comprehensive income (loss) attributable to non-controlling interests               |             | 179,111                             | (16,230)             |
| <b>Total comprehensive income attributable to Ban Leong Technologies Limited’s shareholders</b> |             | <u>4,586,168</u>                    | <u>6,821,270</u>     |
| <b>Comprehensive income</b>   |             | <u>4,765,279</u>                    | <u>6,805,040</u>     |

*The accompanying notes are an integral part of the consolidated financial statements.*

**BAN LEONG TECHNOLOGIES LIMITED**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Amounts in Singapore dollars (“\$”))

|  | <u>Share capital</u> | <u>Treasury Shares</u> | <u>Returned Shares</u> | <u>Other Reserve</u> | <u>Accumulated other comprehensive income</u> | <u>Retained earnings</u> | <u>Total Ban Leong Technologies Limited shareholders' equity</u> | <u>Non-controlling interest</u> | <u>Total stockholders' equity</u> |
|--|----------------------|------------------------|------------------------|----------------------|---|--------------------------|--|---------------------------------|-----------------------------------|
|  | \$                   | \$                     | \$                     | \$                   | \$  | \$                       | \$   | \$                              | \$                                |
| <b>Balance as at April 1, 2023</b>       | 11,173,106           | (1,018,212)            | (104,822)              | 65,685               | (544,526)                                     | 33,167,469               | 42,738,700   | 1,863,602                       | 44,602,302                        |
| Net income                               | –                    | –                      | –                      | –                    | –   | 7,301,881                | 7,301,881  | 78,863                          | 7,380,744                         |
| Dividends (Note 14(a))                   | –                    | –                      | –                      | –                    | –   | (2,627,251)              | (2,627,251)  | –                               | (2,627,251)                       |
| Purchase of treasury shares              | –                    | (1,201,694)            | –                      | –                    | –   | –                        | (1,201,694)  | –                               | (1,201,694)                       |
| Foreign currency translation adjustments | –                    | –                      | –                      | –                    | (480,611)                                     | –                        | (480,611)  | (95,093)                        | (575,704)                         |
| <b>Balance as at March 31, 2024</b>      | 11,173,106           | (2,219,906)            | (104,822)              | 65,685               | (1,025,137)                                   | 37,842,099               | 45,731,025   | 1,847,372                       | 47,578,397                        |
| Net income                               | –                    | –                      | –                      | –                    | –   | 4,008,751                | 4,008,751  | 50,334                          | 4,059,085                         |
| Dividends (Note 14(a))                   | –                    | –                      | –                      | –                    | –   | (2,271,228)              | (2,271,228)  | –                               | (2,271,228)                       |
| Purchase of treasury shares              | –                    | (502,981)              | –                      | –                    | –   | –                        | (502,981)  | –                               | (502,981)                         |
| Foreign currency translation adjustments | –                    | –                      | –                      | –                    | 577,417                                       | –                        | 577,417  | 128,777                         | 706,194                           |
| <b>Balance as at March 31, 2025</b>      | <u>11,173,106</u>    | <u>(2,722,887)</u>     | <u>(104,822)</u>       | <u>65,685</u>        | <u>(447,720)</u>                              | <u>39,579,622</u>        | <u>47,542,984</u>  | <u>2,026,483</u>                | <u>49,569,467</u>                 |

*The accompanying notes are an integral part of the consolidated financial statements.*

**BAN LEONG TECHNOLOGIES LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in Singapore dollars (“\$”))

|  | <u>Note</u> | <u>For the year ended March 31,</u> |                          |
|--|-------------|-------------------------------------|--------------------------|
|  |             | <u>2025</u>                         | <u>2024</u>              |
|  |             | \$                                  | \$                       |
| <b>Cash flows from operating activities</b>                                      |             |                                     |                          |
| Net income   |             | 4,059,085                           | 7,380,744                |
| Adjustments to reconcile net income to net cash used in operating activities:    |             |                                     |                          |
| Depreciation of property and equipment   |             | 295,895                             | 278,535                  |
| Deferred tax benefit   |             | (20,752)                            | –                        |
| Amortization of right of use assets  |             | 929,661                             | 944,432                  |
| Provision for/(write back of) credit loss and doubtful accounts, net of recovery |             | 26,316                              | (148,000)                |
| Gain on disposal of property and equipment                                       |             | (7,671)                             | (44)                     |
| Inventory written off  |             | 107,005                             | 175,373                  |
| Inventories allowances   |             | 138,935                             | 47,134                   |
| Change in fair value of investment in convertible notes                          |             | –                                   | (2,155,200)              |
| Foreign currency transaction losses (gains)                                      |             | 419,681                             | (352,344)                |
| Change in operating assets and liabilities                                       |             |                                     |                          |
| Accounts receivables   |             | 447,160                             | 1,820,420                |
| Inventories  |             | (2,605,096)                         | (2,762,701)              |
| Other receivable and other assets  |             | 1,957,069                           | 1,583,857                |
| Prepayments  |             | 638                                 | (30,246)                 |
| Accounts payable   |             | 2,429,064                           | (979,325)                |
| Other payables and accrued liabilities   |             | (1,114,123)                         | (1,211,434)              |
| Operating lease liabilities  |             | (883,880)                           | (688,794)                |
| Income tax payables  |             | (230,834)                           | 4,837                    |
| Net cash provided by operating activities  |             | <u>5,948,153</u>                    | <u>3,907,244</u>         |
| <b>Cash flows from investing activities</b>                                      |             |                                     |                          |
| Purchases of equipment   |             | (171,975)                           | (598,773)                |
| Proceeds from sale of property and equipment                                     |             | 7,891                               | 71                       |
| Net cash used in investing activities  |             | <u>(164,084)</u>                    | <u>(598,702)</u>         |
| <b>Cash flows from financing activities</b>                                      |             |                                     |                          |
| Purchase of treasury shares  |             | (502,981)                           | (1,201,694)              |
| (Repayment)/receipt of bank loans  |             | (270,904)                           | 860,952                  |
| Principal payments of finance lease liabilities                                  |             | (33,044)                            | (63,689)                 |
| Dividends paid to shareholders   |             | (2,271,228)                         | (2,627,251)              |
| Net cash used in financing activities  |             | <u>(3,078,157)</u>                  | <u>(3,031,682)</u>       |
| Increase in cash and cash equivalents  |             | 2,705,912                           | 276,860                  |
| Effects of exchange rate changes on cash and cash equivalents                    |             | 278,692                             | (213,282)                |
| Cash and cash equivalents, beginning of the year                                 |             | <u>18,068,999</u>                   | <u>18,005,421</u>        |
| Cash and cash equivalents, end of the year                                       | 3           | <u><u>21,053,603</u></u>            | <u><u>18,068,999</u></u> |
| <b>Supplemental cash flow disclosures:</b>                                       |             |                                     |                          |
| Cash paid for income taxes   |             | 1,144,964                           | 950,564                  |
| Cash paid for interest   |             | 115,958                             | 79,240                   |

*The accompanying notes are an integral part of the consolidated financial statements.*

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**1. Organization**

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

The Company is principally engaged in the wholesale and distribution of computer peripherals, accessories and other multimedia products.

As of March 31, 2025, the Company’s subsidiaries are as follows:

| <u>Name</u>                             | <u>Date of establishment</u> | <u>Place of establishment</u> | <u>Percentage of equity interest attributable to the Company</u> | <u>Principal activities</u>                          |
|---|------------------------------|-------------------------------|--|--|
| Digital Hub Pte. Ltd.                   | March 20, 2003               | Singapore                     | 100%   | Distribution of computer peripherals and accessories |
| Ban Leong Technologies Sdn Bhd          | August 15, 2003              | Malaysia                      | 100%   | Distribution of computer peripherals and accessories |
| Ban Leong Chin Inter Co., Ltd           | July 16, 2004                | Thailand                      | 60%  | Distribution of computer peripherals and accessories |
| 宇扬(上海)投资咨询有限公司<br>(BLC (China) Limited) | November 27,<br>2008         | China                         | 100%   | Distribution of corporate gift cards                 |
| AV Labs International Pte Ltd           | June 23, 2006                | Singapore                     | 100%   | Marketing and distribution of computer and hardware  |

**2. Summary of significant accounting policies**

***Basis of Preparation and Principles of Consolidation***

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”).

The accompanying consolidated financial statements include the accounts of Ban Leong Technologies Limited and its controlled subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

***Non-controlling interests***

For the Company’s non-wholly owned subsidiaries, a non-controlling interest is recognized to reflect portion of equity that is not attributable, directly or indirectly, to the Company. The cumulative results of operations attributable to non-controlling interests are also recorded as non-controlling interests in the Company’s consolidated balance sheets and consolidated statements of operation and comprehensive income. Cash flows related to transactions with non-controlling interests are presented under financing activities in the consolidated statements of cash flows.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

*Use of estimates*

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses during the periods presented.

Significant accounting estimates reflected in the Company’s consolidated financial statements include, but are not limited to, the allowance for credit losses of accounts receivable inventory valuation allowances principally comprised of allowances for excess and obsolete inventory, and the estimated fair value of our investment in convertible notes. Actual results could differ from those estimates, and as such, differences may be material to the consolidated financial statements.

*Foreign currency transactions and translation*

The functional currency of the Company’s parent is Singapore dollars (“\$” or “SGD”), whereas the functional currency of the Company’s subsidiaries are the respective local currencies. The Company uses the SGD as its reporting currency. Transactions denominated in currencies other than functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. Exchange differences are recorded in the consolidated statements of operations.

Assets and liabilities of the Company’s subsidiaries that have functional currencies other than SGD are translated into SGD at the rates of exchange prevailing at the balance sheet dates and all income and expense items are translated at the average rates of exchange over the year. All exchange differences arising from the translation of foreign subsidiaries’ financial statements are recorded in the consolidated statements of comprehensive income.

*Cash and cash equivalents*

Cash and cash equivalents consist of cash on hand and time deposits or other highly liquid investments placed with banks which are unrestricted as to withdrawal or use and have original maturities of less than three months.

*Accounts receivable*

Accounts receivable is recognized and carried at the original invoiced amount less an allowance for credit losses and do not bear interest. Customers who owe accounts receivable, are granted credit terms based on their credit metrics. The Company adopted ASU 2016-13 “Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments” (“ASC Topic 326”) on its accounts receivable using the modified retrospective approach, starting from April 1, 2021 and records the allowance for expected credit losses as an offset to accounts receivable. Estimated credit losses charged to the allowance are classified as “general and administrative” in the consolidated statements of comprehensive income. The Company assesses collectability by reviewing accounts receivable on a collective basis where similar characteristics exist, primarily based on similar business line, service or product offerings and on an individual basis when the Company identifies specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the accounts receivable balances, credit quality of the Company’s customers based on ongoing credit evaluations, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company’s ability to collect from customers. As of March 31, 2025 and 2024, the Company provided allowance for credit losses of \$200,029 and \$182,690, respectively.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

***Inventories***

Inventories are stated at the lower of cost or net realizable value. Weighted average method is the inventory valuation method applied to these inventories. Inventories mainly include physical computer peripherals, accessories and other multimedia products which are purchased from the Company’s suppliers as merchandized goods. Inventories are reviewed for potential write-down for estimated obsolete or unmarketable inventories to their estimated net realizable value based upon forecasts for future demand and market conditions. For the years ended March 31, 2025 and 2024, \$138,935 and \$47,134 of inventories allowances were recorded, respectively.

