



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

**Unaudited financial statements**

**For the six months and full year ended 31 December 2024**

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# HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARIES

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

|   |      | <b>6 months<br/>ended<br/>31<br/>December<br/>2024<br/>\$'000</b> | <b>6 months<br/>ended<br/>31<br/>December<br/>2023<br/>\$'000</b> | <b>Change<br/>%</b> | <b>12 months<br/>ended<br/>31<br/>December<br/>2024<br/>\$'000</b> | <b>12 months<br/>ended<br/>31<br/>December<br/>2023<br/>\$'000</b> | <b>Change<br/>%</b> |
|---|------|---|---|---------------------|--|--|---------------------|
|   | Note |   |   |                     |  |  |                     |
| <b>Revenue</b>  | 4    | <b>47,585</b>   | 54,209  | (12)                | <b>82,870</b>  | 104,786  | (21)                |
| Cost of sales   | 6    | <b>(24,137)</b>   | (41,131)  | (41)                | <b>(49,689)</b>  | (82,108)   | (39)                |
| <b>Gross profit</b>   |      | <b>23,448</b>   | 13,078  | 79                  | <b>33,181</b>  | 22,678   | 46                  |
| Interest income from fixed deposits   |      | <b>362</b>  | 384   | (6)                 | <b>705</b>   | 672  | 5                   |
| Other income  | 6    | <b>2,813</b>  | 2,810   | NM                  | <b>4,366</b>   | 3,583  | 22                  |
| <b>Expenses</b>   |      |   |   |                     |  |  |                     |
| General and administrative expenses   | 6    | <b>(7,936)</b>  | (7,000)   | 13                  | <b>(11,705)</b>  | (12,102)   | 3                   |
| Finance costs   |      | <b>(990)</b>  | (1,482)   | (33)                | <b>(2,267)</b>   | (2,794)  | (19)                |
| Net impairment losses on trade receivables and contract assets                    | 6    | <b>(5,725)</b>  | (2,288)   | NM                  | <b>(8,279)</b>   | (4,456)  | 86                  |
| <b>Profit before taxation</b>   |      | <b>11,972</b>   | 5,502   | NM                  | <b>16,001</b>  | 7,581  | NM                  |
| Tax (expense)/credit  | 7    | <b>(1,382)</b>  | 227   | NM                  | <b>(2,265)</b>   | (169)  | NM                  |
| <b>Profit for the financial period</b>  |      | <b>10,590</b>   | 5,729   | 87                  | <b>13,736</b>  | 7,412  | NM                  |
| <b>Other comprehensive income/(loss):</b>   |      |   |   |                     |  |  |                     |
| <b><u>Items that may be reclassified subsequently to profit or loss:</u></b>      |      |   |   |                     |  |  |                     |
| Currency translation differences arising from consolidation                       |      | <b>939</b>  | (125)   | NM                  | <b>904</b>   | (933)  | NM                  |
| <b><u>Items that will not be reclassified subsequently to profit or loss:</u></b> |      |   |   |                     |  |  |                     |
| Fair value loss on financial assets at fair value through other comprehensive     |      | -   | (1)   | NM                  | -  | (1)  | -                   |
| <b>Other comprehensive loss for the financial period, net of tax</b>              |      | <b>939</b>  | (126)   | NM                  | <b>904</b>   | (934)  | NM                  |
| <b>Total comprehensive income for the financial period</b>                        |      | <b>11,529</b>   | 5,603   | NM                  | <b>14,640</b>  | 6,478  | NM                  |
| <b>Earnings per share</b>   |      |   |   |                     |  |  |                     |
| Basic (SGD in cents)  |      | <b>23.15</b>  | 11.01   | NM                  | <b>26.38</b>   | 14.24  | 86                  |
| Diluted (SGD in cents)  |      | <b>23.15</b>  | 11.01   | NM                  | <b>26.38</b>   | 14.24  | 86                  |

NM: Not meaningful

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## B. Condensed interim statements of financial position

