

**Hong Fok Corporation Limited
And Its Subsidiaries
Company Registration Number: 196700468N**

Condensed Interim Financial Statements
For The Six Months Ended 30 June 2025

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**A. Condensed Interim Consolidated Statement Of Comprehensive Income
For The Six Months Ended 30 June 2025**

Group	Note	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000	Increase/ (Decrease) %
Revenue	4	46,909	44,575	5
Other income		567	820	(31)
		47,476	45,395	5
Depreciation of property, plant and equipment		(264)	(236)	12
Depreciation of right-of-use assets		(167)	(161)	4
(Loss)/Gain on disposal of property, plant and equipment		(3)	2	NM
Impairment loss written back/(Impairment loss) on other assets		5	(25)	NM
Changes in fair value of other investments at fair value through profit or loss		1,170	(781)	NM
Cost of sales of development properties		(3,058)	(1,601)	91
Impairment loss on trade receivables, net		(#)	(8)	NM
Loss on redemption of Hong Kong dollar unsecured bonds		-	(23)	NM
Commitment fee on unutilised bank facilities		(659)	(704)	(6)
Employee benefit expenses		(11,292)	(9,648)	17
Lease expenses		(126)	(115)	10
Maintenance expenses		(5,118)	(5,085)	1
Professional fees		(521)	(537)	(3)
Property tax		(3,585)	(3,529)	2
Rental commission		(507)	(252)	101
Exchange (loss)/gain, net		(1,359)	500	NM
Other expenses		(1,888)	(2,033)	(7)
		20,104	21,159	(5)
Finance income		448	1,349	(67)
Finance expense		(14,511)	(19,396)	(25)
Net finance expense		(14,063)	(18,047)	(22)
Profit before tax (Note)		6,041	3,112	94
Tax expense	7	(1,099)	(364)	202
Profit for the period		4,942	2,748	80
Profit/(Loss) attributable to:				
Owners of the Company		5,424	3,633	49
Non-controlling interests		(482)	(885)	(46)
Profit for the period		4,942	2,748	80
Other comprehensive income, net of tax				
Items that are or may be reclassified subsequently to Profit or Loss:				
Exchange differences on translation of financial statements of foreign subsidiaries		(31,920)	12,940	NM
Exchange differences on monetary items forming part of net investments in foreign subsidiaries		(2,035)	815	NM
Other comprehensive income for the period, net of tax*		(33,955)	13,755	NM
Total comprehensive income for the period		(29,013)	16,503	NM
Total comprehensive income attributable to:				
Owners of the Company		(9,437)	9,729	NM
Non-controlling interests		(19,576)	6,774	NM
Total comprehensive income for the period		(29,013)	16,503	NM
Earnings per share (cents):				
Basic	8	0.85	0.57	
Diluted	8	0.85	0.57	

NM – Not Meaningful.

Amount less than \$1,000.

* There was no tax effect on the components included in other comprehensive income.

Note:

Included in Profit before tax is net profit on sale of development properties of approximately \$2,137,000 (2024: \$609,000).

