

KHONG GUAN LIMITED
(Company registration number: 196000096G)
AND ITS SUBSIDIARIES

CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 JULY 2026

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A CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	GROUP				Increase/ (Decrease) %
		6 months ended		12 months ended		
		31 July 2026	31 July 2025	31 July 2026	31 July 2025	
		\$'000	\$'000	\$'000	\$'000	
Revenue		34,363	34,662	72,635	73,378	(1)
Dividend income	*	45	43	124	58	114
Other net changes in fair value on financial assets at fair value through profit or loss	11	(804)	4	(526)	(78)	574
Other income	5.2	539	902	1,124	1,534	(27)
Changes in inventories		1,296	221	(341)	(18)	NM
Purchases of inventories		(32,091)	(31,548)	(65,178)	(66,345)	(2)
Employee benefits expense		(2,201)	(2,135)	(4,363)	(4,179)	4
Depreciation and amortisation expenses						
- Property, plant and equipment		(237)	(248)	(468)	(511)	(8)
- Right-of-use assets		(80)	(84)	(156)	(169)	(8)
- Investment property		(74)	(74)	(147)	(148)	(1)
Share of results of associates, net of tax		(558)	(531)	(335)	(7)	NM
Finance costs	5.1	(16)	(4)	(24)	(8)	200
Other expenses	*	(1,547)	(1,983)	(2,942)	(3,355)	(12)
(Loss)/Profit before tax		(1,365)	(775)	(597)	152	
Income tax expense	6	(175)	(181)	(380)	(436)	
Loss for the financial period		(1,540)	(956)	(977)	(284)	
(Loss)/Profit for the financial period attributable to :						
Equity holders of the Company		(1,611)	(959)	(1,125)	(395)	
Non-controlling interests		71	3	148	111	
		(1,540)	(956)	(977)	(284)	
Loss per share attributable to equity holders of the Company [in cents]						
Basic and diluted		(6.24)	(3.72)	(4.36)	(1.53)	
NM - Not meaningful						

* refer to Other information required by Listing Rule Appendix 7.2 item 11

A CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – cont'd

	GROUP				
	6 months ended		12 months ended		
	31 July	31 July	31 July	31 July	Increase/ (Decrease)
	2026	2025	2026	2025	%
	\$'000	\$'000	\$'000	\$'000	
Loss for the financial period	(1,540)	(956)	(977)	(284)	
Other comprehensive income/(loss):					
Items that will not be reclassified to profit or loss:					
Fair value loss on equity investments at fair value through other comprehensive income	(72)	(12)	(72)	(12)	500
Share of associate's capital reserve on financial assets at fair value through other comprehensive income	18	(76)	18	(76)	(124)
	(54)	(88)	(54)	(88)	
Items that may be reclassified subsequently to profit or loss:					
Translation differences relating to financial statements of foreign operations	(982)	(116)	1,259	1,689	(25)
	(982)	(116)	1,259	1,689	
Other comprehensive income/(loss), net of tax	(1,036)	(204)	1,205	1,601	
Total comprehensive income/(loss) for the financial period	(2,576)	(1,160)	228	1,317	
Total comprehensive income/(loss) attributable to:					
Equity holders of the Company	(2,575)	(1,154)	2	1,095	
Non-controlling interests	(1)	(6)	226	222	
	(2,576)	(1,160)	228	1,317	

B CONDENSED STATEMENTS OF FINANCIAL POSITION

		GROUP			COMPANY	
		31 July 2026 \$'000	31 July 2025 \$'000	Increase/ (Decrease) %	31 July 2026 \$'000	31 July 2025 \$'000
	Note					
ASSETS						
Non-current assets						
Property, plant and equipment		5,732	6,028	(5)	2,772	3,007
Right-of-use assets	*	2,227	1,856	20	-	-
Investment property	9	10,094	10,241	(1)	10,094	10,241
Investments in subsidiaries		-	-	-	18,287	18,287
Investments in associates	10	19,882	20,594	(3)	-	2,400
Financial assets at fair value through other comprehensive income		178	242	(26)	-	-
Total non-current assets		38,113	38,961		31,153	33,935
Current assets						
Inventories		8,959	9,007	(1)	-	-
Short-term investments	11	1,729	1,595	8	100	-
Trade receivables	12	13,742	12,777	8	490	335
Other receivables	*	250	369	(32)	95	161
Tax recoverable		580	534	9	-	-
Amounts owing by a subsidiary		-	-	-	-	133
Fixed deposits		2,506	2,136	17	2,506	2,136
Cash and bank balances		1,652	2,453	(33)	465	686
Total current assets		29,418	28,871		3,656	3,451
Total assets		67,531	67,832		34,809	37,386
EQUITY AND LIABILITIES						
Equity						
Share capital	13	33,279	33,279		33,279	33,279
Capital reserve		129	176		-	-
Foreign currency translation reserve		(502)	(1,676)		-	-
Retained profits		21,400	22,783		(54)	2,614
Equity attributable to owners of the Company		54,306	54,562		33,225	35,893
Non-controlling interest		2,735	2,638		-	-
Total equity		57,041	57,200		33,225	35,893

