KWAN YONG HOLDINGS LIMITED
光榮建築控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9998)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of Kwan Yong Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 30 June 2025, together with the comparative figures for the year ended 30 June 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial year ended 30 June 2025

	Note	**2025**	2024
		SGD'000	*SGD'000*
Revenue	*4*	**239,918**	133,829
Cost of sales		**(215,293)**	(126,093)
Gross profit		**24,625**	7,736
Other income and gain	*5*	**2,513**	2,150
Administrative expenses		**(11,750)**	(9,725)
Finance costs	*6*	**(176)**	(150)
Profit before tax	*7*	**15,212**	11
Income tax (expense)/credit	*8*	**(2,440)**	1,560
Profit for the year attributable to shareholders of the Company		**12,772**	1,571
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Fair value gain on equity investments at fair value through other comprehensive income		**182**	20
Other comprehensive income for the year, net of tax		**182**	20
Total comprehensive income for the year attributable to shareholders of the Company		**12,954**	1,591
Basic and diluted earnings per share *(cents)*	*10*	**1.60**	0.20

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	**2025** **SGD'000**	2024 *SGD'000*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*11*	**17,597**	18,531
Investment properties		**1,748**	1,779
Equity investments at fair value through other comprehensive income	*12*	**34**	698
Deferred tax assets		**436**	1,562
Total non-current assets		**19,815**	22,570
Current assets			
Contract assets	*13*	**2,227**	6,277
Trade receivables	*14*	**51,007**	23,557
Prepayments, deposits and other receivables	*15*	**1,342**	2,327
Pledged deposits		**7,000**	3,000
Cash and cash equivalents		**93,710**	41,185
Total current assets		**155,286**	76,346
Total assets		**175,101**	98,916
Current liabilities			
Contract liabilities	*13*	**51,848**	11,505
Trade and other payables	*16*	**66,109**	43,043
Provisions	*17*	**1,004**	901
Borrowing		**–**	1,041
Lease liabilities		**928**	789
Tax payable		**1,321**	2
Total current liabilities		**121,210**	57,281
Net current assets		**34,076**	19,065

	Note	**2025**	2024
		SGD'000	*SGD'000*
Non-current liabilities			
Lease liabilities		**1,924**	2,622
Total non-current liabilities		**1,924**	2,622
Total liabilities		**123,134**	59,903
Net assets		**51,967**	39,013
Equity attributable to shareholders of the Company			
Issued capital	*18*	**1,389**	1,389
Share premium		**32,978**	32,978
Reserves		**17,600**	4,646
Total equity		**51,967**	39,013

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Financial year ended 30 June 2025

	Attributable to shareholders of the Company				
	Issued capital *SGD'000*	**Share premium** *SGD'000*	**Fair value reserves** *SGD'000*	**Retained profits** *SGD'000*	**Total equity** *SGD'000*
At 1 July 2024	**1,389**	**32,978**	**(42)***	**4,688***	**39,013**
Profit for the year	**–**	**–**	**–**	**12,772**	**12,772**
Other comprehensive income for the year					
Fair value gain on equity instruments at fair value through other comprehensive income	**–**	**–**	**182**	**–**	**182**
Total comprehensive income for the year	**–**	**–**	**182**	**12,772**	**12,954**
Reclassification of fair value reserves upon disposal	**–**	**–**	**(144)**	**144**	**–**
At 30 June 2025	**1,389**	**32,978**	**(4)***	**17,604***	**51,967**

	Attributable to shareholders of the Company				
	Issued capital *SGD'000*	Share premium *SGD'000*	Fair value reserves *SGD'000*	Retained profits *SGD'000*	Total equity *SGD'000*
At 1 July 2023	1,389	32,978	(62)	3,117	37,422
Profit for the year	–	–	–	1,571	1,571
Other comprehensive income for the year					
Fair value gain on equity instruments at fair value through other comprehensive income	–	–	20	–	20
Total comprehensive income for the year	–	–	20	1,571	1,591
At 30 June 2024	1,389	32,978	(42)*	4,688*	39,013

* These reserves accounts comprise the consolidated reserves of SGD17,600,000 (2024: SGD4,646,000) in the consolidated statement of financial position as at 30 June 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial year ended 30 June 2025

