

KORI Holdings Limited and its Subsidiaries
Registration Number: 201212407R

**Unaudited Condensed Interim Consolidated Financial Statements for
the six months and full year ended 31 December 2024**

KORI HOLDINGS LIMITED

Table of Contents

A.	Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income ..	1
B.	Condensed Statements of Financial Position.....	2
C.	Condensed Consolidated Statement of Cash Flows	3
D.	Condensed Statements of Changes in Equity.....	4
E.	Notes to the Condensed Interim Consolidated Financial Statements.....	5
F.	Other Information Required Under Appendix 7C of Catalist Rules	18
G.	Additional Information Required for Full Year Announcement.....	24

KORI HOLDINGS LIMITED

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Group	Note	Unaudited 2H2024 S\$'000	Unaudited 2H2023 S\$'000	Change %	Unaudited FY2024 S\$'000	Audited FY2023 S\$'000	Change %
Revenue	E4	8,700	6,527	33	17,442	17,871	(2)
Cost of sales		(6,967)	(5,819)	20	(12,381)	(12,640)	(2)
Gross profit		1,733	708	145	5,061	5,231	(3)
Other income/(loss)	E5	87	(41)	(312)	113	51	122
Interest Income		14	7	100	28	16	75
Expenses:							
Administrative expenses		(1,357)	(1,450)	(6)	(2,645)	(2,479)	7
Loss allowance on trade and other receivables and contract assets		34	(94)	(136)	(90)	(826)	(89)
Other expenses		(1,241)	(1,039)	19	(1,261)	(1,046)	21
Finance costs		(115)	(135)	(15)	(237)	(278)	(15)
Profit/(loss) before taxation	E5	(845)	(2,044)	(59)	969	669	45
Income tax reverse/(expense)	E6	114	342	(67)	(253)	(146)	73
Profit/(loss) for the financial period/ year		(731)	(1,702)	(57)	716	523	37
Other comprehensive income:							
<i>Items that may be reclassified to profit or loss subsequently</i>							
Foreign currency differences on translation of foreign operations (net)		1	1	-*	8	7	14
Total comprehensive income/(loss) for the financial period/ year		(730)	(1,701)	(57)	724	530	37
Earnings/(loss) per share							
Basic (Cents)	E15	(0.74)	(1.72)	(57)	0.72	0.53	36
Diluted (Cents) Based on weighted average number of shares	E15	(0.74)	(1.72)	(57)	0.72	0.53	36

*Amount less than S\$1,000

KORI HOLDINGS LIMITED

B. Condensed Statements of Financial Position

	Note	Group		Company	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		Unaudited S\$'000	Audited S\$'000	Unaudited S\$'000	Audited S\$'000
ASSETS					
Current assets					
Cash and bank balances		567	427	9	14
Fixed deposits	E10	1,043	1,015	-	-
Trade and other receivables	E7	38,341	35,799	4,238	4,316
Contract assets	E8	3,189	4,348	-	-
Capitalised contract costs	E8	374	184	-	-
Prepayments		213	160	-*	-*
Current income tax recoverable		643	643	-	-
Total current assets		44,370	42,576	4,247	4,330
Non-current assets					
Property, plant and equipment	E9	31,954	32,270	-	-
Investments in subsidiaries		-	-	25,825	25,825
Total non-current assets		31,954	32,270	25,825	25,825
Total assets		76,324	74,846	30,072	30,155
LIABILITIES					
Current liabilities					
Trade and other payables	E11	9,723	7,671	563	529
Contract liabilities	E8	6,261	6,961	-	-
Lease liabilities	E12	151	189	-	-
Bank borrowings	E12	388	765	-	-
Total current liabilities		16,523	15,586	563	529
Non-current liabilities					
Lease liabilities	E12	28	114	-	-
Bank borrowings	E12	-	388	-	-
Provision for reinstatement cost		50	50	-	-
Deferred tax liabilities		1,400	1,147	-	7
Convertible bond	E12	2,885	2,847	2,885	2,847
Total non-current liabilities		4,363	4,546	2,885	2,854
Total liabilities		20,886	20,132	3,448	3,383
Net assets		55,438	54,714	26,624	26,772
EQUITY					
Share capital	E13	32,291	32,291	32,291	32,291
Retained earnings/ (Accumulated losses)		48,734	48,018	(5,706)	(5,558)
Capital reserve		39	39	39	39
Foreign currency translation reserve/(account)		2	(6)	-	-
Merger reserve		(25,628)	(25,628)	-	-
Total equity		55,438	54,714	26,624	26,772

