



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

Unaudited financial statements

For the six months and full year ended 31 December 2025

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HOR KEW CORPORATION LIMITED AND ITS SUBSIDIARIES

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

		6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	Change %	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000	Change %
Revenue	4	36,385	47,585	(24)	69,891	82,870	(16)
Cost of sales	6	(26,898)	(24,137)	11	(44,852)	(49,689)	(10)
Gross profit		9,487	23,448	(60)	25,039	33,181	(25)
Interest income from fixed deposits		278	362	(23)	602	705	(15)
Other income	6	2,798	2,813	NM	4,376	4,225	4
Expenses							
General and administrative expenses	6	(8,738)	(7,936)	10	(15,508)	(11,568)	34
Finance costs		(1,301)	(990)	31	(2,139)	(2,266)	(6)
Net impairment gain/(loss) on trade receivables and contract assets	6	4,325	(5,725)	NM	1,215	(8,278)	NM
Profit before taxation		6,849	11,972	(43)	13,585	15,999	(15)
Tax expense	7	(1,988)	(1,382)	NM	(4,376)	(2,277)	NM
Profit for the financial period		4,861	10,590	(54)	9,209	13,722	(33)
Other comprehensive income:							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Currency translation differences arising from consolidation		961	939	2	870	917	(5)
<u>Items that will not be reclassified subsequently to profit or loss:</u>							
Fair value gain on financial assets at fair value through other comprehensive		-	-	-	2	-	NM
Other comprehensive income for the financial period, net of tax		961	939	2	872	917	(5)
Total comprehensive income for the financial period		5,823	11,529	(49)	10,082	14,639	(31)
Earnings per share							
Basic (SGD in cents)		9.34	23.15	(63)	17.69	26.38	(33)
Diluted (SGD in cents)		9.34	23.15	(63)	17.69	26.38	(33)

NM: Not meaningful

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B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	91,112	32,295	587	249
Development properties		18,226	17,507	-	-
Investment properties	12	42,122	41,772	-	-
Investment in subsidiary companies		-	-	61,464	61,464
Trade receivables	13	5,580	3,439	-	-
Insurance asset		1,730	556	-	-
Deferred tax assets		-	1,844	-	-
Total non-current assets		158,770	97,413	62,051	61,713
Current assets					
Inventories		16,117	8,125	-	-
Trade receivables	13	19,287	19,723	-	-
Other receivables		2,611	1,106	22,341	22,460
Contract assets	5	1,226	1,186	3,609	3,039
Tax recoverable		1,986	1,060	-	-
Financial assets at fair value through other comprehensive income	10	11	9	11	9
Cash and cash equivalents		26,022	25,563	43	523
Total current assets		67,260	56,772	26,004	26,031
Total assets		226,030	154,185	88,055	87,744
LIABILITIES					
Non-current liabilities					
Borrowings	14	75,760	25,995	323	151
Deferred tax liabilities		1,841	1,710	-	-
Provisions		350	-	-	-
Total non-current liabilities		77,951	27,705	323	151
Current liabilities					
Trade payables		23,066	15,939	-	-
Other payables		12,518	9,299	39,617	36,126
Contract liabilities	5	905	542	-	-
Borrowings	14	11,041	11,993	222	34
Tax payables		4,422	2,399	222	68
Provisions		1,300	-	-	-
Total current liabilities		53,252	40,172	40,061	36,228
Total liabilities		131,203	67,877	40,384	36,379
Net assets		94,827	86,308	47,671	51,365
EQUITY					
Share capital		68,323	68,323	68,323	68,323
Other reserves		(6,488)	(7,360)	(2)	(4)
Accumulated profits/(losses)		32,992	25,345	(20,651)	(16,954)
Total equity		94,827	86,308	47,670	51,365

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C. Condensed interim statements of changes in equity