**B. Condensed Interim Statements Of Financial Position
As At 30 June 2025**

		Group		Company	
	Note	30.06.2025	31.12.2024	30.06.2025	31.12.2024
		\$'000	\$'000	\$'000	\$'000
Non-current Assets					
Property, plant and equipment	11	2,378	2,200	-	-
Right-of-use assets		479	690	-	-
Subsidiaries		-	-	853,278	853,278
Investment properties	12	3,491,614	3,497,522	-	-
Other assets		276	276	-	-
Other investments		#	#	-	-
Pledged bank deposits		1,562	2,550	-	-
		3,496,309	3,503,238	853,278	853,278
Current Assets					
Other investments		19,016	11,554	-	-
Development properties	13	93,337	96,111	-	-
Trade and other receivables		4,039	5,888	78	47
Amounts due from subsidiaries		-	-	273,409	275,607
Current tax assets		-	4	-	-
Pledged bank deposits		802	-	-	-
Cash and cash equivalents	14	33,064	33,523	1,338	1,241
		150,258	147,080	274,825	276,895
Total Assets		3,646,567	3,650,318	1,128,103	1,130,173
Equity Attributable to Owners of the Company					
Share capital	15	186,688	186,688	186,688	186,688
Treasury shares	15	(143,670)	(143,670)	(42,620)	(42,620)
Reserves		2,257,291	2,273,077	596,454	607,065
		2,300,309	2,316,095	740,522	751,133
Non-controlling interests		595,019	614,504	-	-
Total Equity		2,895,328	2,930,599	740,522	751,133
Non-current Liabilities					
Loans and borrowings	16	672,369	658,872	-	-
Trade and other payables		14,744	16,055	-	-
Lease liabilities		214	380	-	-
Amount due to a subsidiary		-	-	290,020	290,020
Deferred tax liabilities		195	271	-	-
		687,522	675,578	290,020	290,020
Current Liabilities					
Loans and borrowings	16	22,217	-	-	-
Trade and other payables		34,424	37,726	1,571	1,579
Lease liabilities		285	329	-	-
Contract liabilities		221	101	-	-
Amounts due to subsidiaries		-	-	95,990	87,441
Current tax liabilities		6,570	5,985	-	-
		63,717	44,141	97,561	89,020
Total Liabilities		751,239	719,719	387,581	379,040
Total Equity and Liabilities		3,646,567	3,650,318	1,128,103	1,130,173

Amount less than \$1,000.

**C. Condensed Interim Statements Of Changes In Equity
For The Six Months Ended 30 June 2025**

Group	Note	Attributable to Owners of the Company					Non-controlling Interests	Total Equity	
		Share Capital	Treasury Shares	Capital and Other Reserves	Translation Reserves	Retained Profit			
		\$'000	\$'000	\$'000	\$'000	\$'000			
At 1 January 2024		186,688	(143,670)	716	(17,323)	2,263,185	2,289,596	604,135	2,893,731
Total comprehensive income for the period									
Profit/(Loss) for the period		-	-	-	-	3,633	3,633	(885)	2,748
Other comprehensive income									
Exchange differences on translation of financial statements of foreign subsidiaries		-	-	(55)	5,336	-	5,281	7,659	12,940
Exchange differences on monetary items forming part of net investments in foreign subsidiaries		-	-	-	815	-	815	-	815
Total other comprehensive income, net of tax		-	-	(55)	6,151	-	6,096	7,659	13,755
Total comprehensive income for the period		-	-	(55)	6,151	3,633	9,729	6,774	16,503
Transactions with Owners, recorded directly in Equity									
Distributions to Owners									
Dividend paid	9	-	-	-	-	(6,417)	(6,417)	-	(6,417)
Total Transactions with Owners		-	-	-	-	(6,417)	(6,417)	-	(6,417)
At 30 June 2024		186,688	(143,670)	661	(11,172)	2,260,401	2,292,908	610,909	2,903,817
At 1 January 2025		186,688	(143,670)	2,254	(9,689)	2,280,512	2,316,095	614,504	2,930,599
Total comprehensive income for the period									
Profit/(Loss) for the period		-	-	-	-	5,424	5,424	(482)	4,942
Other comprehensive income									
Exchange differences on translation of financial statements of foreign subsidiaries		-	-	5	(12,831)	-	(12,826)	(19,094)	(31,920)
Exchange differences on monetary items forming part of net investments in foreign subsidiaries		-	-	-	(2,035)	-	(2,035)	-	(2,035)
Total other comprehensive income, net of tax		-	-	5	(14,866)	-	(14,861)	(19,094)	(33,955)
Total comprehensive income for the period		-	-	5	(14,866)	5,424	(9,437)	(19,576)	(29,013)
Transactions with Owners, recorded directly in Equity									
Distributions to Owners									
Issuance of bonds by a subsidiary		-	-	68	-	-	68	91	159
Dividend paid	9	-	-	-	-	(6,417)	(6,417)	-	(6,417)
Total Transactions with Owners		-	-	68	-	(6,417)	(6,349)	91	(6,258)
At 30 June 2025		186,688	(143,670)	2,327	(24,555)	2,279,519	2,300,309	595,019	2,895,328