*Amount less than S\$1,000

KORI HOLDINGS LIMITED

C. Condensed Consolidated Statement of Cash Flows

	31 Dec 2024 Unaudited	31 Dec 2023 Audited
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	969	669
Adjustments for:		
Amortisation of capitalised contract costs	100	82
Depreciation of property, plant, equipment and right of use asset	1,693	1,672
Loss on disposal and write-off of property, plant and equipment	1,261	1,046
Loss allowance on trade and other receivables and contract assets	90	826
Interest income	(28)	(16)
Interest expense	238	279
Unrealised exchange difference	6	10
Operating cash flows before changes in working capital	4,329	4,568
Changes in working capital		
Trade and other receivables	(2,714)	(3,184)
Contract assets	1,242	137
Capitalised contract costs	(290)	-
Trade and other payables	(756)	(3,251)
Contract liabilities	(700)	1,719
Prepayments	(53)	77
Cash generated from operations	1,058	66
Income tax paid	-	(6)
Net cash from operating activities	1,058	60
Cash flows from investing activities		
Interest received	28	16
Purchase of property, plant and equipment	(6)	(121)
Proceeds from disposal of property, plant and equipment	263	217
Net cash from investing activities	285	112
Cash flows from financing activities		
Bank deposit (pledged)/released	(28)	1,054
Repayment of principal portion of lease liabilities	(205)	(221)
Repayment of interest portion of lease liabilities	(7)	(7)
Proceeds from loan from director	104	90
Repayment of loan from director	(262)	(40)
Repayment of bank borrowings	(765)	(1,750)
Interest paid	(38)	(64)
Net cash used in financing activities	(1,201)	(938)
Net change in cash and cash equivalents	142	(766)
Cash and cash equivalents at the beginning of the year	429	1,197
Effects of exchange rate changes on cash and cash equivalents	(2)	(2)
Cash and cash equivalents at end of the year	569	429

KORI HOLDINGS LIMITED

D. Condensed Statements of Changes in Equity

Group	Share capital S\$'000	Retained earnings S\$'000	Currency translation reserve S\$'000	Merger reserve S\$'000	Capital reserve S\$'000	Total S\$'000
Balance as at 1 January 2024	32,291	48,018	(6)	(25,628)	39	54,714
Total comprehensive income for the financial year	-	716	8	-	-	724
Balance as at 31 December 2024	32,291	48,734	2	(25,628)	39	55,438
Balance as at 1 January 2023	32,291	47,495	(13)	(25,628)	39	54,184
Total comprehensive income for the financial year	-	523	7	-	-	530
Balance as at 31 December 2023	32,291	48,018	(6)	(25,628)	39	54,714

Company	Share capital S\$'000	Accumulated losses S\$'000	Capital reserve S\$'000	Total S\$'000
Balance as at 1 January 2024	32,291	(5,558)	39	26,772
Total comprehensive income for the financial year	-	(148)	-	(148)
Balance as at 31 December 2024	32,291	(5,706)	39	26,624
Balance as at 1 January 2023	32,291	(5,434)	39	26,896
Total comprehensive income for the financial year	-	(124)	-	(124)
Balance as at 31 December 2023	32,291	(5,558)	39	26,772

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

The Company (Registration Number: 201212407R) is incorporated in Singapore with its principal place of business and registered office at 11 Sims Drive #06-01 SCN Centre Singapore 387385. The Company is listed on Catalist of the Singapore Exchange Securities Trading Limited. The condensed interim consolidated financial statements comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are those of investment holding and the provision of management and administrative support to its subsidiaries.

The principal activities of the subsidiaries are building construction, civil engineering work and contractors for construction works for all kind.

2. Basis of preparation

The condensed interim financial statements for the six-months and full year ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The interim condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim condensed financial statements for the financial period ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore Dollars ("S\$") which is the functional currency of the Company and the presentation currency for the condensed interim consolidated financial statements and all values presented are rounded to the nearest thousand ("S\$'000") as indicated.

2.1 New and Amended Standards adopted by the Group

There are no new or amended Standards (effective from annual period beginning on or after 1 January 2024) which will result in any significant impact on the condensed interim financial statements.

2.2 Uses of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last audited financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

2. Basis of preparation (continued)

2.3 Uses of judgement and estimates (continued)

Management is of the opinion that there is no instance of application of judgement which is expected to have a significant impact on the amounts recognized in the Group's financial statements for the year ended 31 December 2024.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Loss allowance and impairment for trade receivables, unbilled receivables, retention receivables and contract assets due from third parties - Estimation of expected credit risk
- Revenue from contracts with customers - Estimation of total contract costs
- Depreciation of steel beams - Estimation of useful lives and residual value of steel beams
- Amounts due from subsidiaries - Estimation of any significant increase in credit risk
- Measurement of lease liabilities- Estimation of incremental borrowing rate applied

There were no significant changes to the major assumptions used in assessing the accounting estimates above and the carrying amounts of the relevant assets and liabilities. Details of such assumptions and estimations are disclosed in the last audited financial statements for the financial year ended 31 December 2023, except as disclosed below.