	Note	**2025**	2024
		SGD'000	*SGD'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**15,212**	11
Adjustments for:			
Bank interest income	*5*	**(1,751)**	(1,385)
Gain on disposal of property, plant and equipment, net	*5*	**(79)**	(4)
Gain on disposal of equity investments	*5*	**–**	(14)
Dividend income from equity investments	*5*	**(10)**	(26)
Finance costs	*6*	**176**	150
Depreciation of property, plant and equipment	*7*	**2,423**	2,340
Depreciation of investment properties	*7*	**31**	31
Provision for defect liabilities, net	*7*	**557**	(74)
Provision for onerous contracts, net	*7*	**–**	9,865
Operating cash flows before changes in working capital		**16,559**	10,894
Decrease in contract assets		**4,050**	13,612
Increase in trade receivables		**(27,450)**	(4,509)
Decrease/(increase) in prepayments, deposits and other receivables		**1,114**	(1,528)
Increase in contract liabilities		**40,343**	3,573
Increase/(decrease) in trade and other payables		**22,612**	(2,409)
Cash flows generated from operations		**57,228**	19,633
Income tax refund/(paid)		**5**	(15)
Net cash flows generated from operating activities		**57,233**	19,618
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		**1,622**	1,385
Dividend received		**10**	26
Purchase of items of property, plant and equipment		**(1,268)**	(1,973)
Proceeds from disposal of equity investments		**846**	370
Proceeds from disposal of property, plant and equipment		**158**	368
Net cash flows generated from investing activities		**1,368**	176

	Note	2025 SGD'000	2024 SGD'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		**(176)**	(150)
Payment of principal portion of lease liabilities		**(859)**	(437)
Repayment of bank borrowings		**(1,041)**	(935)
Increase in pledged deposit		**(4,000)**	–
Net cash flows used in financing activities		**(6,076)**	(1,522)
Net increase in cash and cash equivalents		**52,525**	18,272
Cash and cash equivalents at beginning of year		**41,185**	22,913
Cash and cash equivalents at end of year		**93,710**	41,185

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Financial year ended 30 June 2025

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands, and the headquarter and principal place of business in Singapore of the Company is located at 11 Joo Koon Crescent, Singapore 629022.

The Company is an investment holding company. The Group is principally engaged in the provision of general building and construction services in Singapore.

Ideal Smart Ventures Limited, a company incorporated in the British Virgin Islands, is the immediate and ultimate holding company of the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**") and the disclosures requirement of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on a historical basis except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Singapore Dollars ("**SGD**") and all values are rounded to the nearest thousand ("**SGD'000**"), except where otherwise stated.

2.2 Adoption of New and Amended Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2024. The adoption of these new standards did not have any material effect on the financial performance or position of the Company. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

2.3 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Standards issued but not yet effective

The Group has not applied the following applicable standards that have been issued but are not yet effective, in these consolidated financial statements and intends to adopt when they become effective.

Description	**Effective for annual periods beginning on or after**
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

Other than those disclosed below, the directors of the Company expect that the adoption of the standards and amendments above will have no material impact on the consolidated financial statements in the year of initial application.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the financial statements and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The directors are currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The directors are currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements of the subsidiaries of the Company.

3. SEGMENT INFORMATION

Operating segment information

For management purposes, the Group is organised into business units based on their products and services, and has 3 reportable operating segments as follows:

(a) The construction segment is in the business of general building and construction services.

(b) The property segment is in the business of leasing and management of dormitory.

(c) The corporate segment comprise the corporate services and investment holding activities of the Group.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Segment assets and liabilities are measured in a manner consistent with those of the consolidated financial statements.

