

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **December 31, 2024**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File Number 001-34024

Singularity Future Technology Ltd.

(Exact name of registrant as specified in its charter)

Virginia

11-3588546

(State or other jurisdiction of
Incorporation or organization)

(I.R.S. Employer
Identification No.)

**48 Wall Street, Suite 1100
New York, NY**

10005

(Address of principal executive offices)

(Zip Code)

(718) 888-1814

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	SGLY	NASDAQ Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

As of February 19, 2025, the Company had 4,203,492 shares of common stock issued and outstanding.

SINGULARITY FUTURE TECHNOLOGY LTD.
FORM 10-Q

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report contains certain statements that constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such forward-looking statements, including but not limited to statements regarding our projected growth, trends and strategies, future operating and financial results, financial expectations and current business indicators are based upon current information and expectations and are subject to change based on factors beyond our control. Forward-looking statements typically are identified by the use of terms such as “look,” “may,” “will,” “should,” “might,” “believe,” “plan,” “expect,” “anticipate,” “estimate” and similar words, although some forward-looking statements are expressed differently. The accuracy of such statements may be impacted by a number of business risks and uncertainties we face that could cause our actual results to differ materially from those projected or anticipated, including but not limited to the following:

- our ability to timely and properly deliver our services;
- our dependence on a limited number of major customers and suppliers;
- current and future political and economic factors in the United States and China and the relationship between the two countries;
- our ability to explore and enter into new business opportunities and the acceptance in the marketplace of our new lines of business;
- unanticipated changes in general market conditions or other factors which may result in cancellations or reductions in the need for our services;
- the demand for warehouse, shipping and logistics services;
- the foreign currency exchange rate fluctuations;
- possible disruptions in commercial activities caused by events such as natural disasters, health epidemics, terrorist activity and armed conflict;
- the impact of quotas, tariffs or safeguards on our customer products that we service;
- our ability to attract, retain and motivate qualified management team members and skilled personnel;
- relevant governmental policies and regulations relating to our businesses and industries;
- developments in, or changes to, laws, regulations, governmental policies, incentives and taxation affecting our operations;
- our reputation and ability to do business may be impacted by the improper conduct of our employees, agents or business partners; and
- the outcome of litigation or investigations in which we are involved is unpredictable, and an adverse decision in any such matter could have a material adverse effect on our financial condition, results of operations, cash flows and equity.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to update the forward-looking statements. Nonetheless, the Company reserves the right to make such updates from time to time by press release, periodic report or other method of public disclosure without the need for specific reference to this Report. No such update shall be deemed to indicate that other statements not addressed by such update remain correct or create an obligation to provide any other updates.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (IN U.S. DOLLARS) (UNAUDITED)

	December 31, 2024	June 30, 2024
Assets		
Current assets		
Cash	\$ 15,248,528	\$ 14,641,967
Restricted cash	3,016,913	3,094,092
Accounts receivable, net	349,169	267,165
Other receivables, net	14,855	612

Advances to suppliers - third parties	13,686	51
Due from related party	3,288	-
Prepaid expenses and other current assets	241,796	243,636
Total Current Assets	18,888,235	18,247,523
Property and equipment, net	146,149	183,639
Right-of-use assets	-	98,327
Other long-term assets – deposits	84,955	198,550
Total Assets	\$ 19,119,339	\$ 18,728,039
Current Liabilities		
Deferred revenue	\$ 66,265	\$ 66,423
Accounts payable	884,540	566,770
Accounts payable – related party	63,434	63,434
Lease liabilities – current	-	177,263
Taxes payable	3,279,386	3,206,893
Due to related party	347,339	225,031
Accrued expenses and other current liabilities	2,548,318	1,037,187
Total current liabilities	7,189,282	5,343,001
Lease liabilities - noncurrent	-	131,355
Total liabilities	7,189,282	5,474,356
Commitments and Contingencies		
Equity		
Preferred stock, 2,000,000 shares authorized, no par value, no shares issued and outstanding as of December 31, 2024 and June 30, 2024, respectively	-	-
Common stock, 50,000,000 shares authorized, no par value; 3,503,492 and 17,715,526 shares issued and outstanding as of December 31, 2024 and June 30, 2024, respectively	104,192,048	104,192,048
Additional paid-in capital	2,334,962	2,334,962
Accumulated deficit	(91,974,552)	(90,684,966)
Accumulated other comprehensive income	147,630	159,272
Total Stockholders' Equity attributable to controlling shareholders of the Company	14,700,088	16,001,316
Non-controlling Interest	(2,770,031)	(2,747,633)
Total Equity	11,930,057	13,253,683
Total Liabilities and Equity	\$ 19,119,339	\$ 18,728,039

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(IN U.S. DOLLARS)
(UNAUDITED)

	For the Three Months Ended December 31,		For the Six Months Ended December 31	
	2024	2023	2024	2023
Net revenues	\$ 474,624	\$ 961,240	\$ 976,026	\$ 1,857,166
Cost of revenues	(464,100)	(976,876)	(1,237,417)	(1,979,825)
Gross profit (loss)	10,524	(15,636)	(261,391)	(122,659)
Selling expenses	(62,769)	(56,075)	(125,750)	(111,928)
General and administrative expenses	(632,262)	(1,145,730)	(1,322,818)	(3,199,883)
Impairment loss of cryptocurrencies	-	-	-	(72,179)
Provision for credit losses, net	-	(6,992)	-	(55,610)
Total operating expenses	(695,031)	(1,208,797)	(1,448,568)	(3,439,600)
Operating loss	(684,507)	(1,224,433)	(1,709,959)	(3,562,259)
(Loss) Gain from disposal of subsidiary	(1,030)	62,384	(1,030)	62,384
Other incomes (expenses), net	348,207	(6,494)	369,324	(83,664)
Net loss before provision for income taxes	(337,330)	(1,168,543)	(1,341,665)	(3,583,539)
Income tax expense	-	-	-	-
Net loss	(337,330)	(1,168,543)	(1,341,665)	(3,583,539)
Net (loss) income attributable to non-controlling interest	(9,533)	(57,814)	(52,079)	(182,625)
Net loss attributable to shareholders of the Company.	\$ (327,797)	\$ (1,110,729)	\$ (1,289,586)	\$ (3,400,914)

Comprehensive loss				
Net loss	\$ (337,330)	\$ (1,168,543)	\$ (1,341,665)	\$ (3,583,539)
Other comprehensive income (expense) – foreign currency	147,308	(78,237)	18,039	70,681
Comprehensive loss	(190,022)	(1,246,780)	(1,323,626)	(3,512,858)
Less: Comprehensive (loss) income attributable to non-controlling interest	39,152	10,547	(22,398)	(88,328)
Comprehensive loss attributable to shareholders of the Company	\$ (229,174)	\$ (1,257,327)	\$ (1,301,228)	\$ (3,424,530)
Loss per share				
Basic and diluted	\$ (0.09)	\$ (0.06)	\$ (0.37)	\$ (0.19)
Weighted average number of common shares used in computation				
Basic and diluted	3,503,492	17,515,526	3,503,492	17,556,830

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(IN U.S. DOLLARS)
(UNAUDITED)

	Preferred Stock		Common Stock		Additional paid-in capital	Shares to be cancelled	Accumulated deficit	Accumulated other comprehensive loss	Noncontrolling interest	Total
	Shares	Amount	Shares	Amount						
BALANCE, June 30, 2023	-	\$ -	17,715,526	\$94,332,048	\$ 2,334,962	(200,000)	\$ (85,576,438)	\$ 90,236	\$ (2,219,941)	\$ 8,960,867
Foreign currency translation	-	-	-	-	-	-	-	122,981	25,937	148,918
Cancellation of shares due to settlement	-	-	(200,000)	-	-	200,000	-	-	-	-
Net loss	-	-	-	-	-	-	(2,290,185)	-	(124,811)	(2,414,996)
BALANCE, September 30, 2023	-	\$ -	17,515,526	\$94,332,048	\$ 2,334,962	-	\$ (87,866,623)	\$ 213,217	\$ (2,318,815)	\$ 6,694,789
Foreign currency translation	-	-	-	-	-	-	-	(47,723)	(30,514)	(78,237)
Net loss	-	-	-	-	-	-	(1,110,729)	-	(57,814)	(1,168,543)
BALANCE, December 31, 2023	-	\$ -	17,515,526	\$94,332,048	\$ 2,334,962	-	\$ (88,977,352)	\$ 165,494	\$ (2,407,143)	\$ 5,448,009
	Preferred Stock		Common Stock		Additional paid-in capital	Shares to be cancelled	Accumulated deficit	Accumulated other comprehensive loss	Noncontrolling interest	Total
	Shares	Amount	Shares	Amount						
BALANCE, June 30, 2024	-	\$ -	3,503,492	\$104,192,048	\$ 2,334,962	-	\$ (90,684,966)	\$ 159,272	\$ (2,747,633)	\$13,253,683
Foreign currency translation	-	-	-	-	-	-	-	(110,265)	(19,005)	(129,270)
Net loss	-	-	-	-	-	-	(961,789)	-	(42,546)	(1,004,335)
BALANCE, September 30, 2024	-	\$ -	3,503,492	\$104,192,048	\$ 2,334,962	-	\$ (91,646,755)	\$ 49,007	\$ (2,809,184)	\$12,120,078
Foreign currency translation	-	-	-	-	-	-	-	98,623	48,686	147,309
Net loss	-	-	-	-	-	-	(327,797)	-	(9,533)	(337,330)
BALANCE, December 31, 2024	-	\$ -	3,503,492	\$104,192,048	\$ 2,334,962	-	\$ (91,974,552)	\$ 147,630	\$ (2,770,031)	\$11,930,057

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN U.S. DOLLARS)
(UNAUDITED)

For the Six Months Ended
December 31,

	2024	2023
Operating Activities		
Net loss	\$ (1,341,665)	\$ (3,583,539)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	36,423	76,051
Non-cash lease expense	98,227	81,882
Provision for expected credit losses, net	-	55,610
Impairment loss of cryptocurrencies	-	72,179
Loss on disposal of fixed assets	1,042	-
Loss (Gain) on disposal of subsidiaries	1,030	(62,384)
Gain on disposal of ROU	(354,108)	-
Interest expenses related to convertible notes	-	21,917
Changes in assets and liabilities		
Accounts receivable	(93,944)	(53,622)
Other receivables	(33,897)	97,982
Advances to suppliers - third parties	(13,870)	110,526
Prepaid expenses and other current assets	1,840	3,197
Other long-term assets – deposits	113,102	(2,496,197)
Deferred revenue	266	(1,602)
Refund payable	-	-
Accounts payable	322,881	98,909
Taxes payable	102,986	(122,175)
Lease liabilities	45,590	(154,259)
Accrued expenses and other current liabilities	1,511,975	(32,232)
Net cash provided by (used in) operating activities	397,878	(5,887,757)
Investing Activities		
Acquisition of property and equipment	-	(589)
Repayment from related parties	-	(25,362)
Net cash used in investing activities	-	(25,951)
Financing Activities		
Repayment of convertible notes	-	(5,000,000)
Payment of accrued interest related to convertible notes	-	(403,424)
Net cash used in financing activities	-	(5,403,424)
Net increase (decrease) in cash and restricted cash	397,878	(11,317,132)
Cash at beginning of period	17,736,059	17,390,156
Effect of exchange rate fluctuations on cash and restricted cash	131,504	81,412
Cash and restricted cash at end of period	<u>\$ 18,265,441</u>	<u>\$ 6,154,436</u>
Representing:		
Cash, end of period	\$ 15,248,528	\$ 3,154,436
Restricted cash, end of period	\$ 3,016,913	\$ 3,000,000
Total cash and restricted cash, end of period	<u>\$ 18,265,441</u>	<u>\$ 6,154,436</u>
Non-cash transactions of operating and investing activities	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Note 1. ORGANIZATION AND NATURE OF BUSINESS

The Company is an integrated logistics solution provider that was founded in the United States in 2001. On September 14, 2007, the Company merged into a new corporation, Sino-Global Shipping America, Ltd. in Virginia. On January 3, 2022, the Company changed its corporate name from Sino-Global Shipping America, Ltd. to Singularity Future Technology Ltd. to reflect its then expanded operations into the digital assets business. Currently, we primarily focus on providing freight logistics services, which include shipping, warehouse services and other logistical support to steel companies.

In 2017, we began exploring new opportunities to expand our business and generate more revenue. These opportunities ranged from complementary businesses to other new services and product initiatives. Beginning in fiscal 2022, we expanded our services to include warehousing services provided by our U.S. subsidiary Brilliant Warehouse Service Inc.

We are currently operating through our subsidiary Trans Pacific Shipping Limited. As of July 31, 2024, we have terminated the operations of our subsidiaries Gorgeous Trading Ltd. and Brilliant Warehouse Service Inc. Our range of services are mainly transportation.

To date we have not generated any revenues from our entry into the solar panel production and distribution business.