Income tax recoverable

During the financial year, a subsidiary of the Company received a favourable response from the tax authority acknowledging the subsidiary's entitlement to claim capital allowances on the cost of steel beams recognised as fixed assets with respect to certain years of assessment ("Relevant YAs"). The situation arose from the change in the accounting treatment of steel beams (and consequently, the restatement of financial statements) as a result of the adoption of SFRS(I) 15 a few years ago. In May 2024, the subsidiary presented its case to the tax authority to address and clarify the inquiries raised. In July 2024, the tax authority requested for additional supporting documents to reconciliation the fixed asset figure. Accordingly, management had provided further explanation to the reconciliation in October 2024. Based on the advice from our independent tax specialist, management has determined that the amount of \$643,094 recorded as income tax recoverable as at 31 December 2024 remains appropriate under the relevant income tax law.

Potential income tax liability

In December 2024 and December 2023, the subsidiary received a protective assessment from the tax authority imposing an additional tax liability of \$247,500 and \$678,800 for the Year of Assessment ("YA") 2020 and YA2019 respectively. The alleged additional tax liability stemmed from the exclusion of certain carried-forward capital allowances attributable to the Relevant YAs, which are currently under review by the tax authority. On 2 January 2025, the subsidiary, through its tax specialist, filed a notice of objection to the protective assessment for YA2020. It is noted the IRAS has stood over the additional corporate income taxes payable for YA2020 and YA2019 and the additional tax payable has been reflected as discharged in the statement of account from the IRAS. As such, no provision for this alleged tax liability has been recognised as at 31 December 2024.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Structural steel works; and
- Segment 2: Tunnelling works

These operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.

1 January 2024 to 31 December 2024	Structural steel works	Tunnelling works	Unallocated items	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	17,316	126	-	17,442
Revenue from external parties	17,316	126	-	17,442
Project costs	(10,823)	(121)	-	(10,944)
Depreciation	(1,437)	-	-	(1,437)
Total cost of sales	(12,260)	(121)	-	(12,381)
Segment profit	5,056	5	-	5,061
Other income	-	-	141	141
Administrative expenses	-	-	(2,389)	(2,389)
Depreciation	-	-	(256)	(256)
Loss allowance on trade and other receivables and contract assets	(90)	-	-	(90)
Loss on disposal and write-off of property, plant and equipment	(1,305)	-	44	(1,261)
Finance costs	-	-	(237)	(237)
Profit/ (Loss) before taxation	3,661	5	(2,697)	969
Taxation	-	-	(253)	(253)
Profit/ (Loss) for the financial year	3,661	5	(2,950)	716
Segment assets	73,381	-	-	73,381
Other assets	-	-	2,943	2,943
Total assets per consolidated statement of financial position	73,381	-	2,943	76,324
Expenditure for segment non-current assets	2,804	-	97	2,901
Segment liabilities	11,296	-	-	11,296
Deferred tax liabilities	-	-	1,400	1,400
Other liabilities	-	-	8,190	8,190
Total liabilities per consolidated statement of financial position	11,296	-	9,590	20,886

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4. Segment and revenue information (continued)

1 July 2024 to 31 December 2024	Structural steel works	Tunnelling works	Unallocated items	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	8,574	126	-	8,700
Revenue from external parties	8,574	126	-	8,700
Project costs	(6,122)	(121)	-	(6,213)
Depreciation	(724)	-	-	(724)
Total cost of sales	(6,846)	(121)	-	(6,967)
Segment profit	1,728	5	-	1,733
Other income	-	-	101	101
Administrative expenses	-	-	(1,226)	(1,226)
Depreciation	-	-	(131)	(131)
Loss allowance on trade and other receivables and contract assets	34	-	-	34
Loss on disposal and write-off of property, plant and equipment	(1,305)	-	64	(1,241)
Finance costs	-	-	(115)	(115)
Profit/ (Loss) before taxation	457	5	(1,307)	(845)
Taxation	-	-	114	114
Profit/ (Loss) for the financial period	457	5	(1,193)	(731)
Segment assets	73,381	-	-	73,381
Other assets	-	-	2,943	2,943
Total assets per consolidated statement of financial position	73,381	-	2,943	76,324
Expenditure for segment non-current assets	2,804	-	97	2,901
Segment liabilities	11,296	-	-	11,296
Deferred tax liabilities	-	-	1,400	1,400
Other liabilities	-	-	8,190	8,190
Total liabilities per consolidated statement of financial position	11,296	-	9,590	20,886