Year ended 30 June 2025

	Construction *SGD'000*	**Property** *SGD'000*	**Corporate** *SGD'000*	**Total** *SGD'000*
Revenue				
External customers	**238,674**	**1,244**	**–**	**239,918**
Segment results	**14,798**	**1,177**	**(763)**	**15,212**
Segment assets	**173,526**	**723**	**852**	**175,101**
Segment liabilities	**122,512**	**269**	**353**	**123,134**
Other segment information				
Interest income	**1,751**	**–**	**–**	**1,751**
Finance cost	**176**	**–**	**–**	**176**
Depreciation of property, plant and equipment	**2,423**	**–**	**–**	**2,423**
Depreciation of investment properties	**31**	**–**	**–**	**31**
Income tax expense/(credit)	**2,443**	**(3)**	**–**	**2,440**

Year ended 30 June 2024

	Construction *SGD'000*	Property *SGD'000*	Corporate *SGD'000*	Total *SGD'000*
Revenue				
External customers	133,288	541	–	133,829
Segment results	119	523	(631)	11
Segment assets	97,467	309	1,140	98,916
Segment liabilities	59,569	48	286	59,903
Other segment information				
Interest income	1,385	–	–	1,385
Finance cost	150	–	–	150
Depreciation of property, plant and equipment	2,340	–	–	2,340
Depreciation of investment properties	31	–	–	31
Income tax (credit)/expense	(1,562)	2	–	(1,560)

Geographical information

The Group's revenue during the financial years ended 30 June 2025 and 2024 were all derived from external customers based in Singapore, and the Group's non-current assets, excluding financial assets, as at the end of the financial years ended 30 June 2025 and 2024 were all located in Singapore.

Information about major customers

Revenue from major customers, which contributed 10% or more of the Group's revenue for years ended 30 June 2025 and 2024, is set out below:

	2025	2024
	SGD'000	*SGD'000*
Revenue from construction segment:		
Customer A	**90,371**	14,015
Customer B	**39,680**	46,766
Customer C	**106,216**	48,321
Customer D	**N/A***	23,828

* The customer did not contribute 10% or more of the Group's revenue in the year ended 30 June 2025.

4. REVENUE

(a) Disaggregation revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Segments	**Construction**		**Property**		**Total**	
	2025	2024	**2025**	2024	**2025**	2024
	SGD'000	*SGD'000*	***SGD'000***	*SGD'000*	***SGD'000***	*SGD'000*
Type of goods or services						
Construction contracts	**238,674**	133,288	**–**	–	**238,674**	133,288
Rental of dormitory	**–**	–	**1,244**	541	**1,244**	541
	238,674	133,288	**1,244**	541	**239,918**	133,829

Revenues are recognised over time and all revenue are generated in Singapore.

(b) Judgement and methods used in estimating revenue

Performance obligation – Construction services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of billing. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

(c) Transaction price allocated to remaining performance obligation

Management expects that the transaction price allocated to remaining unsatisfied (or partially satisfied) performance obligations as at 30 June 2025 and 2024 will be recognised as revenue as the Group continues to perform to complete the contracts which is expected to occur the next few years up to 2027.

Revenue to be recognised	**2025** ***SGD'000***	2024 *SGD'000*
Within one year	**286,193**	216,758
After one year	**66,435**	167,531
	352,628	384,289

(d) Contract balances

	2025 ***SGD'000***	2024 *SGD'000*
Trade receivables *(Note 14)*	**51,007**	23,557
Contract assets *(Note 13)*	**2,227**	6,277
Contract liabilities *(Note 13)*	**51,848**	11,505

Set out below is the amount of revenue recognised from:

	2025 ***SGD'000***	2024 *SGD'000*
Amounts included in the contract liabilities at the beginning of the year	**11,505**	7,932
Performance obligations satisfied in previous years	**779**	293

Variable consideration that is constrained is not included in the transaction price. The Group determined that the estimates of variable consideration are not constrained.

5. OTHER INCOME AND GAIN

An analysis of the Group's other income and gain for each of the reporting period is as follows:

		2025	2024
		SGD'000	*SGD'000*
Other income			
Bank interest income		**1,751**	1,385
Government grants	*(a)*	**61**	112
Rental income		**589**	548
COVID-19 related prolongation claims	*(b)*	**23**	61
Dividend income from equity investments at fair value through other comprehensive income		**10**	26
		2,434	2,132
Gain			
Gain on disposal of property, plant and equipment		**79**	4
Gain on disposal of equity investments		**–**	14
		2,513	2,150

Notes:

(a) During the years ended 30 June 2025 and 2024, subsidies were received by the subsidiaries from various government authorities in Singapore for employment incentives and productivity improvement. There are no unfulfilled conditions or contingencies attaching to government grants that have been recognised.