Hong Fok Corporation Limited And Its Subsidiaries

Company	Note	Share Capital \$'000	Treasury Shares \$'000	Retained Profit \$'000	Total \$'000
At 1 January 2024		186,688	(42,620)	615,499	759,567
Profit and total comprehensive income for the period		-	-	229	229
Transactions with Owners, recorded directly in Equity					
<i>Distributions to Owners</i>					
Dividend paid	9	-	-	(8,193)	(8,193)
Total Transactions with Owners		-	-	(8,193)	(8,193)
At 30 June 2024		186,688	(42,620)	607,535	751,603
At 1 January 2025		186,688	(42,620)	607,065	751,133
Loss and total comprehensive income for the period		-	-	(2,418)	(2,418)
Transactions with Owners, recorded directly in Equity					
<i>Distributions to Owners</i>					
Dividend paid	9	-	-	(8,193)	(8,193)
Total Transactions with Owners		-	-	(8,193)	(8,193)
At 30 June 2025		186,688	(42,620)	596,454	740,522

**D. Condensed Interim Consolidated Statement Of Cash Flows
For The Six Months Ended 30 June 2025**

Group	Note	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000
Cash Flows from Operating Activities			
Profit before tax		6,041	3,112
Adjustments for:			
Depreciation of property, plant and equipment		264	236
Depreciation of right-of-use assets		167	161
Loss/(Gain) on disposal of property, plant and equipment		3	(2)
(Impairment loss written back)/Impairment loss on other assets		(5)	25
Changes in fair value of other investments at fair value through profit or loss		(1,170)	781
Impairment loss on trade receivables, net		#	8
Loss on redemption of Hong Kong dollar unsecured bonds		-	23
Unrealised currency translation loss/(gain), net		1,290	(508)
Finance income		(448)	(1,349)
Finance expense		14,511	19,396
		20,653	21,883
Changes in working capital:			
Development properties		2,774	1,478
Trade and other receivables		(917)	49
Trade and other payables		(3,305)	(7,920)
Contract liabilities		120	313
Cash generated from operations		19,325	15,803
Tax paid		(1,472)	(1,723)
Tax refunded		903	757
Net Cash from Operating Activities		18,756	14,837
Cash Flows from Investing Activities			
Capital expenditure on investment properties		(27,424)	(220)
Decrease in restricted cash		17	12
Proceeds from disposal of property, plant and equipment		3	2
Proceeds from disposal of other investments		2,012	6,939
Purchase of property, plant and equipment	11	(491)	(212)
Purchase of other investments		(9,591)	(5,171)
Interest received		466	703
Net Cash (used in)/from Investing Activities		(35,008)	2,053
Cash Flows from Financing Activities			
Decrease in pledged bank deposits		131	121
Interest paid		(13,448)	(15,310)
Dividend paid	9	(6,417)	(6,417)
Payment of lease liabilities		(157)	(167)
Repayments of loans and borrowings		(52,192)	(49,239)
Proceeds from loans and borrowings		90,039	71,356
Net Cash from Financing Activities		17,956	344
Net Increase in Cash and Cash Equivalents		1,704	17,234
Cash and cash equivalents at beginning of the period		33,506	63,481
Effect of exchange rate fluctuations on cash and cash equivalents held		(2,146)	1,766
Cash and Cash Equivalents at end of the period	14	33,064	82,481

Amount less than \$1,000.