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4. Segment and revenue information (continued)

1 January 2023 to 31 December 2023	Structural steel works	Tunnelling works	Unallocated items	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	16,848	1,023	-	17,871
Revenue from external parties	16,848	1,023	-	17,871
Project cost	(9,420)	(1,771)	-	(11,191)
Depreciation	(1,428)	(21)	-	(1,449)
Total cost of sales	(10,848)	(1,792)	-	(12,640)
Segment profit/ (loss)	6,000	(769)	-	5,231
Other income	-	-	67	67
Administrative expenses	-	-	(2,256)	(2,256)
Depreciation	-	-	(223)	(223)
Loss allowance on trade and other receivables and contract assets	(828)	2	-	(826)
Loss on disposal and write-off of property, plant and equipment	(1,046)	-	-*	(1,046)
Finance costs	-	-	(278)	(278)
Profit/ (Loss) before taxation	4,126	(767)	(2,690)	669
Taxation	-	-	(146)	(146)
Profit/ (Loss) for the financial period	4,126	(767)	(2,836)	523
Segment assets	71,355	653	-	72,008
Other assets	-	-	2,838	2,838
Total assets per consolidated statement of financial position	71,355	653	2,838	74,846
Expenditure for segment non-current assets	2,324	-	176	2,500
Segment liabilities	10,820	-	-	10,820
Deferred tax liabilities	-	-	1,147	1,147
Other liabilities	-	-	8,165	8,165
Total liabilities per consolidated statement of financial position	10,820	-	9,312	20,132

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4. Segment and revenue information (continued)

1 July 2023 to 31 December 2023	Structural steel works	Tunnelling works	Unallocated items	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Total segment revenue	6,855	(328)	-	6,527
Revenue from external parties	6,855	(328)	-	6,527
Project costs	(4,397)	(698)	-	(5,095)
Depreciation	(711)	(13)	-	(724)
Total cost of sales	(5,108)	(711)	-	(5,819)
Segment profit/ (loss)	1,747	(1,039)	-	708
Other income	-	-	(34)	(34)
Administrative expenses	-	-	(1,340)	(1,340)
Depreciation	-	-	(110)	(110)
Loss allowance on trade and other receivables and contract assets	(97)	3	-	(94)
Loss on disposal and write-off of property, plant and equipment	(1,046)	-	7	(1,039)
Finance costs	-	-	(135)	(135)
Profit/ (Loss) before taxation	604	(1,036)	(1,612)	(2,044)
Taxation	-	-	342	342
Profit/ (Loss) for the financial period	604	(1,036)	(1,270)	(1,702)
Segment assets	71,355	653	-	72,008
Other assets	-	-	2,838	2,838
Total assets per consolidated statement of financial position	71,355	653	2,838	74,846
Expenditure for segment non-current assets	2,324	-	176	2,500
Segment liabilities	10,820	-	-	10,820
Deferred tax liabilities	-	-	1,147	1,147
Other liabilities	-	-	8,165	8,165
Total liabilities per consolidated statement of financial position	10,820	-	9,312	20,132

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

5. Profit Before Taxation

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

Group	Unaudited	Unaudited	Unaudited	Audited
	2H2024 S\$'000	2H2023 S\$'000	FY 2024 S\$'000	FY 2023 S\$'000
Income				
Government grants	69	4	83	12
Miscellaneous income	18	(45)	30	39
Interest income from bank deposits	14	7	28	16
	101	(34)	141	67
Expenses				
Loss on disposal and write-off of property, plant and equipment	(1,241)	(1,039)	(1,261)	(1,046)
Gain/(Loss) on foreign exchange	-	(11)	-	-
Loss allowance on trade and other receivables and contract assets	34	(94)	(90)	(826)
Interest expense	(115)	(136)	(237)	(278)
Amortisation of capitalised contract costs	(48)	(25)	(100)	(82)
Depreciation of property, plant and equipment	(855)	(834)	(1,693)	(1,672)
Professional fees	(24)	(57)	(125)	(167)
Key management personnel compensation	(783)	(855)	(1,182)	(1,249)

6. Income tax expense

Group	Unaudited	Unaudited	Unaudited	Audited
	2H2024 S\$'000	2H2023 S\$'000	FY 2024 S\$'000	FY 2023 S\$'000
Current income tax				
- current financial year	-	-	-	-
- Under provision in prior years	-	-*	-	-*
	-	-*	-	-*
Deferred tax				
- current financial year	(114)	(347)	253	141
- over provision in prior years	-	5	-	5
	(114)	(342)	253	146
	(114)	(342)	253	146