The Group	Note	Share capital \$'000	Other reserves \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 January 2024		68,323	(8,277)	11,623	71,669
Profit for the financial year		-	-	13,722	13,722
Other comprehensive gain, net of tax:					
- Currency translation differences arising from consolidation		-	917	-	917
Total comprehensive income for the period		-	917	13,722	14,639
Balance at 31 December 2024		68,323	(7,360)	25,345	86,308
Balance at 1 January 2025		68,323	(7,360)	25,345	86,308
Profit for the period		-	-	9,209	9,209
Other comprehensive income, net of tax:					
- Currency translation differences arising from consolidation		-	870	-	870
- Fair value gain on financial assets at fair value through other comprehensive income		-	2	-	2
Total comprehensive income for the period		-	872	9,209	10,081
Payment of dividends	8	-	-	(1,562)	(1,562)
Balance at 31 December 2025		68,323	(6,488)	32,992	94,827
The Company		Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2024		68,323	(4)	(20,575)	47,744
Total comprehensive income for the period		-	-	3,621	3,621
Balance at 31 December 2024		68,323	(4)	(16,954)	51,365
Balance at 1 January 2025		68,323	(4)	(16,954)	51,365
Loss for the period		-	-	(3,697)	(3,697)
Other comprehensive income for the financial year, net of tax:					
- Fair value gain on financial assets at fair value through other comprehensive income		-	2	-	2
Total comprehensive income/(loss) for the period		-	2	(3,697)	(3,695)
Balance at 31 December 2025		68,323	(2)	(20,651)	47,670

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D. Condensed interim consolidated statement of cash flows

	The Group	
	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000
Cash flows from operating activities:		
Profit before tax	13,585	15,999
Adjustments for:		
Depreciation of property, plant and equipment	7,803	4,009
Fair value gain on investment properties	(362)	(315)
Gain on disposal of property, plant and equipment	(84)	(519)
Impairment loss of trade receivables and contract assets	(1,215)	8,278
Inventories written down	-	481
Interest expense	2,138	2,266
Interest income	(602)	(705)
Unrealised (gain)/loss on foreign exchange	1,512	(128)
Operating cash flows before working capital changes	22,775	29,366
Changes in operating assets and liabilities:		
Inventories	(7,572)	194
Trade and other receivables	(4,431)	(3,066)
Contract assets	(40)	(69)
Contract liabilities	363	(421)
Trade and other payables	12,031	(2,139)
Cash generated from operations	23,126	23,865
Income tax paid	(2,342)	(2,534)
Net cash generated from operating activities	20,784	21,331
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	156	721
Purchase of property, plant and equipment	(63,687)	(2,132)
Net cash used in investing activities	(63,531)	(1,411)
Cash flows from financing activities:		
Drawdown of borrowings	58,885	-
Interest paid	(2,139)	(2,266)
Repayment of borrowings	(13,267)	(17,941)
Decrease of fixed deposits pledged	-	1,022
Withdrawn of fixed deposits	721	-
Dividend paid	(1,562)	-
Net cash generated from/(used in) financing activities	42,638	(19,185)
Net (decrease)/increase in cash and cash equivalents	(108)	735
Cash and cash equivalents at beginning of financial period	8,536	7,672
Effect of exchange rate changes on cash and cash equivalents	(36)	128
Cash and cash equivalents at end of financial year	8,392	8,535
Cash and cash equivalents are represented by:		
Cash and cash equivalents on the consolidated statement of financial position	26,022	25,563
Fixed deposits pledged	(17,630)	(17,028)
Cash and cash equivalents per consolidated statement of cash flows	8,392	8,535

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 2025 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 2025 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 2025.

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 2025.

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.