***Investment in convertible note***

The Company holds an investment in convertible notes with a fair value of \$3,502,200 as of March 31, 2025 and 2024, respectively. The investment is included in current Other receivables and other assets, net and non-current Other receivables and other assets, net in the Consolidated Balance Sheets as of March 31, 2025 and 2024, respectively. The investment is recorded at fair value under the fair value option in accordance with ASC 825-10, *Fair Value Option*, and ASC 325-20, *Investments-Other*.

The convertible notes were issued by an unrelated privately held company and earn fixed interest at 6% per annum. The convertible notes may be converted in part or in whole at the Company’s discretion within 36 months from the issuance date. The notes mature on December 29, 2025. The Company is not obliged to convert the convertible notes and may elect to redeem them upon maturity. As of March 31, 2025, no such conversion has taken place. For the years ended March 31, 2025 and 2024, the Company recognised interest income of \$82,800 and \$82,220, respectively, based on the interest rate of the convertible notes.

By electing the fair value option, the embedded conversion feature is not separately bifurcated or accounted for as a derivative. Instead, the fair value of the instrument as a whole captures the economic effect the embedded features.

Changes in fair value are recognized in earnings in the period in which they occur. Changes in fair value were not material for the year ended March 31, 2025. For the year ended March 31, 2024, the Company recognized net unrealized gains of \$2,155,200 related to the convertible notes, which is included in Other income, net in the Consolidated Statements of Comprehensive Income.

The Company believes this accounting treatment best reflects the economic substance of the investment and aligns with the way the instrument is managed and evaluated internally.

The aggregate principal amount of the convertible notes was \$1,341,000 and \$1,347,000 as of March 31, 2025 and 2024, respectively. The excess fair value over principal reflects the estimated value of the embedded equity conversion feature.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**2. Summary of significant accounting policies (continued)**

*Fair value measurements*

Financial instruments of the Company primarily include trade receivables, other receivables and deposits, investments in convertible notes, cash and cash equivalents, trade payables, bills payable to banks (unsecured) and short-term loans, other payables and accruals. The Company applies ASC 820, Fair Value Measurements and Disclosures (“ASC 820”), in measuring fair value. ASC 820 defines fair value, establishes a framework for measuring fair value and requires disclosures to be provided on fair value measurement.

ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 — Unobservable inputs which are supported by little or no market activity.

ASC 820 describes three main approaches to measuring the fair value of assets and liabilities: (1) market approach; (2) income approach and (3) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on the value indicated by current market expectations about those future amounts. The cost approach is based on the amount that would currently be required to replace an asset.

Assets and liabilities measured at fair value on a recurring basis as of March 31, 2025 and 2024 are summarized below:

|                                 | <b>Quoted prices<br/>in active<br/>markets for<br/>identical<br/>instruments<br/>(Level 1)</b> | <b>Significant<br/>observable<br/>inputs<br/>other than<br/>quoted prices<br/>(Level 2)</b> | <b>Significant<br/>unobservable<br/>inputs<br/>(Level 3)</b> |
|---------------------------------|--|---|--|
|                                 | \$   | \$  | \$   |
| <i>As of March 31, 2025</i>     |  |   |  |
| Investment in convertible notes | –  | –   | 3,502,200  |
| <i>As of March 31, 2024</i>     |  |   |  |
| Investment in convertible notes | –  | –   | 3,502,200  |

The fair values of the investment in convertible notes were estimated using the Black-Scholes Model. The key inputs to the model are as follows:

|   | <b>As of March 31,</b> |              |
|---|------------------------|--------------|
|   | <b>2025</b>            | <b>2024</b>  |
| Expected volatility*                    | 24.1%-124.5%           | 20.3%-124.2% |
| Risk-free interest rate                 | 4.0%                   | 3.4%         |
| Share price of the investee (USD/share) | 1.69                   | 1.69         |

\* Expected volatility was derived based on the historical volatility of the share prices of a group of listed comparable companies.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**2. Summary of significant accounting policies (continued)**

*Fair value measurements (continued)*

Significant unobservable inputs used in the level 3 fair value measurements primarily include the share price of investee at measurement date, which was primarily derived from recent fundraising transactions executed by the investee. The Company did not participate in such transactions. The potential impacts of dilution and lack of marketability were not significant to the valuation. The notes do not pay dividends and there are no market conditions to conversion.

The fair value for certain assets and liabilities such as cash and cash equivalents, accounts receivable, other receivable and other assets, bank loans, accounts payable, other payables and accrued liabilities have been determined to approximate carrying amounts due to the short maturities of these instruments.

*Property, plant and equipment*

Property, plant and equipment are stated at cost and depreciated using the straight-line basis over the estimated useful lives of the assets, as follows:

| <b>Category</b>      | <b>Estimated useful lives</b> |
|----------------------|-------------------------------|
| Computers            | 1 – 5 years                   |
| Office equipment     | 5 years                       |
| Furniture & fittings | 5 years                       |
| Motor vehicles       | 5 years                       |
| Renovation           | 5 years                       |
| Warehouse equipment  | 1 year                        |

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the consolidated statements of operation and comprehensive loss. Expenditures for maintenance and repairs are charged to earnings as incurred, while additions, renewals and betterments, which are expected to extend the useful life of assets, are capitalized. The Company also re-evaluates the periods of depreciation to determine whether subsequent events and circumstances warrant revised estimates of useful lives.

*Impairment of long-lived assets other than goodwill*

The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances, such as a significant adverse change to market conditions that will impact the future use of the assets, indicate that the carrying amount of an asset may not be fully recoverable. When these events occur, the Company evaluates the recoverability of long-lived assets by comparing the carrying amount of the assets to the future undiscounted cashflows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying amount of the assets, the Company recognizes an impairment loss based on the excess of the carrying amount of the assets over their fair value. Fair value is generally determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

***Comprehensive income***

Comprehensive income is defined as the changes in equity of the Company during a period from transactions and other events and circumstances excluding transactions resulting from investments by shareholders and distributions to shareholders. Among other disclosures, ASC 220, Comprehensive Income, requires that all items that are required to be recognized under current accounting standards as components of comprehensive income be reported in a financial statement that is displayed with the same prominence as other financial statements. For each of the periods presented, the Company’s comprehensive income includes net loss and foreign currency translation adjustments and is presented in the consolidated statements of comprehensive loss.

***Leases***

The Company determines if an arrangement is a lease at inception in accordance with ASC 842, Leases (“ASC 842”). Leases are classified as operating or finance leases in accordance with the recognition criteria in ASC 842-10-25. The Company’s leases do not contain any material residual value guarantees or material restrictive covenants.

***Lessee accounting***

The Company recognizes right-of-use (“ROU”) assets and liabilities on the lease commencement date based on the present value of lease payments over the lease term. As the rate implicit in the Company’s leases is not typically readily available, the Company uses an incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments. This incremental borrowing rate reflects the fixed rate at which the Company could borrow on a collateralized basis the amount of the lease payments in the same currency, for a similar term, in a similar economic environment. The ROU assets also include any lease payments made, net of lease incentives. Lease terms are based on the non-cancellable term of the lease and may contain options to extend the lease when it is reasonably certain that the Company will exercise that option. Leases with an initial lease term of 12 months or less are not recorded on the consolidated balance sheets.

The Company has lease agreements with lease and non-lease components, which are accounted for as a single lease component based on the Company’s policy election to combine lease and non-lease components for its leases. Variable lease payments not dependent on an index or rate are excluded from the ROU asset and lease liability calculations and are recognized in expense in the period which the obligation for those payments is incurred. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term. A finance lease ROU asset is depreciated on a straight-line basis over the lesser of the useful life of the leased asset or the lease term. Interest on each finance lease liability is determined as the amount that results in a constant periodic discount rate on the remaining balance of the liability.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

*Revenue recognition*

The Company applies the five-step model outlined in ASC 606. The Company accounts for a contract when it has approval and commitment from the customer, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue recognized under the contract will not occur. Timing of revenue recognition is generally the same as the timing of invoicing to customers. Using the practical expedient in ASC 606, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Company also elected to exclude sales taxes and other similar taxes from the measurement of the transaction price, and accordingly, recognized revenues are net of value added taxes and surcharges.

*Revenue from sales of computer accessories and other multimedia products including data storage devices*

The Company recognized the revenue from sales of computer peripherals, accessories and other multimedia products at a point in time when control of the product is passed to the retailers, corporate and end customers, which is the point in time that the retailers, corporate and end customers are able to direct the use of and obtain substantially all of the economic benefit of the goods after the retailers pick up the products or the Company delivers the products to the retailers’ appointed forwarding agent. The transfer of control typically occurs at a point in time based on consideration of when the retailers have the obligation to pay for the goods, and physical possession of, legal title to, and the risks and rewards of ownership of the goods has been transferred, and the retailers and end users have accepted the goods. Revenue is recognized net of estimates of variable consideration, including product returns, and customer discounts.

*Product returns*

Certain customers have the right to return the products sold within 180 days of sales. Customers remedies may include exchange of the returned products. As a result, the right of return assets and related refund liabilities is estimated and recorded as reduction in revenue, if necessary. The Company uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method.

*Cost of revenue*

Cost of revenues consists mainly of purchases, rental costs, depreciation of property and equipment, freight and handling charges, and other expenses directly attributable to the sale of goods.

*Employee benefit expenses*

The Company maintains a government mandated employee provident fund scheme to cover employees. The employee provident fund schemes are considered a defined contribution plan. Employer and employee contributions are made based on various percentages of salaries and wages that vary based on employee age and other factors. The Company has no further payment obligations once the contributions have been paid.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

*Income taxes*

The Company follows the liability method of accounting for income taxes in accordance with ASC 740, Income Taxes (“ASC 740”). Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the period in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The assessment of realizability of deferred tax assets involves significant assumptions used in the projection of future taxable income and the future reversal pattern of taxable temporary differences. The effect on deferred taxes of a change in tax rate is recognized in tax expense in the period that includes the enactment date of the change in tax rate.

The Company accounted for uncertainties in income taxes in accordance with ASC 740. The amount of interest expense is computed by applying the applicable statutory rate of interest to the difference between the tax position recognized and the amount previously taken or expected to be taken in a tax return. Interest and penalties recognized in accordance with ASC 740 are classified in the consolidated statements of comprehensive income as income tax expense.

In accordance with the provisions of ASC 740, the Company recognizes in its consolidated financial statements the impact of a tax position if a tax return position or future tax position is “more likely than not” to prevail based on the facts and technical merits of the position. Tax positions that meet the “more likely than not” recognition threshold are measured at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. The Company’s estimated liability for unrecognized tax benefits, if any, will be recorded in the “other non-current liabilities” in the accompanying consolidated financial statements is periodically assessed for adequacy and may be affected by changing interpretations of laws, rulings by tax authorities, changes and/or developments with respect to tax audits, and expiration of the statute of limitations. The actual benefits ultimately realized may differ from the Company’s estimates. As each audit is concluded, adjustments, if any, are recorded in the Company’s consolidated financial statements. Additionally, in future periods, changes in facts, circumstances, and new information may require the Company to adjust the recognition and measurement estimates with regard to individual tax positions. Changes in recognition and measurement estimates are recognized in the period in which the changes occur.

*Contingencies*

The Company adheres to ASC 450, “Contingencies” for the recognition, measurement, and disclosure of commitments and contingencies. The Company records accruals for certain of its outstanding legal proceedings or claims when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. The Company evaluates, on a quarterly basis, developments in legal proceedings or claims that could affect the amount of any accrual, as well as any developments that would make a loss contingency both probable and reasonably estimable. The Company discloses the amount of the accrual if it is material.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**2. Summary of significant accounting policies (continued)**

***Contingencies (continued)***

When a loss contingency is not both probable and estimable, the Company does not record an accrued liability but discloses the nature and the amount of the claim, if material. However, if the loss (or an additional loss in excess of the accrual) is at least reasonably possible, then the Company discloses an estimate of the loss or range of loss, unless it is immaterial or an estimate cannot be made. The assessment of whether a loss is probable or reasonably possible, and whether the loss or a range of loss is estimable, often involves complex judgments about future events. Management is often unable to estimate the loss or a range of loss, particularly where (i) the damages sought are indeterminate, (ii) the proceedings are in the early stages, or (iii) there is a lack of clear or consistent interpretation of laws specific to the industry-specific complaints among different jurisdictions. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including eventual loss, fine, penalty or business impact, if any.