*Amount less than S\$1,000

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

7. Trade and Other Receivables

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Trade receivables - Third parties	1,966	772
Less: Loss allowance	(135)	(53)
	<u>1,831</u>	<u>719</u>
Unbilled receivables - Third parties	35,033	34,357
Less: Loss allowance	(2,407)	(2,336)
	<u>32,626</u>	<u>32,021</u>
Retention receivables	4,297	3,471
Less: Loss allowance	(650)	(631)
	<u>3,647</u>	<u>2,840</u>
Other receivables	-	2
Deposits	237	217
Total trade and other receivables	<u>38,341</u>	<u>35,799</u>

Trade receivables are unsecured, non-interest bearing and generally on 30 to 60 days credit terms.

Unbilled receivables, which comprise 85% of total trade and other receivables, relates to income recognised for the rental of steel beams ("Lease Income") to customers that have yet to be billed as at the end of the reporting period. The Group has determined that its supply of steel beams embedded in the revenue from contract with customers constitute a leasing arrangement. Therefore, the revenue from leasing of steel beams is recognised on a time-proportion basis (i.e. over the contractual period) which are independent from the recognition of revenue from structural steel works as those revenue are recognised based on the stage (percentage) of completion method (see Section F2 below). The unbilled receivables are expected to be progressively billed to customers alongside with payment certification by customers for the structural steel works carried out.

Retention receivables are due for settlement beyond 12 months from the end of the reporting period. Nevertheless, they have been classified as current assets because they are expected to be realised in the normal operating cycle of the Group.

Other receivables are unsecured, non-interest bearing and repayable on demand.

Movements in loss allowances on trade receivables, unbilled receivables and retention receivables were as follows

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Balance at beginning of financial year	3,020	2,254
Additional loss allowance made during the financial year	172	766
Balance at end of financial year	<u>3,192</u>	<u>3,020</u>

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

8. Contract Assets, Capitalised Contract Costs and Contract Liabilities

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
<u>Contract assets</u>		
Gross amount	4,930	6,171
Less: Loss allowance	(1,741)	(1,823)
Carrying amount of contract assets	3,189	4,348
<u>Capitalised contract costs</u>		
Balance at beginning of financial year	184	266
Additions during the financial year	290	-
Amortised during the financial year	(100)	(82)
Balance at end of financial year	374	184
<u>Contract liabilities</u>		
Structural steel works	6,261	6,961

Contract assets arise from structural steel works and tunnelling works mainly due to the Group's rights to consideration for work completed and transferred to customers are conditioned upon future performance. These contract assets arise as the customer is invoiced based on payment certification. Contract assets are transferred to receivables when the rights become unconditional.

Movements in loss allowances on contract assets were as follows

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Balance at beginning of financial year	1,823	1,763
Additional loss allowance made during the financial year	(82)	60
Balance at end of financial year	1,741	1,823

9. Property, Plant and Equipment

During 2024, the Group acquired fixed assets amounting to S\$2.9 million (31 Dec 2023: S\$2.5 million) and disposed of (including write-offs) fixed assets with carrying amount of S\$1.5 million (31 Dec 2023: S\$1.3 million). The new assets were purchased through the following means: (i) S\$2.8 million on credit; (ii) \$0.1 million by lease arrangements; and (iii) S\$6,000 by cash payment.

10. Cash and bank balances and fixed deposits

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Cash and bank balances	567	427
Total fixed deposits	1,043	1,015
Less: Fixed deposits pledged	(1,041)	(1,013)
Cash and cash equivalents per consolidated cash flow statement	569	429

As at 31 December 2024, the fixed deposits of the Company amounting to \$1,041,000 (2023: \$1,013,000) were pledged to banks as security for banking facilities, of which S\$1 million is for performance and advance payment bonds.

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

11. Trade and Other Payables

	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Trade payables	3,060	1,573
Other payables	779	781
Amount owing to director	469	621
Goods & service tax payable, net	102	212
Advance billings to customers	4,558	3,723
Accrued operating expenses	755	761
Trade and other payables	9,723	7,671

Trade payables are unsecured, non-interest bearing and are generally on 30 to 90 days credit terms.

The amount owing to director comprises the outstanding principal amount of an unsecured loan extended by a director of the Company, and the interest accrued on the loan at 5% per annum. The amount is repayable on demand.

Advance billings to customers relate to billings for rental of steel beams to customers in respect of financial periods beyond the end of the reporting period.