|  |      | The Group                        |                                  | The Company                      |                                  |
|--|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  |      | 31<br>December<br>2024<br>\$'000 | 31<br>December<br>2023<br>\$'000 | 31<br>December<br>2024<br>\$'000 | 31<br>December<br>2023<br>\$'000 |
|  | Note |                                  |                                  |                                  |                                  |
| <b>Non-current assets</b>  |      |                                  |                                  |                                  |                                  |
| Property, plant and equipment  | 11   | 32,295                           | 32,800                           | 249                              | 481                              |
| Development properties   |      | 17,507                           | -                                | -                                | -                                |
| Investment properties  | 12   | 41,771                           | 41,457                           | -                                | -                                |
| Investment in subsidiary companies                                   |      | -                                | -                                | 61,464                           | 61,27                            |
| Trade receivables  | 13   | 3,439                            | 7,106                            | -                                | -                                |
| Insurance asset  |      | 556                              | 556                              | -                                | -                                |
| Other receivables  |      | 1,844                            | 1,850                            | -                                | -                                |
| <b>Total non-current assets</b>                                      |      | <b>97,412</b>                    | <b>83,769</b>                    | <b>61,713</b>                    | <b>61,698</b>                    |
| <b>Current assets</b>  |      |                                  |                                  |                                  |                                  |
| Development properties   |      | -                                | 16,546                           | -                                | -                                |
| Inventories  |      | 8,125                            | 8,985                            | -                                | -                                |
| Trade receivables  | 13   | 19,722                           | 21,268                           | -                                | -                                |
| Other receivables  |      | 1,106                            | 1,645                            | 22,459                           | 15,894                           |
| Contract assets  | 5    | 1,186                            | 1,117                            | 3,040                            | 3,386                            |
| Tax recoverable  |      | 1,060                            | 95                               | -                                | -                                |
| Financial assets at fair value through other<br>comprehensive income | 10   | 9                                | 9                                | 9                                | 9                                |
| Cash and cash equivalents  |      | 25,565                           | 25,354                           | 523                              | 253                              |
| <b>Total current assets</b>  |      | <b>56,773</b>                    | <b>75,019</b>                    | <b>26,030</b>                    | <b>15,542</b>                    |
| <b>Total assets</b>  |      | <b>154,185</b>                   | <b>158,788</b>                   | <b>87,743</b>                    | <b>81,240</b>                    |
| <b>Non-current liabilities</b>                                       |      |                                  |                                  |                                  |                                  |
| Borrowings   | 14   | 26,946                           | 28,779                           | 150                              | 180                              |
| Deferred tax liabilities   |      | 1,710                            | 1,296                            | -                                | -                                |
| <b>Total non-current liabilities</b>                                 |      | <b>28,656</b>                    | <b>30,075</b>                    | <b>150</b>                       | <b>180</b>                       |
| <b>Current liabilities</b>   |      |                                  |                                  |                                  |                                  |
| Trade payables   |      | 15,939                           | 20,509                           | -                                | -                                |
| Other payables   |      | 9,299                            | 7,207                            | 36,127                           | 33,025                           |
| Contract liabilities   | 5    | 542                              | 963                              | -                                | -                                |
| Borrowings   | 14   | 11,041                           | 26,254                           | 34                               | 223                              |
| Tax payables   |      | 2,399                            | 2,111                            | 68                               | 68                               |
| <b>Total current liabilities</b>                                     |      | <b>39,220</b>                    | <b>57,044</b>                    | <b>36,229</b>                    | <b>33,316</b>                    |
| <b>Total liabilities</b>   |      | <b>67,876</b>                    | <b>87,119</b>                    | <b>36,379</b>                    | <b>33,496</b>                    |
| <b>Net assets</b>  |      | <b>86,309</b>                    | <b>71,669</b>                    | <b>51,364</b>                    | <b>47,744</b>                    |
| <b>Equity</b>  |      |                                  |                                  |                                  |                                  |
| Share capital  |      | 68,323                           | 68,323                           | 68,323                           | 68,323                           |
| Other reserves   |      | (7,373)                          | (8,277)                          | (4)                              | (4)                              |
| Accumulated profits/(losses)   |      | 25,359                           | 11,623                           | (16,955)                         | (20,575)                         |
| <b>Total equity</b>  |      | <b>86,309</b>                    | <b>71,669</b>                    | <b>51,364</b>                    | <b>47,744</b>                    |

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

#### The Group

|  | Share<br>capital<br>\$'000 | Other<br>reserves<br>\$'000 | Accumulated<br>profits<br>\$'000 | Total<br>equity<br>\$'000 |
|--|----------------------------|-----------------------------|----------------------------------|---------------------------|
| Balance at 1 January 2023  | 68,323                     | (7,343)                     | 4,211                            | 65,191                    |
| Profit for the financial year  | -                          | -                           | 7,412                            | 7,412                     |
| Other comprehensive loss for the financial year, net of tax:                           |                            |                             |                                  |                           |
| - Currency translation differences arising from consolidation                          | -                          | (933)                       | -                                | (933)                     |
| - Fair value loss on financial assets at fair value through other comprehensive income | -                          | (1)                         | -                                | (1)                       |
| Total comprehensive (loss)/income for the financial year                               | -                          | (934)                       | 7,421                            | 6,478                     |
| Balance at 31 December 2023  | 68,323                     | (8,277)                     | 11,623                           | 71,669                    |
| Profit for the financial year  | -                          | -                           | 13,736                           | 13,736                    |
| Other comprehensive gain for the financial year, net of tax:                           |                            |                             |                                  |                           |
| - Currency translation differences arising from consolidation                          | -                          | 904                         | -                                | 904                       |
| - Fair value loss on financial assets at fair value through other comprehensive income | -                          | -                           | -                                | -                         |
| Total comprehensive income for the financial year                                      | -                          | 904                         | 13,736                           | 14,640                    |
| <b>Balance at 31 December 2024</b>   | <b>68,323</b>              | <b>(7,373)</b>              | <b>25,359</b>                    | <b>86,309</b>             |