***Concentration of credit risk***

Assets that potentially subject the Company to significant concentration of credit risk primarily consist of cash and cash equivalents and accounts receivable. The Company expects that there is no significant credit risk associated with cash and cash equivalents, which were held by reputable financial institutions in the jurisdictions where the Company and its subsidiaries are located. The Company believes that it is not exposed to unusual risks as these financial institutions have high credit quality. Accounts receivables are typically unsecured and are derived from revenues earned from reputable customers. As of March 31, 2025 and 2024, the Company had no customer with a receivable balance exceeding 10% of the total accounts receivable balance. The risk with respect to accounts receivable is mitigated by credit evaluations the Company performs on its customers and its ongoing monitoring process of outstanding balances.

***Interest rate risk***

The Company is exposed to interest rate risk on its interest-bearing liabilities. As of March 31, 2025 and 2024, a hypothetical 0.15% increase or decrease in annual interest rates of SGD-denominated borrowings and MYR-denominated borrowings, in aggregate, would increase or decrease total interest expense by approximately \$2,792 (2024: \$3,129).

***Foreign currency risk***

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Company entities, primarily Singapore Dollar (“SGD”), Malaysian Ringgit (“MYR”) and Thai Baht (“THB”). The foreign currencies in which these transactions are denominated are mainly United States Dollar (“USD”). Approximately 13% (2024: 14%) of the Company’s sales are denominated in foreign currencies whilst almost 20% (2024: 22%) of costs are denominated in the respective functional currencies of the Company entities. The Company’s trade receivables and trade payables balances at the end of reporting period have similar exposures.

The Company also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The Company is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, Thailand, Australia and China. The Company’s net investments in foreign subsidiary companies are not hedged as currency positions in these respective currencies are considered to be long-term in nature.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**2. Summary of significant accounting policies (continued)**

*Foreign currency risk (continued)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company’s net income before taxes to a reasonably possible change in the USD, MYR and THB exchange rates (against SGD), with all other variables held constant.

|     |   |                               | <b>For the year ended March 31,</b> |             |
|-----|---|-------------------------------|-------------------------------------|-------------|
|     |   |                               | <b>2025</b>                         | <b>2024</b> |
|     |   |                               | \$                                  | \$          |
| USD | - | strengthened by 3% (2024: 3%) | (158,797)                           | (52,011)    |
|     | - | weakened by 3% (2024: 3%)     | 158,797                             | 52,011      |
| MYR | - | strengthened by 3% (2024: 3%) | 92,368                              | 19,806      |
|     | - | weakened by 3% (2024: 3%)     | (92,368)                            | (19,806)    |
| THB | - | strengthened by 3% (2024: 3%) | 128,912                             | 139,583     |
|     | - | weakened by 3% (2024: 3%)     | (128,912)                           | (139,583)   |

*Adoption of new accounting pronouncements*

Effective April 1, 2024, the Company adopted the amended guidance of Accounting Standards Codification (ASC) 848, Reference Rate Reform, which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The guidance applies only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The transition did not have an impact on the consolidated financial statements.

*Recent accounting pronouncements*

Effective March 31, 2026, the Company will be required to adopt ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances the transparency and decision usefulness of income tax disclosures. The amendments address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The adoption of the amended guidance will result in expanded disclosures in the Company’s income taxes footnote but is not expected to have an impact on the consolidated financial statements.

Effective March 31, 2028, the Company will be required to adopt ASU 2024-03, Income Statement—Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of income statement expenses, which will require tabular disclosure of certain operating expenses disaggregated into categories, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The adoption of the amended guidance will result in expanded disclosures in the Company’s footnotes but is not expected to have an impact on the consolidated financial statements.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**3. Cash and cash equivalents**

|                                  | As of March 31,   |                   |
|----------------------------------|-------------------|-------------------|
|                                  | 2025              | 2024              |
|                                  | \$                | \$                |
| Cash at banks                    | 21,045,890        | 18,056,836        |
| Cash on hand                     | 7,713             | 12,163            |
| <b>Cash and cash equivalents</b> | <b>21,053,603</b> | <b>18,068,999</b> |

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Included in cash and cash equivalents of the Company are amounts denominated in foreign currencies as follows:

|                       | As of March 31, |           |
|-----------------------|-----------------|-----------|
|                       | 2025            | 2024      |
|                       | \$              | \$        |
| United States Dollars | 4,568,278       | 3,618,606 |
| Malaysian Ringgit     | 1,954,652       | 995,346   |
| Thai Baht             | 2,433,706       | 2,771,316 |
| Australian Dollars    | 28,638          | 29,796    |
|                       | 8,985,274       | 7,415,064 |

**4. Accounts receivable, net**

|                                 | As of March 31,   |                   |
|---------------------------------|-------------------|-------------------|
|                                 | 2025              | 2024              |
|                                 | \$                | \$                |
| Accounts receivable             | 22,885,627        | 23,341,764        |
| Allowance for credit losses     | (200,029)         | (182,690)         |
| <b>Accounts receivable, net</b> | <b>22,685,598</b> | <b>23,159,074</b> |

**Expected credit losses**

The movement of the allowance accounts used to record the impairment are as follows:

|  | As of March 31, |                |
|--|-----------------|----------------|
|  | 2025            | 2024           |
|  | \$              | \$             |
| Movement in allowance accounts:                          |                 |                |
| At April 1   | 182,690         | 330,690        |
| Allowance for/(writeback of) expected credit losses, net | 26,316          | (148,000)      |
| Written off  | (8,977)         | –              |
| <b>At March 31</b>                                       | <b>200,029</b>  | <b>182,690</b> |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**5. Inventories**

|                       | As of March 31, |            |
|-----------------------|-----------------|------------|
|                       | 2025            | 2024       |
|                       | \$              | \$         |
| <b>Balance sheet:</b> |                 |            |
| Finished goods        | 33,567,179      | 31,208,023 |

As of March 31, 2025 and 2024, inventory valuation reserves, which are principally comprised of allowances for estimated excess and obsolete inventories, amounted to \$138,935 and \$47,134 respectively.

**6. Other receivable and other assets, net**

|                                | As of March 31, |           |
|--------------------------------|-----------------|-----------|
|                                | 2025            | 2024      |
|                                | \$              | \$        |
| <u>Current</u>                 |                 |           |
| Investment in convertible note | 3,502,200       | –         |
| Other receivables              | 235,524         | 2,257,447 |
| Right of return assets         | 545,085         | 456,087   |
| Deposits                       | 122,082         | 146,226   |
|                                | 4,404,891       | 2,859,760 |
| <u>Non-current</u>             |                 |           |
| Investment in convertible note | –               | 3,502,200 |
|                                | –               | 3,502,200 |
| Total                          | 4,404,891       | 6,361,960 |

Other receivables include marketing receivables from suppliers.

**7. Property and equipment, net**

|                                | As of March 31, |             |
|--------------------------------|-----------------|-------------|
|                                | 2025            | 2024        |
|                                | \$              | \$          |
| Computers*                     | 1,543,599       | 1,394,375   |
| Office equipment               | 305,460         | 290,574     |
| Furniture and fittings         | 298,874         | 285,246     |
| Motor vehicles                 | 823,226         | 930,117     |
| Renovation                     | 417,529         | 407,954     |
| Warehouse equipment            | 187,255         | 177,291     |
|                                | 3,575,943       | 3,485,557   |
| Less: accumulated depreciation | (2,912,586)     | (2,706,312) |
| Property and equipment, net    | 663,357         | 779,245     |

\* Included in computers is software with net book value of \$442,566 (2024: \$518,941).

The depreciation expenses of property and equipment recognised for the years ended March 31, 2025 and 2024 were \$295,895 and \$278,535 respectively.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Bank loans**

Bills payable to banks (unsecured) have repayment terms of approximately 30 to 120 days. Bills payable to banks bear interest at average rates ranging from 3.37% to 4.90% (2024: 4.45% to 5.09%) per annum.

Short-term loans (unsecured) have repayment terms of approximately 30 to 180 days. Short-term loans bear interest at average rates at 4.64% (2024: 5.03%) per annum.

A reconciliation of liabilities arising from the Company’s financing activities is as follows:

|                        | <b>As of<br/>April 1,<br/>2024</b> | <b>Drawdowns<br/>(repayments),<br/>net</b> | <b>As of<br/>March 31,<br/>2025</b> |
|------------------------|------------------------------------|--|-------------------------------------|
|                        | \$                                 | \$   | \$                                  |
| Bills payable to banks | 1,713,502                          | (270,904)                                  | 1,442,598                           |
| Short-term loans       | 800,000                            | –  | 800,000                             |
|                        | <u>2,513,502</u>                   | <u>(270,904)</u>                           | <u>2,242,598</u>                    |
|                        |                                    |  |                                     |
|                        | <b>As of<br/>April 1,<br/>2023</b> | <b>Drawdowns<br/>(repayments),<br/>net</b> | <b>As of<br/>March 31,<br/>2024</b> |
|                        | \$                                 | \$   | \$                                  |
| Bills payable to banks | 852,550                            | 860,952                                    | 1,713,502                           |
| Short-term loans       | 800,000                            | –  | 800,000                             |
|                        | <u>1,652,550</u>                   | <u>860,952</u>                             | <u>2,513,502</u>                    |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**9. Accounts payable**

|               | As of March 31, |            |
|---------------|-----------------|------------|
|               | 2025            | 2024       |
|               | \$              | \$         |
| Third parties | 24,361,061      | 22,068,813 |
| GST payables  | 280,271         | 143,455    |
|               | 24,641,332      | 22,212,268 |

Accounts payable – third parties are non-interest bearing and have an average term of 30 to 60 days’ terms.

Goods and Service Tax (“GST”) payables comprise output tax collected on sales and is offset by input tax claims on business purchases. The amount of GST payable to the taxation authority is included as part of payables in the statement of financial position.