(b) During the years ended 30 June 2025 and 2024, COVID-19 related prolongation claims in relation to the co-share of prolongation costs with project owners due to COVID-19 were received by a subsidiary.

6. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	2025	2024
	SGD'000	*SGD'000*
Interest on:		
Term loan	**10**	30
Lease liabilities	**166**	120
	176	150

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025	2024
	SGD'000	*SGD'000*
Cost of construction work	**215,293**	116,228
Onerous contract	**–**	9,865
Depreciation of property, plant and equipment	**2,423**	2,340
Less: Amount included in cost of construction work	**(1,869)**	(1,857)
	554	483
Depreciation of investment properties	**31**	31
Expensed relating to short-term leases and leases of low value assets	**8**	46
Less: Amount included in cost of construction work	**–**	(38)
	8	8
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	**71**	56
Employee benefit expense (excluding directors' remuneration):		
Salaries, allowances and benefits in kind	**13,635**	10,715
Wages	**4,402**	3,477
Pension scheme contributions	**839**	765
	18,876	14,957
Less: Amount included in cost of construction work	**(13,030)**	(11,065)
	5,846	3,892
Provision for defect liabilities – net	**557**	(74)
Auditor's remuneration	**197**	180

Included in cost of construction is a reversal of accrued subcontractor costs of SGD871,000 (2024: SGD2,108,000) during the year.

8. INCOME TAX EXPENSE/(CREDIT)

Pursuant to the rules and regulation of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands. The Company is a tax resident in Singapore and is subject to Singapore tax laws.

Singapore income tax has been provided at the rate of 17% on the estimated assessable profits arising in Singapore during the years ended 30 June 2025 and 2024.

An analysis of the Group's income tax is as follows:

	2025	2024
	SGD'000	*SGD'000*
Current income tax – Singapore:		
Charge for the year	**1,321**	2
Over-provision in prior years	**(7)**	–
	1,314	2
Deferred income tax – Singapore:		
Reversal/(origination) of temporary differences	**1,520**	(213)
Prior year temporary differences	**(394)**	(1,349)
	1,126	(1,562)
Income tax expense/(credit) recognised in profit or loss	**2,440**	(1,560)

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rate of Singapore (in which the Group operates) to the tax expense at the effective tax rate is as follows:

	2025	2024
	SGD'000	*SGD'000*
Profit before tax	**15,212**	11
Tax at the statutory rate of 17% (2024: 17%)	**2,586**	2
Income not subject to tax	**(12)**	(7)
Expenses not deductible for tax	**313**	310
Tax rebates	**(46)**	(2)
Over-provision in respect of prior years	**(7)**	–
Recognition of deferred tax asset previously not recognised	**(394)**	(1,349)
Utilisation of previously unrecognised tax losses	**–**	(514)
Income tax expense/(credit) recognised in profit or loss	**2,440**	(1,560)

9. DIVIDENDS

No dividend has been paid or declared by the Company for the financial years ended 30 June 2025 and 2024.

The directors of the Company have proposed a final dividend of HKD0.02 (2024: Nil) per ordinary share in respect of current financial year. The total dividend payable amounting to HKD16,000,000 (equivalent to SGD2,600,000) is subject to approval by shareholders of the Company at the forthcoming annual general meeting and has not been included as a liability as at 30 June 2025.

10. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

	2025	2024
Profit attributable to the shareholders of the Company *(SGD)*	**12,772,000**	1,571,000
Weighted average number of ordinary shares in issue	**800,000,000**	800,000,000
Basic and diluted earnings per shares *(Singapore cents)*	**1.60**	0.20

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of the Company and the weighted average number of ordinary shares in issue during the year.

No adjustment has been made to the basic earnings per share presented for the years ended 30 June 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during each of these years.

11. PROPERTY, PLANT AND EQUIPMENT

Additions and Disposals

During the year ended 30 June 2025, the Group acquired assets with a cost of SGD1,568,000 (2024: SGD4,435,000).

Assets with a net carrying amount of SGD79,000 (2024: SGD364,000) were disposed by the Group during the financial years, resulting in a net gain on disposal of approximately SGD79,000 (2024: approximately SGD4,000).

12. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025	2024
	SGD'000	*SGD'000*
Equity investments at fair value through other comprehensive income		
Listed equity investments	**34**	698

The Group has elected to measure these equity investments at fair value through OCI as the Group considers these investments to be strategic in nature. Fair values of these equity shares are determined by reference to published price quotation in an active market.

Equity investments denominated in currency other than the functional currency are as follows:

	2025	2024
	SGD'000	*SGD'000*
United States Dollar ("**USD**")	**34**	34

During the financial year, the Group disposed certain of its equity investments for profit realisation in view of the favourable market conditions. The fair value of the equity investments disposed and the cumulative gain on disposal amounted to SGD845,000 and SGD144,000 (2024: SGD649,000 and SGD14,000) respectively.

13. CONTRACT BALANCES

Information relating to contract balances arising from contracts with customers is disclosed as follows:

		2025	2024
		SGD'000	*SGD'000*
Contract assets	*(a)*	**2,227**	6,277
Trade receivables	*14*	**51,007**	23,557
Contract liabilities	*(b)*	**(51,848)**	(11,505)

Notes:

(a) Contract assets primarily relate to the Group's right to consideration for construction work completed but yet to be certified by surveyors appointed by the customers as at the reporting date. Contract assets are transferred to receivables when the rights become unconditional.

The movement in contract assets are explained as follows:

	2025	2024
	SGD'000	*SGD'000*
Contract assets:		
Total contract assets at beginning of the year	**6,277**	19,889
Work performed but not yet certified	**2,227**	6,262
Contract assets transferred to trade receivables	**(6,277)**	(19,874)
Total contract assets at end of the year	**2,227**	6,277

The decrease in contracts assets during the year ended 30 June 2025 was the result of the increase of certified construction works by the surveyors appointed by the customers.

The expected timing of recovery or settlement of contract assets as at the end of each of the years ended 30 June 2025 and 2024 is as follows:

	2025	2024
	SGD'000	*SGD'000*
Within one year	**2,227**	6,277

The Group applies the simplified approach to provide for Expected credit losses ("**ECL**") as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all contract assets. The Group has assessed the impairment of its contract assets on an individual basis based on internal credit rating and ageing of these balances which, in the opinion of the directors of the Company, have no significant increase in credit risk during the financial years. ECL is estimated based on historical observed default rates over the expected life of debtors and are adjusted for forward-looking information that is available without undue cost or effort. Considering the good credit history of debtors and insignificant loss on collection incurred in the past history, no ECL was made for contract assets as at 30 June 2025 and 2024.

(b) Contract liabilities are the Group's obligations to transfer goods or services to customers for which the Group has received consideration from customers. Contract liabilities are recognised as revenue when the Group performs under the contract.

The movement in contract liabilities are explained as follows:

	2025	2024
	SGD'000	*SGD'000*
Contract liabilities:		
Total contract liabilities at beginning of the year	**11,505**	7,932
Revenue recognised that was included in contract liabilities	**(11,505)**	(7,932)
Advances received in relation to the construction contracts	**51,848**	11,505
Total contract liabilities at end of the year	**51,848**	11,505

(c) As at 30 June 2025, performance bonds amounting to SGD42,962,000 (2024: SGD33,822,000) were issued by insurance companies as security deposits in lieu of cash to customers of the Group for the due performance and observance of the Group's obligations under the contracts entered into between the Group and the customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the insurance companies to pay to them the sum or sums stipulated in such demand. The Group will then be liable to compensate the insurance companies accordingly. The performance bonds will be released upon completion of the contract work. The performance bonds are secured either by way of personal guarantees given by two directors of the Company or corporate guarantee.

14. TRADE RECEIVABLES

Trade receivables are non-interest bearing and are generally on a 30-day term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group assesses at the end of each reporting period whether there is objective evidence that any trade receivables are impaired. The Group seeks to maintain strict control over all its outstanding receivables and has a credit control in place to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group has assessed the impairment of its trade receivables on an individual basis based on internal credit rating and ageing of these balances which, in the opinion of the directors of the Company, have no significant increase in credit risk during the financial years. ECL is estimated based on historical observed default rates over the expected life of debtors and are adjusted for forward-looking information that is available without undue cost or effort. Considering the good credit history of debtors and loss on collection is not material, no ECL was made for trade receivables as at 30 June 2025 and 2024.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	SGD'000	*SGD'000*
Within one month	**18,904**	7,146
1 to 2 months	**12**	547
2 to 3 months	**–**	6
Over 3 months	**–**	6
	18,916	7,705
Unbilled receivables*	**32,091**	15,852
	51,007	23,557

* Unbilled receivables related to construction work which have been certified by surveyors appointed by the customers but related invoices have not been issued as at the end of the reporting period.