As of December 31, 2024, the Company's subsidiaries included the following:

Name	Background	Ownership
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Sino-Global Shipping New York Inc. ("SGS NY")	<ul style="list-style-type: none"> • A New York Corporation • Incorporated on May 03, 2013 • Primarily engaged in freight logistics services 	100% owned by the Company
Sino-Global Shipping HK Ltd. ("SGS HK")	<ul style="list-style-type: none"> • A Hong Kong Corporation • Incorporated on September 22, 2008 • No material operations 	100% owned by the Company
Trans Pacific Shipping Ltd. ("Trans Pacific Beijing")	<ul style="list-style-type: none"> • A PRC limited liability company • Incorporated on November 13, 2007. • Primarily engaged in freight logistics services 	100% owned the Company
Trans Pacific Logistic Shanghai Ltd. ("Trans Pacific Shanghai")	<ul style="list-style-type: none"> • A PRC limited liability company • Incorporated on May 31, 2009 • Primarily engaged in freight logistics services 	90% owned by Trans Pacific Beijing
Gorgeous Trading Ltd ("Gorgeous Trading")	<ul style="list-style-type: none"> • A Texas Corporation • Incorporated on July 01, 2021 • Primarily engaged in warehouse related services 	100% owned by SGS NY
Brilliant Warehouse Service Inc. ("Brilliant Warehouse")	<ul style="list-style-type: none"> • A Texas Corporation • Incorporated on April 19, 2021 • Primarily engaged in warehouse house related services 	51% owned by SGS NY
Phi Electric Motor In. ("Phi")	<ul style="list-style-type: none"> • A New York Corporation • Incorporated on August 30, 2021 • No operations 	51% owned by SGS NY
SG Shipping & Risk Solution Inc("SGSR")	<ul style="list-style-type: none"> • A New York Corporation • Incorporated on September 29, 2021 • No material operations 	100% owned by the Company
New Energy Tech Limited ("New Energy")	<ul style="list-style-type: none"> • A New York Corporation • Incorporated on September 19, 2023 • No material operations 	100% owned by the Company
Singularity(Shenzhen) Technology Ltd. ("SGS Shenzhen")	<ul style="list-style-type: none"> • A Mainland China Corporation • Incorporated on September 4, 2023 • No material operations 	100% owned by the Company

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP") pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The consolidated financial statements include the accounts of the Company and include the assets, liabilities, revenues and expenses of its subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Prior to December 31, 2021, Sino-Global Shipping Agency Ltd. ("Sino-China") was considered a Variable Interest Entity ("VIE"), with the Company as the primary beneficiary. The Company, through Trans Pacific Beijing, entered into certain agreements with Sino-China, pursuant to which the Company received 90% of Sino-China's net income.

As a VIE, Sino-China's revenues were included in the Company's total revenues, and any income/loss from operations was consolidated with that of the Company. Because of contractual arrangements between the Company and Sino-China, the Company had a pecuniary interest in Sino-China that required consolidation of the financial statements of the Company and Sino-China.

The Company has consolidated Sino-China's operating results in accordance with Accounting Standards Codification ("ASC") 810-10, "Consolidation". The agency relationship between the Company and Sino-China and its branches was governed by a series of contractual arrangements pursuant to which the Company had substantial control over Sino-China. On December 31, 2021, the Company entered into a series of agreements to terminate its VIE structure and deconsolidated its formerly controlled entity Sino-China.

(b) Fair Value of Financial Instruments

The Company follows the provisions of ASC 820, Fair Value Measurements and Disclosures, which clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1 — Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2 — Inputs other than quoted prices that are observable for the asset or liability in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3 — Unobservable inputs that reflect management's assumptions based on the best available information.

The carrying value of accounts receivable, other receivables, other current assets, and current liabilities approximate their fair values because of the short-term nature of these instruments.

(c) Use of Estimates and Assumptions

The preparation of the Company's unaudited condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Estimates are adjusted to reflect actual experience when necessary. Significant accounting estimates reflected in the Company's unaudited condensed consolidated financial statements include revenue recognition, fair value of stock-based compensation, cost of revenues, allowance for credit losses, impairment loss, deferred income taxes, income tax expense and the useful lives of property and equipment. The inputs into the Company's judgments and estimates consider the economic implications of COVID-19 on the Company's critical and significant accounting estimates. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from those estimates.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

(d) Translation of Foreign Currency

The accounts of the Company and its subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is the U.S. dollar ("USD") while its subsidiaries in the PRC, including Trans Pacific Beijing and Trans Pacific Shanghai report their financial positions and results of operations in Renminbi ("RMB"), its subsidiary Sino-Global Shipping (HK), Ltd. reports its financial positions and results of operations in Hong Kong dollars ("HKD"). The accompanying consolidated unaudited condensed financial statements are presented in USD. Foreign currency transactions are translated into USD using the fixed exchange rates in effect at the time of the transaction. Generally, foreign exchange gains and losses resulting from the settlement of such transactions are recognized in the consolidated statements of operations. The Company translates the foreign currency financial statements in accordance with ASC 830-10, "Foreign Currency Matters". Assets and liabilities are translated at current exchange rates quoted by the People's Bank of China at the balance sheets' dates and revenues and expenses are translated at average exchange rates in effect during the year. The resulting translation adjustments are recorded as other comprehensive loss and accumulated other comprehensive loss as a separate component of equity of the Company, and also included in non-controlling interests.

The exchange rates as of December 31, 2024 and June 30, 2024 and for the three and six months ended December 31, 2024 and 2023 are as follows:

Foreign currency	December 31, 2024	June 30, 2024	Three months ended December 31,		Six months ended December 31,	
	Balance Sheet	Balance Sheet	2024	2023	2024	2023
			Profit/Loss	Profit/Loss	Profit/Loss	Profit/Loss
RMB:1USD	7.2994	7.2674	7.1875	7.2061	7.1754	7.2206
HKD:1USD	7.7681	7.8082	7.7748	7.8141	7.7873	7.8196

(e) Cash

Cash consists of cash on hand and cash in banks which are unrestricted as to withdrawal or use. The Company maintains cash with various financial institutions mainly in the PRC, Australia, Hong Kong and the U.S. As of December 31, 2024 and June 30, 2024, cash balances of \$31,155 and \$107,844, respectively, were maintained at financial institutions in the PRC. Nil and \$27,798 of these balances are not covered by insurance as the deposit insurance system in China only insured each depositor at one bank for a maximum of approximately \$70,000 (RMB 500,000). As of, December 31, 2024 and June 30, 2024, cash balances of \$746,409 and \$60,682, respectively, were maintained at U.S. financial institutions. \$ 191,976 and nil of these U.S. account balances are not covered by the Federal Deposit Insurance Corporation or other programs subject to \$250,000 limitations. The Hong Kong Deposit Protection Board pays compensation up to a limit of HKD 500,000 (approximately \$64,000) if the bank with which an individual/a company holds its eligible deposit fails. As of December 31, 2024 and June 30, 2024, cash balances of \$66,395 and \$65,997, respectively, were maintained at financial institutions in Hong Kong which are all covered by insurance. As of December 31, 2024 and June 30, 2024, a cash balance of \$14,404,155 and \$14,404,155 was maintained in financial institutions in Djibouti which are uninsured. As of December 31, 2024 and June 30, 2024, amount of deposits the Company had covered by insurance amounted to \$651,982 and \$206,725, respectively.

Restricted Cash

As of December 31, 2024 and June 30, 2024, our restricted balance was \$ 3.02 million and \$3.09 million. The restricted was required by East West Bank to secure a letter of credit that was used to provide a guarantee to the Company's business partner Solarlink Group Inc. ("Solarlink"), a North Las Vegas based advanced 3.6G photovoltaic solar panel manufacturer and solar power service provider, for Solarlink's rental obligations for a leased warehouse in North Las Vegas. The term of the warehouse lease is one year, upon the expiration of which the letter of credit will terminate unless the letter of credit is used to pay rent under the warehouse lease. Management believes that Solarlink's business is very promising and hopes to actively participate in its future. Management believes that the guarantee provided to Solarlink will not result in substantial losses to Singularity in the future. Based on such expectations, the management believes its restricted cash account stated in the notes is not exposed to any significant risks. The deposit started on November 13, 2023 and matured on November 13, 2024 with an annual interest rate of 4.880%. After the deposit matured in November 2024, the principal portion of the deposit will continue to be deposited and the maturity date will be extended to December 5, 2025, with the interest rate reduced to 4.188%.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

(f) Receivables and Allowance for Credit Losses

The carrying value of accounts receivable is reduced by an allowance for credit losses that reflects the Company's best estimate of the amounts that will not be collected. The Company makes estimations of the collectability of accounts receivable. Many factors are considered in estimating the general allowance, including reviewing delinquent accounts receivable, performing a customer credit analysis, and analyzing historical bad debt records and current and future economic trends. Accounts receivable represent historical balances recorded less related cash applications, less allowance for credit losses and any write-offs of any receivables not previously provided for.

(g) Credit losses

In June 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-13, Financial Instruments—Credit Losses (Topic 326). The ASU introduced a new credit loss methodology, the current expected credit losses ("CECL") methodology, which requires earlier recognition of credit losses while also providing additional disclosure about credit risk. The Company adopted the ASU as of January 1, 2023.

The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, receivables, contract assets and other financial assets measured at amortized cost at the time the financial asset is originated or acquired. The CECL is adjusted each period for changes in expected lifetime credit losses. The CECL methodology represents a significant change from prior U.S. GAAP and replaced the prior multiple existing impairment methods, which generally required that a loss be incurred before it was recognized. Within the life cycle of a loan or other financial asset, the methodology generally results in the earlier recognition of the provision for credit losses and the related ACL than prior U.S. GAAP.

The CECL methodology's impact on expected credit losses, among other things, reflects the Company's view of the current state of the economy, forecasted macroeconomic conditions.

Under the CECL methodology, the allowance for credit losses is model based and utilizes a forward-looking macroeconomic forecast in estimating expected credit losses. The model of the allowance for credit losses would be considers the uncertainty of forward-looking scenarios based on the likelihood and severity of a possible recession as another possible scenario.

Other receivables represent mainly customer advances, prepaid employee insurance and welfare benefits, which will be subsequently deducted from the employee payroll, project advances as well as office lease deposits. Management reviews its receivables on a regular basis to determine if the bad debt allowance is adequate, and adjusts the allowance when necessary. Delinquent account balances are written-off against allowance for credit losses after management has determined that the likelihood of collection is not probable. Other receivables are written off against the allowances only after exhaustive collection efforts.

(h) Property and Equipment, net

Property and equipment are stated at historical cost less accumulated depreciation. Historical cost comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

Buildings	20 years
Motor vehicles	3–10 years
Computer and office equipment	1–5 years
Furniture and fixtures	3–5 years
System software	5 years
Leasehold improvements	Shorter of lease term or useful lives
Mining equipment	3 years

The carrying value of a long-lived asset is considered impaired by the Company when the anticipated undiscounted cash flows from such asset is less than its carrying value. If impairment is identified, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved or based on independent appraisals. For the three and six months ended December 31, 2024 and 2023, no impairments were recorded.

(i) Investments in unconsolidated entity

Entities in which the Company has the ability to exercise significant influence, but does not have a controlling interest, are accounted for using the equity method. Significant influence is generally considered to exist when the Company has voting shares representing 20% to 50%, and other factors, such as representation on the board of directors, voting rights and the impact of commercial arrangements, are considered in determining whether the equity method of accounting is appropriate. Under this method of accounting, the Company records its proportionate share of the net earnings or losses of equity method investees and a corresponding increase or decrease to the investment balances. Dividends received from the equity method investments are recorded as reductions in the cost of such investments. The Company generally considers an ownership interest of 20% or higher to represent significant influence. The Company accounts for the investments in entities over which it has neither control nor significant influence, and no readily determinable fair value is available, using the investment cost minus any impairment, if necessary.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Investments are evaluated for impairment when facts or circumstances indicate that the fair value of the long-term investment is less than its carrying value. An impairment loss is recognized when a decline in fair value is determined to be other-than-temporary. The Company reviews several factors to determine whether a loss is other-than-temporary. These factors include, but are not limited to, the: (i) nature of the investment; (ii) cause and duration of the impairment; (iii) extent to which fair value is less than cost; (iv) financial condition and near term prospects of the investment; and (v) ability to hold the security for a period of time sufficient to allow for any anticipated recovery in fair value.

On January 10, 2020, the Company entered into a cooperation agreement with Mr. Shanming Liang, a shareholder of the Company, to set up a joint venture in New York named LSM Trading Ltd., ("LSM") in which the Company holds a 40% equity interest. Mr. Shanming Liang subsequently transferred his shares to Guanxi Golden Bridge Industry Group Co. Ltd. in October 2021. As of June 30, 2023, the Company invested \$210,000 and recorded \$81,640 investment loss in LSM. The joint venture has not started its operations due to COVID-19. As we could not obtain the financial information of the investee, we determined to provide a full impairment of our equity investment. The Company recorded a \$128,360 impairment loss for the year ended June 30, 2023. And no impairments were recorded for the years ended December 31, 2024.

(j) Convertible notes

The Company evaluates its convertible notes to determine if those contracts or embedded components of those contracts qualify as derivatives. The result of this accounting treatment is that the fair value of the embedded derivative is recorded at fair value each reporting period and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statements of operations as other income or expense.

(k) Revenue Recognition

The Company recognizes revenue which represents the transfer of goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in such exchange. The Company identifies contractual performance obligations and determines whether revenue should be recognized at a point in time or over time, based on when control of goods and services transfers to a customer.

The Company uses a five-step model to recognize revenue from customer contracts. The five-step model requires the Company to (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, including variable consideration to the extent that it is probable that a significant future reversal will not occur, (iv) allocate the transaction price to the respective performance obligations in the contract, and (v) recognize revenue when (or as) the Company satisfies the performance obligation.

For the Company's freight logistic, the Company provides transportation services which include mainly shipping services. The Company derives transportation revenue from sales contracts with its customers with revenues being recognized upon performance of services. Sales price to the customer are fixed upon acceptance of the sales contract and there is no separate sales rebate, discount, or other incentive. The Company's revenues are recognized at a point in time after all performance obligations were satisfied

For the Company's warehouse services, which are included in the freight logistic services, the Company's contracts provide for an integrated service that includes two or more services, including but not limited to warehousing, collection, first-mile delivery, drop shipping, customs clearance packaging, etc.

Accordingly, the Company generally identifies one performance obligation in its contracts, which is a series of distinct services that remain substantially the same over time and possess the same pattern of transfer. Revenue is recognized over the period in which services are provided under the terms of the Company's contractual relationships with its clients.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

The transaction price is based on the amount specified in the contract with the customer and contains fixed and variable consideration. In general, the fixed consideration in a contract represents facility and equipment costs incurred to satisfy the performance obligation and is recognized on a straight-line basis over the term of the contract. The variable consideration is comprised of cost reimbursement determined based on the costs incurred. Revenue relating to variable pricing is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract and they pay us according to approved payment terms.