#### The Company

|  | Share<br>capital<br>\$'000 | Other<br>reserves<br>\$'000 | Accumulated<br>losses<br>\$'000 | Total<br>equity<br>\$'000 |
|--|----------------------------|-----------------------------|---------------------------------|---------------------------|
| Balance at 1 January 2023  | 68,323                     | (3)                         | (24,028)                        | 44,292                    |
| Profit for the financial year  | -                          | -                           | 3,453                           | 3,453                     |
| Other comprehensive loss for the financial year, net of tax:                           |                            |                             |                                 |                           |
| - Fair value loss on financial assets at fair value through other comprehensive income | -                          | (1)                         | -                               | (1)                       |
| Total comprehensive (loss)/income for the financial year                               | -                          | (1)                         | 3,453                           | 3,453                     |
| Balance at 31 December 2023  | <b>68,323</b>              | <b>(4)</b>                  | <b>(20,575)</b>                 | <b>47,744</b>             |
| Profit for the financial year  | -                          | -                           | 3,620                           | 3,620                     |
| Other comprehensive loss for the financial year, net of tax:                           |                            |                             |                                 |                           |
| - Fair value loss on financial assets at fair value through other comprehensive income | -                          | -                           | -                               | -                         |
| Total comprehensive (loss)/income for the financial year                               | -                          | -                           | 3,620                           | 3,620                     |
| <b>Balance at 31 December 2024</b>   | <b>68,323</b>              | <b>(4)</b>                  | <b>(16,955)</b>                 | <b>51,364</b>             |

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## D. Condensed interim consolidated statement of cash flows

|   | The Group                                     |   |
|---|---|---|
|   | 12 months ended<br>31 December 2024<br>\$'000 | 12 months ended<br>31 December 2023<br>\$'000 |
| <b>Cash flows from operating activities:</b>                                  |   |   |
| <b>Profit before tax</b>  | <b>16,001</b>                                 | <b>7,581</b>                                  |
| Adjustments for:  |   |   |
| Depreciation of property, plant and equipment                                 | 4,007   | 6,277   |
| Fair value gain on investment properties                                      | (320)   | (552)   |
| Amortisation of prepaid insurance premiums                                    | -   | 2   |
| Gain on disposal of property, plant and equipment                             | (519)   | (40)  |
| Impairment loss of trade receivables and contract assets                      | 8,279   | 4,456   |
| Interest expense  | 2,266   | 2,794   |
| Interest income   | (705)   | (672)   |
| Unrealised (gain)/loss on foreign exchange                                    | (678)   | 2,528   |
| <b>Operating cash flows before working capital changes</b>                    | <b>28,331</b>                                 | <b>22,374</b>                                 |
| <b>Changes in operating assets and liabilities:</b>                           |   |   |
| Inventories   | 1,245   | 2,299   |
| Receivables   | (2,559)                                       | 884   |
| Contract assets   | (69)  | 2,780   |
| Contract liabilities  | (420)   | (6,657)                                       |
| Payables  | (2,478)                                       | (4,425)                                       |
| Currency translation adjustments  | (910)   | 131   |
| <b>Cash generated from operations</b>   | <b>23,140</b>                                 | <b>17,386</b>                                 |
| Income tax paid   | (1,579)                                       | (2,076)                                       |
| <b>Net cash generated from operating activities</b>                           | <b>21,561</b>                                 | <b>15,310</b>                                 |
| <b>Cash flows from investing activities:</b>                                  |   |   |
| Proceeds from disposal of property, plant and equipment                       | 721   | 602   |
| Purchase of property, plant and equipment                                     | (2,202)                                       | (2,456)                                       |
| <b>Net cash used in investing activities</b>                                  | <b>(1,481)</b>                                | <b>(1,854)</b>                                |
| <b>Cash flows from financing activities:</b>                                  |   |   |
| Drawdown of borrowings  | -   | 1,207   |
| Interest paid   | (2,196)                                       | (2,731)                                       |
| Repayment of lease liabilities  | (70)  | (63)  |
| Repayment of borrowings   | (17,941)                                      | (8,539)                                       |
| Decrease of fixed deposits pledged  | 861   | 1,151   |
| <b>Net cash used in financing activities</b>                                  | <b>(19,346)</b>                               | <b>(8,975)</b>                                |
| <b>Net increase in cash and cash equivalents</b>                              | <b>735</b>                                    | <b>4,481</b>                                  |
| Cash and cash equivalents at beginning of financial period                    | 7,672   | 3,3331  |
| Effect of exchange rate changes on cash and cash equivalents                  | 131   | (140)   |
| <b>Cash and cash equivalents at end of financial year</b>                     | <b>8,538</b>                                  | <b>7,672</b>                                  |
| <b>Cash and cash equivalents are represented by:</b>                          |   |   |
| Cash and cash equivalents on the consolidated statement of financial position | 25,565  | 25,354  |
| Fixed deposits pledged  | (17,027)                                      | (17,682)                                      |
| <b>Cash and cash equivalents per consolidated statement of cash flows</b>     | <b>8,538</b>                                  | <b>7,672</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 and full year ended 31 December 2024 comprise the Company and its subsidiaries (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 and full year ended 31 December 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 interim financial statements for the period ended 30 June 2024.