E. Notes To The Condensed Interim Financial Statements

1 Domicile and Activities

Hong Fok Corporation Limited (the “Company”) is a company incorporated in Singapore. The Company’s registered office is at 300 Beach Road #41-00, The Concourse, Singapore 199555.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries consist of property investment, property development and construction, property management, investment trading and investment holding and management.

These condensed interim financial statements of the Group as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as the “Group entities”).

2 Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 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 annual financial statements for the year ended 31 December 2024.

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information is presented in Singapore dollars and has been rounded to the nearest thousand, unless otherwise stated.

In preparing these condensed interim financial statements, significant judgements made by the Group in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 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 accounting standards as set out in Note 2.1.

The Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the Group’s and the Company’s audited financial statements for the year ended 31 December 2024.

2.1 New and amended standards adopted by the Group

A number of new accounting standards and amendments to accounting standards have become applicable for the current reporting period. The Group will not have to change its accounting policies or make retrospective adjustments as a result of those standards.

3 Seasonal Operations

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

4 Segment Information

The Group has 3 reportable segments, as described below, which are the Group’s strategic business units. The strategic business units offer different services, and are managed separately because they require different operating and marketing strategies.

The following summary describes the operations in each of the Group’s reportable segments:

- *Property investment* – includes investments in investment properties
- *Property development and construction* – sale of residential units and development of properties
- *Property management* – provides maintenance and management services

Other operations include investment holding, investment trading and dormant companies. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2025 or 2024.

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

4.1 Information about reportable segments

Group	Property Investment \$'000	Property Development and Construction \$'000	Property Management \$'000	Other Operations \$'000	Total \$'000
1 January 2025 to 30 June 2025					
External revenue	38,021	7,161	1,255	472	46,909
Inter-segment revenue	293	-	731	1,822	2,846
Finance income	32	3	-	413	448
Finance expense	(13,699)	(560)	-	(252)	(14,511)
Reportable segment profit/(loss) before tax	6,374	2,164	(120)	(2,377)	6,041
Tax expense					(1,099)
Profit for the period					4,942
Other material non-cash items:					
- Depreciation	(167)	(33)	(8)	(223)	(431)
- Changes in fair value of other investments at fair value through profit or loss	-	-	-	1,170	1,170
- Impairment loss on trade receivables, net	(#)	-	-	-	(#)
- Impairment loss written back on other assets	5	-	-	-	5
Capital expenditure:					
- Investment properties	30,144	-	-	-	30,144
- Property, plant and equipment	384	7	2	98	491
Reportable segment assets/Total assets	3,500,904	95,141	1,159	49,363	3,646,567
Reportable segment liabilities	679,778	24,909	1,065	38,722	744,474
Deferred tax liabilities					195
Current tax liabilities					6,570
Total liabilities					751,239
1 January 2024 to 30 June 2024					
External revenue	38,072	4,463	1,526	514	44,575
Inter-segment revenue	303	-	657	1,767	2,727
Finance income	763	38	-	548	1,349
Finance expense	(18,084)	(961)	-	(351)	(19,396)
Reportable segment profit/(loss) before tax	4,174	489	152	(1,703)	3,112
Tax expense					(364)
Profit for the period					2,748
Other material non-cash items:					
- Depreciation	(150)	(26)	(6)	(215)	(397)
- Changes in fair value of other investments at fair value through profit or loss	-	-	-	(781)	(781)
- Impairment loss on trade receivables, net	(2)	(6)	-	-	(8)
- Impairment loss on other assets	(25)	-	-	-	(25)
Capital expenditure:					
- Investment properties	220	-	-	-	220
- Property, plant and equipment	65	45	#	102	212
Reportable segment assets	3,488,266	110,246	645	97,053	3,696,210
Current tax assets					4
Total assets					3,696,214
Reportable segment liabilities	700,665	35,514	949	48,441	785,569
Deferred tax liabilities					411
Current tax liabilities					6,417
Total liabilities					792,397

Amount less than \$1,000.