Revenue for the above services is recognized on a gross basis when the Company controls the services as it has the obligation to (i) provide all services (ii) bear any inventory risk for warehouse services. In addition, the Company has control to set its selling price to ensure it would generate profit for the services.

On January 10, 2022, the Company's joint venture, Thor Miner, entered into a Purchase and Sale Agreement with SOS Information Technology New York Inc. (the "Buyer"). Pursuant to the Purchase and Sale Agreement, Thor Miner agreed to sell and the Buyer agreed to purchase certain cryptocurrency mining equipment.

The Company's performance obligation was to deliver products according to contract specifications. The Company recognizes product revenue at a point in time when the control of products or services are transferred to customers. To distinguish a promise to provide products from a promise to facilitate the sale from a third party, the Company considers the guidance of control in ASC 606-10-55-37A and the indicators in ASC 606-10-55-39. The Company considers this guidance in conjunction with the terms in the Company's arrangements with both suppliers and customers.

In general, revenue was recognized on a gross basis when the Company controls the products as it has the obligation to (i) fulfill the products delivery and custom clearance (ii) bear any inventory risk as legal owners. In addition, when establishing the selling prices for delivery of the resale products, the Company has control to set its selling price to ensure it would generate profit for the products delivery arrangements. If the Company is not responsible for provision of product and does not bear inventory risk, the Company recorded revenue on a net basis.

Contract balances

The Company records receivables related to revenue when the Company has an unconditional right to invoice and receive payment.

Deferred revenue consists primarily of customer billings made in advance of performance obligations being satisfied and revenue being recognized. Contract balances amounted to \$66,265 and \$66,423 as of December 31, 2024 and June 30, 2024, respectively.

The Company's disaggregated revenue streams are described as follows:

	For the Three Months Ended		For the Six Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Freight logistics services	474,624	961,240	976,026	1,857,166
Total	\$ 474,624	\$ 961,240	\$ 976,026	\$ 1,857,166

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

**Notes to the Condensed Consolidated Financial Statements
For the Six Months ended December 31, 2024**

Disaggregated information of revenues by geographic locations are as follows:

	For the Three Months Ended		For the Six Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
PRC	\$ 474,624	\$ 837,763	\$ 976,026	\$ 1,538,419
U.S.	-	123,477	-	318,747
Total revenues	\$ 474,624	\$ 961,240	\$ 976,026	\$ 1,857,166

(l) Leases

The Company adopted FASB ASU 2016-02, "Leases" (Topic 842) for the year ended June 30, 2020, and elected the practical expedients that do not require us to reassess: (1) whether any expired or existing contracts are, or contain, leases, (2) lease classification for any expired or existing leases and (3) initial direct costs for any expired or existing leases. For lease terms of twelve months or fewer, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. The Company also adopted the practical expedient that allows lessees to treat the lease and non-lease components of a lease as a single lease component. Upon adoption, the Company recognized right of use ("ROU") assets and same amount of lease liabilities based on the present value of the future minimum rental payments of leases, using an incremental borrowing rate of 7% based on the duration of lease terms.

Operating lease ROU assets and lease liabilities are recognized at the adoption date or the commencement date, whichever is earlier, based on the present value of lease payments over the lease term. Since the implicit rate for the Company's leases is not readily determinable, the Company use its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term.

Lease terms used to calculate the present value of lease payments generally do not include any options to extend, renew, or terminate the lease, as the Company does not have reasonable certainty at lease inception that these options will be exercised. The Company generally considers the economic life of its operating lease ROU assets to be comparable to the useful life of similar owned assets. The Company has elected the short-term lease exception, therefore operating lease ROU assets and liabilities do not include leases with a lease term of twelve months or less. Its leases generally do not provide a residual guarantee. The operating lease ROU asset also excludes lease incentives. Lease expense is recognized on a straight-line basis over the lease term.

The Company reviews the impairment of its ROU assets consistent with the approach applied for its other long-lived assets. The Company reviews the recoverability of its long-lived assets when events or changes in circumstances occur that indicate that the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on its ability to recover the carrying value of the asset from the expected undiscounted future pre-tax cash flows of the related operations. The Company has elected to include the carrying amount of operating lease liabilities in any tested asset group and include the associated operating lease payments in the undiscounted future pre-tax cash flows.

(m) Taxation

Because the Company and its subsidiaries and Sino-China were incorporated in different jurisdictions, they file separate income tax returns. The Company uses the asset and liability method of accounting for income taxes in accordance with U.S. GAAP. Deferred taxes, if any, are recognized for the future tax consequences of temporary differences between the tax basis of assets and liabilities and their reported amounts in the unaudited condensed consolidated financial statements. A valuation allowance is provided against deferred tax assets if it is more likely than not that the asset will not be utilized in the future.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense. The Company had no uncertain tax positions as of December 31, 2024 and June 30, 2024.

Income tax returns for the years prior to 2018 are no longer subject to examination by U.S. tax authorities.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

**Notes to the Condensed Consolidated Financial Statements
For the Six Months ended December 31, 2024**

PRC Enterprise Income Tax

PRC enterprise income tax is calculated based on taxable income determined under the PRC Generally Accepted Accounting Principles ("PRC GAAP") at 25%. Sino-China and Trans Pacific Beijing were incorporated in the PRC and are subject to the Enterprise Income Tax Laws of the PRC.

PRC Value Added Taxes and Surcharges

The Company is subject to value added tax ("VAT"). Revenue from services provided by the Company's PRC subsidiaries are subject to VAT at rates ranging from 9% to 13%. Entities that are VAT general taxpayers are allowed to offset qualified VAT paid to suppliers against their VAT liability. Net VAT liability is recorded in taxes payable on the consolidated balance sheets.

In addition, under the PRC regulations, the Company's PRC subsidiaries are required to pay city construction tax (7%) and education surcharges (3%) based on the net VAT payments.

(n) Earnings (loss) per Share

Basic earnings (loss) per share is computed by dividing net income (loss) attributable to holders of common stock of the Company by the weighted average number of shares of common stock of the Company outstanding during the applicable period. Diluted earnings (loss) per share reflect the potential dilution that could occur if securities or other contracts to issue common stock of the Company were exercised or converted into common stock of the Company. Common stock equivalents are excluded from the computation of diluted earnings per share if their effects would be anti-dilutive.

For the three and six months ended December 31, 2024 and 2023, there was no dilutive effect of potential shares of common stock of the Company because the Company generated a net loss.

(o) Comprehensive Income (Loss)

The Company reports comprehensive income (loss) in accordance with the authoritative guidance issued by Financial Accounting Standards Board (the "FASB") which establishes standards for reporting comprehensive income (loss) and its component in financial statements. Other comprehensive income (loss) refers to revenue, expenses, gains and losses that under US GAAP are recorded as an element of stockholders' equity but are excluded from net income. Other comprehensive income (loss) consists of a foreign currency translation adjustment resulting from the Company not using the U.S. dollar as its functional currencies.

(p) Stock-based Compensation

The Company accounts for stock-based compensation awards to employees in accordance with FASB ASC Topic 718, "Compensation – Stock Compensation", which requires that stock-based payment transactions with employees be measured based on the grant-date fair value of the equity instrument issued and recognized as compensation expense over the requisite service period. The Company records stock-based compensation expense at fair value on the grant date and recognizes the expense over the employee's requisite service period.

The Company accounts for stock-based compensation awards to non-employees in accordance with FASB ASC Topic 718 amended by ASU 2018-07. Under FASB ASC Topic 718, stock compensation granted to non-employees has been determined as the fair value of the consideration received or the fair value of equity instrument issued, whichever is more reliably measured and is recognized as an expense as the goods or services are received.

Valuations of stock-based compensation are based upon highly subjective assumptions about the future, including stock price volatility and exercise patterns. The fair value of share-based payment awards was estimated using the Black-Scholes option pricing model. Expected volatilities are based on the historical volatility of the Company's stock. The Company uses historical data to estimate option exercise and employee terminations. The expected term of options granted represents the period of time that options granted are expected to be outstanding. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

(q) Risks and Uncertainties

The Company's business, financial position and results of operations may be influenced by the political, economic, health and legal environments in the PRC, as well as by the general state of the PRC economy. The Company's operations in the PRC are subject to special considerations and significant risks not typically associated with companies in North America and Western Europe. These include risks associated with, among others, the political, economic, health and legal environments and foreign currency exchange. The Company's results may be adversely affected by changes in the political, regulatory and social conditions in the PRC, and by changes in governmental policies or interpretations with respect to laws and regulations, anti-inflationary measures, currency conversion, remittances abroad, and rates and methods of taxation, among other things.

(r) Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability. When it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequences of the change to its condensed consolidated financial statements and assures that there are proper controls in place to ascertain that the Company's condensed consolidated financial statements properly reflect the change.

On June 30, 2022, FASB issued ASU No. 2022-03, *Fair Value Measurement of Equity Securities* Subject to Contractual Sale Restrictions. ASU 2022-03 clarifies that a contractual sale restriction prohibiting the sale of an equity security is a characteristic of the reporting entity holding the equity security and is not included in the equity security's unit of account. The new standard is effective for the Company for its fiscal year beginning January 1, 2024, with early adoption permitted.

On March 28, 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-01, Leases (Topic 842): *Common Control Arrangements*. The amendments in ASU 2023-01 improve current GAAP by clarifying the accounting for leasehold improvements associated with common control leases, thereby reducing diversity in practice. Additionally, the amendments provide investors and other allocators of capital with financial information that better reflects the economics of those transactions. The new standard is effective for the Company for its fiscal year beginning January 1, 2024, with early adoption permitted.

Note 3. CRYPTOCURRENCIES

The following table presents additional information about cryptocurrencies:

	December 31, 2024	June 30, 2024
Beginning balance	\$ -	\$ 72,179
Impairment loss	-	(72,179)
Ending balance	\$ -	\$ -

The Company recorded nil impairment loss for the three and six months ended December 31, 2024. There was \$ 72,179 impairment loss for the year ended June 30, 2024. As ownership rights of the cryptocurrencies could not be verified, full impairment was recognized.

Note 4. ACCOUNTS RECEIVABLE, NET

The Company's net accounts receivable are as follows:

	December 31, 2024	June 30, 2024
Trade accounts receivable	\$ 3,630,582	\$ 3,554,156
Less: allowances for credit losses	(3,281,413)	(3,286,991)
Accounts receivable, net	<u>\$ 349,169</u>	<u>\$ 267,165</u>

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Movement of allowance for credit losses are as follows:

	December 31, 2024	June 30, 2024
Beginning balance	\$ 3,286,991	\$ 3,288,740
Provision for credit losses, net of recovery	-	17,667
Write-off/recovery	-	(17,303)
Exchange rate effect	(5,578)	(2,113)
Ending balance	<u>\$ 3,281,413</u>	<u>\$ 3,286,991</u>

For the years ended June 30, 2024, the provision for credit losses and write-off was \$ 17,667 and \$17,303 respectively. There was no provision for credit losses and write-off for the three and six months ended December 31, 2024.

Note 5. OTHER RECEIVABLES, NET

The Company's other receivables are as follows:

	December 31, 2024	June 30, 2024
Advances to customers*	\$ 6,847,579	\$ 6,849,309
Employee business advances	-	2
Total	6,847,579	6,849,311
Less: allowances for credit losses	(6,832,724)	(6,848,699)
Other receivables, net	<u>\$ 14,855</u>	<u>\$ 612</u>

* On March 23, 2023, SG Shipping & Risk Solution Inc. an indirect wholly owned subsidiary of SGLY entered into an operating income right transfer contract with Goalowen Inc. pursuant to which Goalowen agreed to transfer its rights to receive income from operating a tuna fishing vessel to SG Shipping for \$3 million. Such contract was signed by the Company's former COO Jing Shan without the Board's authorization. On May 5, 2023, Ms. Shan made a wire transfer of \$3 million to Goalowen without the Board's authorization. It was recorded as an Advance to customers. As of June 30, 2023, the Company evaluated the collection possibility, and decided to provide a 100% allowance provision in the amount of \$ 3 million, and there was no change in the fiscal year 2024 and for the three and six months ended December 31, 2024.

Movement of allowance for credit losses are as follows:

	December 31, 2024	June 30, 2024
Beginning balance	\$ 6,848,699	\$ 6,994,212
Increase	-	21,348
Less: write-off	-	(160,000)
Exchange rate effect	(15,975)	(6,861)
Ending balance	<u>\$ 6,832,724</u>	<u>\$ 6,848,699</u>

Note 6. ADVANCES TO SUPPLIERS

The Company's advances to suppliers – third parties are as follows:

	December 31, 2024	June 30, 2024
Freight fees (1)	\$ 313,686	\$ 300,051
Less: allowances for credit losses	(300,000)	(300,000)
Advances to suppliers-third parties, net	<u>\$ 13,686</u>	<u>\$ 51</u>

(1) The advanced freight fee is the Company's prepayment made for various shipping costs for shipments from January 1, 2024 to September 30, 2024. The Company provided an allowance of \$300,000 for the year ended June 30, 2022, and there was no change in the fiscal year 2024 and for the three and six months ended December 31, 2024.

