



**HOR KEW CORPORATION LIMITED**  
***(Company Registration No. 199903415K)***

**Condensed interim financial statements**

**For the six months ended 30 June 2024**

**Contents**

A.	Condensed interim consolidated statement of profit or loss and other comprehensive income .....	2
B.	Condensed interim statements of financial position .....	3
C.	Condensed interim statements of changes in equity .....	4
D.	Condensed interim consolidated statement of cash flows .....	5
E.	Notes to the condensed interim consolidated financial statements .....	6
F.	Other information required by Listing Rule Appendix 7.2 .....	11

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

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

	Note	The Group		
		6 months ended 30 June 2024	6 months ended 30 June 2023	Increase/ (Decrease)
		\$'000	\$'000	%
<b>Revenue</b>	4	<b>35,285</b>	50,577	(30)
Cost of sales	6	<b>(25,552)</b>	(40,977)	(38)
<b>Gross profit</b>		<b>9,733</b>	9,600	1
Interest income		<b>343</b>	288	19
Other income	6	<b>1,553</b>	773	NM
<b>Expenses</b>				
General and administrative expenses	6	<b>(3,769)</b>	(5,102)	(26)
Finance costs		<b>(1,277)</b>	(1,312)	(3)
Net impairment loss of financial and contract assets	6	<b>(2,554)</b>	(2,168)	18
<b>Profit before taxation</b>		<b>4,029</b>	2,079	94
Tax expense	7	<b>(883)</b>	(396)	NM
<b>Profit for the period</b>		<b>3,146</b>	1,683	87
<b>Other comprehensive loss:</b>				
<u>Items that are or may be reclassified subsequently to profit or loss:</u>				
Currency translation differences arising from consolidation		<b>(35)</b>	(808)	(96)
<b>Other comprehensive loss for the period, net of tax</b>		<b>(35)</b>	(808)	(96)
<b>Total comprehensive income for the period</b>		<b>3,111</b>	875	NM
<b>Earnings per share</b>				
Basic (SGD in cent)		<b>6.04</b>	3.23	82
Diluted (SGD in cent)		<b>6.04</b>	3.23	82

NM Not meaningful

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

### B. Condensed interim statements of financial position

	Note	The Group		The Company	
		30 June 2024 \$'000	31 December 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	10	32,060	32,800	392	481
Investment properties	11	41,457	41,457	-	-
Investment in subsidiary companies		-	-	61,217	61,217
Trade receivables	12	2,760	7,105	-	-
Insurance asset		557	556	-	-
Deferred tax assets		1,550	1,850	-	-
<b>Total non-current assets</b>		<b>78,384</b>	<b>83,769</b>	<b>61,609</b>	<b>61,698</b>
<b>Current assets</b>					
Development properties		16,546	16,546	-	-
Inventories		8,890	8,985	-	-
Trade receivables	12	20,607	21,268	-	-
Other receivables		1,456	1,645	16,765	15,894
Contract assets		-	1,117	1,320	2,386
Tax recoverable		105	95	-	-
Financial assets at fair value through other comprehensive income	13	9	9	9	9
Cash and cash equivalents		28,032	25,354	1,544	253
<b>Total current assets</b>		<b>75,645</b>	<b>75,019</b>	<b>19,638</b>	<b>19,542</b>
<b>Total assets</b>		<b>154,029</b>	<b>158,788</b>	<b>81,247</b>	<b>81,240</b>
<b>Non-current liabilities</b>					
Borrowings	14	27,637	28,779	177	180
Deferred tax liabilities		1,283	1,296	-	-
<b>Total non-current liabilities</b>		<b>28,920</b>	<b>30,075</b>	<b>177</b>	<b>259</b>
<b>Current liabilities</b>					
Trade payables		21,442	20,509	-	-
Other payables		6,147	7,207	32,493	33,025
Contract liabilities		485	963	-	-
Borrowings	14	20,635	26,254	129	223
Tax payables		1,620	2,111	68	68
<b>Total current liabilities</b>		<b>50,329</b>	<b>57,044</b>	<b>32,690</b>	<b>33,316</b>
<b>Total liabilities</b>		<b>79,249</b>	<b>87,119</b>	<b>32,867</b>	<b>33,496</b>
<b>Net assets</b>		<b>74,780</b>	<b>71,669</b>	<b>48,380</b>	<b>47,744</b>
<b>Equity</b>					
Share capital	15	68,323	68,323	68,323	68,323
Other reserves		(8,312)	(8,277)	(4)	(4)
Accumulated profits/(losses)		14,769	11,623	(19,939)	(20,575)
<b>Total equity</b>		<b>74,780</b>	<b>71,669</b>	<b>48,380</b>	<b>47,744</b>

**HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES**

**C. Condensed interim statements of changes in equity**

**The Group**

	Share capital \$'000	Other reserves \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 January 2023	68,323	(7,343)	4,211	65,191
Profit for the period	-	-	1,683	1,683
Other comprehensive loss, net of tax: Currency translation differences arising from consolidation	-	(808)	-	(808)
Total comprehensive (loss)/income for the period	-	(808)	1,683	875
Balance at 30 June 2023	68,323	(8,151)	5,894	66,066
Balance at 1 January 2024	68,323	(8,277)	11,623	71,669
Profit for the period	-	-	3,146	3,146
Other comprehensive loss, net of tax: Currency translation differences arising from consolidation	-	(35)	-	(35)
Total comprehensive (loss)/income for the period	-	(35)	3,146	3,111
<b>Balance at 30 June 2024</b>	<b>68,323</b>	<b>(8,312)</b>	<b>14,769</b>	<b>74,780</b>

**The Company**

	Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2023	68,323	(3)	(24,028)	44,292
Total comprehensive income for the period	-	-	276	276
Balance at 30 June 2023	68,323	(3)	(23,752)	44,568
Balance at 1 January 2024	68,323	(4)	(20,575)	47,744
Total comprehensive income for the period	-	-	636	636
<b>Balance at 30 June 2024</b>	<b>68,323</b>	<b>(4)</b>	<b>(19,939)</b>	<b>48,380</b>

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

### D. Condensed interim consolidated statement of cash flows

	The Group	
	6 months ended 30 June 2024 \$'000	6 months ended 30 June 2023 \$'000
<b>Cash flows from operating activities:</b>		
<b>Profit before tax</b>	4,029	2,079
Adjustments for:		
Depreciation of property, plant and equipment	1,476	3,507
Loss/(gain) on disposal of property, plant and equipment	(83)	116
Impairment loss of trade receivables and contract assets	2,554	2,168
Interest expense	1,278	1,312
Interest income from fixed deposits	(343)	(288)
Unrealised loss on foreign exchange	392	634
<b>Operating cash flows before working capital changes</b>	<b>9,303</b>	<b>9,528</b>
<b>Changes in operating assets and liabilities:</b>		
Inventories	91	(701)
Receivables	2,641	(5,008)
Contract assets	1,117	2,331
Contract liabilities	(478)	(2,428)
Payables	(127)	2,860
Currency translation adjustments	(44)	1,089
<b>Cash generated from operations</b>	<b>12,503</b>	<b>7,671</b>
Income tax paid	(1,099)	(1,374)
<b>Net cash generated from operating activities</b>	<b>11,404</b>	<b>6,297</b>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	266	320
Purchase of property, plant and equipment	(1,104)	(1,484)
<b>Net cash used in investing activities</b>	<b>(838)</b>	<b>(1,164)</b>
<b>Cash flows from financing activities:</b>		
Drawdown of borrowings	-	3,313
Interest paid	(1,270)	(1,290)
Repayment of borrowings	(6,222)	(6,148)
Repayment of hire purchase payables	(8)	(22)
Uplift in fixed deposits pledged	-	4
<b>Net cash used in financing activities</b>	<b>(7,500)</b>	<b>(4,143)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,066</b>	<b>990</b>
Cash and cash equivalents at beginning of financial period	7,672	3,331
Effect of exchange rate changes on cash and cash equivalents	4	(158)
<b>Cash and cash equivalents at end of financial period</b>	<b>10,742</b>	<b>4,163</b>
<b>Cash and cash equivalents are represented by:</b>		
Cash and cash equivalents on the consolidated statement of financial position	28,032	23,343
Fixed deposits pledged	(17,290)	(19,180)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>10,742</b>	<b>4,163</b>