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 2024.

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.

**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 July 2024 to 31 December 2024**

|                              | Property<br>investment<br>and<br>development<br>\$'000 | Construction<br>\$'000 | Prefabrication<br>\$'000 | Others<br>\$'000 | Eliminations<br>\$'000 | Consolidated<br>\$'000 |
|------------------------------|--|------------------------|--------------------------|------------------|------------------------|------------------------|
| <b>Segment revenue</b>       |  |                        |                          |                  |                        |                        |
| Sales to external customers  | -  | -                      | 47,585                   | -                | -                      | 47,585                 |
| Inter-segment sales          | -  | -                      | -                        | 1,719            | (1,719)                | -                      |
| Total revenue                | -  | -                      | 47,585                   | 1,719            | (1,719)                | 47,585                 |
| <b>Segment profit/(loss)</b> | (284)  | (319)                  | 12,695                   | (120)            | -                      | 11,972                 |
| <b>Tax expense</b>           |  |                        |                          |                  |                        | (1,382)                |
| <b>Profit for the period</b> |  |                        |                          |                  |                        | 10,590                 |

**1 July 2023 to 31 December 2023**

|                              | Property<br>investment<br>and<br>development<br>\$'000 | Construction<br>\$'000 | Prefabrication<br>\$'000 | Others<br>\$'000 | Eliminations<br>\$'000 | Consolidated<br>\$'000 |
|------------------------------|--|------------------------|--------------------------|------------------|------------------------|------------------------|
| <b>Segment revenue</b>       |  |                        |                          |                  |                        |                        |
| Sales to external customers  | -  | -                      | 54,269                   | -                | -                      | 54,269                 |
| Inter-segment sales          | -  | -                      | -                        | 2,327            | (2,327)                | -                      |
| Total revenue                | -  | -                      | 54,269                   | 2,327            | (2,327)                | 54,269                 |
| <b>Segment profit/(loss)</b> | 202  | (492)                  | 3,818                    | 1,756            | -                      | 5,284                  |
| <b>Tax expense</b>           |  |                        |                          |                  |                        | (1,769)                |
| <b>Profit for the period</b> |  |                        |                          |                  |                        | 3,515                  |



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1 January 2024 to 31 December 2024

|                                      | Property<br>investment<br>and<br>development<br>\$'000 | Construction<br>\$'000 | Prefabrication<br>\$'000 | Others<br>\$'000 | Elimination<br>s<br>\$'000 | Consolidated<br>\$'000 |
|--------------------------------------|--|------------------------|--------------------------|------------------|----------------------------|------------------------|
| <b>Segment revenue</b>               |  |                        |                          |                  |                            |                        |
| Sales to external customers          | -  | -                      | 82,870                   | -                | -                          | 82,870                 |
| Inter-segment sales                  | -  | -                      | -                        | 3,039            | (3,039)                    | -                      |
| <b>Total revenue</b>                 | -  | -                      | 82,870                   | 3,039            | (3,039)                    | 82,870                 |
| <b>Segment (loss)/profit</b>         | (286)  | (695)                  | 16,468                   | 514              | -                          | 16,001                 |
| <b>Tax expense</b>                   |  |                        |                          |                  |                            | (2,265)                |
| <b>Profit for the financial year</b> |  |                        |                          |                  |                            | 13,736                 |

1 January 2023 to 31 December 2023

|                                      | Property<br>investment<br>and<br>development<br>\$'000 | Construction<br>\$'000 | Prefabrication<br>\$'000 | Others<br>\$'000 | Elimination<br>ns<br>\$'000 | Consolidated<br>\$'000 |
|--------------------------------------|--|------------------------|--------------------------|------------------|-----------------------------|------------------------|
| <b>Segment revenue</b>               |  |                        |                          |                  |                             |                        |
| Sales to external customers          | -  | -                      | 104,786                  | -                | -                           | 104,786                |
| Inter-segment sales                  | -  | -                      | -                        | 3,385            | (3,385)                     | -                      |
| <b>Total revenue</b>                 | -  | -                      | 104,786                  | 3,385            | (3,385)                     | 104,786                |
| <b>Segment (loss)/profit</b>         | (166)  | (800)                  | 6,375                    | 2,172            | -                           | 7,581                  |
| <b>Tax expense</b>                   |  |                        |                          |                  |                             | (169)                  |
| <b>Profit for the financial year</b> |  |                        |                          |                  |                             | 7,412                  |