12. Borrowings and Lease Liabilities

(i) Amount repayable < 1 year

	31 Dec 2024		31 Dec 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Lease liabilities	-	151	-	189
Bank borrowings	-	388	-	765

(ii) Amount repayable > 1 year

	31 Dec 2024		31 Dec 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Lease liabilities	-	28	-	114
Bank borrowings	-	-	-	388
Convertible Bond	-	2,885	-	2,847

Details of any collateral:

The outstanding loan balance of S\$388,000 as at 31 Dec 2024 is repayable over 5 years from July 2021 and is secured by a corporate guarantee provided and executed by the Company.

In September 2022, the Company issued a convertible bond with 5% coupon and a maturity period of 5 years. As the convertible bond is a compound financial instrument, it was bifurcated into a debt (liability) component and an equity component at inception. The equity component is presented as a capital reserve.

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

13. Share Capital

- (i) Details of any changes in the company's share capital arising from right issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Company	Number of Shares	Share capital (\$)
As at 31 December 2024 and 31 December 2023	<u>99,200,000</u>	<u>32,290,650</u>

As at 31 December 2024, up to 18,750,000 (31 Dec 2023: 18,750,000) new shares of the Company may be issued upon conversion of the convertible bonds that were issued by the Company in September 2022.

- (ii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Company	As at 31 December 2024	As at 31 December 2023
Total number of issued shares	<u>99,200,000</u>	<u>99,200,000</u>

The Company did not have any treasury shares as at 31 December 2024 and 31 December 2023.

- (iii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

- (iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during, and at the end of the current financial period reported on.

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

14. Net Asset Value

Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Net asset value (S\$'000)	55,438	54,714	26,624	26,772
Number of issued shares ('000)	99,200	99,200	99,200	99,200
Net asset value per ordinary share based on issued share capital (S\$)	0.56	0.55	0.27	0.27

15. Earnings per ordinary share ("EPS")

Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

(a) Basic earnings per share

	Group	
	FY2024	FY2023
Net profit attributable to equity holders of the Company (S\$'000)	716	523
Weighted average number of ordinary shares ('000)	99,200	99,200
Basic EPS (cents)	<u>0.72</u>	<u>0.53</u>

(b) Diluted earnings per share

To calculate diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company's convertible bond is the only dilutive potential ordinary shares issued during the year. Convertible bond are assumed to have been converted into ordinary shares at issuance and the net profit is adjusted to eliminate the interest expense and the associated tax effect thereof.

	Group	
	FY2024	FY2023
Net profit attributable to equity holders of the Company (S\$'000)	716	523
Interest expense on convertible bond	188	183
Tax effect relating to interest expense on convertible bond	<u>(6)</u>	<u>(6)</u>
Net profit used to determine diluted earnings per share	898	700
Weighted average number of ordinary shares for basic EPS ('000)	99,200	99,200
Adjustment for convertible bond (potential ordinary shares to be issued upon conversion) ('000)	<u>18,750</u>	<u>18,750</u>
Weighted average number of ordinary shares for diluted EPS ('000)	117,950	117,950
Diluted earnings per share (cents)*	<u>0.72</u>	<u>0.53</u>

KORI HOLDINGS LIMITED

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

15. Earnings per ordinary share (EPS) (continued)

*For FY2024, diluted earnings per share was the same as the basic earnings per share because the effect of potential ordinary shares to be issued upon conversion of the convertible bond is anti-dilutive.

16. Subsequent Events

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

KORI HOLDINGS LIMITED

F. Other Information Required Under Appendix 7C of Catalist Rules

1. Review

The condensed consolidated statement of financial position of Kori Holdings Limited and its subsidiaries as of 31 December 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the year ended and certain explanatory notes have not been audited and reviewed by the Company's auditors.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of the Income Statement of the Group

<i>All figures in S\$'000</i>	Note	Structural Steel Works		Tunnelling Works		Total	
		FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Revenue-Lease income	(a)	9,539	10,226	-	-	9,539	10,226
Revenue-Structural steel works	(b)	7,777	6,622	-	-	7,903	6,622
Revenue-Tunnelling works	(b)	-	-	126	1,023	-	1,023
Total revenue		17,316	16,848	126	1,023	17,442	17,871
Cost of works		(12,260)	(10,848)	(121)	(1,792)	(12,381)	(12,640)
Gross profit		5,056	6,000	5	(769)	5,061	5,231

Note:

- (a) Lease Income (from the supply and leasing of steel beams for structural steel work projects) is recognised on a time-proportion basis.
- (b) Structural Steel Works Income and Tunnelling Income are recognised over the period of the contracts by reference to the stage (or percentage) of completion as estimated by the application of the "input method".

For more details, please refer to the summary of accounting policies as set out in the latest audited financial statements for the financial year ended 31 December 2023.