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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 2025 to 31 December 2025

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
Segment revenue						
Sales to external customers	-	372	36,013	-	-	36,385
Inter-segment sales	-	-	-	1,500	(1,500)	-
Total revenue	-	372	36,013	1,500	(1,500)	36,385
Segment profit/(loss)	1,017	(193)	6,418	(393)	-	6,849
Tax expense						(1,988)
Profit for the period						4,861

1 July 2024 to 31 December 2024

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
Segment revenue						
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
Segment profit/(loss)	(284)	(319)	12,695	(120)	-	11,972
Tax expense						(1,382)
Profit for the period						10,590

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1 January 2025 to 31 December 2025

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminatio ns \$'000	Consolidated \$'000
Segment revenue						
Sales to external customers	-	372	69,519	-	-	69,891
Inter-segment sales	-	-	-	3,178	(3,178)	-
Total revenue	-	372	69,519	3,178	(3,178)	69,891
Segment (loss)/profit	799	(528)	13,424	(110)	-	13,585
Tax expense						(4,376)
Profit for the financial year						9,209

1 January 2024 to 31 December 2024

	Property investment and development \$'000	Construction \$'000	Prefabrication \$'000	Others \$'000	Eliminations \$'000	Consolidated \$'000
Segment revenue						
Sales to external customers	-	-	82,870	-	-	82,870
Inter-segment sales	-	-	-	3,039	(3,039)	-
Total revenue	-	-	82,870	3,039	(3,039)	82,870
Segment (loss)/profit	(981)	-	16,466	514	-	15,999
Tax expense						(2,277)
Profit for the financial year						13,722

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4.2 Geographical information

	Revenues		Non-current assets	
	6 months ended 31 December 2025 \$'000	12 months ended 31 December 2025 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Singapore	36,385	69,891	117,415	60,482
The People's Republic of China	-	-	960	1,009
Malaysia	-	-	31,793	30,082
Total	36,385	69,891	150,168	91,573

	6 months ended 31 December 2024 \$'000	12 months ended 31 December 2024 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
	Singapore	47,585	82,870	60,482
The People's Republic of China	-	-	1,009	1,015
Malaysia	-	-	30,082	26,950
Total	47,585	82,870	91,573	74,347

Non-current assets information presented above are non-current assets as presented on the consolidated statement of financial position excluding financial instruments and deferred tax assets.

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 2025 and 31 December 2024:

	The Group		The Company	
	31 December 2025 \$	31 December 2024 \$	31 December 2025 \$	31 December 2024 \$
Financial assets				
Contract assets	1,226	1,186	3,609	3,039
Financial assets at fair value through other comprehensive income	11	9	11	9
Financial liabilities				
Contract liabilities	905	542	-	-

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.

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6. Profit before taxation

6.1. Significant items

	The Group			
	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	12 months Ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000
Income				
Commission income	116	127	116	277
Fair value gain on investment properties	400	320	400	315
Gain on disposal of property, plant and equipment	54	436	84	519
Gain on foreign exchange	871	391	871	385
Government grant income	6	9	44	44
Rental income	1,293	951	2,250	1,615
Sales of scrap materials	159	248	309	513
Sundry income	44	178	301	557
Expenses				
Auditors' remuneration	86	83	162	168
Depreciation of property, plant and equipment	4,950	2,452	7,803	4,009
Directors' fees	126	28	182	110
Net impairment (gain)/loss on trade receivables and contract assets	(4,325)	5,654	(1,215)	8,278
Staff costs	8,450	8,468	14,781	12,917

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:

	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000
Income tax				
- current year	1,025	1,191	2,789	1,800
- under provision in respect of prior years	830	66	687	65
	1,855	1,257	3,476	1,865
Deferred income tax				
- current year	(12)	140	755	265
- (over)/under provision in respect of prior years	145	(15)	145	147
- recognition of deferred taxation in respect of prior years	-	-	-	-
	133	125	900	412
	1,988	1,382	4,376	2,277

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8. Dividend

Based on the Group's profit for FY2025, 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 2025.

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)	1.5

b) Corresponding period of the immediately preceding financial year

Final tax exempt one-tier dividend of 3.0 cents per share was declared for the previous financial year ended 31 December 2024. This was paid out to shareholders on 30 May 2025, and amounted to \$1.6 million.