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

|                                | Revenues                              |   | Non-current assets  |                     |
|--------------------------------|---------------------------------------|---|---------------------|---------------------|
|                                | 6 months ended<br>31 December<br>2024 | 12 months<br>ended<br>31 December<br>2024 | 31 December<br>2024 | 31 December<br>2023 |
|                                | \$'000                                | \$'000                                    | \$'000              | \$'000              |
| Singapore                      | 47,585                                | 82,870                                    | 60,482              | 46,382              |
| The People's Republic of China | -                                     | -   | 1,009               | 1,015               |
| Malaysia                       | -                                     | -   | 30,082              | 26,950              |
| <b>Total</b>                   | <b>47,585</b>                         | <b>82,870</b>                             | <b>91,573</b>       | <b>74,347</b>       |

  

|                                | 6 months ended<br>31 December<br>2023 | 12 months<br>ended<br>31 December<br>2023 | 31 December<br>2023 | 31 December<br>2022 |
|--------------------------------|---------------------------------------|---|---------------------|---------------------|
|                                | \$'000                                | \$'000                                    | \$'000              | \$'000              |
|                                | \$'000                                | \$'000                                    | \$'000              | \$'000              |
| Singapore                      | 54,269                                | 104,786                                   | 46,382              | 46,793              |
| The People's Republic of China | -                                     | -   | 1,015               | 1,103               |
| Malaysia                       | -                                     | -   | 26,950              | 30,229              |
| <b>Total</b>                   | <b>54,269</b>                         | <b>104,786</b>                            | <b>74,347</b>       | <b>78,125</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 31 December 2024 and 31 December 2023:

|  | The Group           |                     | The Company         |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 31 December<br>2024 | 31 December<br>2023 | 31 December<br>2024 | 31 December<br>2023 |
|  | \$                  | \$                  | \$                  | \$                  |
| <b>Financial assets</b>  |                     |                     |                     |                     |
| Contract assets  | 1,186               | 1,117               | 3,039               | 3,386               |
| Financial assets at fair value through<br>other comprehensive income | 9                   | 9                   | 9                   | 9                   |
| <b>Financial liabilities</b>   |                     |                     |                     |                     |
| Contract liabilities   | 542                 | 963                 | -                   | -                   |

The Group receives payments from customers based on a billing schedule, as established in contracts. In this case, the Group's contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date on the Group's prefabrication business. The Group's contract assets also include advance payments made to suppliers. The Company's contract assets relate to management service performed but not billed to subsidiaries at the reporting date.

Contract liabilities relate to advance consideration received from customers and billings in excess of revenue recognised to-date. Contract liabilities are recognised as revenue as and when the Group satisfies the performance obligations under its contracts.

Fair value measurements for financial assets and financial liabilities are explained in note 10.

**6. Profit before taxation**
**6.1. Significant items**

|  | <b>The Group</b>  |   |  |  |
|--|---|---|--|--|
|  | <b>6 months<br/>ended<br/>31 December<br/>2024<br/>\$'000</b> | <b>6 months<br/>ended<br/>31 December<br/>2023<br/>\$'000</b> | <b>12 months<br/>Ended<br/>31 December<br/>2024<br/>\$'000</b> | <b>12 months<br/>ended<br/>31 December<br/>2023<br/>\$'000</b> |
| <b>Income</b>  |   |   |  |  |
| Commission income  | 127   | -   | 277  | 285  |
| Fair value gain on investment properties                     | 320   | -   | 320  | 552  |
| Gain on disposal of property, plant and equipment            | 436   | -   | 520  | 40   |
| Gain on foreign exchange                                     | 391   | -   | 524  | -  |
| Government grant income                                      | 9   | 38  | 44   | 71   |
| Rental income  | 951   | 1,275   | 1,614  | 1,474  |
| Sales of scrap materials                                     | 248   | 243   | 514  | 433  |
| Sundry income  | 178   | 456   | 553  | 728  |
| <b>Expenses</b>  |   |   |  |  |
| Auditors' remuneration                                       | 83  | -   | 171  | 181  |
| Depreciation of property, plant and equipment                | 2,452   | 2,770   | 4,007  | 6,277  |
| Directors' fees  | 28  | 20  | 109  | 104  |
| Loss on foreign exchange                                     | -   | 1,695   | -  | 2,528  |
| Net impairment loss on trade receivables and contract assets | 5,654   | 2,280   | 8,279  | 4,456  |
| Staff costs  | 8,468   | 7,204   | 12,917   | 12,106   |

**6.2. Related party transactions**

There were no material related party transactions apart from those disclosed elsewhere.