4.2 Disaggregation of revenue

Group	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000
Revenue		
Gross dividend income from investments	472	514
Rental income from		
- investment properties	33,516	33,848
- development properties	1,197	1,253
Hiring charges from		
- investment properties	93	131
- development properties	673	892
Maintenance fee from		
- investment properties	4,073	3,777
- development properties	96	108
Sale of completed development properties	5,195	2,210
Property management income		
- transferred at a point in time	625	959
- transferred over time	630	567
Car park income	339	316
	10,958	7,937
	46,909	44,575
Timing of Revenue Recognition		
Products and services transferred at a point in time	6,159	3,485
Products and services transferred over time	4,799	4,452
	10,958	7,937
Geographical Information		
Singapore	10,958	7,937
Hong Kong	-	-
	10,958	7,937

5 Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2025 and 31 December 2024.

Group	Carrying Amount				Fair Value			
	Mandatorily at FVTPL \$'000	Designated at FVTPL \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2025								
Financial Assets Measured at Fair Value								
Equity investments - designated at FVTPL	-	#	-	#	-	-	#	#
Equity investments - mandatorily at FVTPL	19,016	-	-	19,016	17,647	1,369	-	19,016
	19,016	#	-	19,016				
Financial Assets Not Measured at Fair Value								
Trade and other receivables @	-	-	2,248	2,248				
Pledged bank deposits	-	-	2,364	2,364				
Cash and cash equivalents	-	-	33,064	33,064				
	-	-	37,676	37,676				
Financial Liabilities Not Measured at Fair Value								
Loans and borrowings	-	-	(694,586)	(694,586)	-	(693,127)	-	(693,127)
Trade and other payables*	-	-	(29,472)	(29,472)				
	-	-	(724,058)	(724,058)				
31 December 2024								
Financial Assets Measured at Fair Value								
Equity investments - designated at FVTPL	-	#	-	#	-	-	#	#
Equity investments - mandatorily at FVTPL	11,554	-	-	11,554	10,170	1,384	-	11,554
	11,554	#	-	11,554				
Financial Assets Not Measured at Fair Value								
Trade and other receivables @	-	-	1,749	1,749				
Pledged bank deposits	-	-	2,550	2,550				
Cash and cash equivalents	-	-	33,523	33,523				
	-	-	37,822	37,822				
Financial Liabilities Not Measured at Fair Value								
Loans and borrowings	-	-	(658,872)	(658,872)	-	(658,173)	-	(658,173)
Trade and other payables*	-	-	(36,256)	(36,256)				
	-	-	(695,128)	(695,128)				

FVTPL - Fair value through profit or loss.

Amount less than \$1,000.

@ Exclude prepayments, Goods and Services Tax receivable and others.

* Exclude provision for other long-term employee benefits, Goods and Services Tax payables and other liabilities.

Company	Carrying Amount		Fair Value			
	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2025						
Financial Assets Not Measured at Fair Value						
Trade and other receivables @	-	-				
Amounts due from subsidiaries	273,409	273,409				
Cash and cash equivalents	1,338	1,338				
	<u>274,747</u>	<u>274,747</u>				
Financial Liabilities Not Measured at Fair Value						
Amounts due to subsidiaries	(386,010)	(386,010)				
Trade and other payables	(1,571)	(1,571)				
	<u>(387,581)</u>	<u>(387,581)</u>				
31 December 2024						
Financial Assets Not Measured at Fair Value						
Trade and other receivables @	8	8				
Amounts due from subsidiaries	275,607	275,607				
Cash and cash equivalents	1,241	1,241				
	<u>276,856</u>	<u>276,856</u>				
Financial Liabilities Not Measured at Fair Value						
Amounts due to subsidiaries	(377,461)	(377,461)				
Trade and other payables	(1,579)	(1,579)				
	<u>(379,040)</u>	<u>(379,040)</u>				

@ Exclude prepayments.

6 Related Party Transactions

There were no material related party transactions apart from those disclosed elsewhere in the financial statements.