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 2026, 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

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	\$	\$	\$	\$
Net asset value per ordinary share	1.82	1.66	0.92	0.99

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 2025, the Group acquired assets amounting to \$63.7 million (31 December 2024: \$2.2 million) and disposed of assets amounting to \$0.2 million (31 December 2024: \$0.7 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:

Property type	Tenure	31 December 2025	31 December 2024
		\$'000	\$'000
Commercial	70 years from 1993	960	1,010
Industrial	Freehold	35,163	34,762
Residential	Freehold	6,000	6,000
		42,123	41,772

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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 2025.

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 2025. 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 reduce its total impairment loss on trade receivables by \$1.2 million, from \$30.9 million as at 31 December 2024 to \$29.7 million as at 31 December 2025.

Below shows the ageing profile of the Group's current and non-current trade receivables as at 31 December 2025, in bands of 3 months:

	Not yet due \$'000	1 to 3 months \$'000	4 to 6 months \$'000	7 to 9 months \$'000	10 to 12 months \$'000	>12 months \$'000	Total \$'000
Current trade receivables	19,472	6,617	3,321	1,626	925	17,075	49,036
Non-current trade receivables (retention sums not due within next twelve months)	-	586	359	304	359	3,972	5,580
Impairment loss on trade receivables	(2,046)	(3,621)	(2,483)	(1,516)	(1,241)	(18,842)	(29,749)
	17,426	3,582	1,197	414	43	2,205	24,867

The Board had assessed this impairment loss on trade receivables of \$29.7 million to be adequate for the financial period ended 31 December 2025, and that the total current and non-current trade receivables after impairment of \$24.9 million as at 31 December 2025 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 commencing legal actions against debtors accordingly where necessary.

14. Borrowings

	The Group		The Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
<u>Amount repayable within one year, or on demand</u>				
Secured	11,041	11,993	222	34
Unsecured	-	-	-	-
<u>Amount repayable after one year</u>				
Secured	75,760	25,995	323	151
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 2025 was 52,066,937 shares (31 December 2024: 52,066,937 shares).

The Company did not hold any treasury shares nor share options as at 31 December 2025 and 31 December 2024.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2025 and 31 December 2024.

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 2025 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 \$36.4 million for the six months ended 31 December 2025 ("2H2025") compared to \$47.6 million for the six months ended 31 December 2024 (2H2024), a decrease of \$11.2 million. The decrease was mainly due to lower deliveries of prefabricated building components. The Group's revenue of \$69.9 million for the financial year ended 31 December 2025 ("FY2025") represented a decrease of \$13.0 million compared with revenue of \$82.9 million for the financial year ended 31 December 2024 ("FY2024"). This decrease was mainly due to lower delivery volumes of prefabricated building components in FY2025.

The Group recorded a lower gross profit of \$9.5 million in 2H2025 compared to \$23.4 million in 2H2024, mainly due to lower revenue and lower profit margins for those projects delivered in 2H2025. The Group also recorded a lower gross profit of \$25.0 million in FY2025 compared to \$33.2 million in FY2024, mainly due to lower revenue as well as lower profit margins for those projects delivered in FY2025 compared to FY2024. The Group's gross profit margin decreased from 40.0% in FY2024 to 35.8% in FY2025 mainly because of increase in competition for project tenders.

Interest income from fixed deposits decreased from \$0.4 million in 2H2024 to \$0.3 million in 2H2025 due to lower interest rates. The Group's interest income from fixed deposits fell from \$0.7 million in FY2024 compared to \$0.6 million in FY2025, also due to dip in interest rates.

The Group's other income remained at \$2.8 million for both 2H2024 and 2H2025. Other income increased \$0.2 million from \$4.2 million in FY2024 to \$4.4 million in FY2025, mainly due to \$0.6 million increase in rental income partially offset by \$0.4 million gain on disposal of property, plant and equipment.