Revenue

Structural Steel Works

Revenue from this segment comprises income from the provision of structural steel construction services ("Structural Steel Works Income") and income from leasing of steel beams ("Lease Income"). Revenue for FY2024 amounting to S\$17.3 million (FY2023: S\$16.8 million) comprises: (i) Lease Income of S\$9.5 million (FY2023: S\$10.2 million); and (ii) Structural Steel Works Income of S\$7.8 million (FY2023: S\$6.6 million). The S\$0.5 million increase in the segment's revenue primarily stemmed from an S\$1.2 million rise in service revenue arising from Structural Steel Works Income. This growth in service revenue from Structural Steel Works Income was attributable to the positive progress of ongoing projects and the commencement of new projects. However, this upward trend was partially offset by a S\$0.7 million decline in Lease Income. The decrease in Lease Income was caused by an average of a one-year delay in some projects, which led to a lower amount of recognised Lease Income compared to the previous year.

F. Other Information Required Under Appendix 7C of Catalyst Rules (continued)

Review of the Income Statement of the Group (continued)

Revenue (continued)

Tunnelling Works

The revenue from Tunnelling Works has decreased significantly, mainly due to the completion of a major tunnelling project in FY2023. However, this significant decline has been somewhat offset as a small -scale tunnelling works was initiated in FY2024.

Cost of sales

The main portion of cost of sales is the provision of structural steel construction service which comprise labor and installation costs. The increase in costs within the Structural steel works segment can be attributed to the increase in revenue. With an increase in revenue from the provision of structural steel construction services based on the reasons set out above, it leads to higher costs as the scale of operations expands.

Gross profit margin

The gross profit margin remained at 29% in FY2024, same with last year of FY2023.

Other income

The S\$62,000 increase in other income in FY2024 compared to FY2023 can be attributed to higher government grants. Specifically, a Productivity and Innovation Project (PIP) grant of approximately S\$60,000 was received from the Building and Construction Authority (BCA) in FY2024.

Administrative expenses

Administrative expenses increased by 7% in FY2024 compared to FY2023, this uptick is primarily attributable to more steel beams purchased in FY2024, which led to corresponding increase in depreciation costs, rental of storage of steel beams and administration charges associated with the steel beam acquisitions.

Loss allowance on trade and retention receivables, unbilled receivables and contract assets

A total loss allowance of S\$90,000 was recognised in FY2024. This consists of a S\$133,000 non-credit impaired allowance (FY2023: S\$784,000) against trade receivables and contract assets arising from ongoing projects for FY2024. This was offset by a reversal of credit-impaired allowance of S\$42,000 (FY2023: S\$ 42,000) related to retention sums. The said retention sums were released by the main contractor upon the completion of project in FY2024. The loss allowance was higher in FY2023 as the Group also took inflation into consideration for the first time when determining the general provision rate. Consequently, more loss allowances were recognized in FY2023 compared to FY2024.

Other Expenses

The increase in other expenses of S\$215,000, was mainly attributable to an increase in steel beams being written off during FY2024.

Income tax expense

Income tax expense amounting to S\$253,000 mainly relates to the estimated deferred tax arising from the temporary differences between the tax bases and the carrying amounts of the relevant assets and liabilities of the Group.

KORI HOLDINGS LIMITED

F. Other Information Required Under Appendix 7C of Catalyst Rules (continued)

Review of the Financial Position of the Group

Assets

Trade and other receivables increased by S\$2.5 million in FY2024, principally due to an increase in retention sums and trade receivables stemming from ongoing projects. See section E7 for more information.

Contract assets decreased by S\$1.2 million as a result of the transfer of contract assets to trade receivables account, following an increase in progress billings certified in structural steel works during FY2024.

Capitalised contract costs increased by S\$190,000 due to new capitalized cost of S\$290,000 from new projects which commenced in FY2024 which was slightly offset by continuous amortization for ongoing projects cost.

Property, plant and equipment

The decrease of S\$316,000 in property, plant and equipment was mainly due to \$1.7 million in depreciation, as well as the disposal and written off of steel beams and motor vehicle with an aggregated net book value of S\$1.5 million in FY2024. This was offset by additional purchases of steel beams and an increase in right-of-use assets costing S\$2.9 million in anticipation of ongoing project requirements for FY2024.

Liabilities

Trade and other payables increased by approximately S\$2.0 million mainly due to increase in trade suppliers and advance billings made to customers due to the excess of progress billings rendered over the revenue recognised in respect of Lease Income during FY2024. Please refer to Section E11 for detail.

Contract liabilities decreased by S\$700,000 due to the excess of progress billings over the revenue recognised in respect of Structural Steel Works Income during FY2024.

Bank borrowings decreased by S\$765,000 compared to FY2023, primarily due to the repayment the bridging loan. Meanwhile, the remaining balance in current liabilities for bank borrowings results from the re-categorization of non-current bank borrowings as current liabilities.