**Notes to the Condensed Consolidated Financial Statements
For the Six Months ended December 31, 2024**

Note 7. PREPAID EXPENSES AND OTHER CURRENT ASSETS

The Company's prepaid expenses and other assets are as follows:

	December 31, 2024	June 30, 2024
Prepaid income taxes	\$ 11,929	\$ 11,929
Other (including prepaid professional fees, rent)	229,867	231,707
Total	\$ 241,796	\$ 243,636

Note 8. OTHER LONG-TERM ASSETS – DEPOSITS, NET

The Company's other long-term assets – deposits are as follows:

	December 31, 2024	June 30, 2024
Rental and utilities deposits	\$ 93,061	\$ 206,692
Less: allowances for deposits	(8,106)	(8,142)
Other long-term assets- deposits, net	\$ 84,955	\$ 198,550

Movements of allowance for deposits are as follows:

	December 31, 2024	June 30, 2024
Beginning balance	\$ 8,142	\$ 8,157
Provision for expected credit losses, net of recovery	-	50,000
Less: Write-off	-	(50,000)
Exchange rate effect	(36)	(15)
Ending balance	\$ 8,106	\$ 8,142

Note 9. PROPERTY AND EQUIPMENT, NET

The Company's net property and equipment as follows:

	December 31, 2024	June 30, 2024
Motor vehicles	\$ 383,213	\$ 383,213
Computer equipment	52,591	82,421
Office equipment	58,889	59,015
Furniture and fixtures	28,654	96,013
System software	102,392	102,843
Leasehold improvements	58,390	58,648
Mining equipment	-	922,439
Total	684,129	1,704,592
Less: Impairment reserve	(90,758)	(997,209)
Less: Accumulated depreciation and amortization	(447,222)	(523,744)
Property and equipment, net	\$ 146,149	\$ 183,639

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

**Notes to the Condensed Consolidated Financial Statements
For the Six Months ended December 31, 2024**

Movement of impairment for property and equipment is as follows:

	December 31, 2024	June 30, 2024
Beginning balance	\$ 997,209	\$ 1,233,521
Less: Write-off	(906,451)	(236,312)
Ending balance	\$ 90,758	\$ 997,209

Depreciation and amortization expenses for the three months ended December 31, 2024 and 2023 were \$ 18,504 and \$37,924, respectively. Depreciation and amortization expenses for the six months ended December 31, 2024 and 2023 were \$36,423 and \$76,051, respectively. No impairment loss was recorded for the three and six months ended December 31, 2024 and 2023.

A batch of fixed assets were disposed of for the six months ended December 31, 2024, the original value of this batch of fixed assets is \$ 1,019,161, the amount of accumulated depreciation is \$111,668. Most of the fixed assets has been fully impaired in previous periods, therefore, the impairment reserve of \$906,451 was written off, and the loss on disposal of fixed assets was \$ 1,042.

Note 10. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	December 31, 2024	June 30, 2024
Salary and reimbursement payable	\$ 432,237	\$ 133,182
Professional fees and other expense payable	2,091,649	849,592
Interest payable	4,872	4,872
Others	19,560	49,541
Total	\$ 2,548,318	\$ 1,037,187

Note 11. CONVERTIBLE NOTES

On December 19, 2021, the Company issued two Senior Convertible Notes (the "Convertible Notes") to two non-U.S. investors for an aggregate purchase price of \$10,000,000.

The Convertible Notes bear an interest at 5% annually and may be converted into shares of the Company's common stock, no par value per share at a conversion price of \$3.76 per share, the closing price of the common stock on December 17, 2021. The Convertible Notes are unsecured senior obligations of the Company, and the maturity date of the Convertible Notes is December 18, 2023. The Company may repay any portion of the outstanding principal, accrued and unpaid interest, without penalty for early repayment. The Company may make any repayment of principal and interest in (a) cash, (b) common stock at the conversion price or (c) a combination of cash or common stock at the conversion price.

On March 8, 2022, the Company issued amended and restated the terms of the notes and issued the Amended and Restated Senior Convertible Notes (the "Amended and Restated Convertible Notes") to the investors to change the principal amount of the Convertible Notes to an aggregate principal amount of \$5,000,000. There other terms of the notes remained unchanged.

For the three and six months ended December 31, 2023, interest expenses related to the aforementioned notes amounted to nil and \$21,917, respectively. There was no interest expenses recorded for the three and six months ended December 31, 2024.

On August 8, 2023, upon the unanimous consent of the board of directors of the Company, the Company prepaid the total outstanding \$ 5,000,000 balance of the 2022 Notes, along with the accrued interest of \$403,424. The Company was not subject to any prepayment penalties.

Note 12. LEASES

The Company determines if a contract contains a lease at inception which is the date on which the terms of the contract are agreed to and the agreement creates enforceable rights and obligations. US GAAP requires that the Company's leases be evaluated and classified as operating or finance leases for financial reporting purposes. The classification evaluation begins at the commencement date and the lease term used in the evaluation includes the non-cancellable period for which the Company has the right to use the underlying asset, together with renewal option periods when the exercise of the renewal option is reasonably certain and failure to exercise such option which result in an economic penalty. All of the Company's leases are classified as operating leases.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

The Company has several lease agreements with lease terms ranging from two to five years. As of December 31, 2024, all of the Company's lease agreements have expired or terminated early, the balance of ROU assets and lease liabilities amounted to nil.

The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. The leases generally do not contain options to extend at the time of expiration.

For the three months ended December 31, 2024 and 2023, rent expense amounted to approximately \$ 127,936 and \$135,299, respectively. For the six months ended December 31, 2024 and 2023, rent expense amounted to approximately \$261,147 and \$295,788, respectively.

Note 13. EQUITY

After the close of the stock market on July 7, 2020, the Company effected a 1-for-5 reverse stock split of its common stock in order to satisfy continued listing requirements of its common stock on the NASDAQ Capital Market. The reverse stock split was approved by the Company's board of directors and stockholders and was intended to allow the Company to meet the minimum share price requirement of \$1.00 per share for continued listing on the NASDAQ Capital Market. As a result, all common stock share amounts included in this filing have been retroactively reduced by a factor of five, and all common stock per share amounts have been increased by a factor of five. Amounts affected include common stock outstanding, including those that have resulted from the stock options, and warrants exercisable for common stock.

Stock issuances:

On September 17, 2020, the Company entered into certain securities purchase agreement with certain "non-U.S. Persons" as defined in Regulation S of the Securities Act of 1933, as amended, pursuant to which the Company sold an aggregate of 720,000 shares of the Company's common stock, no par value, and warrants to purchase 720,000 shares at a per share purchase price of \$ 1.46. The net proceeds to the Company from such offering were approximately \$1.05 million. The warrants became exercisable on March 16, 2021 at an exercise price of \$ 1.825 per share. The warrants may also be exercised on a cashless basis if at any time after March 16, 2021, there is no effective registration statement registering, or no current prospectus available for, the resale of the warrant shares. The warrants will expire on March 16, 2026. The warrants are subject to anti-dilution provisions to reflect stock dividends and splits or other similar transactions. The warrants contain a mandatory exercise right for the Company to force exercise of the warrants if the Company's common stock trades at or above \$4.38 for 20 consecutive trading days, provided, among other things, that the shares issuable upon exercise of the warrants are registered or may be sold pursuant to Rule 144 and the daily trading volume exceeds 60,000 shares of common stock per trading day on each trading day in a period of 20 consecutive trading days prior to the applicable date.

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On November 2 and November 3, 2020, the Company issued an aggregate of 860,000 shares of Series A Convertible Preferred Stock (the "Series A Preferred Stock"), each convertible into one share of common stock, no par value, of Company, upon the terms and subject to the limitations and considerations set forth in the Certificate of Designation of the Series A Preferred Stock, and warrants to purchase up to 1,032,000 shares of common stock. The purchase price for each share of Series A Preferred Stock and accompanying warrants is \$1.66. The net proceeds to the Company from this offering was approximately \$1.43 million, not including any proceeds that may be received upon cash exercise of the warrants. The warrants became exercisable six (6) months following the date of issuance at an exercise price of \$1.99 per share. The warrants may also be exercised on a cashless basis if at any time after the six-month anniversary of the issuance date, there is no effective registration statement registering, or no current prospectus available for, the resale of the warrant Shares. The warrants will expire five and a half (5.5) years from the date of issuance. The warrants are subject to anti-dilution provisions to reflect stock dividends and splits or other similar transactions. The warrants contain a mandatory exercise right for the Company to force exercise of the warrants if the closing price of the common stock equals or exceeds \$5.97 for twenty (20) consecutive trading days, provided, among other things, that the shares issuable upon exercise of the warrants are registered or may be sold pursuant to Rule 144 and the daily trading volume exceeds 60,000 shares of common stock per trading day on each trading day in a period of 20 consecutive trading days prior to the applicable date. In February 2021, the shareholders approved the preferred shareholders' right to convert 860,000 shares of Series A Preferred Stock into 860,000 shares of common stock in the Company's annual meeting of shareholders. As of June 30, 2022, the Series A Preferred Stock have been fully converted to common stock on a one-for-one basis.

On December 8, 2020, the Company entered into a securities purchase agreement with certain investors thereto pursuant to which the Company sold to the investors, and the investors purchased from the Company, in a registered direct offering, an aggregate of 1,560,000 shares of the common stock of the Company, no par value per share, at a purchase price of \$3.10 per share, and warrants to purchase up to an aggregate of 1,170,000 shares of common stock of the Company at an exercise price of \$3.10 per share, for aggregate gross proceeds to the Company of \$ 4,836,000. The warrants are initially exercisable beginning on December 11, 2020 and will expire three and a half (3.5) years from the date of issuance. The exercise price and the number of shares of common stock issuable upon exercise of the warrants are subject to adjustment in the event of stock splits or dividends, or other similar transactions, but not as a result of future securities offerings at lower prices.

On January 27, 2021, the Company entered into a securities purchase agreement with certain non-U.S. investors thereto pursuant to which the Company sold to the investors, and the investors purchased from the Company, an aggregate of 1,086,956 shares of common stock, no par value, and warrants to purchase 5,434,780 shares. The net proceeds to the Company from this offering were approximately \$ 4.0 million. The purchase price for each share of common stock and five warrants is \$3.68, and the exercise price per warrant is \$5.00. The warrants became exercisable at any time during the period beginning on or after July 27, 2021 and ending on or prior on January 27, 2026 but not thereafter; provided, however, that the total number of the Company's issued and outstanding shares of common stock, multiplied by the NASDAQ official closing bid price of the common stock shall equal or exceed \$0.3 billion for a three consecutive month period prior to an exercise.

On February 6, 2021, the Company entered into a securities purchase agreement with certain investors pursuant to which the Company sold to the investors, and the investors purchased from the Company, in a registered direct offering, an aggregate of 1,998,500 shares of the common stock of the Company, no par value per share, at a purchase price of \$6.805 per share. Net proceeds to the Company from the sale of the shares and the warrants, after deducting estimated offering expenses and placement agent fees, were approximately \$12.4 million. The Company also sold to the investors warrants to purchase up to an aggregate of 1,998,500 shares of common stock at an exercise price of \$6.805 per share. The warrants are exercisable upon issuance and expire five and a half (5.5) years from the date of issuance. The exercise price and the number of shares of common stock issuable upon exercise of the warrants are subject to adjustment in the event of stock splits or dividends, or other similar transactions, but not as a result of future securities offerings at lower prices.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

**Notes to the Condensed Consolidated Financial Statements
For the Six Months ended December 31, 2024**

On February 9, 2021, the Company entered into a securities purchase agreement with certain investors pursuant to which the Company sold to the investors, and the investors purchased from the Company, in a registered direct offering, an aggregate of 3,655,000 shares of the common stock of the Company, no par value per share, at a purchase price of \$7.80 per share. Net proceeds to the Company from the sale of the shares and the warrants, after deducting estimated offering expenses and placement agent fees, were approximately \$26.1 million. The Company also sold to the investors warrants to purchase up to an aggregate of 3,655,000 shares of common stock at an exercise price of \$7.80 per share. The warrants are exercisable upon issuance and expire five and a half (5.5) years from the date of issuance. The exercise price and the number of shares of common stock issuable upon exercise of the warrants are subject to adjustment in the event of stock splits or dividends, or other similar transactions, but not as a result of future securities offerings at lower prices.

On December 14, 2021, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with non-U.S. investors and accredited investors pursuant to which the Company sold to the investors, and the investors agreed to purchase from the Company, an aggregate of 3,228,807 shares of common stock, no par value, and warrants to purchase 4,843,210 shares. The purchase price for each share of common stock and one and a half warrants was \$3.26, and the exercise price per warrant is \$4.00. The Company received net proceed of \$10,525,819 and issued 3,228,807 shares and 4,843,210 warrants. In connection with the issuance, the Company issued 500,000 shares to a consultant in assisting the Company in finding potential investors. The warrants will be exercisable at any time during the Exercise Window. The "Exercise Window" means the period beginning on or after June 14, 2022 and ending on or prior to 5:00 p.m. (New York City time) on December 13, 2026 but not thereafter; provided, however, that the total number of the Company's issued and outstanding shares of common stock, multiplied by the NASDAQ official closing bid price of the common stock shall equal or exceed \$150,000,000 for a three consecutive month period prior to an exercise.

The Company's outstanding warrants are classified as equity since they qualify for exception from derivative accounting as they are considered to be indexed to the Company's own stock and require net share settlement. The fair value of the warrants was recorded as additional paid-in capital from common stock.

On January 6, 2022, the Company entered into Warrant Purchase Agreements with certain warrant holders (the "Sellers") pursuant to which the Company agreed to buy back an aggregate of 3,870,800 warrants (the "Warrants") from the Sellers, and the Sellers agreed to sell the Warrants back to the Company. These Warrants were sold to these Sellers in three previous transactions that closed on February 11, 2021, February 10, 2021, and March 14, 2018. The purchase price for each Warrant was \$2.00. Following announcement of the Warrant Purchase Agreements on January 6, 2022, the Company agreed to repurchase an additional 103,200 warrants from other Sellers on the same terms as the previously announced Warrant Purchase Agreements. The aggregate number of warrants repurchased under the Warrant Purchase Agreements was 3,974,000.

On January 7, 2022, the Company wired the purchase price to each Seller. Each Seller has agreed to deliver the Warrant to the Company for cancellation as soon as practicable following the closing date, but in no event later than January 13, 2022. The Warrants are deemed cancelled upon the receipt by the Sellers of the purchase price.