B CONDENSED STATEMENTS OF FINANCIAL POSITION – *cont'd*

	Note	GROUP		Increase/ (Decrease) %	COMPANY	
		31 July 2026 \$'000	31 July 2025 \$'000		31 July 2026 \$'000	31 July 2025 \$'000
Non-current liabilities						
Lease liabilities		96	48	100	-	-
Provision for retirement benefits		311	269	16	311	269
Deferred tax liabilities		80	84	(5)	-	-
Total non-current liabilities		<u>487</u>	<u>401</u>		<u>311</u>	<u>269</u>
Current liabilities						
Trade payables		7,836	8,292	(5)	381	340
Other liabilities	*	2,073	1,858	12	411	373
Amounts owing to subsidiaries		-	-	-	481	511
Lease liabilities		94	81	16	-	-
Total current liabilities		<u>10,003</u>	<u>10,231</u>		<u>1,273</u>	<u>1,224</u>
Total liabilities		<u>10,490</u>	<u>10,632</u>		<u>1,584</u>	<u>1,493</u>
Total equity and liabilities		<u>67,531</u>	<u>67,832</u>		<u>34,809</u>	<u>37,386</u>

* refer to Other information required by Listing Rule Appendix 7.2 item 11

C CONDENSED STATEMENTS OF CHANGES IN EQUITY

GROUP	Share capital \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000	Retained profits \$'000	Total attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 August 2024	33,279	263	(3,253)	23,178	53,467	2,491	55,958
Profit/(Loss) for the financial year	-	-	-	(395)	(395)	111	(284)
Other comprehensive income/(loss) for the financial year	-	(87)	1,577	-	1,490	111	1,601
Total comprehensive income/(loss) for the financial year	-	(87)	1,577	(395)	1,095	222	1,317
Dividends paid by							
- Company	-	-	-	-	-	-	-
- Subsidiaries to non-controlling interests	-	-	-	-	-	(75)	(75)
At 31 July 2025	33,279	176	(1,676)	22,783	54,562	2,638	57,200
Profit/(Loss) for the financial year	-	-	-	(1,125)	(1,125)	148	(977)
Other comprehensive income/(loss) for the financial year	-	(47)	1,174	-	1,127	78	1,205
Total comprehensive income/(loss) for the financial year	-	(47)	1,174	(1,125)	2	226	228
Dividends paid by							
- Company	-	-	-	(258)	(258)	-	(258)
- Subsidiaries to non-controlling interests	-	-	-	-	-	(129)	(129)
At 31 July 2026	33,279	129	(502)	21,400	54,306	2,735	57,041

C CONDENSED STATEMENTS OF CHANGES IN EQUITY – cont'd

COMPANY		Share capital \$'000	Retained profit \$'000	Total equity \$'000
	Note			
At 1 August 2024		33,279	2,786	36,065
Loss for the financial year		-	(172)	(172)
Other comprehensive loss for the financial year		-	-	-
Total comprehensive loss for the financial year		-	(172)	(172)
Dividend paid	7	-	-	-
At 31 July 2025		33,279	2,614	35,893
Loss for the financial year		-	(2,410)	(2,410)
Other comprehensive loss for the financial year		-	-	-
Total comprehensive loss for the financial year		-	(2,410)	(2,410)
Dividend paid	7	-	(258)	(258)
At 31 July 2026		33,279	(54)	33,225

D CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	12 months ended	
	31 July	31 July
	2026	2025
	\$'000	\$'000
Cash flows from operating activities		
(Loss)/Profit before tax	(597)	152
Adjustments for:		
Property, plant and equipment written off	4	-
Share of results of associates, net of tax	335	7
Gain on deemed disposal of an associate	-	(146)
Inventories written off	135	61
Interest income	(46)	(92)
Reversal of allowance on impairment of trade receivables	(14)	(200)
Allowance on impairment of trade receivables	28	547
Allowance on impairment of other receivables - non trade	68	-
Depreciation and amortisation expenses	771	828
Fair value loss on short-term investments	532	78
Provision for retirement benefits	42	20
Gain on disposal of property, plant and equipment	(24)	(84)
Interest expense	24	8
	1,855	1,027
Operating profit before working capital changes	1,258	1,179
Changes in working capital:		
Short-term investments	26	(70)
Inventories	206	(43)
Trade and other receivables	(523)	(623)
Trade payables	(718)	232
Other liabilities	168	350
	(841)	(154)
Cash flows generated from operations	417	1,025
Income tax paid	(416)	(548)
Interest paid	(16)	-
Interest received	46	69
	(386)	(479)
Net cash flows generated from operating activities	31	546

D CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – *cont'd*

	GROUP	
	12 months ended	
	31 July	31 July
	2026	2025
	\$'000	\$'000
Cash flows from investing activities		
Purchases of property, plant and equipment	(97)	(356)
Purchases of right-of-use assets	(335)	-
Proceeds from disposal of property, plant and equipment	68	92
Net additional investment in an associate @	-	(150)
Dividend received from an associate	340	327
Net cash flows used in investing activities	(24)	(87)
Cash flows from financing activities		
Dividend paid by the Company	(258)	-
Dividends paid by subsidiaries to non-controlling interests	(129)	(75)
Proceeds from bank borrowing	1,774	-
Repayment of bank borrowing	(1,774)	-
Repayment of lease liabilities	(101)	(91)
Lease liabilities interest paid	(8)	(8)
Net cash flows used in financing activities	(496)	(174)
Net (decrease)/increase in cash and cash equivalents	(489)	285
Cash and cash equivalents at beginning of the financial year	4,589	4,248
Effects of currency translations on cash and cash equivalents	58	56
Cash and cash equivalents at end of the financial year	4,158	4,589
 Note @		
Additional investment in an associate	-	(900)
Conversion of loan to associate	-	750
Net additional investment in an associate	-	(150)

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

The condensed financial statements for the six months ended 31 July 2026 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed 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 31 January 2026.

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 1.1.

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

1.1 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

A number of amendments to Standards 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.

1.2 USE OF JUDGEMENTS AND ESTIMATES

In preparing the condensed financial statements, the 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 financial year ended 31 July 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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include the following:

Note 12 - Allowance on impairment of trade receivables

2 SEASONAL OPERATIONS

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

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

3 SEGMENT AND REVENUE INFORMATION

The Group is organised into the following business segments:

- a) Segment 1: Trading of wheat flour and consumer goods in Singapore and Malaysia: and
- b) Segment 2: Trading and holding of quoted and unquoted shares in Singapore and Malaysia.

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

3.1 Reportable segments

	Segment 1 \$'000	GROUP Segment 2 \$'000	Consolidated \$'000
1 August 2025 to 31 July 2026			
Total segment revenue	72,635	-	72,635
Inter-segment revenue	-	-	-
Revenue from external parties	72,635	-	72,635
Dividend income	-	124	124
Interest income	46	-	46
Miscellaneous income	1,076	2	1,078
Total other income	1,122	126	1,248
Total revenue and other income	73,757	126	73,883
Results			
Profit/(loss) before interest, taxation and depreciation and amortisation	917	(430)	487
Depreciation and amortisation	(771)	-	(771)
Operating profit/(loss)	146	(430)	(284)
Interest expense			(24)
Interest income			46
Share of results of associates, net of tax			(335)
Taxation			(380)
Loss after tax			(977)

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – cont'd

3 SEGMENT AND REVENUE INFORMATION – cont'd

3.1 Reportable segments – cont'd

	Segment 1 \$'000	GROUP Segment 2 \$'000	Consolidated \$'000
1 August 2025 to 31 July 2026 – cont'd			
Assets and Liabilities			
Segments assets	45,017	2,010	47,027
Associates			19,882
Unallocated assets			622
			67,531
Segments liabilities	10,271	27	10,298
Unallocated liabilities			192
			10,490
Other segments information			
Expenditure for non-current assets	456	-	456
Other non-cash items:			
Allowance on impairment of trade receivables	28	-	28
Reversal of allowance on impairment of trade receivables	(14)	-	(14)
Allowance on impairment of other receivables	68	-	68
Inventories written off	135	-	135
Foreign exchange gain	(26)	-	(26)
1 August 2024 to 31 July 2025			
Total segment revenue	73,419	-	73,419
Inter-segment revenue	(41)	-	(41)
Revenue from external parties	73,378	-	73,378
Dividend income	-	58	58
Interest income	92	-	92
Miscellaneous income	1,292	150	1,442
Total other income	1,384	208	1,592
Total revenue and other income	74,762	208	74,970