## E. Notes to the condensed interim consolidated financial statements

### 1. Corporate information

Hor Kew Corporation Limited (the "Company") (Co. Reg. No. 199903415K) is domiciled and incorporated in Singapore as a private limited liability company on 18 June 1999. It was converted to a public company on 29 March 2000 and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 66 Kallang Pudding Road, #07-01 Hor Kew Business Centre, Singapore 349324.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiary companies (collectively, the Group).

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

The principal activities of the Group are:

- (a) Design, manufacture and sale of prestressed and precast reinforced concrete building components
- (b) Design, manufacture and sale of prefabricated architectural metal components
- (c) Property investment and development
- (d) Investment holding
- (e) Rental of machinery

### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### 2.1 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2.2 Use of judgements and estimates

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

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

### 3. Seasonal operations

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

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

### 4. Segment information

The Group is organised into the following main business segments:

- (i) The property investment and development segment is involved in the development, sales and leasing of residential, commercial and industrial properties;
- (ii) The construction segment is in the business of constructing residential, institutional, industrial and commercial properties as the main contractor;
- (iii) The prefabrication segment is in the business of design, manufacture and sales of prestressed and reinforced concrete building components as well as prefabricated architectural metal components; and
- (iv) The others segment comprises mainly the Group level corporate services and treasury functions

These operating segments are reported in a manner consistent with internal reporting provided to the management who will then allocate resources and assess performance of the operating segments.

#### 4.1 Reportable segments

1 January 2024 to 30 June 2024

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
<b>Segment revenue</b>						
Sales to external customers	-	-	35,285	-	-	35,285
Inter-segment sales	-	-	-	1,320	(1,320)	-
Total revenue	-	-	35,285	1,320	(1,320)	35,285
<b>Segment (loss)/profit</b>	<b>(2)</b>	<b>(376)</b>	<b>3,773</b>	<b>634</b>	<b>-</b>	<b>4,029</b>
Tax expense						(883)
Profit for the period						3,146
Segment assets	74,639	5,455	61,137	12,798	-	154,029
Segment liabilities	25,559	14,161	36,006	3,523	-	79,249

1 January 2023 to 30 June 2023

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
<b>Segment revenue</b>						
Sales to external customers	-	-	50,577	-	-	50,577
Inter-segment sales	-	-	-	1,058	(1,058)	-
Total revenue	-	-	50,577	1,058	(1,058)	50,577
<b>Segment (loss)/profit</b>	<b>(368)</b>	<b>(414)</b>	<b>2,677</b>	<b>184</b>	<b>-</b>	<b>2,079</b>
Tax expense						(396)
Profit for the period						1,683
Segment assets	73,531	5,141	79,955	8,541	-	167,168
Segment liabilities	25,556	16,657	56,482	2,407	-	101,102



## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

### 4.2 Geographical information (excluding non-current trade receivables)

	Revenues 6 months ended 30 June 2024 \$'000	Non-current assets 30 June 2024 \$'000
Singapore	35,285	58,574
Malaysia	-	17,049
<b>Total</b>	<b>35,285</b>	<b>75,623</b>

  

	6 months ended 30 June 2023 \$'000	30 June 2023 \$'000
Singapore	50,577	58,257
Malaysia	-	17,093
<b>Total</b>	<b>50,577</b>	<b>75,350</b>

### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities held by the Group as at 30 June 2024 and 31 December 2023:

	<u>The Group</u>		<u>The Company</u>	
	30 June 2024 \$	31 December 2023 \$	30 June 2024 \$	31 December 2023 \$
<b>Financial assets</b>				
Cash and bank balances and trade and other receivables (amortised cost)	54,510	57,317	18,310	16,147
Financial assets at fair value through other comprehensive income	9	9	9	9
	<b>54,519</b>	<b>57,326</b>	<b>18,319</b>	<b>16,156</b>
<b>Financial liabilities</b>				
Trade and other payables and borrowings (amortised cost)	77,481	84,860	32,867	33,496
	<b>77,481</b>	<b>84,860</b>	<b>32,867</b>	<b>33,496</b>