Included in accounts payable of the Company are amounts denominated in foreign currencies as follows:

|                       | As of March 31, |            |
|-----------------------|-----------------|------------|
|                       | 2025            | 2024       |
|                       | \$              | \$         |
| United States Dollars | 13,190,531      | 9,101,074  |
| Malaysian Ringgit     | 91,461          | 1,721,054  |
| Thai Baht             | 10,456          | 6,667      |
|                       | 13,292,448      | 10,828,795 |

**10. Other payables and accrued liabilities**

|                            | As of March 31, |           |
|----------------------------|-----------------|-----------|
|                            | 2025            | 2024      |
|                            | \$              | \$        |
| Other payables             | 2,377,528       | 3,479,363 |
| Refund liability           | 586,416         | 490,600   |
| Accrued operating expenses | 2,381,278       | 2,489,382 |
|                            | 5,345,222       | 6,459,345 |

Other payables include advances from suppliers for support of future programs.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**11. Leases**

***Lessee Accounting***

The Company has lease contracts for certain office and warehouse premises, motor vehicles and office equipment used in its operations. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

|                               | <u>Classification</u>               | <u>For the year ended March 31,</u> |                         |
|-------------------------------|-------------------------------------|-------------------------------------|-------------------------|
|                               |                                     | <u>2025</u>                         | <u>2024</u>             |
|                               |                                     | \$                                  | \$                      |
| <b>Operating lease cost</b>   |                                     |                                     |                         |
| Lease expenses                | Cost of revenues                    | 666,250                             | 734,778                 |
|                               | General and administrative expenses | 283,328                             | 333,397                 |
| Short-term expenses           | Cost of revenues                    | 421,414                             | 420,899                 |
|                               | General and administrative expenses | 1,694                               | 3,057                   |
| <b>Finance lease cost</b>     |                                     |                                     |                         |
| Amortisation of leased assets | Cost of revenues                    | 16,521                              | 658                     |
|                               | General and administrative expenses | 7,027                               | 299                     |
| Interest on lease liabilities | Interest expense                    | 2,688                               | 695                     |
| <b>Total lease expenses</b>   |                                     | <b><u>1,398,922</u></b>             | <b><u>1,493,783</u></b> |

Maturities of lease liabilities are as follows:

|   | <u>Operating<br/>Leases</u> | <u>Finance<br/>Leases</u> |
|---|-----------------------------|---------------------------|
|   | \$                          | \$                        |
| Year ending March 31, 2026                            | 963,346                     | –                         |
| Year ending March 31, 2027                            | 843,509                     | –                         |
| Year ending March 31, 2028                            | 780,460                     | –                         |
| Year ending March 31, 2029                            | 762,997                     | –                         |
| Year ending March 31, 2030 and thereafter             | –                           | –                         |
| <b>Total future minimum lease payments</b>            | <b><u>3,350,312</u></b>     | <b><u>–</u></b>           |
| Less: imputed interest                                | (233,362)                   | –                         |
| <b>Present value of future minimum lease payments</b> | <b><u>3,116,950</u></b>     | <b><u>–</u></b>           |
| Current   | 859,401                     | –                         |
| Non-current   | 2,257,549                   | –                         |
|   | <b><u>3,116,950</u></b>     | <b><u>–</u></b>           |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**11. Leases (continued)**

*Lessee Accounting (continued)*

|  | As of March 31, |      |
|--|-----------------|------|
|  | 2025            | 2024 |
| <b>Weighted-average remaining lease term (years)</b> |                 |      |
| Operating leases                                     | 3.0             | 2.0  |
| Finance leases                                       | 0.0             | 0.5  |
| <b>Weighted-average discount rate</b>                |                 |      |
| Operating leases                                     | 4.7%            | 4.7% |
| Finance leases                                       | 0.0%            | 4.1% |

**12. Share capital, returned and treasury shares**

(a) *Share capital*

|  | No. of shares | \$         |
|--|---------------|------------|
| <b>Issued and fully paid ordinary shares</b>                       |               |            |
| At April 1, 2023, March 31, 2024, April 1, 2024 and March 31, 2025 | 117,181,818   | 11,173,106 |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) *Returned and treasury shares*

|                 | As of March 31,<br>2025 |           | As of March 31,<br>2024 |           |
|-----------------|-------------------------|-----------|-------------------------|-----------|
|                 | No. of shares           | \$        | No. of shares           | \$        |
| Returned shares | 681,818                 | 104,822   | 681,818                 | 104,822   |
| Treasury shares | 8,703,300               | 2,722,887 | 7,211,300               | 2,219,906 |
|                 | 9,385,118               | 2,827,709 | 7,893,118               | 2,324,728 |

Returned shares relate to 681,818 ordinary shares of the Company that was transferred from Christine Anne McGregor and Innovision Technology Australia Pty Ltd to the Company as a result of the compensation for the shortfall in guaranteed profits in prior years.

The Company acquired 1,492,000 (2024: 3,444,500) shares in the Company through purchases on the Singapore Exchange during the financial year. The total amount paid to acquire the shares was \$502,981 (2024: \$1,201,694) and this was presented as a component within shareholders’ equity.

As of March 31, 2025 and 2024, the returned and treasury shares are still legally outstanding and had not been cancelled.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**13. Accumulated other comprehensive income and other reserve**

*Accumulated other comprehensive income*

Accumulated other comprehensive income consists of foreign currency translation reserve which is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Company’s presentation currency.

*Other reserve*

Other reserve represents non-distributable amounts set aside in compliance with local laws of certain overseas subsidiary companies.

**14. Dividends**

|  | <b>As of March 31,</b> |             |
|--|------------------------|-------------|
|  | <b>2025</b>            | <b>2024</b> |
|  | \$                     | \$          |
| <i>(a) Declared and paid during the financial year:</i>  |                        |             |
| Dividends on ordinary shares:  |                        |             |
| Interim one-tier tax exempt dividend March 31, 2025: 0.50 cent (March 31, 2024: 0.60 cent) per share | 538,984                | 667,347     |
| Final one-tier tax exempt dividend March 31, 2024: 1.60 cent (March 31, 2023: 1.75 cent) per share   | 1,732,244              | 1,959,904   |
| <i>(b) Proposed but not recognised as a liability as at March 31:</i>                                |                        |             |
| Final one-tier tax exempt dividend March 31, 2025: Nil cent (March 31, 2024: 1.60 cent) per share    | –                      | 1,748,619   |

In 2024, the directors of the Company recommend that a final one-tier tax exempt dividend of 1.60 cent per ordinary share amounting to \$1,748,619 to be paid in respect of the financial year ended March 31, 2024. The proposed dividend, which is subject to shareholders’ approval at the forthcoming Annual General Meeting of the Company, has not been accrued as liability as at March 31, 2024.

**15. Revenues**

The following table presents the Company’s revenues from contracts with customers disaggregated by material revenue category:

|  | <b>For the year ended March 31,</b> |             |
|--|-------------------------------------|-------------|
|  | <b>2025</b>                         | <b>2024</b> |
|  | \$                                  | \$          |
| IT accessories                                 | 76,348,395                          | 83,830,686  |
| Multimedia                                     | 113,365,439                         | 122,543,734 |
| Data storage devices                           | 3,913,100                           | 1,706,110   |
|  | 193,626,934                         | 208,080,530 |
| <b>Geographical segments</b>                   |                                     |             |
| Singapore                                      | 159,948,308                         | 167,994,871 |
| Malaysia                                       | 17,577,770                          | 17,971,216  |
| Thailand                                       | 10,250,147                          | 11,202,026  |
| Asia <sup>(1)</sup>                            | 4,083,454                           | 10,426,800  |
| Others <sup>(2)</sup>                          | 1,767,255                           | 485,617     |
|  | 193,626,934                         | 208,080,530 |
| <b>Timing of transfer of goods or services</b> |                                     |             |
| At a point in time                             | 193,626,934                         | 208,080,530 |

(1) Asia includes China, Vietnam, Taiwan, Korea, Mongolia, Pakistan, India, Bangladesh, Nepal, Japan, Hong Kong and Asean member countries excluding Singapore, Malaysia and Thailand.

(2) Others include countries such as Africa, America, Saudi Arabia, United Arab Emirates, Israel and Sweden.

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**16. Interest expense**

**Interest income**

|   | <b>For the year ended March 31,</b> |                 |
|---|-------------------------------------|-----------------|
|   | <b>2025</b>                         | <b>2024</b>     |
|   | \$                                  | \$              |
| Interest expense on:                          |                                     |                 |
| - bills payable to banks and short-term loans | (115,261)                           | (76,550)        |
| - lease liabilities                           | (697)                               | (2,690)         |
|   | <u>(115,958)</u>                    | <u>(79,240)</u> |
| Interest income on bank balances              | <u>60,007</u>                       | <u>30,118</u>   |

**17. Employee benefits expense**

|                            | <b>For the year ended March 31,</b> |                  |
|----------------------------|-------------------------------------|------------------|
|                            | <b>2025</b>                         | <b>2024</b>      |
|                            | \$                                  | \$               |
| Salaries and bonuses       | 7,976,942                           | 7,611,546        |
| Defined contribution plans | 1,019,901                           | 1,002,399        |
| Commissions                | 654,175                             | 749,640          |
| Other short-term benefits  | 222,689                             | 282,218          |
|                            | <u>9,873,707</u>                    | <u>9,645,803</u> |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**18. Taxation**

Singapore

The Company’s subsidiaries incorporated in Singapore, are subject to Singapore Profits Tax on the taxable income as reported in its statutory financial statements adjusted in accordance with relevant Singapore tax laws. The applicable corporate income tax rate is 17% in Singapore, with 75% of the first \$10,000 taxable income and 50% of the next \$190,000 taxable income being exempted from income tax.

Malaysia

The Company’s subsidiary incorporated in Malaysia is governed by the income tax laws of Malaysia and the income tax provision in respect of operations in Malaysia is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. Under the Income Tax Act of Malaysia, enterprises that are incorporated in Malaysia are usually subject to a unified 24% enterprise income tax rate while preferential tax rates, tax holidays and even tax exemption may be granted on a case-by-case basis.

Thailand

The Company’s subsidiary incorporated in Thailand is governed by the income tax laws of Thailand and the income tax provision in respect of operations in Thailand is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. The applicable corporate income tax rate is 20% in Thailand.

China

The Company’s subsidiary incorporated in China is governed by the income tax laws of China and the income tax provision in respect of operations in China is calculated at the applicable tax rates on the taxable income for the periods based on existing legislation, interpretations and practices in respect thereof. The applicable corporate income tax rate is 25% in China.

Income tax expense for the years ended March 31, 2025 and 2024 amounted to \$893,015 and \$955,401, respectively.

The current and deferred components of income tax expenses appearing in the consolidated statements of comprehensive income are as follows:

|                            | <b>For the year ended March 31,</b> |                |
|----------------------------|-------------------------------------|----------------|
|                            | <b>2025</b>                         | <b>2024</b>    |
|                            | \$                                  | \$             |
| Current income tax expense | 913,767                             | 955,401        |
| Deferred income tax credit | (20,752)                            | –              |
|                            | <u>893,015</u>                      | <u>955,401</u> |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**18. Taxation (continued)**

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable corporate rate for the years ended March 31, 2025 and 2024 is as follows:

|  | <b>For the year ended March 31,</b> |             |
|--|-------------------------------------|-------------|
|  | <b>2025</b>                         | <b>2024</b> |
|  | \$                                  | \$          |
| Net income before taxes  | 4,952,100                           | 8,336,145   |
| Tax calculated at tax rate of 17% (2024: 17%)                                    | 841,857                             | 1,417,145   |
| Adjustments:   |                                     |             |
| Non-deductible expenses  | 74,641                              | 61,094      |
| Income not subject to tax  | (80,232)                            | (551,682)   |
| Utilisation of previously unrecognised temporary differences                     | (23,713)                            | (60,842)    |
| Deferred tax assets not recognised   | 51,087                              | 18,304      |
| Effect of partial tax exemption and tax relief                                   | (17,425)                            | (42,197)    |
| Effect of different tax rates in other countries                                 | 23,829                              | 39,417      |
| Under provision in respect of previous years                                     | 28,172                              | 105,635     |
| Others   | (5,201)                             | (31,473)    |
| Income tax expense recognised in consolidated statements of comprehensive income | 893,015                             | 955,401     |

The Company has unrecognised tax losses of S\$298,000 (2024: Nil) and unutilised capital allowances of S\$3,000 (2024: Nil) at the reporting date which can be carried and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses and capital allowances have no expiry date.