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

3 SEGMENT AND REVENUE INFORMATION – *cont'd*

3.1 Reportable segments – *cont'd*

	Segment 1	GROUP Segment 2	Consolidated
	\$'000	\$'000	\$'000
1 August 2024 to 31 July 2025 – <i>cont'd</i>			
Results			
Profit before interest, taxation and depreciation and amortisation	874	29	903
Depreciation and amortisation	(828)	-	(828)
Operating profit	46	29	75
Interest expense			(8)
Interest income			92
Share of results of associates, net of tax			(7)
Taxation			(436)
Loss after tax			(284)
Assets and Liabilities			
Segments assets	44,579	1,960	46,539
Associates			20,594
Unallocated assets			699
			67,832
Segments liabilities	10,422	26	10,448
Unallocated liabilities			184
			10,632
Other segments information			
Expenditure for non-current assets	356	-	356
Other non-cash items:			
Allowance on impairment of trade receivables	547	-	547
Reversal of allowance on impairment of trade receivables	(200)	-	(200)
Gain on deemed disposal of an associate	-	146	146
Inventories written off	61	-	61
Foreign exchange gain	(65)	-	(65)

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

3 SEGMENT AND REVENUE INFORMATION – *cont'd*

3.2 Disaggregation of Revenue

	GROUP		
	6 months ended 31 July 2026		
	Segment 1	Segment 2	Consolidated
	\$'000	\$'000	\$'000
Types of goods:			
Sales of goods	34,363	-	34,363
Timing of revenue recognition:			
At a point in time	34,363	-	34,363
Geographical information:			
Singapore	884	-	884
Malaysia	33,479		33,479
	34,363	-	34,363

	GROUP		
	6 months ended 31 July 2025		
	Segment 1	Segment 2	Consolidated
	\$'000	\$'000	\$'000
Types of goods:			
Sales of goods	34,662	-	34,662
Timing of revenue recognition:			
At a point in time	34,662	-	34,662
Geographical information:			
Singapore	590	-	590
Malaysia	34,072		34,072
	34,662	-	34,662

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – cont'd

3 SEGMENT AND REVENUE INFORMATION – cont'd

3.2 Disaggregation of Revenue – cont'd

	GROUP		
	12 months ended 31 July 2026		
	Segment 1	Segment 2	Consolidated
	\$'000	\$'000	\$'000
Types of goods:			
Sales of goods	72,635	-	72,635
Timing of revenue recognition:			
At a point in time	72,635	-	72,635
Geographical information:			
Singapore	1,668	-	1,668
Malaysia	70,967	-	70,967
	72,635	-	72,635

	GROUP		
	12 months ended 31 July 2025		
	Segment 1	Segment 2	Consolidated
	\$'000	\$'000	\$'000
Types of goods:			
Sales of goods	73,378	-	73,378
Timing of revenue recognition:			
At a point in time	73,378	-	73,378
Geographical information:			
Singapore	1,480	-	1,480
Malaysia	71,898	-	71,898
	73,378	-	73,378

A breakdown of sales:

	GROUP		
	12 months ended		
	31 July	31 July	Increase/
	2026	2025	(Decrease)
	\$'000	\$'000	%
Sales reported for the first half year	38,272	38,716	(1)
Operating profit after tax before deducting non-controlling interests reported for the first half year	563	672	(16)
Sales reported for the second half year	34,363	34,662	(1)
Operating loss after tax before deducting non-controlling interests reported for the second half year	(1,540)	(956)	61

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

4 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the financial assets and liabilities of the Group as at 31 July 2026 and 31 July 2025:

	GROUP		COMPANY	
	31 July 2026 \$'000	31 July 2025 \$'000	31 July 2026 \$'000	31 July 2025 \$'000
Financial Assets				
Financial assets at fair value through profit or loss ("FVPL")				
Short-term investments	1,729	1,595	100	-
Financial assets at fair value through other comprehensive income ("FVOCI")	178	242	-	-
Financial assets at amortised cost				
Trade receivables	13,742	12,777	490	335
Other receivables	104	156	10	73
Amounts owing by a subsidiary	-	-	-	133
Fixed deposits	2,506	2,136	2,506	2,136
Cash and bank balances	1,652	2,453	465	686
	<u>18,004</u>	<u>17,522</u>	<u>3,471</u>	<u>3,363</u>
	<u>19,911</u>	<u>19,359</u>	<u>3,571</u>	<u>3,363</u>
Financial Liabilities				
Trade payables	7,836	8,292	381	340
Other liabilities	2,073	1,858	411	373
Amounts owing to subsidiaries	-	-	481	511
Lease liabilities	190	129	-	-
	<u>10,099</u>	<u>10,279</u>	<u>1,273</u>	<u>1,224</u>