**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/(credit) in the condensed interim consolidated statement of profit or loss are:

|  | <b>6 months<br/>ended<br/>31 December<br/>2024<br/>\$'000</b> | <b>6 months<br/>ended<br/>31 December<br/>2023<br/>\$'000</b> | <b>12 months<br/>ended<br/>31 December<br/>2024<br/>\$'000</b> | <b>12 months<br/>ended<br/>31 December<br/>2023<br/>\$'000</b> |
|--|---|---|--|--|
| <b>Income tax</b>  |   |   |  |  |
| - current year   | 1,191   | 2,030   | 1,799  | 2,460  |
| - (over)/under provision in respect of prior years           | 66  | (15)  | 66   | (15)   |
|  | <b>1,257</b>  | <b>2,015</b>  | <b>1,865</b>   | <b>2,445</b>   |
| <b>Deferred income tax</b>                                   |   |   |  |  |
| - current year   | 140   | 56  | 415  | 22   |
| - over provision in respect of prior years                   | (15)  | (30)  | (15)   | (30)   |
| - Recognition of deferred taxation in respect of prior years | -   | (2,268)   | -  | (2,268)  |
|  | <b>125</b>  | <b>(2,242)</b>  | <b>400</b>   | <b>(2,276)</b>   |
|  | <b>1,382</b>  | <b>(227)</b>  | <b>2,265</b>   | <b>169</b>   |

**8. Dividend**

Based on the Group's profit for FY2024, the directors hereby recommend a dividend payout to shareholders. This dividend shall be paid out from the Group's accumulated profits, as the Company had accumulated losses as at 31 December 2024.

**a) Current Financial Period Reported on**

Dividend recommended for the current financial period reported on:

|                                   |                           |
|-----------------------------------|---------------------------|
| Name of dividend                  | Final tax exempt one-tier |
| Dividend type                     | Cash                      |
| Dividend amount (cents per share) | 3.0                       |

**b) Corresponding period of the immediately preceding financial year**

No dividend was declared nor paid in the immediately preceding financial year.

**c) Date payable**

The date payable for the proposed final cash dividend, if approved at the forthcoming annual general meeting of the Company to be held on 30 April 2025, will be announced in due course.

**d) Book closure date**

The record date of the Company for the proposed final cash dividend will be announced in due course.

**9. Net Asset Value**

|                                    | <b>The Group</b>        |                         | <b>The Company</b>      |                         |
|------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                    | <b>31 December 2024</b> | <b>31 December 2023</b> | <b>31 December 2024</b> | <b>31 December 2023</b> |
|                                    | <b>\$</b>               | <b>\$</b>               | <b>\$</b>               | <b>\$</b>               |
| Net asset value per ordinary share | <b>1.66</b>             | 1.33                    | <b>0.99</b>             | 0.91                    |

**10. 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.

**11. Property, plant and equipment**

During the twelve months ended 31 December 2024, the Group acquired assets amounting to \$2.2 million (31 December 2023: \$3.3 million) and disposed of assets amounting to \$0.7 million (31 December 2023: \$2.0 million).

**12. 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:

| <b>Property type</b> | <b>Tenure</b>      | <b>31 December 2024</b> | <b>31 December 2023</b> |
|----------------------|--------------------|-------------------------|-------------------------|
|                      |                    | <b>\$'000</b>           | <b>\$'000</b>           |
| Commercial           | 70 years from 1993 | <b>1,009</b>            | 1,015                   |
| Industrial           | Freehold           | <b>34,762</b>           | 34,762                  |
| Residential          | Freehold           | <b>6,000</b>            | 5,680                   |
|                      |                    | <b>41,771</b>           | 41,457                  |

**12.1 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 valuer annually.

The last valuation of each investment property was conducted as at 31 December 2024.

**13. Trade receivables**

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 31 December 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 31 December 2024 such that total impairment loss on trade receivables of \$30.9 million was provided for the financial period ended 31 December 2024.

Below shows the ageing profile of the Group's current and non-current trade receivables as at 31 December 2024, in bands of 3 months:

|  | <b>Not yet<br/>due<br/>\$'000</b> | <b>1 to 3<br/>months<br/>\$'000</b> | <b>4 to 6<br/>months<br/>\$'000</b> | <b>7 to 9<br/>months<br/>\$'000</b> | <b>10 to 12<br/>months<br/>\$'000</b> | <b>&gt;12<br/>months<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|--|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|-------------------------------------|-------------------------|
| Current trade receivables  | 11,798                            | 13,866                              | 3,136                               | 1,777                               | 1,426                                 | 19,307                              | 51,310                  |
| Non-current trade receivables<br>(retention sums not due within<br>next twelve months) | -                                 | -                                   | -                                   | -                                   | -                                     | 3,439                               | 3,439                   |
| Impairment loss on trade<br>receivables  | (4,485)                           | (4,976)                             | (2,323)                             | (212)                               | (444)                                 | (18,474)                            | (30,914)                |
|  | <b>7,313</b>                      | <b>8,890</b>                        | <b>813</b>                          | <b>1,565</b>                        | <b>982</b>                            | <b>4,272</b>                        | <b>23,835</b>           |

The Board had assessed this impairment loss on trade receivables of \$30.9 million to be adequate for the financial period ended 31 December 2024, and that the total current and non-current trade receivables after impairment of \$23.8 million as at 31 December 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.