The corporate income tax rates applicable to the overseas subsidiaries are as follows:

|          | <b>Corporate tax rate</b> |             |
|----------|---------------------------|-------------|
|          | <b>2025</b>               | <b>2024</b> |
|          | %                         | %           |
| Malaysia | 24                        | 24          |
| Thailand | 20                        | 20          |
| China    | 25                        | 25          |

Net income before income taxes by jurisdiction are as following:

|           | <b>For the year ended March 31,</b> |             |
|-----------|-------------------------------------|-------------|
|           | <b>2025</b>                         | <b>2024</b> |
|           | \$                                  | \$          |
| Singapore | 4,523,054                           | 7,632,328   |
| Malaysia  | 271,461                             | 454,883     |
| Thailand  | 160,893                             | 252,518     |
| China     | (3,308)                             | (3,584)     |
|           | 4,952,100                           | 8,336,145   |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(Amounts in Singapore dollars (“\$”))

**18. Taxation (continued)**

The following table reconciles Singapore statutory rates to the Company’s effective tax rate:

|                                       | <b>For the year ended March 31,</b> |             |
|---------------------------------------|-------------------------------------|-------------|
|                                       | <b>2025</b>                         | <b>2024</b> |
|                                       | %                                   | %           |
| Singapore statutory income tax rate   | 17.0                                | 17.0        |
| Tax rate difference outside Singapore | 0.5                                 | 0.5         |
| Preferential tax exemption effect     | (0.4)                               | (0.5)       |
| Change in valuation allowance         | 0.0                                 | 0.0         |
| Others                                | 0.9                                 | (5.5)       |
| Effective tax rate                    | <u>18.0</u>                         | <u>11.5</u> |

***Deferred tax***

The significant components of the Company’s deferred tax assets are as follows:

|                            | <b>For the year ended March 31,</b> |               |
|----------------------------|-------------------------------------|---------------|
|                            | <b>2025</b>                         | <b>2024</b>   |
|                            | \$                                  | \$            |
| <b>Deferred tax assets</b> |                                     |               |
| Provisions                 | 128,330                             | 37,293        |
| Other items                | (93,378)                            | (23,093)      |
| Currency realignment       | 363                                 | –             |
|                            | <u>35,315</u>                       | <u>14,200</u> |

***Unrecognized Tax Benefit***

The Company evaluated its income tax uncertainty under ASC 740-10. ASC 740-10 clarifies the accounting for uncertainty in income taxes by prescribing the recognition threshold a tax position is required to meet before being recognized in the financial statements. As of and for the years ended March 31, 2025, there was no significant impact from tax uncertainties on the Company’s financial position and result of operations.

**19. Related party transactions**

The Company had the following related party transactions:

|  | <b>For the year ended March 31,</b> |             |
|--|-------------------------------------|-------------|
|  | <b>2025</b>                         | <b>2024</b> |
|  | \$                                  | \$          |
| Service fee rendered to non-controlling interest of a subsidiary | <u>546</u>                          | <u>435</u>  |

**BAN LEONG TECHNOLOGIES LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Amounts in Singapore dollars (“\$”))**

**20. Subsequent events**

We have evaluated subsequent events from the balance sheet date through August 26, 2025, the date these consolidated financial statements were available to be issued, and no material subsequent events have occurred since March 31, 2025, that require recognition or disclosure in the financial statements other than the following:

On April 30, 2025, Epicsoft Asia Pte. Ltd (“the Offeror”) announced that it intends to make a voluntary conditional cash offer (the “Offer”) in accordance with Rule 15 of the Singapore Code on Take-overs and Merger for all the issued and paid-up ordinary shares in the capital of Ban Leong Technologies Limited, excluding returned shares and treasury shares. On May 7, 2025, the Company appointed Asian Corporate Advisors Pte. Ltd. as the Independent Financial Advisor to guide the Independent Directors in their recommendation to shareholders. A notification letter was dispatched to shareholders on May 21, 2025, providing instructions for accessing the Offer Document. The Offer was declared unconditional by the Offeror on May 27, 2025. On June 3, 2025, the Offeree Circular was released, detailing the IFA's advice and the Independent Directors' recommendation. On June 12, 2025, the Offeror announced the level of acceptances and its intention to exercise compulsory acquisition rights under Section 215(1) of the Companies Act, while the Company simultaneously reported a loss of Free Float Requirement, resulting in the suspension of trading of its shares. Finally, on July 2, 2025, the Offeror announced the close of the Offer and the final level of acceptances and would exercise on the compulsory acquisition on the remaining shares. On August 25, 2025, Epicsoft Asia Pte. Ltd. completed the compulsory acquisition pursuant to 215(1) of the Companies Act.

Consequently, Epicsoft Asia Pte. Ltd. and GCL Global Holdings Ltd have become the immediate and ultimate holding company of the Company respectively.

On June 30, 2025, the Company announced that the Proposed Delisting was approved following the Offeror's announcement on June 12, 2025, indicating its entitlement to exercise compulsory acquisition rights under Section 215(1) of the Companies Act. This action aims to acquire all Shares from Shareholders who have not accepted the Offer, at a price equal to the Final Offer Consideration, thereby facilitating the Compulsory Acquisition process. In view of the Proposed Delisting, the Company also concurrently made an application to the SGX-ST for waivers from compliance with certain rules of the Listing Manual in relation to the convening of annual general meeting and issue of annual and sustainability reports. On August 26, 2025, Ban Leong Technologies Limited is delisted from the Mainboard of SGX-ST

**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

On April 30, 2025, GCL Global Holdings Ltd (“GCL”) announced that its indirect wholly-owned subsidiary, Epicsoft Asia Pte. Ltd. (the “Offeror”), made a voluntary conditional cash offer to acquire 100% of the issued shares of Ban Leong Technologies Limited (“Ban Leong”) (SGX: B26) at S\$0.6029 per share (approximately US\$0.4484). The total estimated consideration for the transaction is approximately US\$48.3 million, which was financed through a secured term loan facility from Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the “HSBC term loan facility”) and the Offeror’s cash on hand. The HSBC term loan facility is secured by all assets of GCL Global Pte Ltd, carries a tenure of five years, and bears a floating interest rate ranging from 2.5% to 7.5%. Repayments are to be made quarterly, with the final installment due in July 2030.

Ban Leong is a leading Singapore-based distributor of IT hardware, gaming components, and smart technology, with operations across Singapore, Malaysia, and Thailand. Ban Leong serves as an authorized distributor for major brands such as Razer, NVIDIA, and Samsung. The acquisition aligns with GCL’s strategy to expand its bundled gaming product offerings and enhance its distribution network in Asia. The transaction is expected to generate revenue synergies through cross-selling opportunities and cost synergies from integrated procurement and logistics. GCL anticipates the acquisition will have a positive impact on its financial performance.

The acquisition became probable on May 27, 2025, when the Offeror received valid acceptances exceeding 50% of Ban Leong’s total issued share capital. Subsequently on July 2, 2025, the Offeror announced the successful close of its voluntary unconditional cash offer for Ban Leong. The Offeror received valid acceptance for 104,122,998 ordinary shares, representing 96.59% of the total issued share capital, at the offer price of S\$0.6029 per share. As the Offeror has received valid acceptances of more than 90% of the total number of issued shares of Ban Leong, the Offeror exercised its right of compulsory acquisition under the Companies Act 1967 of Singapore. As of the date of this report, Ban Leong is a wholly-owned subsidiary of Epicsoft Asia Pte. Ltd. and effective August 26, 2025, Ban Leong was officially delisted from the SGX-ST.

The following unaudited pro forma condensed combined balance sheet, unaudited pro forma condensed combined statement of income and comprehensive income, and the explanatory notes give effect to the mergers of Ban Leong Technologies Limited and Epicsoft Asia Pte. Ltd., a wholly-owned subsidiary of GCL Global Holdings Ltd.

The unaudited pro forma condensed combined statement of income and comprehensive income for the year ended March 31, 2025 have been prepared as if the mergers of Ban Leong Technologies Limited and Epicsoft Asia Pte. Ltd. had been consummated on April 1, 2024. The unaudited pro forma condensed combined balance sheet as of March 31, 2025 has been prepared as if the mergers of Ban Leong Technologies Limited and Epicsoft Asia Pte. Ltd. was consummated on March 31, 2025.

The unaudited pro forma condensed combined statements of income and comprehensive income combine the audited consolidated statement of income and comprehensive income of GCL for the year ended March 31, 2025 with the audited consolidated statement of income and comprehensive income of Ban Leong for the year ended March 31, 2025, giving effect to the business acquisition, as if it had occurred as of April 1, 2024.

The unaudited pro forma condensed combined balance sheet as of March 31, 2025 combines the audited consolidated balance sheet of GCL as of March 31, 2025 with the audited consolidated balance sheet of Ban Leong as of March 31, 2025, giving effect to the business acquisition, as if it had been consummated as of March 31, 2025.

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The unaudited pro forma condensed combined financial statements have been derived from and should be read in connection with:

- the accompanying explanatory notes to the unaudited pro forma condensed combined financial statements;
- the audited consolidated financial statements of Ban Leong as of and for the year ended March 31, 2025 and the related notes included in this report;
- the audited consolidated financial statements of GCL as of and for the year ended March 31, 2025 and the related notes included in GCL's annual report on Form 20-F filed with the SEC on July 31, 2025;
- the sections entitled "GCL Management's Discussion and Analysis of Financial Condition and Results of Operations" "Ban Leong Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information relating to GCL and Ban Leong.

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S- X as amended by the final rule, Release No. 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses." Release No. 33-10786 replaces the existing pro forma adjustment criteria with simplified requirements to depict the accounting for the transaction ("Transaction Accounting Adjustments") and present the reasonably estimable synergies and other transaction effects that have occurred or are reasonably expected to occur ("Management's Adjustments"). These pro forma adjustments were presented in separate columns after the presentation of the combined historical information of GCL and Ban Leong. The Company has elected not to present Management's Adjustments and will only be presenting Transaction Accounting Adjustments in the unaudited pro forma condensed combined financial information. The unaudited pro forma condensed combined financial information does not reflect future events that may occur after the combination. The unaudited pro forma condensed combined financial information is provided for informational purposes only and is not necessarily indicative of a true picture of the financial position and the results of operations of the combined companies following the completion of the combination. The pro forma adjustments are subject to material change and are based upon currently available information and certain assumptions that the Company believes are reasonable.

There were no significant accounting policy differences or other items which required adjustment in the accompanying unaudited pro forma condensed combined financial statements.