15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025	2024
	SGD'000	*SGD'000*
Prepayments	**13**	36
Deposits	**640**	848
Other receivables	**689**	1,443
	1,342	2,327

Included in other receivables are purchases made on behalf of subcontractors amounted to SGD339,000 (2024: SGD1,221,000). The amount is unsecured, interest-free and repayable on demand.

16. TRADE AND OTHER PAYABLES

		2025	2024
		SGD'000	*SGD'000*
Trade payables	*(a)*	**5,360**	5,060
Accrued subcontractor costs		**38,812**	22,862
Accrued operating expenses		**3,427**	1,466
Retention payables	*(b)*	**14,897**	12,398
Deposit received		**222**	126
Deferred income		**118**	–
GST payable		**3,273**	1,131
		66,109	43,043

Notes:

(a) The Group's trade payables are unsecured, non-interest bearing, and are normally settled on average terms of 30 to 60 days.

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	SGD'000	*SGD'000*
Within one month	**4,230**	4,429
1 to 2 months	**801**	201
2 to 3 months	**193**	247
Over 3 months	**136**	183
	5,360	5,060

(b) Retention payables represent contract sums payable to the Group's subcontractors which are withheld by the Group for a period of time after the work has been completed in accordance with contractual terms and conditions agreed with its subcontractors.

The expected due date for settlement of the Group's retention payables as at the end of the reporting period is analysed as follows:

	2025	2024
	SGD'000	*SGD'000*
Due within one year	**5,653**	5,464
Due after one year	**9,244**	6,934
	14,897	12,398

17. PROVISIONS

	Defect liabilities	**Onerous contracts**	**Total**
	SGD'000	*SGD'000*	*SGD'000*
As at 1 July 2023	661	2,323	2,984
Additional provision made during the year	145	9,865	10,010
Reversal during the year	(219)	–	(219)
Utilised during the year	(101)	(11,773)	(11,874)
At 30 June 2024 and 1 July 2024	**486**	**415**	**901**
Additional provision made during the year	**735**	**–**	**735**
Reversal during the year	**(178)**	**–**	**(178)**
Utilised during the year	**(39)**	**(415)**	**(454)**
As at 30 June 2025	**1,004**	**–**	**1,004**

Provision for defect liabilities is recognised for expected claim on defective works for completed construction projects, based on the Group's expectation and past experience of the level of repair works.

Provision for onerous contracts relates to unavoidable costs of meeting the obligation under the construction contracts with customers, which exceeds the economic benefits expected to be received under the contracts.

18. ISSUED CAPITAL

	2025	2024
	HKD'000	*HKD'000*
Authorised:		
15,000,000,000 (2024: 15,000,000,000) ordinary share of HKD0.01 each	**150,000**	150,000

	2025	2024
	SGD'000	*SGD'000*
Issued and fully paid:		
800,000,000 (2024: 800,000,000) ordinary share of HKD0.01 each	**1,389**	1,389

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

BUSINESS REVIEW

The Group acts as a main contractor in the provision of building construction works in Singapore, including new construction and alteration and addition ("**A&A**") works, with more than 40 years of experience in building construction works for various types of buildings which include (i) institutional buildings (such as education institutions, hospitals, and nursing homes); (ii) commercial buildings (such as office buildings and restaurants); and (iii) industrial and residential buildings. The Group is known for quality of work, especially in building construction works for the public sector.

As at 30 June 2025, the Group had 5 (2024: 7) construction projects on hand (including projects in progress and projects that are yet to commence) with a total contract value of SGD623.9 million (2024: SGD609.8 million).

During the financial year, the Group completed our first Housing and Development Board (the "**HDB**") project, Kempas Residences, and was subsequently awarded the HDB Construction Award in September 2025.