On November 15, 2023, the Company entered into a subscription agreement with ten individual investors, under which the Company agreed to sell an aggregate of 1,700,000 shares of its Common Stock and 1,700,000 warrants, with each warrant initially exercisable to purchase one share of Common Stock at an exercise price of \$6.07 per share, at an aggregate price of US\$ 9,860,000 in a private placement. On December 13, 2023, the Company issued an aggregate of 1,700,000 shares of its common stock to the investors. The company received US\$ 9,860,000 but subsequently returned the funds to the investors because the 1,700,000 warrants, issuable as part of the transaction, could not be issued timely due to certain outstanding warrant terms. The investors returned the funds to the Company on January 4, 2024 after the warrant terms were finalized. On January 26, 2024, the Company entered into an amendment to the subscription agreement which provides, among other things, that Nasdaq's authorization must be obtained for the issuance of the securities under the subscription agreement and the Company stockholders' approval shall be obtained before the 1,700,000 warrants are issued to the investors. Nasdaq has authorized the issuance of the Common Stock and the conditional issuance of the warrants. As of the date of this report, the issuance of the warrants is still awaiting approval from the Company's stockholders.

Following is a summary of the status of warrants outstanding and exercisable as of December 31, 2024

	Warrants	Weighted Average Exercise Price
Warrants outstanding, as of June 30, 2024	1,208,849	\$ 44.05
Issued	-	-
Exercised	-	-
Expired	-	-
Warrants outstanding, as of December 31, 2024	1,208,849	\$ 44.05
Warrants exercisable, as of December 31, 2024	1,208,849	\$ 44.05

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

	Warrants Exercisable	Weighted Average Exercise Price	Average Remaining Contractual Life
Warrants Outstanding			
2020 warrants -292,200	18,100	\$ 18.3	1.01 years
2021 warrants -1,593,149	1,190,749	\$ 49.4	1.81 years

Stock-based compensation:

By action taken as of August 13, 2021, the Board of Directors (the "Board") of the Company and the Compensation Committee of the Board (the "Committee") approved a one-time award of a total of 1,020,000 shares of the common stock under the Company's 2014 Stock Incentive Plan (the "Plan") to, including (i) a grant of 600,000 shares to Chief Executive Officer, Lei Cao, (ii) a grant of 200,000 shares to acting Chief Financial Officer, Tuo Pan, (iii) a grant of 160,000 shares to Board member, Zhikang Huang, (iv) a grant of 20,000 shares to Board member, Jing Wang, (v) a grant of 20,000 shares to Board member, Xiaohuan Huang, and (vi) a grant of 20,000 shares to Board member, Tieliang Liu. The shares were valued at an aggregate of \$2,927,400 based on the grant date fair value of such shares.

On November 18, 2021, Mr. Jing Wang retired from his positions as a member of the Board, the Chairperson of the Compensation Committee, a member of Nominating/Corporate Governance Committee, and a member of the Audit Committee. In connection with Mr. Wang's retirement, the Company granted Mr. Wang 100,000 shares of common stock under the Company's 2021 stock incentive plan, which shares were valued at \$ 377,000 based on the grant date fair value.

On February 4, 2022, the Company approved a one-time award of a total of 500,000 shares of common stock under the Company's 2021 Stock Incentive Plan to certain executive officers of the Company, including Chief Executive Officer, Yang Jie (300,000 shares), Chief Operating Officer, Jing Shan (100,000 shares), and Chief Technology Officer, Shi Qiu (100,000 shares). The total fair value of the grants amounts to \$ 2,740,000 based on the grant date share price of \$5.48.

On February 16, 2022, the Company's Board approved a consulting agreement pursuant to which the Company agreed to pay the consultant a monthly fee of \$10,000 and 100,000 shares of the Company's common stock. The shares were valued at \$ 7.42 at grant date with a grant date fair value of \$742,000 to be amortized through October 31, 2022. Stock compensation expenses for this contract was nil and \$247,333 for the three month ended September 30, 2023 and 2022, respectively.

During the three and six months ended December 31, 2024 and 2023, there was no stock-based compensation expense recorded.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Note 14. NON-CONTROLLING INTEREST

The Company's non-controlling interest consists of the following:

	December 31, 2024	June 30, 2024
Trans Pacific Shanghai	\$ (1,518,069)	\$ (1,532,527)
Brilliant Warehouse	(1,251,962)	(1,215,106)
Total	\$ (2,770,031)	\$ (2,747,633)

Note 15. COMMITMENTS AND CONTINGENCIES

Contingencies

From time to time, the Company may be subject to certain legal proceedings, claims and disputes that arise in the ordinary course of business. Although the outcomes of these legal proceedings cannot be predicted, the Company does not believe these actions, in the aggregate, will have a material adverse impact on its financial position, results of operations or liquidity.

SOS Information Technology New York, Inc. ("SOSNY"), a company incorporated under the laws of State of New York and a wholly owned subsidiary of SOS Ltd., filed lawsuit in the New York State Supreme Court on December 9, 2022 against Thor Miner, Inc., which is Singularity's joint venture ("Thor Miner"), the Company, and, together with Thor Miner, referred to as the "Corporate Defendants"), Lei Cao, Yang Jie, John F. Levy, Tieliang Liu, Tuo Pan, Shi Qiu, Jing Shan, and Heng Wang (jointly referred to as the "Individual Defendants") (collectively, the Individual Defendants and the Corporate Defendants are the "Defendants"). SOSNY and Thor Miner entered into a January 10, 2022 Purchase and Sale Agreement (the "PSA") for the purchase of \$200,000,000 in crypto mining rigs, which SOSNY claims was breached by the Defendants.

SOSNY and Defendants entered into a certain settlement agreement and general mutual release with an Effective Date of December 28, 2022 ("Settlement Agreement"). Pursuant to the Settlement Agreement, Thor Miner agreed to pay a sum of thirteen million in U.S. dollars (\$13,000,000) (the "Settlement Payment") to SOSNY in exchange for SOSNY dismissing the lawsuit with prejudice as to the settling Defendants and without prejudice as to all others. The full Settlement Payment was received by SOSNY on December 28, 2022. SOSNY dismissed the lawsuit with prejudice against the Company (and other Defendants) on December 28, 2022.

The Company and Thor Miner further covenanted and agreed that if they receive additional funds from HighSharp (Shenzhen Gaorui) Electronic Technology Co., Ltd. ("HighSharp") related to the PSA, they will promptly transfer such funds to SOSNY in an amount not to exceed forty million, five hundred sixty thousand, five hundred sixty-nine dollars (\$40,560,569.00) (which is the total amount paid by SOSNY pursuant to the PSA less the price of the machines actually received by SOSNY pursuant to the PSA). The Settlement Payment and any payments subsequently received by SOSNY from HighSharp shall be deducted from the total amount of forty million, five hundred sixty thousand, five hundred sixty-nine dollars (\$40,560,569.00) previously paid by, and now due and owing to SOSNY. In further consideration of the Settlement Agreement, Thor Miner agreed to execute and provide to SOSNY, within seven (7) business days after SOSNY's receipt of the Settlement Payment, an assignment of all claims it may have against HighSharp or otherwise to the proceeds of the PSA.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

On October 23, 2023, the Company filed a complaint against its former CFO, Tuo Pan, accusing her of conversion due to her alleged involvement in two unauthorized transfers from the Company amounting to \$219,000 and \$7,920.

On March 23, 2023, SG Shipping & Risk Solution Inc. an indirect wholly owned subsidiary of SGLY entered into an operating income right transfer contract with Goalowen pursuant to which Goalowen agreed to transfer its rights to receive income from operating a tuna fishing vessel to SG Shipping for \$3,000,000 and on May 5, 2023, Ms. Shan made a wire transfer of \$3,000,000 to Goalowen. Such contract was signed and payment was made by the Company's former COO, Jing Shan, without the authorization of the board of directors of the Company. The payment was recorded as an advance to a customer. The Company filed a complaint against Jing Shan accusing her of the unauthorized transfers in the United States District Court for the Eastern District of New York and has brought a lawsuit against Goalowen to recover the \$3 million. As of June 30, 2023, the Company evaluated the collection possibility, and decided to provide a 100% allowance provision in the amount of \$3,000,000. The Company filed a complaint against Jing Shan accusing her of the unauthorized transfers in the United States District Court for the Eastern District of New York and has brought a lawsuit against Goalowen to recover the \$3 million.

Lawsuits in connection with the Securities Purchase Agreement

On September 23, 2022, Hexin Global Limited and Viner Total Investments Fund filed a lawsuit against the Company and other defendants in the United States District Court for the Southern District of New York (the "Hexin lawsuit"). On December 5, 2022, St. Hudson Group LLC, Imperii Strategies LLC, Isyted Technology Limited, and Hsqynm Family Inc. filed a lawsuit against the Company and other defendants in the United States District Court for the Southern District of New York (the "St. Hudson lawsuit," and together with the Hexin lawsuit, the "Investor Actions"). The plaintiffs in the Investor Actions are investors that entered into a securities purchase agreement ("Securities Purchase Agreement") with the Company in late 2021. Each of these plaintiffs asserts causes of action for, among other things, violations of federal securities laws, breach of fiduciary duty, fraudulent inducement, breach of contract, conversion, and unjust enrichment, and seeks monetary damages and specific performance to remove legends from certain securities sold pursuant to the Securities Purchase Agreement. The Hexin lawsuit claims monetary damages of "at least \$6 million," plus interest, costs, fees, and attorneys' fees. The St. Hudson lawsuit claims monetary damages of "at least \$4.4 million," plus interest, costs, fees, and attorneys' fees.

Lawsuit in connection with the Financial Advisory Agreement

On October 6, 2022, Jinhe Capital Limited ("Jinhe") filed a lawsuit against the Company in the United States District Court for the Southern District of New York, asserting causes of actions for, among other things, breach of contract, breach of the covenant of good faith and fair dealing, conversion, quantum meruit, and unjust enrichment, in connection with a financial advisory agreement entered into by and between Jinhe and the Company on November 10, 2021. Jinhe claims monetary damages of "at least \$575,000" and "potentially exceeding \$1.8 million," plus interest, costs, and attorneys' fees.

On January 10, 2023, St. Hudson lawsuit was consolidated with this lawsuit and Hexin lawsuit and on February 24, 2023, all three consolidated actions were dismissed without prejudice by the court, in furtherance of the parties having reached an agreement in principle to settle their disputes. The Company, Yang Jie, Jing Shan, and the plaintiffs of the above three actions entered into a certain settlement agreement and general mutual release with an effective date of March 10, 2023, pursuant to which the Company agreed to pay the sum of \$10,525,910.82. Plaintiffs in the actions agreed to discharge and forever release the defendants in the actions from all claims that were or could have been raised in those actions, as well as dismissal of

each of the actions with prejudice. The Company has no role or knowledge as to how the settlement payment will be allocated between and among the plaintiffs. The Company paid the settlement payment on March 14, 2023.

In addition, the plaintiffs agreed to irrevocably forfeit 3,728,807 shares of Common Stock they hold. The cancellation of 3,528,807 shares has been completed, while the cancellation of the remaining 200,000 shares is still in processing for the year ended June 30, 2023. The fair value of the shares was \$2,125,420 at March 10, 2023, the settlement amount over the fair value of the shares to be cancelled is recorded as other expenses in the Company's consolidated statement of operations. The cancellation of 200,000 shares completed on July 8, 2023

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Putative Class Action

On December 9, 2022, Piero Crivellaro, purportedly on behalf of the persons or entities who purchased or acquired publicly traded securities of the Company between February 2021 and November 2022, filed a putative class action against the Company and other defendants in the United States District Court for the Eastern District of New York, alleging violations of federal securities laws related to alleged false or misleading disclosures made by the Company in its public filings. The plaintiff seeks unspecified damages, plus interest, costs, fees, and attorneys' fees. As this action is still in the early stage, the Company cannot predict the outcome.

In addition to the above litigations, the Company is also subject to additional contractual litigations as to which it is unable to estimate the outcome.

Government Investigations

Following a publication issued by Hindenburg Research dated May 5, 2022, the Company received subpoenas from the United States Attorney's Office for the Southern District of New York and the United States Securities and Exchange Commission. The Company is cooperating with the government regarding these matters. The Company is not able to estimate the outcome or duration of the government investigations.

Employee Agreement

For the year ended June 30, 2023, the Company had employment agreements with each of Mr. Lei Cao, Ms. Tuo Pan and Mr. Yang Jie. Employment agreement of Mr. Lei Cao provided for a ten-year term that extended automatically in the absence of termination notice provided at least 30 days prior to the fifth anniversary date of the agreement. Employment agreements of Mr. Tuo Pan and Mr. Yang Jie provided for five-year terms that extended automatically in the absence of termination notice provided at least 30 days prior to the fifth anniversary date of the agreement. If the Company failed to provide this notice or if the Company wished to terminate an employment agreement in the absence of cause, then the Company was obligated to provide at least 30 days' prior notice. In such case during the initial term of the agreement, the Company would need to pay such executive (i) the remaining salary through the date of October 31, 2026. In addition, to pay Mr. Lei Cao and Ms. Tuo Pan (ii) two times of the then applicable annual salary if there had been no change in control, as defined in the employment agreements or three-and-half times of the then applicable annual salary if there was a change in control. The employment agreements for Ms. Tuo Pan and Mr. Yang Jie were terminated in 2022, the Company has no remaining obligation under such agreements.

In February 2024, Zhikang Huang, a former employee of the Company filed a lawsuit against the Company in the Richmond City Circuit Court of Virginia. In the complaint, Zhikang Huang alleges claims that the Company failed to compensate him for the severance payment of \$300,000 contemplated in Section 6.3 of the Employee Agreement, his two months' salary of \$25,000 for the months of November and December 2023 and the incentive-based bonus to which he is entitled pursuant to paragraph 4.2 of the Employee Agreement.