7 Tax Expense

Group	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000
Current Tax Expense		
Current period	2,057	1,226
Adjustments in prior periods	(899)	(757)
	<u>1,158</u>	<u>469</u>
Deferred Tax Expense		
Current period	(59)	(105)
	<u>1,099</u>	<u>364</u>

8 Earnings Per Share

The calculation of basic and diluted earnings per share at 30 June 2025 was based on the consolidated profit attributable to ordinary shareholders for the period of approximately \$5,424,000 (2024: \$3,633,000); and the weighted average number of ordinary shares outstanding of 641,707,508 (2024: 641,707,508), which excludes treasury shares held by the Company and also ordinary shares held by an investee, calculated as follows:

Weighted average number of ordinary shares

Group	6 Months Ended 30.06.2025	6 Months Ended 30.06.2024
	No. of Shares	No. of Shares
Issued ordinary shares	870,612,140	870,612,140
Effect of ordinary shares held by an investee and treasury shares	(228,904,632)	(228,904,632)
Weighted average number of ordinary shares during the period	641,707,508	641,707,508

The weighted average number of ordinary shares detailed above is used for both the basic and diluted earnings per share as there are no dilutive potential ordinary shares.

9 Dividend

A first and final tax exempt (one-tier) dividend in respect of the previous financial year was paid by the Group and the Company as follows:

	Group		Company	
	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000	6 Months Ended 30.06.2025 \$'000	6 Months Ended 30.06.2024 \$'000
Ordinary dividend paid:				
First and final dividend of 1.0 cent (2024: first and final dividend of 1.0 cent) per ordinary share	6,417	6,417	8,193	8,193

10 Net Asset Value

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares held by the Company and ordinary shares held by an investee (cents)	358	361	90	92
Number of shares	641,707,508	641,707,508	819,297,140	819,297,140

11 Property, Plant and Equipment

During the six months ended 30 June 2025, the Group acquired assets of approximately \$491,000 (2024: \$212,000) and disposed of assets with net book values of approximately \$6,000 (2024: \$Nil).

12 Investment Properties

Group	30.06.2025 \$'000	31.12.2024 \$'000
At beginning of the period/year	3,497,522	3,466,696
Additions arising from subsequent expenditure recognised in carrying amount	30,144	498
Changes in fair value	-	11,841
Translation differences	(36,052)	18,487
At end of the period/year	3,491,614	3,497,522

Investment properties comprise freehold land and buildings that include a hotel property and commercial properties, and leasehold land and buildings that include commercial properties, residential properties and parking spaces.

The hotel property is managed by a third-party hotel operator for a period of approximately sixteen years since 2017 with option to renew.

The commercial and residential properties are mainly leased to external customers. Each of the leases contains an initial non-cancellable period of usually one to five years. Subsequent renewals are negotiated with the lessee.

Changes in fair value are recognised as gain or loss in profit or loss. All gain or loss are unrealised.

Security

As at 30 June 2025 and 31 December 2024, the Group's investment properties with carrying values of approximately \$3,428,824,000 and \$3,464,167,000 respectively are mortgaged for certain credit facilities granted to the Group (see Note 16).

Measurement of fair value

External valuation of the investment properties is conducted at least once a year. As at 31 December 2024, the carrying amounts of the investment properties were based on valuations performed by the external, independent valuers.

As at 30 June 2025, the Group did not engage independent valuers to determine the fair values of the investment properties. Based on Management's current assessment, the latest appraised values of investment properties are still appropriate at the reporting date of 30 June 2025 as there is no significant change to the market conditions.

13 Development Properties

During the six months ended 30 June 2025, completed development properties for sale of approximately \$2,774,000 (2024: \$1,478,000) were recognised as an expense and included in the 'Cost of sales of development properties'.

As at 30 June 2025 and 31 December 2024, the Group's development properties with carrying values of approximately \$93,337,000 and \$96,111,000 respectively are mortgaged for certain credit facilities granted to the Group (see Note 16).