**GCL GLOBAL HOLDINGS LTD AND SUBSIDIARIES**  
**Unaudited Pro Forma Condensed Combined Balance Sheet**  
**As of March 31, 2025**

|  | <u>GCL</u>         | <u>Ban Leong</u>  | <u>Ban Leong</u>  | <u>Pro Forma</u>   | <u>Notes</u> | <u>Pro Forma</u>   |
|--|--------------------|-------------------|-------------------|--------------------|--------------|--------------------|
|  | \$                 | S\$               | \$                | Adjustments        |              | Combined           |
|  |                    |                   |                   | \$                 |              | \$                 |
| <b>ASSETS</b>  |                    |                   |                   |                    |              |                    |
| <b>CURRENT ASSETS</b>  |                    |                   |                   |                    |              |                    |
| Cash and cash equivalents  | 18,247,380         | 21,053,603        | 15,659,058        | (9,777,339)        | a            | 24,129,099         |
| Restricted cash  | 3,131,335          | -                 | -                 | -                  |              | 3,131,335          |
| Accounts receivable, net   | 25,761,683         | 22,685,598        | 16,872,888        | -                  |              | 42,634,571         |
| Amount due from related parties  | 392,334            | -                 | -                 | -                  |              | 392,334            |
| Inventories, net   | 5,936,223          | 33,567,179        | 24,966,292        | -                  |              | 30,902,515         |
| Other receivable and other current assets, net   | 1,733,022          | 4,404,891         | 3,276,230         | -                  |              | 5,009,252          |
| Prepayments, net   | 6,239,861          | 103,415           | 76,917            | -                  |              | 6,316,778          |
| Derivative asset   | 269,119            | -                 | -                 | -                  |              | 269,119            |
| Loan to third party  | 382,024            | -                 | -                 | -                  |              | 382,024            |
| <b>Total current assets</b>  | <b>62,092,981</b>  | <b>81,814,686</b> | <b>60,851,385</b> | <b>(9,777,339)</b> |              | <b>113,167,027</b> |
| <b>NONCURRENT ASSETS</b>   |                    |                   |                   |                    |              |                    |
| Property and equipment, net  | 380,315            | 663,357           | 493,386           | -                  |              | 873,701            |
| Definite-lived intangible assets, net  | 2,207,852          | -                 | -                 | 4,462,626          | c            | 6,670,478          |
| Indefinite-lived intangible assets   | 14,324,323         | -                 | -                 | -                  |              | 14,324,323         |
| Goodwill   | 2,990,394          | -                 | -                 | 7,810,460          | c            | 10,800,854         |
| Long-term investments  | 15,435,274         | -                 | -                 | -                  |              | 15,435,274         |
| Prepayments, a related party   | 3,000,000          | -                 | -                 | -                  |              | 3,000,000          |
| Operating leases right-of-use assets   | 442,376            | 2,976,712         | 2,213,992         | -                  |              | 2,656,368          |
| Finance leases right-of-use assets   | 363,008            | -                 | -                 | -                  |              | 363,008            |
| Deferred tax assets, net   | 351,060            | 35,315            | 26,266            | -                  |              | 377,326            |
| <b>Total noncurrent assets</b>   | <b>39,494,602</b>  | <b>3,675,384</b>  | <b>2,733,644</b>  | <b>12,273,086</b>  |              | <b>54,501,332</b>  |
| <b>TOTAL ASSETS</b>  | <b>101,587,583</b> | <b>85,490,070</b> | <b>63,585,029</b> | <b>2,495,747</b>   |              | <b>167,668,359</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                    |                   |                   |                    |              |                    |
| <b>EQUITY</b>  |                    |                   |                   |                    |              |                    |
| <b>CURRENT LIABILITIES</b>   |                    |                   |                   |                    |              |                    |
| Bank Loans, current  | 10,500,085         | 2,242,598         | 1,667,979         | 3,704,410          | a, b         | 15,872,474         |
| Accounts payable   | 28,389,357         | 24,641,332        | 18,327,506        | -                  |              | 46,716,863         |
| Accounts payable, a related party  | 4,567,337          | -                 | -                 | -                  |              | 4,567,337          |
| Contract liabilities   | 505,323            | -                 | -                 | -                  |              | 505,323            |
| Other payables and accrued liabilities   | 4,702,791          | 5,345,222         | 3,975,621         | 464,857            | b            | 9,143,269          |
| Operating lease liabilities, current   | 376,751            | 859,401           | 639,197           | -                  |              | 1,015,948          |
| Contingent consideration for acquisition, current  | 1,121,006          | -                 | -                 | -                  |              | 1,121,006          |
| Finance leases liabilities, current  | 84,528             | -                 | -                 | -                  |              | 84,528             |
| Amount due to related parties  | 683,338            | -                 | -                 | -                  |              | 683,338            |
| Tax payables   | 1,417,173          | 574,501           | 427,297           | -                  |              | 1,844,470          |
| <b>Total current liabilities</b>   | <b>52,347,689</b>  | <b>33,663,054</b> | <b>25,037,600</b> | <b>4,169,267</b>   |              | <b>81,554,556</b>  |
| <b>NON-CURRENT LIABILITIES</b>   |                    |                   |                   |                    |              |                    |
| Operating lease liabilities, non-current   | 110,368            | 2,257,549         | 1,679,099         | -                  |              | 1,789,467          |
| Finance leases liabilities, non-current  | 164,606            | -                 | -                 | -                  |              | 164,606            |
| Bank Loans, non-current  | 1,421,139          | -                 | -                 | 34,391,537         | a, b         | 35,812,676         |
| Contingent investment consideration payable  | 7,500,000          | -                 | -                 | -                  |              | 7,500,000          |
| Derivative liabilities, non-current  | 3,086,519          | -                 | -                 | -                  |              | 3,086,519          |
| Deferred tax liabilities   | -                  | -                 | -                 | 803,273            | c            | 803,273            |
| <b>Total non-current liabilities</b>   | <b>12,282,632</b>  | <b>2,257,549</b>  | <b>1,679,099</b>  | <b>35,194,810</b>  |              | <b>49,156,541</b>  |
| <b>TOTAL LIABILITIES</b>   | <b>64,630,321</b>  | <b>35,920,603</b> | <b>26,716,699</b> | <b>39,364,077</b>  |              | <b>130,711,097</b> |
| <b>COMMITMENTS AND CONTINGENCIES</b>   |                    |                   |                   |                    |              |                    |
| <b>SHAREHOLDERS' EQUITY</b>  |                    |                   |                   |                    |              |                    |
| Ordinary share, par value \$0.0001; 500,000,000 shares authorized, 126,276,372 shares issued as of March 31, 2025, and 121,947,978 outstanding as of March 31, 2025* | 12,196             | 11,173,106        | 8,310,231         | (8,310,231)        | d            | 12,196             |
| Treasury Shares  | -                  | (2,722,887)       | (2,025,204)       | 2,025,204          | d            | -                  |
| Returned Shares  | -                  | (104,822)         | (77,964)          | 77,964             | d            | -                  |
| Additional paid-in capital   | 18,149,582         | -                 | -                 | -                  | d            | 18,149,582         |
| Other reserve  | -                  | 65,685            | 48,855            | (48,855)           | d            | -                  |

|   |                           |                          |                          |                            |   |                           |
|---|---------------------------|--------------------------|--------------------------|----------------------------|---|---------------------------|
| Retained earnings   | 17,513,985                | 39,579,622               | 29,438,172               | (29,438,172)               | d | 17,513,985                |
| Accumulated other comprehensive income (loss)             | 178,312                   | (447,720)                | (332,999)                | 332,999                    | d | 178,312                   |
| <b>TOTAL GCL Global Holdings Ltd shareholders' equity</b> | <b><u>35,854,075</u></b>  | <b><u>47,542,984</u></b> | <b><u>35,361,091</u></b> | <b><u>(35,361,091)</u></b> |   | <b><u>35,854,075</u></b>  |
| Non-controlling interests                                 | 1,103,187                 | 2,026,483                | 1,507,239                | (1,507,239)                | d | 1,103,187                 |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                         | <b><u>36,957,262</u></b>  | <b><u>49,569,467</u></b> | <b><u>36,868,330</u></b> | <b><u>(36,868,330)</u></b> |   | <b><u>36,957,262</u></b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>         | <b><u>101,587,583</u></b> | <b><u>85,490,070</u></b> | <b><u>63,585,029</u></b> | <b><u>2,495,747</u></b>    |   | <b><u>167,668,359</u></b> |

\* Giving retroactive effect to reverse recapitalization effected on February 13, 2025.

**GCL GLOBAL HOLDINGS LTD AND SUBSIDIARIES**  
**Unaudited Pro Forma Condensed Combined Statement of Income and Comprehensive Income**  
**For the Year Ended March 31, 2025**

|   | <u>GCL</u>          | <u>Ban Leong</u>    | <u>Ban Leong</u>   | <u>Pro Forma</u><br><u>Adjustments</u> | <u>Notes</u> | <u>Pro Forma</u><br><u>Combined</u> |
|---|---------------------|---------------------|--------------------|--|--------------|-------------------------------------|
|   | \$                  | S\$                 | \$                 | \$                                     |              | \$                                  |
| <b>REVENUES</b>   | 142,072,586         | 193,626,934         | 144,713,703        | -                                      |              | 286,786,289                         |
| <b>COST OF REVENUES</b>   | (120,829,225)       | (176,778,439)       | (132,121,404)      | -                                      |              | (252,950,629)                       |
| <b>GROSS PROFIT</b>   | 21,243,361          | 16,848,495          | 12,592,299         | -                                      |              | 33,835,660                          |
| <b>OPERATING EXPENSES</b>   |                     |                     |                    |  |              |                                     |
| Selling and marketing   | (2,568,702)         | (8,051,604)         | (6,017,641)        | -                                      |              | (8,586,343)                         |
| General and administrative  | (15,438,447)        | (4,842,891)         | (3,619,501)        | (72,522)                               | e            | (19,130,470)                        |
| <b>Total operating expenses</b>   | <u>(18,007,149)</u> | <u>(12,894,495)</u> | <u>(9,637,142)</u> | <u>(72,522)</u>                        |              | <u>(27,716,813)</u>                 |
|   |                     |                     |                    | -                                      |              | -                                   |
| <b>INCOME (LOSS) FROM OPERATIONS</b>  | <u>3,236,212</u>    | <u>3,954,000</u>    | <u>2,955,157</u>   | <u>(72,522)</u>                        |              | <u>6,118,847</u>                    |
| <b>OTHER INCOME (EXPENSE)</b>   |                     |                     |                    |  |              |                                     |
| Other income, net   | 867,823             | 1,054,051           | 787,781            | -                                      |              | 1,655,604                           |
| Interest expense, net   | (2,255,934)         | (55,951)            | (41,817)           | (1,660,967)                            | b, f         | (3,958,718)                         |
| Change in fair value of contingent consideration<br>for acquisition                                 | (545,428)           | -                   | -                  | -                                      |              | (545,428)                           |
| Change in fair value of convertible notes   | 5,254,103           | -                   | -                  | -                                      |              | 5,254,103                           |
| Change in fair value of derivative liabilities  | (378,683)           | -                   | -                  | -                                      |              | (378,683)                           |
| <b>TOTAL OTHER INCOME (EXPENSE)</b>   | <u>2,941,881</u>    | <u>998,100</u>      | <u>745,964</u>     | <u>(1,660,967)</u>                     |              | <u>2,026,878</u>                    |
| <b>INCOME (LOSS) BEFORE INCOME TAXES</b>  | <u>6,178,093</u>    | <u>4,952,100</u>    | <u>3,701,121</u>   | <u>(1,733,489)</u>                     |              | <u>8,145,725</u>                    |
| <b>INCOME TAXES EXPENSE</b>   | (1,128,672)         | (893,015)           | (667,425)          | -                                      |              | (1,796,097)                         |
| <b>NET INCOME (LOSS)</b>  | 5,049,421           | 4,059,085           | 3,033,696          | (1,733,489)                            |              | 6,349,628                           |
| Less: net (loss) income attributable to non-<br>controlling interests                               | (538,204)           | 50,334              | 37,619             | -                                      |              | (500,585)                           |
| <b>NET INCOME (LOSS) ATTRIBUTABLE TO<br/>GCL GLOBAL HOLDINGS LTD'S<br/>SHAREHOLDERS</b>             | <u>5,587,625</u>    | <u>4,008,751</u>    | <u>2,996,077</u>   | <u>(1,733,489)</u>                     |              | <u>6,850,213</u>                    |
| <b>NET INCOME (LOSS)</b>  | 5,049,421           | 4,059,085           | 3,033,696          | (1,733,489)                            |              | 6,349,628                           |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                     |                     |                    |  |              |                                     |
| Foreign currency translation adjustments  | 312,217             | 706,194             | 527,798            | -                                      |              | 840,015                             |
| <b>COMPREHENSIVE INCOME (LOSS)</b>  | <u>5,361,638</u>    | <u>4,765,279</u>    | <u>3,561,494</u>   | <u>(1,733,489)</u>                     |              | <u>7,189,643</u>                    |
| Less: total comprehensive (loss) income attributable<br>to noncontrolling interests                 | (522,820)           | 179,111             | 133,865            | -                                      |              | (388,955)                           |
| <b>Total comprehensive income (loss) attributable to<br/>GCL Global Holdings Ltd's shareholders</b> | <u>5,884,458</u>    | <u>4,586,168</u>    | <u>3,427,629</u>   | <u>(1,733,489)</u>                     |              | <u>7,578,598</u>                    |
| <b>INCOME PER SHARE - BASIC AND<br/>DILUTED, ORDINARY SHARES</b>                                    | <u>0.05</u>         |                     |                    |  |              | <u>0.06</u>                         |
| <b>WEIGHTED AVERAGE NUMBER OF<br/>ORDINARY SHARES OUTSTANDING*</b>                                  |                     |                     |                    |  |              |                                     |
| Basic and diluted   | <u>107,156,840</u>  |                     |                    |  |              | <u>107,156,840</u>                  |

\* Giving retroactive effect to reverse recapitalization effected on February 13, 2025.