Note 16. INCOME TAXES

The Company's income tax expenses for three and six months ended December 31, 2024 and 2023 are as follows:

	For the three months Ended December 31		For the six months Ended December 31	
	2024	2023	2024	2023
Current				
U.S.	\$ -	\$ -	\$ -	\$ -
PRC	-	-	-	-
Total income tax expenses	\$ -	\$ -	\$ -	\$ -

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

The Company's deferred tax assets are comprised of the following:

	December 31, 2024	June 30, 2024
Allowance for credit losses		
U.S.	\$ 1,212,000	\$ 1,212,000
PRC	1,642,000	1,649,000
Net operating loss		

U.S.	9,033,000	9,920,000
PRC	1,459,000	1,515,000
Total deferred tax assets	13,346,000	14,296,000
Valuation allowance	(13,346,000)	(14,296,000)
Deferred tax assets, net - long-term	\$ -	\$ -

The Company's operations in the U.S. incurred cumulative U.S. federal net operation losses ("NOL") of approximately \$ 47,200,000 as of June 30, 2024, which may reduce future federal taxable income. During the three and six months ended December 31, 2024, approximately \$200,000 and \$1,200,000 of NOL was generated and the tax benefit derived from such NOL was approximately \$42,000 and \$252,000. As of December 31, 2024, the Company's cumulative NOL amounted to approximately \$48,400,000, which may reduce future federal taxable income.

The Company's operations in China incurred a cumulative NOL of approximately \$ 2,062,000 million as of June 30, 2024 which was mainly from net loss. During the three and six months ended December 31, 2024, additional NOL of approximately \$81,000 and \$136,000 was generated. As of December 31, 2024, the Company's cumulative NOL amounted to approximately \$2,198,000 which may reduce future taxable income which will expire by 2026.

The Company periodically evaluates the likelihood of the realization of deferred tax assets ("DTA") and reduces the carrying amount of the deferred tax assets by a valuation allowance to the extent it believes a portion will not be realized. Management considers new evidence, both positive and negative, that could affect the Company's future realization of deferred tax assets including its recent cumulative earnings experience, expectation of future income, the carry forward periods available for tax reporting purposes and other relevant factors. The Company determined that it is more likely than not its deferred tax assets could not be realized due to uncertainty on future earnings as a result of the Company's reorganization and venture into new businesses. The Company provided a 100% allowance for its DTA as of December 31, 2024. The net increase in valuation for the three months ended December 31, 2024 amounted to approximately \$10,000, and the net decrease in valuation for the six months ended December 31, 2024 amounted to approximately \$950,000, based on management's reassessment of the amount of the Company's deferred tax assets that are more likely than not to be realized.

The Company's taxes payable consists of the following:

	December 31, 2024	June 30, 2024
VAT tax payable	\$ 1,027,853	\$ 1,030,363
Corporate income tax payable	2,113,184	2,121,724
Others	138,349	54,806
Total	\$ 3,279,386	\$ 3,206,893

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Note 17. CONCENTRATIONS

Major Customers

For the three months ended December 31, 2024, one customer accounted for 100% of the Company's gross revenues. For the six months ended December 31, 2024, one customer accounted for 96.0% of the Company's gross revenues. As of December 31, 2024, two customers accounted for 69.1% and 22.8% of the Company's accounts receivable, net.

For the three months ended December 31, 2023, one customer accounted for 69.1% of the Company's gross revenues. For the six months ended December 31, 2023, one customer accounted for 73.8% of the Company's gross revenues. As of December 31, 2023, two customers accounted for 63.3% and 20.1% of the Company's accounts receivable, net.

Major Suppliers

For the three months ended December 31, 2024, three suppliers accounted for approximately 43.71%, 18.68% and 18.45% of the total gross purchases. For the six months ended December 31, 2024, three suppliers accounted for approximately 29.5%, 20.5% and 13.3% of the total gross purchases.

For the three months ended December 31, 2023, two suppliers accounted for approximately 27.8% and 24.8% of the total gross purchases. For the six months ended December 31, 2023, two suppliers accounted for approximately 24.8% and 19.8% of the total gross purchases.

Note 18. SEGMENT REPORTING

ASC 280, "Segment Reporting", establishes standards for reporting information about operating segments on a basis consistent with the Company's internal organizational structure as well as information about geographical areas, business segments and major customers in unaudited condensed consolidated financial statements for detailing the Company's business segments.

The Company's chief operating decision maker is the Chief Operating Officer, who reviews the financial information of the separate operating segments when making decisions about allocating resources and assessing the performance of the group. The Company ceased to sell crypto-mining equipment since January 1, 2023. For the six months ended December 31, 2024, the Company operated in one segment, freight logistics services, which had operations in both the United States and PRC. For the six months ended December 31, 2024, the Company did not sell crypto-mining machines.

The following tables present summary information by segment for the three and six months ended December 31, 2024 and 2023, respectively:

For the Three Months Ended December 31, 2024		
Freight Logistics Services	Crypto- mining equipment sales	Total

Net revenues	\$ 474,624	\$ -	\$ 474,624
Cost of revenues	\$ 464,100	\$ -	\$ 464,100
Gross profit	\$ 10,524	\$ -	\$ 10,524
Depreciation and amortization	\$ 18,504	\$ -	\$ 18,504
Total capital expenditures	\$ -	\$ -	\$ -
Gross margin%	2.2%	-	2.2%

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SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

For the Three Months Ended December 31, 2023			
	Freight Logistics Services	Crypto- mining equipment sales	Total
Net revenues	\$ 961,240	\$ -	\$ 961,240
Cost of revenues	\$ 976,876	\$ -	\$ 976,876
Gross profit	\$ (15,636)	\$ -	\$ (15,636)
Depreciation and amortization	\$ 37,567	\$ 357	\$ 37,924
Total capital expenditures	\$ 589	\$ -	\$ 589
Gross margin%	(1.6)%	-	(1.6)%

For the Six Months Ended December 31, 2024			
	Freight Logistics Services	Crypto- mining equipment sales	Total
Net revenues	\$ 976,026	\$ -	\$ 976,026
Cost of revenues	\$ 1,237,417	\$ -	\$ 1,237,417
Gross profit	\$ (261,391)	\$ -	\$ (261,391)
Depreciation and amortization	\$ 36,423	\$ -	\$ 36,423
Total capital expenditures	\$ -	\$ -	\$ -
Gross margin%	(26.8)%	-	(26.8)%

For the Six Months Ended December 31, 2023			
	Freight Logistics Services	Crypto- mining equipment sales	Total
Net revenues	\$ 1,857,166	\$ -	\$ 1,857,166
Cost of revenues	\$ 1,979,825	\$ -	\$ 1,979,825
Gross profit	\$ (122,659)	\$ -	\$ (122,659)
Depreciation and amortization	\$ 75,338	\$ 713	\$ 76,051
Total capital expenditures	\$ 589	\$ -	\$ 589
Gross margin%	(6.6)%	-	(6.6)%

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SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

Total assets as of:

	December 31, 2024	June 30, 2024
Freight Logistic Services	\$ 19,119,339	\$ 18,728,039
Total Assets	\$ 19,119,339	\$ 18,728,039

The Company's operations are primarily based in the PRC and U.S, where the Company derives all of its revenues. Management also reviews consolidated financial results by business locations.

Disaggregated information of revenues by geographic locations are as follows:

For the Three Months Ended		For the Six Months Ended	
December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
PRC	\$ 474,624	\$ 837,763	\$ 976,026
			\$ 1,538,419

U.S.	-	123,477	-	318,747
Total revenues	\$ 474,624	\$ 961,240	\$ 976,026	\$ 1,857,166

Note 19. RELATED PARTY BALANCE AND TRANSACTIONS

Due from related party, net

As of December 31, 2024 and June 30, 2024, the outstanding amounts due from related parties consist of the following:

	December 31, 2024	June 30, 2024
Zhejiang Jinbang Fuel Energy Co., Ltd (1)	\$ 381,266	\$ 382,949
Shanghai Baoyin Industrial Co., Ltd (2)	1,064,606	1,066,003
LSM Trading Ltd (3)	570,000	570,000
Rich Trading Co. Ltd (4)	103,424	103,424
Less: allowance for credit losses	(2,116,008)	(2,122,376)
Total	\$ 3,288	\$ -

Movement of allowance for credit losses are as follows:

	December 31, 2024	June 30, 2024
Beginning balance	\$ 2,122,376	\$ 2,138,276
Exchange rate effect	(6,368)	(15,900)
Ending balance	\$ 2,116,008	\$ 2,122,376

- (1) As of December 31, 2024 and June 30, 2024, the Company advanced \$ 381,266 and \$ 382,949 to Zhejiang Jinbang Fuel Energy Co., Ltd ("Zhejiang Jinbang") which is 30% owned by Mr. Wang Qinggang, CEO and legal representative of Trans Pacific Shanghai. The advance is non-interest bearing and due on demand. The Company provided allowance of \$381,266 and \$382,949 for the balance of the receivable as of December 31, 2024 and June 30, 2024, and the allowance changes as a result of changes in exchange rates.

SINGULARITY FUTURE TECHNOLOGY LTD. AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements For the Six Months ended December 31, 2024

- (2) As of December 31, 2024 and June 30, 2024, the Company advanced approximately \$ 1,064,606 and \$1,066,003 to Shanghai Baoyin Industrial Co., Ltd. which is 30% owned by Qinggang Wang, CEO and legal representative of Trans Pacific Logistic Shanghai Ltd. The advance is non-interest bearing and due on demand. The Company provided allowance of \$1,061,318 and \$1,066,003 for the balance of the receivable as of December 31, 2024 and June 30, 2024, and the allowance changes as a result of changes in exchange rates.
- (3) As of December 31, 2024 and June 30, 2024, the Company advanced \$ 570,000 to LSM Trading Ltd, which is 40% owned by the Company. The advance is non-interest bearing and due on demand. The Company provided full credit losses for the balance of the receivable.
- (4) On November 16, 2021, the Company entered into a project cooperation agreement with Rich Trading Co. Ltd USA ("Rich Trading") for the trading of computer equipment. Rich Trading's bank account was controlled by now-terminated members of the Company's management and was, at the time, an undisclosed related party. According to the agreement, the Company was to invest \$4.5 million in the trading business operated by Rich Trading and the Company would be entitled to 90% of profits generated by the trading business. The Company advanced \$ 3,303,424 for this project, of which \$3,200,000 has been returned to the Company. The Company provided allowance of \$ 103,424 for the balance of the receivable as of December 31, 2024 and June 30, 2024.

Accounts payable- related parties

As of June 30, 2024, the Company had accounts payable to Rich Trading Co. Ltd of \$ 63,434. And there was no change as of December 31, 2024.

Other payable - related party

As of December 31, 2024 and June 30, 2024, the Company had accounts payable to Qinggang Wang, CEO and legal representative of Trans Pacific Shanghai, of \$25,883 and \$25,997. These payments were made on behalf of the Company for the daily business operational activities.

As of December 31, 2024 and June 30, 2024, the Company had accounts payable to \$ 321,457 and \$199,034 to Zhejiang Jinbang Fuel Energy Co., Ltd ("Zhejiang Jinbang") which is 30% owned by Mr. Wang Qinggang, CEO and legal representative of Trans Pacific Shanghai.

Note 20. SUBSEQUENT EVENTS

Civil Monetary Penalty

In March 2023, as a result of the incorrect accounting treatment of approximately \$ 4.6 million of related party loan receivable in the fiscal year ended June 30, 2021 and the incorrect recognition of revenue from freight shipping services in the amount of \$980,200 for the three months ended September 30, 2021 and the six months ended December 31, 2021, the Company filed an amendment to (1) the 2021 Form 10-K and (2) each of the 2021 Form 10-Qs.

On June 17, 2024, the Company received a subpoena issued by the Securities and Exchange Commission, requesting the production of certain documents related to the investigation by the SEC regarding the Restatements. On January 17, 2025, after cooperating with the SEC's investigations, the Company reached a resolution with the SEC regarding the aforementioned matters.

The SEC approved the Company's Offer of Settlement and issued its Cease-and-Desist Order dated January 17, 2025, with respect to certain violations related to the Company's financial reporting, accounting, books and records, and internal controls. Pursuant to the terms of the SEC Order, the Company will pay a civil monetary penalty of \$350,000 to the SEC, comply with certain undertakings to remediate its material weaknesses in the internal control and disclosure deficiencies by June 30, 2026, and cease and desist any violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B), of the Securities

Registered Direct Offering

On January 24, 2025, the Company entered into certain securities purchase agreement with certain non-affiliated institutional investors pursuant to which the Company agreed to sell 700,000 shares of its Common Stock in a registered direct offering, for gross proceeds of approximately \$ 1.14 million. The purchase price for each share of Common Stock is \$1.63.

The Company currently intends to use the net proceeds from the Offering for working capital and general corporate purposes. The Offering closed on January 27, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in the report. This discussion contains forward-looking statements that involve risks and uncertainties. Actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors.

Overview

We are a global logistics integrated solution provider that was founded in the United States in 2001. On September 18, 2007, the Company merged into a new corporation, Sino-Global Shipping America, Ltd. in Virginia. On January 3, 2022, the Company changed its corporate name to Singularity Future Technology Ltd. to reflect its expanded operations into the digital assets business. Currently, we primarily focus on providing freight logistics services, which mainly include shipping, warehouse services and other logistical support to steel companies.

In 2017, we began exploring new opportunities to expand our business and generate more revenue. These opportunities ranged from complementary businesses to other new service and product initiatives. In the fiscal year 2022, while we continued to provide our traditional freight logistics business, we expanded our services to include warehousing services provided by our U.S. subsidiary Brilliant Warehouse Service Inc.

We are currently operating through our subsidiary Trans Pacific Shipping Limited. As of July 31, 2024, we have terminated the operations of our subsidiaries Gorgeous Trading Ltd. and Brilliant Warehouse Service Inc. Our range of services are mainly transportation.

As a holding company with no material operations, conduct substantially all of our operations through subsidiaries established in the United States, the People's Republic of China (the "PRC" or "China") and Hong Kong. However, neither the holding company nor any of the Company's Chinese subsidiaries conduct any operations through contractual arrangements with a variable interest entity based in China. Investors in our common stock should be aware that they may never directly hold equity interests in the PRC operating entities, but rather equity interests solely in Singularity, our Virginia holding company. Furthermore, shareholders may face difficulties enforcing their legal rights under United States securities laws against our directors and officers who are located outside of the United States.