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

5 (LOSS)/PROFIT BEFORE TAX

5.1 Significant items

	GROUP			
	6 months ended		12 months ended	
	31 July 2026 \$'000	31 July 2025 \$'000	31 July 2026 \$'000	31 July 2025 \$'000
Expenses				
Interest on leases	4	4	8	8
Interest on bank borrowings	12	-	16	-
Depreciation and amortisation	391	406	771	828
Allowance on impairment of trade receivables	22	521	28	547
Allowance on impairment of other receivables	68	-	68	-
Inventory written off and obsolete inventories	63	61	135	61
Foreign exchange loss	-	-	-	-

5.2 Other income

Rental income	319	314	632	611
Government grants	4	4	4	9
Interest income	23	41	46	92
Reversal of allowance on impairment of trade receivables	14	200	14	200
Gain on disposal of property, plant and equipment	7	69	24	84
Gain on deemed disposal of an associate	-	146	-	146
Foreign exchange gain	(36)	11	26	65
Others	208	117	378	327
	<u>539</u>	<u>902</u>	<u>1,124</u>	<u>1,534</u>

5.3 Related party transactions

In addition to the related party information disclosed elsewhere in the condensed financial statements, the following transactions with related parties took place at term agreed between the parties during the financial year:

	GROUP		COMPANY	
	12 months ended		12 months ended	
	31 July 2026 \$'000	31 July 2025 \$'000	31 July 2026 \$'000	31 July 2025 \$'000
Purchases from				
- Associate	11,474	11,735	1,369	1,211
- Related parties	6,780	7,474	72	26
- Subsidiary	-	-	-	41
Dividend received from subsidiaries	-	-	1,160	846

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – cont'd

6 INCOME TAX EXPENSE

	GROUP			
	6 months ended		12 months ended	
	31 July	31 July	31 July	31 July
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current tax expense				
Current financial year	198	144	403	399
Prior year's taxation	(15)	7	(15)	7
	<u>183</u>	<u>151</u>	<u>388</u>	<u>406</u>
Deferred tax expense				
Origination and reversal of temporary differences	(8)	30	(8)	30
	<u>175</u>	<u>181</u>	<u>380</u>	<u>436</u>

7 DIVIDEND

	GROUP AND COMPANY	
	12 months ended	
	31 July	31 July
	2026	2025
	\$'000	\$'000
Ordinary dividend paid:		
Final tax exempt one-tier dividend of \$0.01 per ordinary share		
(2025: Final tax exempt one-tier dividend of \$nil per ordinary share)	<u>258</u>	<u>-</u>

8 NET ASSET VALUE

	GROUP		COMPANY	
	31 July	31 July	31 July	31 July
	2026	2025	2026	2025
	\$	\$	\$	\$
Net asset value per ordinary share	<u>2.10</u>	<u>2.11</u>	<u>1.29</u>	<u>1.39</u>

9 INVESTMENT PROPERTY

The Group's and the Company's investment property is held for long-term rental yields and/or capital appreciation. Investment property is leased to third parties under operating leases.

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – cont'd

9 INVESTMENT PROPERTY – cont'd

	GROUP AND COMPANY	
	31 July 2026 \$'000	31 July 2025 \$'000
Cost		
Balance at beginning and end of financial year	11,249	11,249
Accumulated Depreciation		
Balance at beginning of financial year	1,008	860
Charge for the financial year	147	148
Balance at end of financial year	<u>1,155</u>	<u>1,008</u>
Carrying Amount		
As at 31 July	<u>10,094</u>	<u>10,241</u>
Fair Value		
As at 31 July	<u>25,000</u>	<u>23,300</u>

9.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the investment property when necessary.

The investment property and the portion of the building held by the Group for administrative purpose were appraised on 31 July 2026 by an independent valuer, Cushman & Wakefield at a fair value of \$25,000,000, Level 3 fair value hierarchy.

In accordance with the valuation report dated 31 July 2026, the valuation methodology used in determining the fair value of the investment property is the Direct Comparison Approach. Under this approach, the fair value is determined by reference to transacted prices of comparable properties, with appropriate adjustments made for differences in the relevant property characteristics and prevailing market conditions.