**GCL GLOBAL HOLDINGS LTD AND SUBSIDIARIES**  
**Notes to Unaudited Pro Forma Condensed Combined Financial Statements**  
**(Expressed in U.S. dollar, except for the number of shares, or otherwise noted)**

**1. Basis of presentation**

The unaudited pro forma condensed combined financial statements should be read in conjunction with the consolidated financial statements and the related notes thereto of Ban Leong (included herein) as well as those of GCL. The audited consolidated financial statements referred to above for GCL were included in the Annual Report on Form 20-F for the year ended March 31, 2025. The audited consolidated financial statements referred to above for Ban Leong are contained herein.

The unaudited pro forma condensed combined statement of income and comprehensive income for the year ended March 31, 2025 have been prepared as if the mergers of Ban Leong Technologies Limited and Epicsoft Asia Pte. Ltd. had been consummated on April 1, 2024. The unaudited pro forma condensed combined balance sheet as of March 31, 2025 has been prepared as if the mergers of Ban Leong Technologies Limited and Epicsoft Asia Pte. Ltd. was consummated on March 31, 2025.

**2. Preliminary Purchase Price Allocation**

GCL accounted for the acquisition of Ban Leong as a business combination under U.S. GAAP. The total consideration transferred was allocated to the identifiable assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The purchase price exceeded the net fair value of the identifiable assets, resulting in the recognition of goodwill, which primarily reflects the expected synergies from combining operations and Ban Leong's established market position.

The following table summarizes the total consideration paid to acquire 100% of Ban Leong's issued share capital:

|                               | <b>March 31,<br/>2025</b> |
|-------------------------------|---------------------------|
| Total cash consideration paid | <b>\$ 48,338,143</b>      |

- The total cash consideration of approximately US\$48.3 million was determined based on the offer price of S\$0.6029 per share (approximately US\$0.4484), applied to all outstanding shares of Ban Leong as of offeror's announcement was 107,796,700 Shares (excluding 8,703,300 treasury shares and 681,818 returned shares). The acquisition was financed through a HSBC term loan facility of S\$52 million (approximately US\$38.7 million) and Offeror's cash on hand of S\$13 million (approximately US\$9.6 million).
- No contingent consideration was included in the transaction, as the offer was structured as an unconditional cash purchase.
- Therefore, the total consideration transferred is US\$48.3 million.

The following table summarizes the fair value of the identifiable net assets of Ban Leong as of March 31, 2025:

|  | <b>As of March 31, 2025</b> |                   |                     |
|--|-----------------------------|-------------------|---------------------|
|  | <b>(Book Value)</b>         |                   | <b>(Fair Value)</b> |
|  | S\$                         | \$                | \$                  |
| <b>Identifiable assets acquired:</b>           |                             |                   |                     |
| Cash and cash equivalents                      | 21,053,603                  | 15,659,058        | 15,659,058          |
| Accounts receivable, net                       | 22,685,598                  | 16,872,888        | 16,872,888          |
| Inventories, net                               | 33,567,179                  | 24,966,292        | 24,966,292          |
| Other receivable and other current assets, net | 4,404,891                   | 3,276,230         | 3,276,230           |
| Prepayments, net                               | 103,415                     | 76,917            | 76,917              |
| Property and equipment, net                    | 663,357                     | 493,386           | 493,386             |
| Definite-lived intangible assets, net          | -                           | -                 | 4,462,626           |
| Operating leases right-of-use assets           | 2,976,712                   | 2,213,992         | 2,213,992           |
| Deferred tax assets, net                       | 35,315                      | 26,266            | 26,266              |
| <b>Total identifiable assets acquired:</b>     | <b>85,490,070</b>           | <b>63,585,029</b> | <b>68,047,655</b>   |
| <b>Liabilities assumed:</b>                    |                             |                   |                     |
| Bank Loans, current                            | 2,242,598                   | 1,667,979         | 1,667,979           |
| Accounts payable                               | 24,641,332                  | 18,327,506        | 18,327,506          |
| Other payables and accrued liabilities         | 5,345,222                   | 3,975,621         | 3,975,621           |
| Operating lease liabilities, current           | 859,401                     | 639,197           | 639,197             |
| Tax payables                                   | 574,501                     | 427,297           | 427,297             |
| Operating lease liabilities, non-current       | 2,257,549                   | 1,679,099         | 1,679,099           |
| Deferred tax liabilities                       | -                           | -                 | 803,273             |
| <b>Total Liabilities assumed</b>               | <b>35,920,603</b>           | <b>26,716,699</b> | <b>27,519,972</b>   |
| <b>Total identifiable net assets acquired</b>  | <b>49,569,467</b>           | <b>36,868,330</b> | <b>40,527,683</b>   |

Goodwill is recognized as a separate asset as the aggregate of (1) the consideration transferred (in accordance with ASC 805, generally at acquisition-date fair value), (2) the fair value of any non-controlling interests, and (3) the fair value of the acquirer’s previously-held equity interest, less the fair value of the net identifiable assets. The pro forma balance sheet includes preliminary goodwill of US\$7,810,460, representing the excess of purchase consideration over the fair value of identifiable net assets acquired. This amount is subject to final adjustment during the measurement period, not to exceed one year post-acquisition.

|  | <b>As of<br/>March 31,<br/>2025</b> |
|--|-------------------------------------|
| Fair value of the consideration                                | \$ 48,338,143                       |
| Less: Recognized value of the identifiable net assets acquired | 40,527,683                          |
| <b>Goodwill recognized on consolidated level</b>               | <b>\$ 7,810,460</b>                 |

### 3. Translation of foreign currency

The audited financial information of Ban Leong was presented in Singapore dollars (“S\$”). The statement of income and comprehensive income of Ban Leong is translated to US\$ at the average exchange rate during the reporting period. The balance sheet of Ban Leong is translated to US\$ at the applicable exchange rates as of March 31, 2025. The following table outlines the exchange rates between S\$ and US\$ used for translation.

|  |                    |
|--|--------------------|
| Exchange rates on March 31, 2025                         | S\$1.3445 per US\$ |
| Average exchange rates for the year ended March 31, 2025 | S\$1.3380 per US\$ |

### 4. Pro forma adjustments

Adjustments included in the pro forma adjustments’ column of the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statement of income and comprehensive income include the following:

- a. Reflects adjustments to record the proceeds from the HSBC term loan facility of US\$38,676,088, the payment of total consideration of US\$48,338,143 for the acquisition, and the payment of US\$115,284 structuring fee in according to the HSBC term loan facility agreement;
- b. Reflects adjustments to record the capitalization of structuring fee of US\$580,141 associated with the HSBC term loan facility. Of this amount, US\$115,284 is payable upon the signing of the loan agreement, while the remaining US\$464,857 is due on or before February 26, 2026.
- c. Reflects adjustments to record the fair value of identifiable intangible, specifically customer relationships, assets totaling US\$4,462,626, the recognition of a corresponding deferred tax liability of US\$803,273 arising from the difference between the tax base and the accounting basis of the intangible assets, and the resulting goodwill of US\$7,810,460 recognized upon completion of the acquisition.
- d. Reflects the adjustments to record the elimination of GCL’s long-term investment of Ban Leong and Ban Leong’s net asset.
- e. Reflects the adjustments to record the amortization of the intangible assets of US\$72,522. According to ASC350-30-35-6, the method of amortization shall reflect the pattern in which the economic benefits of the intangible assets are consumed or otherwise used up. The Company amortized the intangible assets based on the respective cashflow that the consumer relationships will contribute each year.
- f. Reflects the adjustments to record the interest expense of US\$1,660,967 related to the HSBC term loan facility.

## BAN LEONG MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Unless the context otherwise requires, for purposes of this section, the terms "Ban Leong", "we," "us," or "our," refer to Ban Leong Technologies Limited which became an indirect wholly-owned subsidiary of GCL on August 26, 2025. You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes included elsewhere in this report. Some of the information contained in this discussion and analysis are set forth elsewhere in this report, and include statements based on our current expectations and assumptions regarding our business, the economy and other future conditions, and are subject to risks and uncertainties that could cause actual results to differ materially. As a result of many factors, including those factors set forth in "Risk Factors" in GCL's annual report on Form 20-F filed on July 31, 2025, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.*

### Overview

Ban Leong is a leading Singapore-based brand-driven distributor of a wide range of technology products across Singapore, Malaysia, and Thailand. The products we distribute include, but are not limited to, the following:

- IT accessories : computer systems, DIY components, mobile, wearables, and power-related products,
- gaming peripherals and multimedia products: audio-video products such as speakers, earphones, and monitors,
- smart Internet-of-Things ("IoT") devices: networking, smart home, and tracking products, and
- commercial IT solutions: large format displays, unified communication, video conferencing solutions, software, and computing systems for B2B clients..

Since Ban Leong's incorporation in 1993, it has evolved from a traditional "box-moving" distributor into a value-added, multi-channel solutions provider. Ban Leong's operations encompass product marketing, after-sales support, and regional logistics, enabling us to serve a diverse customer base through retail, e-commerce, and commercial sales channels. Ban Leong is an authorized distributor for over 50 brand, including Razer, Nvidia, Samsung, Huawei, TP-Link, and LG. We believe our long-standing relationships with globally recognized brand principals, together with our integrated distribution model, supports our competitive positioning in the Southeast Asian market.

### Results of Operations

For the fiscal year ended March 31, 2025, revenue was S\$193.63 million , compared to S\$208.08 million for the fiscal year ended March 31, 2024, representing a decrease of approximately 6.9%. The decline was primarily driven by softer market demand in selected product categories and intensified price competition.

Profit before tax for fiscal 2025 was S\$4.95 million, compared to S\$8.34 million in fiscal 2024. Net profit attributable to shareholders was S\$4.01 million, down from S\$7.30 million in the prior year. The year-over-year decline was primarily attributable to a one-time fair value gain on investment in convertible loan of \$2.16 million in the prior year. The lower profit attributable to shareholders also reflected lower sales volumes, higher promotional activity costs and distribution expenses.

IT Accessories generated revenue of S\$76.35 million, Multimedia generated revenue of S\$113.37 million and Data Storage generated revenue of S\$3.91 million.

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## Liquidity and Capital Resources

As of March 31, 2025, total equity attributable to shareholders was S\$47.54 million, compared to S\$45.73 million at March 31, 2024. The increase primarily reflects retained earnings for the year.

We finance our operations primarily through internally generated cash flows and short-term trade financing facilities. During fiscal 2025, we repurchased approximately S\$0.5 million of our ordinary shares as treasury stock and paid dividends totalling approximately S\$2.27 million.