General and administrative expenses increased \$0.8 million from \$7.9 million in 2H2024 to \$8.7 million in 2H2025, mainly due to \$0.9 million increase in bad debts written off, partially offset by \$0.1 million decrease in legal fee. The Group's general and administrative expenses increased \$3.9 million from \$11.6 million in FY2024 to \$15.5 million in FY2025, mainly due to increases of \$1.7 million in restoration cost, \$0.9 million in bad debts written off, \$0.5 million in director's remuneration and \$0.5 million in depreciation of property, plant and equipment.

The Group's finance costs increased from \$1.0 million in 2H2024 to \$1.3 million in 2H2025 mainly due to increased borrowings. The Group's finance costs decreased from \$2.3 million in FY2024 to \$2.1 million in FY2025, mainly due to interest rate cuts during the year.

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The Group had net impairment gain on trade receivables and contract assets of \$4.3 million in 2H2025 compared to net impairment loss of \$5.7 million in 2H2024 after review of expected credit losses for trade receivables as explained above under note 13. For FY2025, the net impairment gain on financial and contract assets was \$1.2 million, compared with net impairment loss of \$8.3 million for FY2024, after review of expected credit losses for trade receivables as explained above under note 13.

The Group recorded a profit before tax of \$6.8 million in 2H2025 and \$13.6 million in FY2025 (Profit before tax of \$12.0 million for 2H2024 and \$16.0 million for FY2024).

The Group provided tax expense of \$2.0 million in 2H2025 and \$4.4 million in FY2025 after taking into consideration of available tax allowances and reliefs, and under-provision of income tax in prior years (tax expense of \$1.4 million in 2H2024 and \$2.3 million in FY2024).

Profit after tax of the Group for 2H2025 was \$4.9 million and for FY2025 was \$9.2 million (2H2024: \$10.6 million profit after tax and FY2024: \$13.7 million profit after tax).

The Group had a comprehensive gain from favorable currency movements in foreign subsidiaries of \$1.0 million in 2H2025 and \$0.9 million in FY2025, comparable to the comprehensive gain of \$0.9 million in both 2H2024 and FY2024.

The Group reported total comprehensive income of \$5.8 million in 2H2025 and \$10.1 million in FY2025 (2H2024: total comprehensive income of \$11.5 million and FY2024: total comprehensive income of \$14.6 million).

Statement of financial position

Total non-current assets increased \$61.4 million from \$97.4 million as at 31 December 2024 to \$158.8 million as at 31 December 2025. Property, plant and equipment increased \$58.8 million mainly due to a new lease for a property at 33 Kaki Bukit Road 6 that is used for the production of prefabricated concrete building components, as well as for the machinery and equipment at this facility. This new lease was signed by a principal subsidiary Prefab Technology Pte Ltd in the ordinary course of business as the lease of its current production facility at 66 Sungei Kadut Street 1 would be expiring in March 2026. Non-current deferred tax assets of \$1.8 million were reversed out in FY2025. Insurance asset increased \$1.1 million from 31 December 2024 mainly due to a new keyman insurance policy. Investment properties increased by \$0.3 million from 31 December 2024 due to fair value gains.

Current assets of the Group increased by \$10.5 million from 31 December 2024 to 31 December 2025, mainly due to increases of \$8.0 million in inventories to cater for higher upcoming deliveries and \$1.5 million in current other receivables due to advance payments. Current trade receivables decreased by \$0.4 million mainly due to lower revenue. Cash and cash equivalents increased by \$0.4 million mainly due to overall collections in excess of payments. Tax recoverable increased by \$1.0 million mainly due to overpayments of income taxes at a Malaysia subsidiary arising from over-estimation of tax payable.

Total assets of the Group increased \$71.8 million, from \$154.2 million as at 31 December 2024 to \$226 million as at 31 December 2025.