**14. Borrowings**

|   | <b>The Group</b>                           |  | <b>The Company</b>                         |  |
|---|--|--|--|--|
|   | <b>31<br/>December<br/>2024<br/>\$'000</b> | <b>31<br/>December<br/>2023<br/>\$'000</b> | <b>31<br/>December<br/>2024<br/>\$'000</b> | <b>31<br/>December<br/>2023<br/>\$'000</b> |
| <u>Amount repayable within one year, or on demand</u> |  |  |  |  |
| Secured   | 11,041                                     | 26,254                                     | 34   | 223  |
| Unsecured   | -  | -  | -  | -  |
| <u>Amount repayable after one year</u>                |  |  |  |  |
| Secured   | 26,946                                     | 28,779                                     | 150  | 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 financial year under review, there was no change in the Company's share capital. The total number of issued shares as at 31 December 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 31 December 2024 and 31 December 2023.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 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.

## OTHER INFORMATION

### 17. Review

The condensed consolidated statement of financial position of Hor Kew Corporation Limited and its subsidiaries as at 31 December 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 and twelve-month periods then ended and certain explanatory notes have not been audited or reviewed.

### 18. Review of performance of the Group

#### Statement of comprehensive income

The Group generated revenue of \$47.6 million for the six months ended 31 December 2024 ("2H2024") compared to \$54.2 million for the six months ended 31 December 2023 (2H2023), a decrease of \$6.6 million. The decrease was mainly due to lower deliveries of prefabricated building components. The Group's revenue of \$82.9 million for the financial year ended 31 December 2024 ("FY2024") represented a decrease of \$21.9 million over revenue of \$104.8 million for the financial year ended 31 December 2023 ("FY2023"). This decrease was mainly due to lower delivery volumes in FY2024 from lower order books.

The Group recorded a higher gross profit of \$23.4 million in 2H2024 compared to \$13.1 million in 2H2023, mainly due to higher profit margins for those projects delivered in 2H2024. The Group also recorded a higher gross profit of \$33.2 million in FY2024 compared to \$22.7 million in FY2023, mainly due to higher profit margins for those projects delivered in FY2024 compared to FY2023. The Group's gross profit margin increased from 21.6% in FY2023 to 40.0% in FY2024 mainly because of better tender prices for project deliveries.

Interest income from fixed deposits remained the same at \$0.4 million in 2H2024 and 2H2023. The Group's interest income from fixed deposits of \$0.7 million in FY2024 was the same as FY2023 at \$0.7 million.

The Group's other income remained same at \$2.8 million in 2H2023 and 2H2024. Other income increased \$0.8 million from \$3.6 million in FY2023 to \$4.4 million in FY2024, mainly due to \$0.5 million increase in gain on foreign exchange and \$0.5 million increase in gain on disposal of property, plant and equipment, offset by \$0.3 million decrease in fair gain on investment properties.

General and administrative expenses increased \$0.9 million from \$7.0 million in 2H2023 to \$7.9 million in 2H2024, mainly due to \$2.5 million increase in staff costs offset by \$1.7 million reduction in foreign exchange loss. However, general and administrative expenses decreased \$0.4 million from \$12.1 million in FY2023 to \$11.7 million in FY2024, mainly due to decrease in depreciation of property, plant and equipment of \$0.2 million.

Finance costs decreased from \$1.5 million in 2H2023 to \$1.0 million in 2H2024, and from \$2.8 million in FY2023 to \$2.3 million in FY2024, due to reduced borrowings and interest rate cuts.

The Group had higher net impairment losses on trade receivables and contract assets of \$5.7 million in 2H2024 compared to \$2.3 million in 2H2023 after review of expected credit losses for trade receivables as explained above. For FY2024, the

net impairment losses on financial and contract assets were \$8.3 million, which was higher than that of \$4.5 million for FY2023, after review of expected credit losses for trade receivables as explained above.

The Group recorded a profit before tax of \$12.0 million in 2H2024 and \$16.0 million in FY2024 (Profit before tax of \$5.5 million for 2H2023 and \$7.6 million for FY2023).

The Group provided tax expense of \$1.4 million in 2H2024 and \$2.3 million in FY2024 after taking into consideration of available tax allowances and reliefs, and under-provision of income tax in prior years (tax credit of \$0.2 million in 2H2023 and tax expense of \$0.2 million in FY2023).

Profit after tax of the Group for 2H2023 was \$10.6 million and for FY2024 was \$13.7 million (2H2023: \$5.7 million profit after tax and FY2023: \$7.4 million profit after tax).

The Group had a comprehensive gain from favourable currency movements in foreign subsidiaries of \$0.9 million in both 2H2024 and FY2024, compared to a comprehensive loss of \$0.1 million in 2H2023 and \$0.9 million in FY2023.

The Group reported total comprehensive income of \$11.5 million in 2H2024 and \$14.6 million in FY2024 (2H2023: total comprehensive income of \$5.6 million and FY2023: total comprehensive income of \$6.5 million).

### Statement of financial position

Total non-current assets increased from \$83.8 million as at 31 December 2023 to \$97.4 million as at 31 December 2024. There was \$17.5 million increase in development properties. Property, plant and equipment fell \$0.5 million from 31 December 2023 mainly due to depreciation and disposals. Investment properties increased by \$0.3 million from 31 December 2023 due to fair value gains.