14 Cash and Cash Equivalents

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	24,615	5,727	1,338	1,241
Deposits	10,813	30,346	-	-
Cash and cash equivalents	35,428	36,073	1,338	1,241
Less: Pledged bank deposits	(2,364)	(2,550)	-	-
	33,064	33,523	1,338	1,241
Less: Restricted cash	(#)	(17)	-	-
Cash and cash equivalents in the consolidated statement of cash flows	33,064	33,506	1,338	1,241

Amount less than \$1,000.

Pledged bank deposits represent bank balances of certain subsidiaries pledged as security for certain credit facilities granted to the Group (see Note 16).

15 Share Capital

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Issued and Fully Paid Ordinary Shares, with no Par Value, excluding Treasury Shares				
At beginning of the period/year and end of the period/year	641,707,508	641,707,508	819,297,140	819,297,140

The total treasury shares held by the Group and the Company are as follows:

	Group		Company	
	No. of Shares	\$'000	No. of Shares	\$'000
At 1 January 2024 and 30 June 2024	228,904,632	143,670	51,315,000	42,620
At 1 January 2025 and 30 June 2025	228,904,632	143,670	51,315,000	42,620

As at 30 June 2025, the Company held 51,315,000 (2024: 51,315,000) treasury shares which represent approximately 6.3% (2024: 6.3%) of the total number of issued shares (excluding treasury shares) of 819,297,140 (2024: 819,297,140).

The Company did not have any subsidiary holdings, outstanding options and convertibles as at 30 June 2025 and 30 June 2024.

16 Loans and Borrowings

	Group	
	30.06.2025	31.12.2024
	\$'000	\$'000
Non-current		
Singapore dollar secured bank loans	624,800	609,999
Hong Kong dollar secured bank loans	16,230	17,520
Hong Kong dollar unsecured bonds	45,606	48,530
Unamortised transaction costs	(3,488)	(4,712)
Unamortised imputed interest on unsecured bonds	(10,779)	(12,465)
	672,369	658,872
Current		
Singapore dollar secured bank loans	22,397	-
Unamortised transaction costs	(180)	-
	22,217	-
	694,586	658,872

The bank loans by the subsidiaries are generally secured by the Group's certain investment properties, development properties, pledged bank deposits and are guaranteed by the Company and/or its subsidiaries.

17 Subsequent Events

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

F. Other Information Required By Listing Rule Appendix 7.2

1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim statements of financial position of Hong Fok Corporation Limited and its subsidiaries as at 30 June 2025 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

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

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

The Group posted a revenue of approximately \$46.9 million for this period as compared to approximately \$44.6 million for the previous corresponding period. The net increase in revenue of approximately \$2.3 million was mainly due to higher revenue from the sale of its residential unit in Concourse Skyline. The commercial investment properties also generated higher revenue but this was offset by lower income from YOTEL Singapore Orchard Road ("YOTEL").

The Group's other income decreased due to the absence of gain on redemption of its debt investments in this period. However, this was cushioned by a one-off income from the completion of the sale of a remnant plot of land at University Road in Singapore.

The increase in depreciation expense arose from the additions of property, plant and equipment in this period.

The changes in fair value of other investments at fair value through profit or loss was mainly due to the net fair value gain in the valuation of its other investments as at 30 June 2025 as compared to the net fair value loss in the valuation as at 30 June 2024.

With the recognition of the higher sales revenue from its development properties, there was also an increase in the cost of sales of development properties for this period as compared to the previous corresponding period.

The increase in employee benefit expenses in this period was mainly due to the provision of other long-term employee benefits for certain Management under the ex-gratia payment plan for a period of time.

The increase in rental commission for this period as compared to the previous corresponding period was mainly due to more leases of its properties being introduced by real estate agents.

The net exchange loss for this period as compared to exchange gain for the previous corresponding period was mainly due to the strengthening of the Singapore dollar for its investments in securities and cash and cash equivalents denominated in Hong Kong dollars.