Cash flows from operating activities in fiscal 2025 were positive, reflecting our profitability and disciplined working capital management. Investing activities were modest, mainly relating to IT system upgrades and office equipment purchases. Financing activities were driven by dividend payments and share buybacks. We believe that cash on hand, together with available credit facilities, will be sufficient to fund our operations, capital expenditures, and dividend commitments for at least the next 12 months.

## Contractual Obligations

Our principal contractual obligations as of March 31, 2025, consist of trade payables, lease commitments for office and warehouse facilities, and short-term borrowings under trade finance lines. These obligations are expected to be met from operating cash flows and existing banking facilities. A summary of our contractual obligations is included in the notes to our consolidated financial statements contained in this report.

## Off-Balance Sheet Arrangements

We have no material off-balance sheet arrangements, as defined in Item 303(a)(4) of Regulation S-K, that have or are reasonably likely to have a material current or future effect on our financial condition, results of operations, liquidity, capital resources, or capital expenditures.

## Working Capital

Our working capital cycle increased to 62 days in fiscal 2025 from 56 days in fiscal 2024. The increase reflects slightly extended collection periods in certain markets and higher inventory levels to mitigate potential supply chain risks. As of March 31, 2025, trade receivables were S\$22.69 million, compared to S\$23.16 million in the prior year, while inventories were S\$33.57 million compared to S\$31.21 million in the prior year.

We are implementing tighter credit controls, enhanced demand forecasting, and improved inventory management to shorten the cycle and reduce working capital requirements.

## Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with these standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures.

Significant judgments and estimates include:

- **Inventory valuation** – measured at the lower of cost and net realizable value; provisions recorded for slow-moving or obsolete stock.
- **Expected credit losses** – allowance for trade receivables determined using historical loss rates, current conditions, and forward-looking information.

A detailed description of our accounting policies and critical estimates is provided in Note 2 to our consolidated financial statements.

## Risks and Outlook

Our business is subject to risks relating to competitive pressures, rapid technological change, macroeconomic and geopolitical uncertainties, and currency fluctuations.

In fiscal 2026, we expect continued pressure on demand and margins due to global economic uncertainty and industry-specific factors. We will continue to focus on disciplined cost control, optimizing working capital, and selectively expanding our brand portfolio into higher-growth, higher-margin segments, including gaming peripherals and smart IoT products.

Our integrated distribution platform, long-term relationships with brand principals, and established market presence in Southeast Asia provide a strong foundation to navigate the challenges and capture opportunities in our markets.

## Quantitative and Qualitative Disclosures About Market Risk

Our business and financial results are subject to various market risks, including foreign currency risk, interest rate risk, credit risk, inventory price risk, and liquidity risk. This discussion should be read together with "GCL Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this report.

## **Foreign Currency Risk**

We operate in multiple countries and conduct transactions in various currencies, primarily the Singapore dollar (SGD), Malaysian ringgit (MYR), Thai baht (THB), and U.S. dollar (USD). Our reporting currency is the SGD.

Foreign currency risk arises from the translation of foreign operations' financial statements into SGD and from transactions denominated in currencies other than our functional currency. Movements in exchange rates between the SGD and other currencies could adversely affect our results of operations and financial position.

We manage foreign currency risk primarily through natural hedging by matching revenue and expenses in the same currency and, where appropriate, by using forward foreign exchange contracts.

## **Sensitivity Analysis**

Based on our net foreign currency exposure at March 31, 2025, a hypothetical 3% appreciation of the SGD against the USD, MYR, and THB would have resulted in an estimated increase/(decrease) in profit before tax of approximately S\$158,797, (S\$92,368) and (S\$128,912) respectively, assuming all other variables remain constant. A corresponding depreciation would have an equal but opposite effect.

## **Interest Rate Risk**

Our exposure to interest rate risk is primarily related to short-term trade financing facilities and bank borrowings, which generally bear floating interest rates. As of March 31, 2025, total borrowings amounted to S\$2.24 million, all of which mature within one year.

We monitor interest rate movements regularly and may consider hedging instruments, such as interest rate swaps, if we expect significant exposure.

**Sensitivity Analysis:** A hypothetical 15 basis point increase in interest rates would have increased our annual interest expense by approximately S\$2,792, based on the borrowings outstanding as of March 31, 2025. A corresponding decrease in interest rates would have the opposite effect.

## **Credit Risk**

We are exposed to credit risk from trade receivables, deposits, and other financial assets. Our credit risk arises principally from sales to customers on credit terms. As of March 31, 2025, our trade receivables totalled S\$22.69 million, with the majority due from established customers with whom we have long-standing relationships.

We manage credit risk through credit evaluations, monitoring of customer payment history, and maintaining appropriate provisions for expected credit losses in accordance with ASC 326. We do not have significant concentrations of credit risk with any single customer or group of related customers.

## **Inventory Price Risk**

Our inventory primarily consists of IT accessories, multimedia products, and data storage devices. These products are subject to price fluctuations driven by changes in technology, consumer demand, and competitive pressures.

We mitigate inventory price risk by closely monitoring market trends, managing procurement cycles, and adjusting pricing strategies as needed. Inventory is carried at the lower of cost and net realizable value, with provisions made for slow-moving or obsolete stock. As of March 31, 2025, our inventories totalled S\$33.57 million.

## **Liquidity Risk**

Liquidity risk arises from the possibility that we may not be able to meet our financial obligations as they fall due. We manage liquidity risk by maintaining adequate cash reserves, credit facilities, and by forecasting and monitoring cash flows on a regular basis. As of March 31, 2025, we had available unutilized bank credit facilities of approximately S\$23.77 million.

GCL Subsidiary, 2Game Digital, Partners with KuCoin Pay to Accept Secure Crypto Payments in Real Time



SINGAPORE, Aug. 28, 2025 (GLOBE NEWSWIRE) -- **GCL Global Holdings Ltd** (NASDAQ: GCL) (“GCL” or the “Company”), a leading provider of games and entertainment, today announced its subsidiary, 2Game Digital, a global leader in gaming ecommerce, esports and competitive gaming ecosystems, entered into an agreement with a technology service provider integrated with KuCoin, a leading cryptocurrency exchange, to allow KuCoin Pay to be used as an alternative payment method on 2Game.com’s ecommerce store.

2Game.com is now the first official digital gaming and e-commerce platform to embrace crypto, unlocking secure, instant and seamless payments that allow KuCoin’s 41 million users and the broader crypto community to use their cryptocurrency holdings in their cypto wallets to purchase digital games, peripherals and hardware available on 2Game Digital’s website.

This is part of 2Game Digital’s broader strategy to integrate Web3 infrastructure, including the upcoming release of the “2Game Token” – a blockchain-based utility token aimed to enhance loyalty programs, competitive gaming token-gated rewards.

“We’re proud to be the first in our industry to offer this groundbreaking crypto payment solution,” said Sebastian Toke, Group CEO of GCL. “This partnership not only opens the door to a new era of secure, instant and seamless transactions, but also allows us to tap into a thriving global crypto community. By integrating with KuCoin’s technology, we’re expanding our reach and giving millions of users a new way to engage with our platform. And for those who choose to pay with crypto, we’re unlocking exclusive perks - from special discounts to early access to 2Game Digital’s highly anticipated Token ICO. This is more than just a payment method; it’s a major step forward in redefining digital commerce.”

“This partnership with 2Game Digital is another milestone in our mission to make cryptocurrency a frictionless part of everyday life,” said Kumiko Ho, Head of Payment Business at KuCoin. “Gaming is one of the most dynamic industries to embrace Web3. By integrating KuCoin Pay into 2Game’s ecosystem, we’re enabling millions of gamers to enjoy a more seamless, secure and borderless payment experience.”

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### **Early Access, Discounts & Exclusive Offers:**

Customers who opt to utilize KuCoin Pay on 2Game.com between August 29, 2025 and November 28, 2026, will enjoy the following exclusive benefits:

- **Additional 20% discount** on eligible products (automatically applied at checkout)
- **Exclusive new release discounts**
- **Bi-weekly promotions, exclusive bundles and limited drops** for KuCoin Pay users
- **Early access whitelisting** for the highly anticipated 2Game Token ICO

### **Effortless Payment Experience:**

01. Visit [www.2Game.com/KuCoin](http://www.2Game.com/KuCoin) or any product page on 2Game.com
02. Choose 'KuCoin Pay' at checkout and automatically receive your discount
03. Complete your purchase securely by scanning the provided QR code with the KuCoin App

### **About GCL Global Holdings**

GCL Global Holdings Ltd. unites people through immersive games and entertainment experiences, enabling creators to deliver engaging content and fun gameplay experiences to gaming communities worldwide with a strategic focus on the rapidly expanding Asian gaming market.

Drawing on a deep understanding of gaming trends and market dynamics, GCL Group leverages its diverse portfolio of digital and physical content to bridge cultures and audiences by introducing Asian-developed IP to a global audience across consoles, PCs and streaming platforms.

Learn more at <http://www.gclglobalholdings.com>

### **About 2Game Digital**

Part of GCL Global Holdings, 2Game Digital operates:

- 2Game.com – Official global ecommerce store specializing in digital games and products.
- 2Game Esports – Global esports division with professional teams competing in Valorant and FGC (Fighting Game Community) titles, including Street Fighter 6.
- 2Game Pro – Platform combining gamified loyalty, competitive play and play-to-earn mechanics.

2Game Digital is dedicated to redefining digital gaming commerce, engagement and community-building through its unique ecosystem.

For more details, visit: [www.2game.com](http://www.2game.com)

### **About Kucoin Pay**

KuCoin Pay is a pioneering merchant solution that drives business growth by integrating cryptocurrency payments into retail ecosystems. Supporting over 50 cryptocurrencies including KCS, USDT, USDC and BTC, KuCoin Pay enables seamless transactions for both online and in-store purchases globally. Learn more about KuCoin Pay.

## Forward-Looking Statements

This press release includes “forward-looking statements” made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995, and may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements may also include, but are not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics, projections of market opportunity and expectations, the estimated implied enterprise value of GCL, GCL’s ability to scale and grow its business, the expected benefits of the acquisition of Ban Leong Technologies Limited, the advantages and expected growth of GCL, and GCL’s ability to source and retain talent. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of GCL’s management and are not predictions of actual performance.

These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance, or achievements to be materially different from those expressed or implied by these forward-looking statements. Although GCL believes that it has a reasonable basis for each forward-looking statement contained in this press release, GCL cautions you that these statements are based on a combination of facts and factors currently known and projections of the future, which are inherently uncertain. In addition, there are risks and uncertainties described in GCL’s annual report on Form 20-F, filed with the SEC on July 31, 2025, and other documents filed by GCL from time to time with the SEC. These filings may identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. GCL cannot assure you that the forward-looking statements in this press release will prove to be accurate. There may be additional risks that GCL presently knows or that GCL currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In light of the significant uncertainties in these forward-looking statements, nothing in this press release should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. The forward-looking statements in this press release represent the views of GCL as of the date of this press release. Subsequent events and developments may cause those views to change. However, while GCL may update these forward-looking statements in the future, there is no current intention to do so, except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing the views of GCL as of any date subsequent to the date of this press release. Except as may be required by law, GCL does not undertake any duty to update these forward-looking statements.

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A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/929d3180-6636-4af0-8eca-231b0f040538>

## The Game Has Changed: Crypto Payments Go Live on 2Game.com



## The Game Has Changed: Crypto Payments Go Live on 2Game.com

Source: GCL Global Holdings Ltd.

*The views and opinions expressed herein are the views and opinions of the author and do not necessarily reflect those of Nasdaq, Inc.*