10 INVESTMENTS IN ASSOCIATES

	GROUP	
	31 July 2026 \$'000	31 July 2025 \$'000
Unquoted equity investment, at cost	14,435	14,435
Share of post-acquisition reserves	12,735	13,410
Share of capital reserve	(25)	(43)
Foreign currency translation reserve	(6,571)	(7,208)
Reclassification to short-term investments	(692)	-
	<u>19,882</u>	<u>20,594</u>

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

10 INVESTMENTS IN ASSOCIATES – *cont'd*

Movements for share of post-acquisition reserves:

	GROUP	
	31 July 2026 \$'000	31 July 2025 \$'000
Balance at beginning of financial year	13,410	13,598
Share of results	(335)	(7)
Gain on deemed disposal	-	146
Dividend received	(340)	(327)
Balance at end of financial year	<u>12,735</u>	<u>13,410</u>

Details of the associates as at 31 July 2026 and 31 July 2025 are as follows:

Name of company	Principal activities	Place of incorporation/ business	Percentage of equity held	
			31 July 2026 %	31 July 2025 %
<u>Held by the Company</u>				
SGProtein Pte. Ltd. ("SGP")	Manufacturing of plant-based protein products and research and experimental development on food science.	Singapore	19.96*	21.03
<u>Held by Tau Meng Investments Pte Ltd</u>				
United Malayan Flour (1996) Sdn. Bhd.	Milling and trading of wheat flour and related products	Malaysia	30.00	30.00

* Reclassified to financial assets at FVPL during the financial year.

During the financial year ended 31 July 2026, the Group's interest in SGP was diluted from 21.03% to 19.96%, following an increase in SGP's share capital arising from share conversion from share option scheme participation and issuance of new shares to a new investor. Together with the changes in SGP's board representation, the Group determined that it no longer had significant influence over SGP and ceased to apply equity accounting as an associated company.

Accordingly, the Group reclassified the \$692,000 carrying amount of SGP from investments in associates to financial asset at fair value through profit or loss.

At Company level, prior to the reclassification, a loss on deemed disposal of \$1,708,000 was recognised on the investment in SGP, reducing the carrying amount from \$2,400,000 to \$692,000. The remaining carrying amount was then reclassified as a financial asset at fair value through profit or loss.

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

10 INVESTMENTS IN ASSOCIATES – *cont'd*

Subsequent event

On 28 August 2026, the Company reached an agreement in-principle with Mr. Michael Chew, an Executive Director of the Company, in relation to the proposed disposal of the Company's 804,013 shares in SGP, representing approximately 19.96% of SGP. Under the proposed arrangement, Mr. Michael Chew or such other purchaser acceptable to the Company, would acquire the shares for a consideration of not less than \$100,000.

Separately, Mr. Michael Chew or such other purchaser would reimburse the Company for any amount funded under its \$149,000 shareholder loan commitment and acquire the corresponding rights under the shareholder loan. The proposed disposal is subject to definitive documentation, the applicable transfer requirements under SGP's shareholders' agreement and the necessary regulatory and/or shareholders' approvals, where applicable. The proposed disposal had not been completed as at the date of this announcement.

11 SHORT-TERM INVESTMENTS

	GROUP	
	31 July 2026 \$'000	31 July 2025 \$'000
Quoted investments		
Balance at beginning of financial year	1,595	1,603
Purchases	27	70
Disposal	(53)	-
Unrealised gain/(loss) in fair value	60	(78)
Balance at end of financial year	<u>1,629</u>	<u>1,595</u>
Unquoted investments		
Balance at beginning of financial year	-	-
Reclassified from investments in associates	692	-
Unrealised loss in fair value	(592)	-
Balance at end of financial year	<u>100</u>	<u>-</u>
Total investments	<u>1,729</u>	<u>1,595</u>
Other net changes in fair value on financial assets at FVPL:		
Fair value loss on unquoted investments, unrealised	(592)	-
Fair value gain/(loss) on short-term investments, unrealised	60	(78)
	<u>(532)</u>	<u>(78)</u>
Gain on sale of short-term investments, realised	6	-
	<u>(526)</u>	<u>(78)</u>

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

12 TRADE RECEIVABLES

	GROUP		COMPANY	
	31 July 2026 \$'000	31 July 2025 \$'000	31 July 2026 \$'000	31 July 2025 \$'000
Trade receivables:				
- Third parties	13,933	13,333	490	335
- Related parties	<u>97</u>	<u>172</u>	<u>-</u>	<u>-</u>
	14,030	13,505	490	335
Less:				
Allowance on impairment of trade receivables	<u>(288)</u>	<u>(728)</u>	<u>-</u>	<u>-</u>
	<u>13,742</u>	<u>12,777</u>	<u>490</u>	<u>335</u>

	GROUP	
	31 July 2026 \$'000	31 July 2025 \$'000
Movement in allowance accounts:		
Balance at beginning of the financial year	(728)	(393)
Allowance made	(28)	(547)
Allowance written back	14	200
Bad debts written off	481	31
Currency translation difference	<u>(27)</u>	<u>(19)</u>
Balance at end of the financial year	<u>(288)</u>	<u>(728)</u>

13 SHARE CAPITAL

	GROUP AND COMPANY	
	31 July 2026 \$'000	31 July 2025 \$'000
Issued and fully paid 25,812,520 (2025: 25,812,520) ordinary shares	<u>33,279</u>	<u>33,279</u>

The Company did not hold any treasury shares as at 31 July 2026.