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

### 6. Profit before taxation

#### 6.1. Significant items

	The Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
<b>Income</b>		
Rental income	663	199
Sales of scrap metal	265	190
Government grant income	35	33
Exchange gain	133	-
Gain on disposal of property, plant and equipment	83	-
<b>Expenses</b>		
Impairment loss on trade receivables	2,554	2,168
Depreciation of property, plant and equipment	1,530	3,507
Directors' fees	81	84
Foreign exchange loss	-	833
Staff costs	4,493	4,902

#### 6.2. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not members of the Group during the financial year on terms agreed by the parties concerned:

	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Maintenance fee charged by a related party	8	8

Related parties comprise mainly companies which are controlled by the Company's directors and their close family members.

### 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Income tax expense (current year)	608	430
Income tax credit (overprovision in respect of prior years)	-	-
Deferred tax expense/(credit) (current year)	275	(34)
	<b>883</b>	<b>396</b>

### 8. Dividend

No dividend has been declared or recommended for the period ended 30 June 2024 (31 December 2023: nil).

As can be seen from the statements of financial position under Note B, as at 30 June 2024 although the Group had accumulated profits of \$14.8 million, the Company had accumulated losses of \$19.9 million. The Board had considered this, and furthermore of the view that while the Group was profitable for the financial period ended 30 June 2024, the Group's financial position is not strong enough to declare dividends at this point of time as there are still significant borrowings to be repaid.

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

The Board always seeks to increase shareholders' returns, and it plans to declare dividends in future at an appropriate time when the Group's borrowings have been reduced to a reasonably low level, and the accumulated losses at Company level turn to accumulated profits.

### 9. Net Asset Value

	The Group		The Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	\$	\$	\$	\$
Net asset value per ordinary share	1.44	1.38	0.93	0.92

### 10. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to \$1.1 million (30 June 2023: \$1.5 million) and disposed of assets amounting to \$0.3 million (30 June 2023: \$0.4 million).

### 11. Investment properties

The Group's investment properties consist of both industrial, residential and commercial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

The investment properties held by the Group at the end of each reporting period were as follows:

Property type	Tenure	30 June 2024	31 December 2023
		\$'000	\$'000
Commercial	70 years from 1993	1,015	1,015
Industrial	Freehold	34,762	34,762
Residential	Freehold	5,680	5,680
		<b>41,457</b>	<b>41,457</b>

#### 11.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the management and the independent valuers annually.

The last valuation of each investment property was conducted as at 31 December 2023.

12. In accordance with Financial Reporting Standards, the Group used a provision matrix to estimate the expected credit loss ("ECL") allowance required for its trade receivables as at 30 June 2024. Based on the matrix, the Group estimated the ECL rates based on historical observed default rates, and then adjusted these rates based on forward-looking factors specific to the debtors and economic environment. Retention sums under non-current trade receivables were also impaired where needed. Using this methodology, the Group was required to top up its ECL allowance as at 30 June 2024 by \$2.6 million, so it had provided for total impairment loss on trade receivables of \$24.7 million for the financial period ended 30 June 2024.

Below shows the ageing profile of the Group's current and non-current trade receivables as at 30 June 2024, in bands of 3 months:

	Not yet due	1 to 3 months	4 to 6 months	7 to 9 months	10 to 12 months	>12 months	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current trade receivables	12,363	10,429	2,262	172	678	19,383	45,287
Non-current trade receivables (retention sums not due within next twelve months)	-	-	-	-	-	2,760	2,760
Impairment loss on trade receivables	(647)	(3,484)	(830)	(98)	(456)	(19,165)	(24,680)
	<b>11,716</b>	<b>6,945</b>	<b>1,432</b>	<b>74</b>	<b>222</b>	<b>2,978</b>	<b>23,367</b>

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

The Board had assessed this impairment loss on trade receivables of \$24.7 million to be adequate for the financial period ended 30 Jun 2024, and that the total current and non-current trade receivables after impairment of \$23.4 million as at 30 June 2024 to be recoverable.