The decrease in finance income for this period was mainly due to the absence of the deferred day one gain on Hong Kong dollar unsecured bonds.

The decrease in finance expense for this period was mainly due to a decrease in the amount on amortisation of imputed interest on Hong Kong dollar unsecured bonds and lower interest rates on loans as compared to the previous corresponding period.

The increase in tax expense for this period was mainly due to higher taxable profit from companies in a tax-paying status as compared to the previous corresponding period.

Overall, the Group posted a profit of approximately \$4.9 million as compared to approximately \$2.7 million in the previous corresponding period.

Consequently, the Group's profit attributable to Owners of the Company was approximately \$5.4 million as compared to approximately \$3.6 million in the previous corresponding period.

The net decrease in investment properties was primarily attributable to the translation loss on properties in Hong Kong, which outweighed the increase arising from the purchase of five units in International Building during this period.

The increase in other investments was mainly due to the Group's net purchase of equity investments in this period and net fair value gain on valuation/exchange loss of its equity investments as at 30 June 2025.

The decrease in development properties was mainly due to the sale of the residential unit in Concourse Skyline.

The net decrease in trade and other receivables was mainly due to the monies paid in 2024 for the acquisition of the units in International Building being capitalised as investment properties upon completion of the purchase in February 2025.

The increase in the current loans and borrowings was due to its secured loan due in the second quarter of 2026 being reclassified from non-current liability as at 31 December 2024 to current liability as at 30 June 2025. The pledged bank deposit for this secured loan was also reclassified from non-current asset to current asset. The Group is confident that the tenor of the loan can be extended on or before its maturity date or the loan can be repaid by its maturity date.

The net increase in the non-current loans and borrowings was mainly for the purchase of the units in International Building and purchase of other investments.

The decrease in lease liabilities was mainly due to the monthly payments of lease commitments.

The increase in current tax liabilities was mainly due to the net effect in provision of tax and the instalment payments of tax for this period.

As at 30 June 2025, the Group's cash and cash equivalents stood at \$33.1 million. Net cash from operating activities arose mainly from rental income of its properties and collection from the sale of its development properties and was utilised to pay operating costs and expenses. Net cash used in investing activities arose mainly from the purchase of investment properties and other investments. Net cash from financing activities was mainly attributed to net proceeds from loans and borrowings and was utilised mainly for interest payment on loans and borrowings and dividend payment to shareholders.

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

Not applicable.

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

In the first half of 2025, the hotel industry faced certain economic and operational challenges. YOTEL will continue to navigate the market headwinds by adopting a volume-led strategy to achieve higher occupancy rates. Ongoing average room rate pressure from a stronger Singapore dollar can have an impact on the income from YOTEL. With an exciting line-up of events in Singapore in the next few months, the performance of YOTEL may improve. The Group will continue to discuss with its hotel operator to reinforce the need for disciplined cost control, creative marketing and strategic manpower planning.

The strong competition from new launches of residential properties can affect the pace of our sales of the residential units in Concourse Skyline. The Group is expected to recognise revenue from the sales of the units in the second half of 2025.

The commercial property market in Singapore seems to have stabilised. Companies are renewing their leases to avoid high relocation costs. The Group expects the rental income from its properties to remain stable and will continue to boost its marketing efforts.

5 Dividend

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

None.

(b)(i) Amount per share cents

Not applicable.

(ii) Previous corresponding period cents

Not applicable.

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

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

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

Not applicable.

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

No dividend has been declared/recommendeded for the six months ended 30 June 2025. It is the Company's practice to propose any final dividend for shareholders' approval at its annual general meeting.

- 7 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

- 8 Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Condensed Interim Financial Statements on the unaudited results of the Company and of the Group for the six months ended 30 June 2025 to be false or misleading in any material aspect.

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

The Company has procured the undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD

Lim Guek Hong
Koh Chay Tiang
Company Secretaries
14 August 2025