Current assets of the Group decreased by \$18.2 million from 31 December 2023 to 31 December 2024, mainly due to \$16.5 million decrease in development properties and \$1.6 million in current trade receivables from efforts in collections. Inventories decreased by \$0.9 million mainly due to lower delivery volumes and contract assets fell \$0.1 million due to lower advance payments to suppliers. Cash and cash equivalents increased by \$0.2 million mainly due to trade collections being in excess of payments. Other receivables fell by \$0.5 million mainly due to lower revenue. Tax recoverable increased by \$1.1 million due to overpayments of taxes due to over-estimation.

Total assets of the Group decreased \$4.4 million, from \$158.8 million as at 31 December 2023 to \$154.4 million as at 31 December 2024.

Current trade and other payables decreased by \$2.1 million mainly due to lower purchases. Contract liabilities decreased by \$0.5 million from 31 December 2023 due to decrease in advance collections from customers.

Non-current borrowings decreased by \$1.9 million and current borrowings decreased by \$15.3 million mainly due to repayments of loans. Total current and non-current borrowings decreased by \$17.2 million mainly due to repayment of loans.

As a result of the above, total current liabilities of the Group decreased \$18.0 million, from \$57.0 million as at 31 December 2023 to \$39.2 million as at 31 December 2024. The above also led to total non-current liabilities of the Group decreasing \$1.4 million, from \$30.0 million as at 31 December 2023 to \$28.7 million as at 31 December 2024.

Total liabilities of the Group decreased by \$19.2 million from 31 December 2023 and stood at \$67.9 million as at 31 December 2024.

Shareholders' equity of the Group increased by \$14.6 million and recorded at \$86.3 million as at 31 December 2024, due to comprehensive income earned for FY2024.

### Statement of cash flows

The Group generated \$21.6 million in its operating activities in FY2024 mainly due to increased revenue and better profits.

It used \$1.5 million in its investing activities mainly due to purchase of property, plant and equipment.

It used \$19.4 million in its financing activities in FY2024 mainly for repayments of borrowings and interest payments.

Overall, the Group's cash increased by \$0.7 million in FY2024, and the cash and cash equivalents stood at \$8.5 million as at 31 December 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 (2024 first half financial statements announcement) released on 14 August 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.**

Demand in the Singapore construction industry was strong in FY2024 and this trend is expected to continue in the coming year. The order books for the Group also continues to be strong.

**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 and full year ended 31 December 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.



## HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARIES

### 23. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, Hor Kew Corporation Limited confirms that these are the following persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company:

| Name         | Age | Family relationship with any director and/or substantial shareholder  | Current position and duties, and the year the position was held  | Details of changes in duties and position held, if any, during the year |
|--------------|-----|---|--|---|
| Aw Lay Sim   | 65  | <ol style="list-style-type: none"> <li>1. Sister of Aw Soon Hwee (Substantial Shareholder of the Company/Director of principal subsidiaries)</li> <li>2. Aunt of Aw Chi-Ken (Executive Chairman and CEO of the Company)</li> <li>3. Aunt of Aw Ying Ying (Executive Director of the Company)</li> <li>4. Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>                    | <p>Group Human Resource Director of the Company since December 2001.</p> <p>Also oversees the Information Technology and Administration of the Group as well as facilities management of the investment property in Singapore.</p> | N.A.  |
| Aw Soon Hwee | 67  | <ol style="list-style-type: none"> <li>1. Uncle of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company)</li> <li>2. Uncle of Elicia Aw Ying Ying (Executive Director of the Company)</li> <li>3. Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol>   | Director of various principal subsidiaries in the Group.   | N.A.  |
| Aw Hong Hwee | 70  | <ol style="list-style-type: none"> <li>1. Brother of Aw Soon Hwee (Substantial shareholder of the Company/Director of principal subsidiaries)</li> <li>2. Uncle of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company)</li> <li>3. Uncle of Elicia Aw Ying Ying (Executive Director of the Company)</li> <li>4. Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company.</li> </ol> | <p>Business Development Director of Hor Kew Pte Ltd since December 2001.</p> <p>Responsible for business development.</p>  | N.A.  |
| Aw Yue Ying  | 32  | <ol style="list-style-type: none"> <li>1. Sister of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company)</li> <li>2. Sister of Elicia Aw Ying Ying (Executive Director of the Company)</li> <li>3. Niece of Aw Soon Hwee (Substantial Shareholder of the Company/Director of principal subsidiaries)</li> </ol>  | Executive Manager since Jan 2022. Responsible for operational checks and cost monitoring for the prefabrication segment.   | N.A.  |

**BY ORDER OF THE BOARD**

**MS CHNG THIAN HOOI**  
**COMPANY SECRETARY**  
**28 February 2025**

**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 and full year ended 31 December 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 CEO**

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

**Singapore**  
**28 February 2025**