Recent Developments

On November 16, 2024, Mr. Ziyun Liu resigned from his position as the chief executive officer of the Company and as a director of the board of directors of the Company. Mr. Ziyun Liu's resignation was for personal reasons and was not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

On November 18, 2024, the Nominating and Corporate Governance Committee of the Board nominated and the Board appointed Ms. Jia Yang as the CEO of the Company and the chairwoman of the Board to fill the vacancy resulting from Mr. Ziyun Liu's resignation. Ms. Yang has served as a vice president of the Company and a director of the Board since August 2024.

On November 18, 2024, the Nominating and Corporate Governance Committee of the Board nominated and the Board appointed Mr. Jinhao Pang as the manager of the Technology Department of the Company and an executive director of the Board. There is no family relationship between Mr. Pang and any of our other officers and directors.

COVID-19

The outbreak of the COVID-19 virus ("COVID-19") starting from late January 2020 in the PRC has spread rapidly to many parts of the world. In March 2020, the World Health Organization declared COVID-19 as a pandemic. Given the continually expanding nature of the COVID-19 pandemic in China and U.S., our business, results of operations, and financial condition are still adversely affected. The situation remains highly uncertain for any further outbreak or resurgence of COVID-19. It is therefore difficult for us to estimate the impact on our business or operating results that might be adversely affected by any further outbreak or resurgence of COVID-19.

In early December 2022, the Chinese government eased its strict control measures for COVID-19, which led to a surge in increased infections and disruptions in our business operations. Any future impact of COVID-19 on the Company's China operational results will depend on, to a large extent, future developments and new information that may emerge regarding the duration and resurgence of COVID-19 variants and the actions taken by government authorities to contain COVID-19 or treat its impact, almost all of which are beyond our control.

The impacts of COVID-19 on our business, financial condition, and results of operations include, but are not limited to, the following:

- Due to travel restrictions between US and China, our joint ventures were unable to start operation as planned which has slowed down our new business development.

- Our sales of crypto mining machines were materially adversely affected by COVID-19. Specifically, Crypto mining machine manufacturers have been impacted by the constrained supply of the semiconductors used in the production of the highly specialized crypto mining machines; COVID-related issues have exacerbated port congestion and intermittent supplier shutdowns and delays, resulting in delayed shipments and additional expenses to expedite delivery; as a result, we were unable to fulfil our customer orders on a timely basis, resulting cancellation of orders and partial refund of purchase price, as evident from the settlement in SOSNY.

Although the impact of COVID-19 on our operations decreased in 2023, such impact still exists and may continue to exist for an unforeseeable period of time. The impact of any future spread of COVID-19 on the Company's China operation will depend, to a large extent, on the duration and resurgence of COVID-19 variants and the actions taken by government authorities to contain COVID-19 or treat its impact, almost all of which is beyond our control.

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Results of Operations

Comparison of the Three Months Ended December 31, 2024 and 2023

The following table sets forth the components of our costs and expenses for the periods indicated:

	For the Three Months Ended December 31,					
	2024		2023		Change	
	US\$	%	US\$	%	US\$	%
Revenues	474,624	100.0%	961,240	100.0%	(486,616)	(50.6)%
Cost of revenues	464,100	97.8%	976,876	101.6%	(512,776)	(52.5)%
Gross margin	2.2%	N/A	(1.6)%	N/A	3.8%	N/A
Selling expenses	62,769	13.2%	56,075	5.8%	6,694	11.9%
General and administrative expenses	632,262	133.2%	1,145,730	119.2%	(513,468)	(44.8)%
Provision for credit losses, net	-	-	6,992	0.7%	(6,992)	(100.0)%
Total costs and expenses	1,159,131	244.2%	2,185,673	227.4%	(1,026,542)	(47.0)%

Revenues

The following tables present summary information by segments for the three months ended December 31, 2024 and 2023:

	For the Three Months Ended December 31, 2024		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	\$ 474,624	\$ -	\$ 474,624
Cost of revenues	\$ 464,100	\$ -	\$ 464,100
Gross profit	\$ 10,524	\$ -	\$ 10,524
Depreciation and amortization	\$ 18,504	\$ -	\$ 18,504
Total capital expenditures	\$ -	\$ -	\$ -
Gross margin	2.2%	-	2.2%

	For the Three Months Ended December 31, 2023		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	\$ 961,240	\$ -	\$ 961,240
Cost of revenues	\$ 976,876	\$ -	\$ 976,876
Gross loss	\$ (15,636)	\$ -	\$ (15,636)
Depreciation and amortization	\$ 37,567	\$ 357	\$ 37,924
Total capital expenditures	\$ 589	\$ -	\$ 589
Gross margin	(1.6)%	-	(1.6)%

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	% Changes For the Three Months Ended December 31, 2024 and 2023		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	(50.6)%	-	(50.6)%
Cost of revenues	(52.5)%	-	(52.5)%
Gross profit	(167.3)%	-	(167.3)%
Depreciation and amortization	(50.7)%	(100.0)%	(51.2)%
Total capital expenditures	(100.0)%	-	(100.0)%
Gross margin	3.8%	-%	3.8%

Disaggregated information of revenues by geographic locations are as follows:

For the Three Months Ended
December 31, December 31,

	2024	2023
PRC	\$ 474,624	\$ 837,763
U.S.	-	123,477
Total revenues	\$ 474,624	\$ 961,240

Revenues decreased by \$486,616, or approximately 50.6%, to \$474,624 for the three months ended December 31, 2024 from \$961,240 for the same period in 2023. The decrease was mainly caused by shipping revenue decline from our U.S. subsidiary, Brilliant Warehouse, in \$123,477 and from our PRC subsidiaries in \$363,139 due to the business volume reduce.

Cost of Revenues

Cost of revenues for our freight logistics services segment mainly consisted of freight costs to various freight carriers, cost of labor, warehouse rent and other overhead and sundry costs. Cost of revenues for our freight logistics services segment was \$464,100 for the three months ended December 31, 2024, a decrease of \$512,776, or approximately 52.5%, as compared to \$976,876 for the same period in 2023. The decrease was in line with the decline in revenue.

Our gross margin was 2.2% and (1.6%) for the three months ended December 31, 2024 and 2023, respectively. This increase in gross margin was mainly due to the introduction of lower priced suppliers during this period, resulting in a slight decrease in unit costs.

Operating Costs and Expenses

Operating costs and expenses decreased by \$1,026,542 or approximately 47.0% from \$2,185,673 for three months ended December 31, 2023 compared to for the same period in 2024. This decrease was mainly due to the decrease in general and administrative expenses as more fully discussed below.

General and Administrative Expenses

Our general and administrative expenses consist primarily of salaries and benefits, travel expenses for our administration department, office expenses, and regulatory filing and professional service fees for auditing, legal and IT consulting. For the three months ended December 31, 2024, we had \$632,262 of general and administrative expenses, as compared to \$1,145,730 for the same period in 2023, representing a decrease of \$513,468, or approximately 44.8%. The decrease was mainly due to the decreased employee and director remuneration of approximately \$512,915 which mainly resulted in cost savings due to redundancy and salary reductions.

Selling Expenses

Our selling expenses consisted primarily of salaries, meals and entertainment and travel expenses for our sales representatives. For the three months ended December 31, 2024, we had \$62,769 of selling expenses as compared to \$56,075 for the same period in 2023, which represents an increase of \$6,694 or approximately 11.9%. The increase was mainly due to increased efforts to increase the revenues of our freight logistics segment in the PRC.

Provision for credit losses, net

Our total bad debt expenses amounted to nil and \$6,992 for the three months ended December 31, 2024 and 2023, mainly due to the provision for a few uncollectable accounts receivable.

Impairment Loss of Cryptocurrencies

We recorded impairments of nil for the three months ended December 31, 2024 and 2023, for the cryptocurrencies held by us as the ownership of the cryptocurrencies could not be verified.

Stock-based Compensation

Stock-based compensation was nil for the three months ended December 31, 2024 and 2023.

(Loss) Gain from disposal of subsidiary

On September 12, 2024, the Company dissolved its U.S. subsidiary SG link LLC. Total loss from disposal was approximately \$1,030. This disposal was not presented as discontinued operations because it did not represent any strategic change in the Company's operations.

On October 24, 2023, the Company dissolved its Ningbo Saimeinuo Web Technology Ltd. subsidiary. Total gain from disposal was approximately \$62,384. This disposal was not presented as discontinued operations because it did not represent any strategic change in the Company's operations.

Other Incomes (Expenses), Net

Other income net was \$348,207 for the three months ended December 31, 2024, as compared to other expense of \$6,494 for the same period in fiscal 2023. Gain on disposal of ROU of \$354,108 is recognized this period due to the early termination of a lease agreement in Great Neck, New York, accordingly, the impairment of ROU recognized in previous years is reversed.

Taxes

We did not record any income tax expense for both the three months ended December 31, 2024 and 2023.

The Company's operations in the U.S. incurred cumulative U.S. federal net operation losses ("NOL") of approximately \$48,200,000 as of September 30, 2024, which may reduce future federal taxable income. During the three months ended December 31, 2024, approximately \$200,000 of NOL was generated and the tax benefit derived from such NOL was approximately \$42,000. As of December 31, 2024, the Company's cumulative NOL amounted to approximately \$48,400,000, which may reduce future federal taxable income.

The Company's operations in China incurred a cumulative NOL of approximately \$2,117,000 million as of September 30, 2024 which was mainly from net loss. During the three months ended December 31, 2024, additional NOL of approximately \$81,000 was generated. As of December 31, 2024, the Company's cumulative NOL amounted to approximately \$2,198,000 which may reduce future taxable income which will expire by 2026.

The Company periodically evaluates the likelihood of the realization of deferred tax assets and reduces the carrying amount of the deferred tax assets by a valuation allowance to the extent it believes a portion will not be realized. Management considers new evidence, both positive and negative, that could affect the Company's future realization of deferred tax assets including its recent cumulative earnings experience, expectation of future income, the carry forward periods available for tax reporting purposes and other relevant factors. The Company determined that it is more likely than not its deferred tax assets could not be realized due to uncertainty on future earnings as a result of the Company's reorganization and venture into new businesses. The Company provided a 100% allowance for its deferred tax assets as of December 31, 2024. The net decrease in valuation for the three months ended December 31, 2024 amounted to approximately \$10,000 million, based on management's reassessment of the amount of the Company's deferred tax assets that are more likely than not to be realized.

Net Loss

As a result of the foregoing, we had a net loss of \$337,330 for the three months ended December 31, 2024 compared to a net loss of \$1,168,543 for the same period in 2023. After the deduction of non-controlling interest, net loss attributable to us was \$327,797 for the three months ended December 31, 2024 compared to \$1,110,729 for the same period in 2023. Comprehensive loss attributable to us was \$229,174 for the three months ended December 31, 2024 compared to \$1,257,327 for the same period in 2023.

Comparison of the Six Months Ended December 31, 2024 and 2023

The following table sets forth the components of our costs and expenses for the periods indicated:

	For the Six Months Ended December 31,					
	2024		2023		Change	
	US\$	%	US\$	%	US\$	%
Revenues	976,026	100.0%	1,857,166	100.0%	(881,140)	(47.4)%
Cost of revenues	1,237,417	126.8%	1,979,825	106.6%	(742,408)	(37.5)%
Gross margin	(26.8)%	N/A	(6.6)%	N/A	(20.2)%	N/A
Selling expenses	125,750	12.9%	111,928	6.0%	13,822	12.3%
General and administrative expenses	1,322,818	135.5%	3,199,883	172.3%	(1,877,065)	(58.7)%
Impairment loss of Cryptocurrencies	-	-	72,179	3.9%	(72,179)	(100.0)%
Provision for credit losses, net	-	-	55,610	3.0%	(55,610)	(100.0)%
Total costs and expenses	2,685,985	275.2%	5,419,425	291.8%	(2,733,440)	(50.4)%

Revenues

The following tables present summary information by segments for the six months ended December 31, 2024 and 2023:

	For the Six Months Ended December 31, 2024		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	\$ 976,026	\$ -	\$ 976,026
Cost of revenues	\$ 1,237,417	\$ -	\$ 1,237,417
Gross loss	\$ (261,391)	\$ -	\$ (261,391)
Depreciation and amortization	\$ 36,423	\$ -	\$ 36,423
Total capital expenditures	\$ -	\$ -	\$ -
Gross margin	(26.8)%	-	(26.8)%

	For the Six Months Ended December 31, 2023		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	\$ 1,857,166	\$ -	\$ 1,857,166
Cost of revenues	\$ 1,979,825	\$ -	\$ 1,979,825
Gross loss	\$ (122,659)	\$ -	\$ (122,659)
Depreciation and amortization	\$ 75,338	\$ 713	\$ 76,051
Total capital expenditures	\$ 589	\$ -	\$ 589
Gross margin	(6.6)%	-	(6.6)%

	% Changes For the Six Months Ended December 31, 2024 and 2023		
	Freight Logistics Services	Sales of Crypto Mining Machines	Total
Net revenues	(47.4)%	-	(47.4)%
Cost of revenues	(37.5)%	-	(37.5)%
Gross profit	113.1%	-	113.1%
Depreciation and amortization	(51.7)%	(100.0)%	(52.1)%
Total capital expenditures	(100.0)%	-	(100.0)%
Gross margin	(20.2)%	-	(20.2)%

Disaggregated information of revenues by geographic locations are as follows:

	For the Six Months Ended	
	December 31, 2024	December 31, 2023
PRC	\$ 976,026	\$ 1,538,419
U.S.	-	318,747
Total revenues	\$ 976,026	\$ 1,857,166

Revenues decreased by \$881,140, or approximately 47.4%, to \$976,026 for the six months ended December 31, 2024 from \$1,857,166 for the same period in 2023. The decrease was mainly caused by shipping revenue decline from our U.S. subsidiary, Brilliant Warehouse, in \$318,747 and from our PRC subsidiaries in \$562,393 due to the business volume reduce.