The Group had implemented tight credit control measures in its business, but despite its best efforts from time to time there would inevitably be still some receivables which took longer than expected to recover, and sometimes the Group made certain judgement calls to extend longer credit to customers under certain circumstances in view of long term commercial interests. The Group made the above impairment as required under the Financial Reporting Standards. Despite the impairment, the Group will continue to try its best to recover its receivables, including carrying out legal actions against debtors accordingly where necessary.

### 13. Financial assets at fair value through other comprehensive income

This represents quoted equity securities listed in Singapore which are not held for trading. Accordingly, management has elected to designate this investment in equity shares at fair value through other comprehensive income. It is the Group's strategy to hold this investment for long-term purposes.

### 14. Borrowings

	The Group		The Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
<u>Amount repayable within one year, or on demand</u>				
Secured	20,635	26,254	129	223
Unsecured	-	-	-	-
<u>Amount repayable after one year</u>				
Secured	27,637	28,779	177	180
Unsecured	-	-	-	-

#### Details of collaterals

Secured borrowings are collateralised by:

- (1) Certain subsidiary companies of the Group have pledged their assets for the borrowings;
- (2) First legal mortgages over certain subsidiary companies' investment properties, as well as assignment of all rights, titles and interests on all sale and tenancy agreements, building agreements, construction contracts, guarantees, performance bonds, insurance policies and any other contracts; and
- (3) Corporate guarantees have been given by the Company to secure borrowings of certain subsidiary companies.

### 15. Share capital

During the period under review, there was no change in the Company's share capital. The total number of issued shares as at 30 June 2024 was 52,066,937 shares (31 December 2023: 52,066,937 shares).

The Company did not hold any treasury shares nor share options as at 30 June 2024 and 31 December 2023.

The Company's subsidiary companies did not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

### 16. Subsequent events

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

### F. Other information required by Listing Rule Appendix 7.2

#### 17. Review

The condensed consolidated statement of financial position of Hor Kew Corporation Limited and its subsidiary companies as at 30 June 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 18. Review of performance of the Group

#### Consolidated statement of profit or loss and other comprehensive income

Revenue of the Group decreased from \$50.6 million in the six months ended 30 June 2023 ("1H 2023") to \$35.3 million in the six months ended 30 June 2024 ("1H 2024") mainly due to decreased deliveries of prefabricated building components.

Despite significantly lower revenue in 1H 2024, the Group achieved a slightly higher gross profit of \$9.7 million compared to the gross profit of \$9.6 million in 1H 2023, due to a much higher gross profit margin of 27.6% in 1H 2024 compared to the gross profit margin of 19.0% in 1H 2023. This was mainly due to significantly higher selling prices of our precast metal building components from newer projects while keeping costs under control.

Interest income of the Group remained roughly the same at \$0.3 million in 1H 2023 and 1H 2024 as interest rates for fixed deposits were stable.

Other income of the Group increased from \$0.8 million in 1H 2023 to \$1.6 million in 1H 2024 mainly due to increase in rental income of \$0.5 million and exchange gain of \$0.1 million.

General and administrative expenses decreased \$1.2 million from \$5.1 million in 1H 2023 to \$3.8 million in 1H 2024, mainly due to decrease in foreign exchange loss of \$0.8 million and staff costs of \$0.4 million.

Finance costs remained roughly same at \$1.3 million in 1H 2023 and 1H 2024 mainly because interest rates of borrowings had remained stable.

Net impairment loss of financial and contract assets increased from \$2.2 million in 1H 2023 to \$2.6 million in 1H 2024.

Profit before tax of the Group was reported at \$4.0 million for 1H 2024, which was \$1.9 million higher than the \$2.1 million for 1H 2023.

The Group recorded a tax expense of \$0.9 million in 1H 2024 (1H 2023: tax expense of \$0.4 million) after reviewing its current tax status.

After taking into consideration of the above, the Group recorded profit after tax of \$3.1 million in 1H 2024 (1H 2023: \$1.7 million).