Current trade payables increased by \$7.2 million mainly due to cash flow management. Other payables increased by \$3.2 million due to increases of \$1.5 million in accrual of staff costs, \$1.0 million in accrual of other operating expenses and \$0.5 million in non-trade other payables. Contract liabilities increased by \$0.4 million from 31 December 2024 due to increase in advance collections from customers. Tax payables increased by \$2.0 million in FY2025, due to the utilization of brought forward tax losses in FY2024 that reduced tax payable. Current borrowings decreased by \$1.0 million due to repayment of borrowings. Current provision of \$1.3 million was taken up in FY2025 for the estimated restoration cost of the property at 66 Sungei Kadut Street 1.

As a result of the above, total current liabilities of the Group increased \$13.1 million, from \$40.2 million as at 31 December 2024 to \$53.3 million as at 31 December 2025.

Non-current borrowings increased by \$49.8 million mainly due to the financing for the new lease of a property at 33 Kaki Bukit Road 6. As a result, total non-current liabilities of the Group increased \$50.3 million, from \$27.7 million as at 31 December 2024 to \$78.0 million as at 31 December 2025. Non-current provision of \$0.4 million was taken up in FY2025 for the estimated restoration cost of the property at 33 Kaki Bukit Road 6.

Total liabilities of the Group increased by \$63.3 million from 31 December 2024 and stood at \$131.2 million as at 31 December 2025.

Shareholders' equity of the Group increased by \$8.5 million and recorded at \$94.8 million as at 31 December 2025, due to \$10.1 million comprehensive income earned for FY2025 less of \$1.6 million dividends paid.

Statement of cash flows

The Group generated \$20.8 million in its operating activities in FY2025 mainly due to high revenue.

It used \$63.5 million in its investing activities mainly due to additions to property, plant and equipment, mostly resulting from a new lease for a production facility located at 33 Kaki Bukit Road 6.

It generated \$42.6 million in its financing activities in FY2025 mainly for repayments of borrowings, interest payments and dividend payments.

Overall, the Group's cash decreased by \$0.1 million in FY2025, and the cash and cash equivalents stood at \$8.4 million as at 31 December 2025.

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 (2025 first half financial statements announcement) released on 14 August 2025.

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 FY2025 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 2025.

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.

23. 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 2025 to be false or misleading in any material aspect.

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24. 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	66	<ol style="list-style-type: none"> Sister of Aw Soon Hwee (Substantial Shareholder of the Company/Director of principal subsidiaries) Aunt of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company) Aunt of Elicia Aw Ying Ying (Executive Director of the Company) Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company 	<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	68	<ol style="list-style-type: none"> Uncle of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company) Uncle of Elicia Aw Ying Ying (Executive Director of the Company) Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company 	Director of various principal subsidiaries in the Group.	N.A.
Aw Hong Hwee	71	<ol style="list-style-type: none"> Brother of Aw Soon Hwee (Substantial shareholder of the Company/Director of principal subsidiaries) Uncle of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company) Uncle of Elicia Aw Ying Ying (Executive Director of the Company) Shareholder of Hor Kew Holdings Pte Ltd, a substantial shareholder of the Company 	<p>Business Development Director of Hor Kew Pte Ltd since December 2001.</p> <p>Responsible for business development.</p>	N.A.
Aw Yue Ying	33	<ol style="list-style-type: none"> Sister of Benjamin Aw Chi-Ken (Executive Chairman and CEO of the Company) Sister of Elicia Aw Ying Ying (Executive Director of the Company) Niece of Aw Soon Hwee (Substantial Shareholder of the Company/Director of principal subsidiaries) 	Executive Manager since January 2022. Responsible for operational checks and cost monitoring for the prefabrication segment.	N.A.

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BY ORDER OF THE BOARD

MR BENJAMIN AW CHI-KEN
Executive Deputy Chairman and Chief Executive Officer

MS ELICIA AW YING YING
Executive Director

Singapore
27 February 2026