Cost of Revenues

Cost of revenues for our freight logistics services segment mainly consisted of freight costs to various freight carriers, cost of labor, warehouse rent and other overhead and sundry costs. Cost of revenues for our freight logistics services segment was \$1,237,417 for the six months ended December 31, 2024, a decrease of \$742,408, or approximately 37.5%, as compared to \$1,979,825 for the same period in 2023. The decrease was in line with the decline in revenue.

Our gross margin was (26.8%) and (6.6%) for the six months ended December 31, 2024 and 2023, respectively. This decrease in gross margin was mainly due to decreased revenue from our freight logistics business.

Operating Costs and Expenses

Operating costs and expenses decreased by \$2,733,440 to \$2,685,985 in the six months ended December 31, 2024, or approximately 50.4% from \$5,419,425 for six months ended December 31, 2023. This decrease was mainly due to the decrease in general and administrative expenses, provision for credit losses, net and impairment loss of cryptocurrencies as more fully discussed below.

General and Administrative Expenses

Our general and administrative expenses consist primarily of salaries and benefits, travel expenses for our administration department, office expenses, and regulatory filing and professional service fees for auditing, legal and IT consulting. For the six months ended December 31, 2024, we had \$1,322,818 of general and administrative expenses, as compared to \$3,199,883 for the same period in 2023, representing a decrease of \$1,877,065, or approximately 58.7%. It was mainly attributable to the decreased professional fees of \$883,932 and the decreased employee compensations of \$954,052 due to redundancy and salary reductions.

Selling Expenses

Our selling expenses consisted primarily of salaries, meals and entertainment and travel expenses for our sales representatives. For the six months ended December 31, 2024, we had \$125,750 in selling expenses, as compared to \$111,928 for the same period in 2023, which represents an increase of \$13,822 or approximately 12.3%. The increase was mainly due to increased efforts to increase the revenues of our freight logistics segment in the PRC.

Provision for credit losses, net

Our total bad debt expenses amounted to nil and \$55,610, for the six months ended December 31, 2024 and 2023, mainly due to the bad debt provision of \$50,000 due the early termination of a lease agreement in Jericho, New York.

Impairment Loss of Cryptocurrencies

We recorded impairments of nil and \$72,179 for the six months ended December 31, 2024 and 2023, for the cryptocurrencies held by us as the ownership of the cryptocurrencies could not be verified.

Stock-based Compensation

Stock-based compensation was nil for the six months ended December 31, 2024 and 2023.

(Loss) Gain from disposal of subsidiary

On September 12, 2024, the Company dissolved its U.S. subsidiary SG link LLC. Total loss from disposal was approximately \$1,030. This disposal was not presented as discontinued operations because it did not represent any strategic change in the Company's operations.

On October 24, 2023, the Company dissolved its Ningbo Saimeinuo Web Technology Ltd. subsidiary. Total gain from disposal was approximately \$62,384. This disposal was not presented as discontinued operations because it did not represent any strategic change in the Company's operations.

Other Incomes (Expenses), Net

Other income net was \$348,207 for the three months ended December 31, 2024, as compared to other expense of \$6,494 for the same period in fiscal 2023. Gain on disposal of ROU \$354,108 is recognized due to the early termination of a lease agreement in Great Neck, New York, accordingly, the impairment of ROU recognized in previous years is reversed.

Taxes

We did not record any income tax expense for both the six months ended December 31, 2024 and 2023, respectively. See – Taxes above.

Net Loss

As a result of the foregoing, we had a net loss of \$1,341,665 for the six months ended December 31, 2024 compared to a net loss of \$3,583,539 for the same period in 2023. After the deduction of non-controlling interest, net loss attributable to us was \$1,289,586 for the six months ended December 31, 2024 compared to \$3,400,914 for the same period in 2023. Comprehensive loss attributable to us was \$1,301,228 for the six months ended December 31, 2024 compared to \$3,424,530 for the same period in 2023.

Liquidity and Capital Resources

As of December 31, 2024, we had \$15,248,528 in cash (including cash on hand and cash in bank) and \$3,016,913 in restricted cash. The majority of our cash is in banks located in the Djibouti a country in East Africa and the restricted cash is in banks located in U.S.

The following table sets forth a summary of our cash flows for the periods as indicated:

	For the Six Months Ended December 31,	
	2024	2023
Net cash provided by (used in) operating activities	\$ 397,878	\$ (5,887,757)
Net cash used in investing activities	\$ -	\$ (25,951)
Net cash used in financing activities	\$ -	\$ (5,403,424)
Net decrease in cash and restricted cash	\$ 397,878	\$ (11,317,132)
Cash at the beginning of period	\$ 17,736,059	\$ 17,390,156
Effect of exchange rate fluctuations on cash and restricted cash	\$ 131,504	\$ 81,412
Cash and restricted cash at the end of period	\$ 18,265,441	\$ 6,154,436

The following table sets forth a summary of our working capital:

	December 31, 2024	June 30, 2024	Variation	%
Total Current Assets	\$ 18,888,235	\$ 18,247,523	\$ 640,712	3.5%
Total Current Liabilities	\$ 7,189,282	\$ 5,343,001	\$ 1,846,281	34.6%
Working Capital	\$ 11,698,953	\$ 12,904,522	\$ (1,205,569)	(9.3)%
Current Ratio	2.63	3.42	(0.79)	(23.1)%

In assessing the liquidity, we monitor and analyze our cash on-hand and our operating and capital expenditure commitments. Our liquidity needs are to meet our working capital requirements, operating expenses and capital expenditure obligations. As of December 31, 2024, our working capital was \$11,698,953 and we had cash and restricted cash of approximately \$18,265,441 (including \$15,248,528 in cash and \$3,016,913 in restricted cash). We believe our current working capital is sufficient to support our operations and debt obligations as they become due for the next twelve months.

Operating Activities

Our net provided by in operating activities was \$397,878 for the six months ended December 31, 2024. The operating cash inflow for the six months ended December 31, 2024 was primarily attributable to accrued expenses and other current liabilities increased \$1,511,975 and partial offset by net loss cash outflow of \$1,341,665.

Our net cash used in operating activities was \$5,887,757 for the six months ended December 31, 2023. The operating cash outflow for the six months ended December 31, 2023 was primarily attributable to our net loss of \$3,583,539 and our long-term assets deposits of \$2,496,197.

Investing Activities

We did not have any investing activities for the six months ended December 31, 2024.

Net cash provided by investing activities was \$25,951 for the six months ended December 31, 2023 due to repayments from related parties from Zhejiang Jinbang, which is owned by Mr. Qinggang Wang.

Financing Activities

We did not have any financing activities for the six months ended December 31, 2024.

Net cash used in financing activities for the six months ended December 31, 2023 was \$5,403,424 due to the repayment of \$5,000,000 of convertible notes and accrued interest of \$403,424.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions and estimates that affect the amounts reported. Note 2, "Summary of Significant Accounting Policies" of the Notes to consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended June 30, 2024 (describe the significant accounting policies and methods used in the preparation of the Company's consolidated financial statements. There have been no material changes to the Company's critical accounting estimates since the 2024 Form 10-K.

Off-Balance Sheet Arrangements

None.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

As of December 31, 2024, the Company carried out an evaluation, under the supervision of and with the participation of its management, including the Company's Chief Operating Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on the foregoing evaluation, the Chief Operating Officer concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were not effective to ensure that the information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms due to ineffective internal controls over financial reporting that stemmed from the following material weaknesses:

- Lack of segregation of duties for accounting personnel who prepared and reviewed the journal entries in some of the subsidiaries within the consolidation, lack of supervision, coordination and communication of financial information between different entities within the Group;
- Lack of full time U.S. GAAP personnel in the accounting department to monitor and reconcile the recording of the transactions which led to error in revenue recognition in previously issued financial statements;
- Lack of resources with technical competency to address, review and record non-routine or complex transactions under U.S. GAAP;
- Lack of management control reviews of the budget against actual with analysis of the variance with a precision that can be explained through the analysis of the accounts;
- Lack of proper procedures in identifying and recording related party transactions which led to restatement of previously issued financial statements;
- Lack of proper procedures to maintain supporting documents for accounting records; and
- Lack of proper oversight for the Company's cash disbursement process that led to misuse of the Company funds by its former executive.

In order to remediate the material weaknesses stated above, we have hired external financial advisors and updated certain of our internal controls. We intend to implement additional policies and procedures, which include:

- Hiring additional accounting staff to report the internal financial timely;
- Reporting other material and non-routine transactions to the Board and obtain proper approval;
- Recruiting additional qualified professionals with appropriate levels of U.S. GAAP knowledge and experience to assist in resolving accounting issues in non-routine or complex transactions;
- Developing and conducting U.S. GAAP knowledge, SEC reporting and internal control training to senior executives, management personnel, accounting departments and the IT staff, so that management and key personnel understand the requirements and elements of internal control over financial reporting mandated by the U.S. securities laws;
- Setting up budgets and developing expectations based on understanding of the business operations, compare the actual results with the expectations periodically and document the reasons of the fluctuations with further analysis. This should be done by CFO and reviewed by CEO, communicated with the Board;
- Strengthening corporate governance;
- Setting up policies and procedures for the Company's related party identification to properly identify, record and disclose related party transactions; and
- Setting up proper procedures for the Company's fund disbursement process to ensure that cash is disbursed only upon proper authorization, for valid business purposes, and that all disbursements are properly recorded.

Changes in Internal Control over Financial Reporting.

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Government Investigations

On February 28, 2023, the audit committee of the Company, after discussion with the management of the Company, and in consultation with the Company's independent registered public accounting firm, concluded that the Company's previously issued financial statements for the fiscal year ended June 30, 2021 included in the Company's Annual Report on Form 10-K filed with the SEC on November 29, 2021 (the "2021 Form 10-K") should no longer be relied upon as a result of incorrect accounting treatment of approximately \$4.6 million of related party loan receivable. The audit committee also concluded that the financial statements for the quarters ended September 30, 2021 and December 31, 2021 included in the Company's Quarterly Reports on Form 10-Q (the "2021 Form 10-Qs," collectively with the 2021 Form 10-K, the "Affected Reports"), filed with the SEC on November 12, 2021 and February 14, 2022, respectively, should no longer be relied upon as a result of incorrect recognition of revenue from freight shipping services in the amount of \$980,200 for the three months ended September 30, 2021 and six months ended December 31, 2021. The Company corrected the errors referenced above in an amendment to (1) the 2021 Form 10-K (the "Amended Form 10-K") and (2) each of the 2021 Form 10-Qs (the "Amended Form 10-Qs," collectively with the Amended Form 10-K, the "Restatements").

On June 17, 2024, the Company received a subpoena issued by the Securities and Exchange Commission (the "SEC"), requesting the production of certain documents related to the investigation by the SEC regarding the Restatements.

On January 17, 2025, after cooperating with the SEC's investigations, the Company reached resolutions with the SEC regarding the aforementioned matters. The SEC approved the Company's Offer of Settlement and issued its Cease-and-Desist Order (the "SEC Order") dated January 17, 2025 with respect to certain violations related to the Company's financial reporting, accounting, books and records, and internal controls.

Pursuant to the terms of the SEC Order, the Company has paid a civil monetary penalty of \$350,000 to the SEC, and shall comply with certain undertakings to remediate its material weaknesses in the internal control and disclosure deficiencies by June 30, 2026, and cease and desist any violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B), of the Securities Exchange Act of 1934 and Rules 12b-20, 13a-1, 13a-13, and 13a-15 thereunder. If the Company fails to comply with the undertakings as described above, the Company shall, by December 31, 2026, pay an additional civil monetary penalty in the amount of \$1,000,000 to the SEC for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3).

The above descriptions of the SEC Order are not complete and are qualified in their entirety by the terms thereof. The complete SEC Order, including the Company's obligations thereunder, can be accessed at the SEC website at www.sec.gov.

Except as set forth above, there have been no material changes to the legal proceedings disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, as filed with the SEC on October 15, 2024 (the "2024 Annual Report"), and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, as filed with the SEC on November 14, 2024 (the "2025 Q1 Quarterly Report"). For a discussion of all of our legal proceedings, see the information in Part I, "Item 1. Business - Recent Developments" in our 2024 Annual Report, and Part II, "Item 1. Legal Proceedings" in our 2025 Q1 Quarterly Report.

Item 1A. Risk Factors

Not applicable as the Company is a small reporting company as defined in Regulation S-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q:

Number	Exhibit
31.1*	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certifications of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certifications of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.

101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SINGULARITY FUTURE TECHNOLOGY, LTD.

February 19, 2025

By: /s/ Jia Yang
Jia Yang
Chief Executive Officer

February 19, 2025

By: /s/ Ying Cao
Ying Cao
Chief Financial Officer

**CERTIFICATIONS REQUIRED BY
RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jia Yang, certify that:

- (1) I have reviewed this Form 10-Q of Singularity Future Technology Ltd. (the "registrant") for the quarterly period ended December 31, 2024;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
- (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2025

By: /s/ Jia Yang

Jia Yang
Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
AND SECURITIES AND EXCHANGE COMMISSION RELEASE 34-46427**

I, Ying Cao, certify that:

- (1) I have reviewed this Form 10-Q of Singularity Future Technology Ltd. (the "registrant") for the quarterly period ended December 31, 2024;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
- (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2025

By: /s/ Ying Cao

Ying Cao
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of Singularity Future Technology Ltd. (the "Company") for the quarterly period ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof and pursuant to 18 U.S.C. §1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Jia Yang, Chief Executive Officer, hereby certifies that:

(1) This report containing the financial statements fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the this report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: February 19, 2025

By: /s/ Jia Yang
Jia Yang
Chief Executive Officer

This certification accompanies each Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of §18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of Singularity Future Technology Ltd. (the "Company") for the quarterly period ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof and pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Ying Cao, Chief Financial Officer, each hereby certifies that:

(1) This report containing the financial statements fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the this report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: February 19, 2025

By: /s/ Ying Cao
Ying Cao
Chief Financial Officer

This certification accompanies each Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of §18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.