There was a currency translation loss arising from consolidation of \$35,000 in 1H 2024 (1H 2023: \$0.8 million) due to net investments in subsidiary companies operating in foreign countries.

Total comprehensive income of the Group was recorded at \$3.1 million in 1H 2024 (1H 2023: \$0.9 million).

#### Consolidated statement of financial position

Non-current assets decreased \$5.4 million from \$83.8 million as at 31 December 2023 to \$78.4 million as at 30 June 2024, mainly due to \$4.3 million decrease in non-current trade receivables due to collections, as well as \$0.7 million decrease in property, plant and equipment due to depreciation.

Current assets increased by \$0.6 million from \$75.0 million as at 31 Dec 2023 to \$75.6 million as at 30 Jun 2024. Cash and cash equivalents increased by \$2.6 million mainly due to net cash generated from operating activities being more than the cash used in investing and financing activities. Contract assets fell by \$1.1 million due to utilisations of advance payments to suppliers. Current trade receivables decreased \$0.7 million mainly due to decrease in revenue as a result of lower deliveries of goods to customers. Other receivables fell by \$0.1 million due to reduction in deposits and prepayments, partially offset by increase in sundry debtors.

Total assets of the Group decreased \$4.8 million from \$158.8 million as at 31 December 2023 to \$154.0 million as at 30 June 2024.

Non-current liabilities fell by \$1.2 million from \$30.1 million as at 31 December 2023 to \$28.9 million as at 30 June 2024 mainly due to decrease in non-current borrowings of \$1.2 million, from \$28.8 million as at 31 December 2023 to \$27.6 million as at 30 June 2024, as a result of repayments of borrowings.

Current liabilities fell by \$6.7 million from \$57.0 million as at 31 December 2023 to \$50.3 million as at 30 June 2024. Current borrowings fell by \$5.7 million from \$26.3 million as at 31 December 2023 to \$20.6 million as at 30 June 2024 due to net repayments to reduce the Group's borrowings. Other payables fell by \$1.1 million, from \$7.2 million to \$6.1 million, due to net settlements of payments with sundry creditors. Contract liabilities fell \$0.5 million due to fulfillments for advance payments received from customers. Trade payables increased by \$0.9 million mainly due to cash flow management.

## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES

---

Total liabilities of the Group decreased \$7.9 million from \$87.1 million as at 31 December 2023 to \$79.2 million as at 30 June 2024.

The net assets of the Group recorded as at 30 June 2024 was \$74.8 million, an increase of \$3.1 million from \$71.7 million as at 31 December 2023.

### Consolidated statement of cash flows

The Group generated net cash of \$11.4 million from its operating activities in 1H 2024.

It used \$0.8 million in investing activities mainly for purchasing of property, plant and equipment.

It used \$7.5 million in financing activities mainly due to repayment of borrowings.

Overall, the Group generated \$3.1 million in 1H 2024, and the cash and cash equivalents stood at \$10.7 million as at 30 June 2024.

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

The Group's actual results are in line with the commentary of the Group's previous results announcement (2023 full year financial statements announcement) released on 29 February 2024.

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

The demand in the Singapore construction industry is expected to remain strong. However, competition is stiff in the industry and inflation is high. To manage this, the Group has been tendering for projects with prices that are expected to yield higher margins, thereby improving its overall gross profit margin as old projects get completed and newer projects start deliveries. The Group shall also progressively reduce its borrowings as much as possible with its improved cash flow position.

**21. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

There were no interested person transactions for the six-month period ended 30 June 2024.

**22. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format as set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

### **BY ORDER OF THE BOARD**

**MS KOH GEOK HOON**  
**COMPANY SECRETARY**  
**14 August 2024**

## **HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARY COMPANIES**

---

### **Confirmation by the Board**

Pursuant to Rule 705(5) of the Listing Manual, on behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm that, to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

**MR BENJAMIN AW CHI-KEN**  
**EXECUTIVE DEPUTY CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

**MS ELICIA AW YING YING**  
**EXECUTIVE DIRECTOR**

**Singapore**  
**14 August 2024**