The Company's subsidiaries do not hold any shares in the Company as at 31 July 2026 and 31 July 2025.

E NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – *cont'd*

14 BORROWINGS

	GROUP	
	31 July 2026 \$'000	31 July 2025 \$'000
Amount repayable within one year or on demand		
Secured	-	-
Unsecured	-	-
Amount repayable after one year		
Secured	-	-
Unsecured	-	-

The bank overdrafts facilities and other credit facilities are secured by way of fixed charges on a subsidiary company's landed properties and are also guaranteed by the Company.

**OTHER INFORMATION REQUIRED BY LISTING RULE
APPENDIX 7.2**

OTHER INFORMATION

1 Review

The condensed consolidated statement of financial position of Khong Guan Limited and its subsidiaries as at 31 July 2026 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

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.

	12 months ended		
	31 July 2026 \$'000	31 July 2025 \$'000	Increase/ (Decrease) \$'000
Revenue			
Tong Guan Food Products Sdn. Bhd. ("TGF")	44,849	43,812	1,037
Swee Hin Chan Company Sdn. Berhad. ("SHC")	26,118	28,086	(1,968)
Others	1,668	1,480	188
	<u>72,635</u>	<u>73,378</u>	<u>(743)</u>

For the financial year ended 31 July 2026, the Group recorded revenue of \$72.6 million, a decrease of 1.0% from \$73.4 million in the previous year.

TGF's revenue decreased by 1.6% to RM141.8 million mainly due to softer market conditions and lower sales of biscuits and cooking oil products. The decrease was partially offset by stronger sales from other edible and non-edible goods. Notwithstanding this, due to the fluctuations in the exchange rates, TGF recorded higher revenue in Singapore Dollar terms of \$44.8 million in FY2026, an increase of \$1.0 million from FY2025. TGF recorded a profit after tax of RM1.9 million (\$0.6 million) for the financial year.

SHC's revenue decreased by 10.8% to RM82.6 million, mainly due to lower sales of starch products arising from lower selling prices and sales volume. SHC recorded revenue in Singapore Dollar terms of \$26.1 million in FY2026, a decrease of \$2.0 million from FY2025. Despite the lower revenue, gross profit improved due to better margins from its edible goods categories. Together with lower operating expenses and higher other income, SHC recorded a profit after tax of RM1.7 million (\$0.6 million), compared with a loss of RM0.3 million (\$0.1 million) in the previous year.

The Group's share of results of associates, net of tax, recorded a loss of \$0.3 million, compared with a loss of \$7,000 in the previous year. The higher loss was attributable to the United Malayan Flour (1996) Sdn. Bhd.'s lower performance and share of losses from its joint venture, which commenced commercial operations in January 2026.

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

The Group remains cautious about the prospects for the next 12 months amid global trade uncertainties and inflationary pressures arising from elevated grain prices, shipment disruptions, higher energy costs and ongoing geopolitical uncertainties. These factors may affect the Group's trading and milling operations. The Group will continue to closely monitor developments in the markets in which it operates and takes appropriate measures to respond to market changes.

The Group intends to dispose of its shares held in SGProtein Pte. Ltd. (Refer to Note 10 for further details).

5 Dividend Information

5a Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No. This decision was made due to the Company not generating profit for this year. The Board deems it prudent to conserve cash to strengthen the Company's financial position and support future growth initiatives,

Name of Dividend	Final
Dividend type	NA
Dividend per share	
Tax rate	

5b Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Final
Dividend type	Cash
Dividend per share	1 cent
Tax rate	Tax exempt

5c Date Payable

Not Applicable

5d Record Date

Not Applicable

6 Interested person transactions

Aggregate value of Interest Person Transactions entered into for the year ended 31 July 2026.

