



**HOR KEW CORPORATION LIMITED**  
Incorporated in the Republic of Singapore  
(Company Registration Number: 199903415K)

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## **MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

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The Board of Directors (the “**Board**”) of Hor Kew Corporation Limited (the “**Company**”) and together with its subsidiaries (the “**Group**”) refers to the unaudited full year results announcement for the financial year ended 31 December 2025 (“**FY2025**”) released on 27 February 2026 (the “**Unaudited Results**”), as well as the audited financial statements for FY2025 subsequently released on 15 April 2026 (the “**Audited Results**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to highlight that there were certain material variances between the Audited Results and the Unaudited Results following the finalisation of the audit. Details of and explanations for the variances are set out as follows: -

### **A) Consolidated statement of profit or loss and other comprehensive income**

	<b>Audited Results</b>	<b>Unaudited Results</b>	<b>Variances</b>		<b>Notes</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	
Other income	4,699	4,376	323	7.4	1
General and administrative expenses	(17,443)	(15,508)	(1,935)	(12.5)	2
Reversal of/(impairment loss) on trade receivables and contract assets, net	6,784	1,215	5,569	458.4	3
Profit before income tax	17,296	13,585	3,711	27.3	4
Profit for the financial year	12,877	9,209	3,668	39.8	4

#### **Notes:**

1. Increase mainly due to an increase of \$0.3 million bad debts recovered.
2. Increase mainly due to increases of \$1.0 million keyman insurance cost, \$0.4 million staff costs and \$0.4 million estimated restoration cost for a production facility at 66 Sungei Kadut Street 1 with lease expiring within year 2026.
3. Increase mainly due to additional reversal of \$5.6 million impairment on trade receivables.
4. Increase mainly due to increase in profits from additional reversal of \$5.6 million trade receivables and \$0.3 million bad debts recovered, partially offset by decrease in profits from \$0.5 million decrease in revenue, \$1.0 million increase in keyman insurance cost, \$0.4 million increase in staff costs and \$0.4 million increase in estimated restoration cost.

## B) Statements of financial position (for Group)

	Audited Results \$'000	Unaudited Results \$'000	Variances		Notes
			\$'000	%	
Property, plant and equipment	94,301	91,112	3,189	3.5	1
Trade receivables (non-current)	6,308	5,580	728	13.0	2
Insurance asset	726	1,730	(1,004)	(58.0)	3
Trade receivables (current)	21,241	19,287	1,954	10.1	4
Other receivables	2,835	2,611	224	8.6	5
Provisions (non-current)	2,981	350	2,631	751.7	1
Deferred tax liabilities	1,617	1,841	(224)	(12.2)	6
Trade payables (current)	20,659	23,066	(2,407)	(10.4)	7
Other payables	13,720	12,518	1,202	9.6	8
Provisions (current)	1,680	1,300	380	29.2	9
Contract liabilities	380	905	(525)	(58.0)	10
Tax payables (current)	4,707	4,422	285	6.4	11

### Notes:

1. Increase mainly due to a capitalisation of \$2.8 million restoration cost for a new production facility at 33 Kaki Bukit Road 6, with a corresponding non-current provision being recognised.
2. Increase mainly due to reclassification of \$0.7 million current trade receivables to non-current trade receivables as they pertained to retention sums for projects due from customers after one year.
3. Decrease mainly due to a \$1.0 million keyman insurance asset being expensed off.
4. Increase mainly due to \$5.6 million reversal of impairment on trade receivables, less reclassification of \$2.4 million trade payables to current trade receivables to offset certain trade creditors' balances against their trade receivables, less reclassification of \$0.7 million current trade receivables to non-current trade receivables retention sums for projects due from customers after one year and less \$0.5 million reclassification from contract liabilities.
5. Increase mainly due to reclassification of \$0.2 million advanced consideration received to other payables.
6. Decrease mainly due to reversal of \$0.2 million deferred tax liabilities.
7. Decrease mainly due to reclassification of \$2.4 million to current trade receivables, to offset certain trade creditors' balances against trade receivables.
8. Increase mainly due to increases of \$0.1 million operating expenses accrual and \$0.9 million staff costs accrual and reclassification of \$0.2 million advanced consideration received from other receivables.
9. Increase mainly due to an increase of \$0.4 million in estimated property restoration cost for a production facility at 66 Sungei Kadut Street 1 with lease expiring within year 2026.
10. Decrease mainly due to reclassification of \$0.5 million from contract liabilities to current trade receivables.
11. Increase mainly due to \$0.3 million increase in current year income tax provision.

### C) Consolidated statement of cash flows

	<b>Audited Results \$'000</b>	<b>Unaudited Results \$'000</b>	<b>Variances</b>		<b>Notes</b>
			<b>\$'000</b>	<b>%</b>	
Net cash generated from operating activities	21,473	20,784	689	3.3	1
Net cash used in investing activities	(2,845)	(63,531)	60,686	95.5	2
Net cash used in financing activities	(18,586)	42,638	(61,224)	(143.6)	2
Cash and cash equivalents per consolidated statement of cash flows	8,316	8,392	(76)	(0.9)	

Notes:

1. Increase mainly due to increase in operating profits.
2. Decrease mainly due to the lease for the production facility at 33 Kaki Bukit Road 6 and the bank borrowings to finance this lease being no longer presented under investing activities and financing activities respectively but under Note A - Purchases of property, plant and equipment ("PPE") at the end of the cash flow statement, as it was a non-cash transaction whereby the bank paid directly to the lessor.

#### BY ORDER OF THE BOARD

MS KOH GEOK HOON  
COMPANY SECRETARY  
16 April 2026