Review of the Cash Flow Statement of the Group

Net cash generated from operating activities amounting to S\$1.0 million includes operating cash flows before working capital changes of S\$4.3 million which was, among others, augmented by the changes in contract assets but substantially reduced by the changes in contract liabilities, trade and other receivables and payables.

Net cash generated in investing activities amounted to S\$285,000 largely due to proceeds from disposal of steel beams and other fixed assets amounted to S\$263,000 and partially offset by payment for additions of steel beams and other fixed assets in FY2024.

Net cash used in financing activities amounted to S\$1.2 million largely due to repayment of bank borrowings of S\$765,000, the repayment of a loan from director of S\$262,000 and lease liabilities of S\$205,000 which was partially offset by a new director loan of S\$104,000 in FY2024.

In view of the foregoing, the net cash inflows for FY2024 was S\$142,000.

F. Other Information Required Under Appendix 7C of Catalist Rules (continued)

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

Not applicable. No forecast or prospect statement has been previously issued to the shareholders for the current financial period reported on.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The outlook for the Singapore construction industry in the next 12 months remains strong. The Building and Construction Authority (BCA) projects the total construction demand, i.e. the value of construction contracts to be awarded, to range between S\$47 billion and S\$53 billion in nominal terms in 2025¹. Normalised to real values, 2025's demand is projected to range between \$35 billion and \$39 billion, which is between 0.3% to 11.7% higher than pre-COVID levels in 2019.

The strong demand is underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include MRT network extensions, and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

The Group expects construction activities for the secured North-South Corridor (NSC) projects and Cross Island Line (CRL) projects to be ramped up and is gearing resources from other near completing projects to meet such demand. With the labour cost and other related expenses such as accommodation having since stabilised, the Group is cautiously confident of benefitting from the upcoming public sector projects by leveraging on our established track record and robust technical expertise in similar past works.

In addition, the Group remains vigilant in monitoring operational constraints and is committed to implementing the necessary measures to mitigate their impact. In addition, the Group maintains close collaboration with its stakeholders, including customers, suppliers, financiers and others, to manage operational costs effectively, ensuring sufficient cash flows to sustain its operations as a going concern while executing its Business Continuity Plan.

With the acceptance of our highly productive precast traffic diversion decking system in the new CRL projects and the successful reutilisation of precast deck panels within our existing projects, the system has now fully integrated into our enhanced productivity and green initiative reusage policy.

1

Building and Construction Authority (last accessed 14 February 2025)
<https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025>

KORI HOLDINGS LIMITED

F. Other Information Required Under Appendix 7C of Catalyst Rules (continued)

5. Dividend

Decision regarding dividend has been made, the required information has been disclosed.

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

There is no any dividend recommended or declared for the current financial period reported on.

(b)(i) Amount per share:

Not applicable.

(b)(ii) Previous corresponding period

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for FY2024 after taking into consideration of the Group's cash flow requirements in the foreseeable future.

7. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The details of the IPT transacted during FY2024 is as set out in the table below.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,00 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$ 100,000)
LJHB Capital (S) Pte Ltd ("LJHB")	LJHB is the controlling shareholder of Keong Hong Holdings Limited, which is in turn a controlling shareholder of the Group.	Contractual interest paid/payable to LJHB on convertible bond S\$ 100,274	-

KORI HOLDINGS LIMITED

F. Other Information Required Under Appendix 7C of Catalist Rules (continued)

7. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect. (continued)

The Group does not have a general mandate from its shareholders for IPTs.

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

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

9. Disclosures on Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

Not applicable. There was no incorporation of new entities, acquisition, and realization of shares in FY2024.

KORI HOLDINGS LIMITED

G. Additional Information Required for Full Year Announcement

1. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Please refer to sections E4 and F2 above.

2. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to F2 above.

3. A breakdown of sales as follows:

	Group		
	FY2024 S\$'000	FY2023 S\$'000	Change %
(a) Sales reported for first half year	8,742	11,344	(23)
(b) Operating profit after tax before deducting minority interests reported for first half year	1,447	2,225	(35)
(c) Sales reported for second half year	8,700	6,527	33
(d) Operating (loss)/profit after tax before deducting minority interests reported for second half year	(731)	(1,702)	(57)

N.M. - Not meaningful

4. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

There were no dividends recommended or declared in FY2024 and FY2023.

KORI HOLDINGS LIMITED

G. Additional Information Required for Full Year Announcement (continued)

5. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable. There are no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board

HOOI YU KOH
Executive Chairman and CEO

NG WAI KIT
Director

Singapore
28 February 2025

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.