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$
Purchases by Khong Guan Limited Group from:			
Chung Ying Confectionery & Food Products Sdn Bhd	Associates of Chew Family*	--	2,274,000
Khong Guan Biscuit Factory (Borneo) Sdn Bhd	Associates of Chew Family*	--	4,152,000
United Malayan Flour (1996) Sdn. Bhd. ('UMF')	Associates of Chew Family*	--	15,947,000
Sales by UMF Group (Associates) to:			
Khian Guan Biscuit Manufacturing Co Sdn Bhd	Associates of Chew Family*	--	627,000
Sunshine Traders Sdn Bhd	Associates of Chew Family*	--	667,000
Corporate Guarantee to third parties on behalf of :			
Tong Guan Food Products Sdn Bhd	Subsidiary of Khong Guan Limited	1,528,000 (RM4,870,000)	--

* As defined in the Shareholders' mandate for Interested Person Transactions

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

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in appendix 7.7 under rule 720(1) of the Listing Manual.

8 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 2.

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

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
Chew Soo Lin	78	Cousin of Mr Chew Kah Chuan and Mr Chew Kah Soon Uncle of Mr Chew Kian Boon Daniel and Mr Chew Kian Hong Michael Director of Cepheus Corporation Pte Ltd, Khong Guan Development Pte Ltd and Khong Guan Group Pte Ltd, which are substantial shareholders	Chairman of the Board (Since 23.08.2007) Leadership and managing the business of the Board, including strategic matters of the Group.	Nil
Chew Kian Boon Daniel	51	Nephew of Mr Chew Soo Lin, Mr Chew Kah Chuan and Mr Chew Kah Soon Brother of Mr Chew Kian Hong Michael Director of Khong Guan Development Pte Ltd, which is a substantial shareholder	Executive Director (Since 25.02.2016) Oversees the Company's daily office operations and is responsible for the procurement of key raw materials for the Group's associate company, United Malayan Flour (1996) Sdn Bhd.	Nil
Chew Kian Hong Michael	46	Nephew of Mr Chew Soo Lin, Mr Chew Kah Chuan and Mr Chew Kah Soon Brother of Mr Chew Kian Boon Daniel Director of Kah Hong Pte Ltd and Khong Guan Group Pte Ltd, which is a substantial shareholder	Managing Director of a subsidiary company, Tong Guan Food Products Sdn Bhd. (Since 01.08.2024) Managing Director of associate companies of United Malayan Flour (1996) Sdn. Bhd (Since 22.10.2024) Responsible for setting overall corporate strategy, planning and business development for the subsidiary company, Tong Guan Food Products Sdn Bhd and the Group's associate company, United Malayan Flour (1996) Sdn Bhd	Nil

Chew Kah Chuan	76	Brother of Mr Chew Kah Soon and Cousin of Mr Chew Soo Lin Uncle of Mr Chew Kian Boon Daniel and Mr Chew Kian Hong Michael Director of Kah Hong Pte Ltd, Khong Guan Development Pte Ltd and Khong Guan Group Pte Ltd, which are substantial shareholders	Chairman of a subsidiary company, Tong Guan Food Products Sdn Bhd. (Since 01.08.2024) Managing Director of a subsidiary company, Swee Hin Chan Co Sdn Bhd. (Since 01.08.2024) Board leadership and strategic oversight of the Group's subsidiaries.	NIL
Chew Kah Soon	60	Brother of Mr Chew Kah Chuan and Cousin of Mr Chew Soo Lin Uncle of Mr Chew Kian Boon Daniel and Mr Chew Kian Hong Michael Director of Kah Hong Pte Ltd and Khong Guan Development Pte Ltd, which are substantial shareholders	Vice Chairman of a subsidiary company Tong Guan Food Products Sdn Bhd (Effective 12.08.2025) Assists the Chairman of Tong Guan Food Products Sdn Bhd in the oversight of the Company, including corporate strategy and business development.	NIL

10 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary	-	258
Preference	-	-
Total	-	258

11 Other information

Condensed consolidated statement of profit or loss and other comprehensive income

Dividend income

	GROUP	
	12 months ended	
	31 July	31 July
	2026	2025
	\$'000	\$'000
Gross dividends from:		
Short-term investments	60	58
Financial assets at FVOCI	64	-
	<u>124</u>	<u>58</u>

The decrease in other operating expenses was mainly due to the decrease in the allowance on impairment of trade receivables from \$547,000 in the previous year to \$28,000 in the current year (Refer to Page 1 of this announcement).

Condensed statements of financial position (Refer to Page 3 of this announcement)

The increase in right-of-use assets was mainly attributable to the extension of the lease term to 60 years for leasehold land located in Penang, Malaysia, amounting to \$335,000.

The decrease in other receivables was due to settlement of accounts.

The increase in other liabilities was due to advance payments received from customers.

By Order of the Board
Chew Kian Boon Daniel
Executive Director
29 September 2026