OUTLOOK

According to the Ministry of Trade and Industry (the "**MTI**") announcement on 12 August 2025, Singapore economy grew by 4.4 per cent on a year-on-year basis in the second quarter of 2025, extending the 4.1 per cent growth in the previous quarter. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 1.4 per cent, a reversal from the 0.5 per cent contraction in the previous quarter. Growth in the construction sector came in at 6.0 per cent year-on-year, faster than the 4.9 per cent expansion in the first quarter. Growth during the quarter was supported by expansions in both public sector and private sector construction output. On a quarter-on-quarter seasonally-adjusted basis, the sector grew by 5.7 per cent, a reversal from the 2.0 per cent contraction in the previous quarter.

The MTI's forecast that Singapore's external demand outlook is expected to be moderate for the rest of the year. However, global downside risks in the economy remain. First, a re-escalation of tariff actions could lead to a renewed spike in economic uncertainty, and cause businesses and households to pull back sharply on spending and hiring. Second, a shock to financial markets resulting from a sharper-than-expected tightening of global financial conditions could lead to destabilising capital flows that trigger latent vulnerabilities in banking and financial systems. Third, potential escalations in geopolitical tensions could lead to supply disruptions in energy commodities and renewed pressures on global energy prices. The MTI has upgraded the GDP growth forecast for 2025 from "0.0 to 2.0 per cent", to "1.5 to 2.5 per cent".

The Building and Construction Authority (the "**BCA**") announced on 23 January 2025 that the total construction demand in 2025 is expected to range between SGD47 billion and SGD53 billion, in nominal terms, which is between 0.3% to 11.7% higher than pre-COVID levels in 2019. The strong demand is underpinned by the expected award of contracts for several large-scale developments, such as the Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, mechanical and engineering contracts for the Thomson-East Coast Line Extension (TEL) and Cross Island Line (CRL), and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.

The Group will continue to focus on its core strengths as a building contractor, striving to be a leading main contractor for both public and private sector projects. Moving ahead with measured optimism, the Group seeks to strengthen its resilience and market position. The Group is committed to continue with ongoing investment in workforce development and adoption of advanced technologies to enhance productivity. The Group is confident in its ability to strengthen its competitive edge and deliver successfully on future projects.

FINANCIAL REVIEW

Revenue

The Group's revenue for the year ended 30 June 2025 was SGD239.9 million, representing an increase of SGD106.1 million or 79.3% as compared to that of SGD133.8 million for the year ended 30 June 2024. The increase in revenue was mainly driven by more construction projects engaged for the year ended 30 June 2025 as compared to those for the previous financial year.

Cost of sales

Cost of sales for the year ended 30 June 2025 was SGD215.3 million, representing an increase of SGD89.2 million or 70.7%, from SGD126.1 million for the year ended 30 June 2024. The increase was mainly driven by more construction activities which is in line with the increase in revenue.

Gross profit and gross profit margin

Gross profit increased by SGD16.9 million from SGD7.7 million for the year ended 30 June 2024 to SGD24.6 million for the year ended 30 June 2025, and the gross profit margin increased to 10.3% for the year ended 30 June 2025 from the gross profit margin of 5.8% for the year ended 30 June 2024. The increase in gross profit and gross profit margin was mainly due to more stable profit margins from newly awarded projects.

Other income and gain

Other income and gain increased by SGD0.3 million from SGD2.2 million for the year ended 30 June 2024 to SGD2.5 million for the year ended 30 June 2025. The increase was primarily due to the increase in bank interest income earned arising from the increase of average bank balance as compared to those for the previous financial year.

Finance costs

The Group's finance costs increased slightly by SGD26,000 from SGD150,000 for the year ended 30 June 2024 to SGD176,000 for the year ended 30 June 2025 mainly due to increase in finance lease of motor vehicles.

Income tax (expense)/credit

The Group's income tax expense was SGD2.4 million for the financial year ended 30 June 2025 including reversal of temporary differences of SGD1.5 million which was recognised as deferred tax assets for the financial year ended 30 June 2024. Increased in income tax expense was mainly due to the assessable profit generated in the financial year ended 30 June 2025 while the Group has no assessable profit for the financial year ended 30 June 2024.

Profit for the year

As a result of the above factors, the Group recorded a net profit of SGD12.8 million for the year ended 30 June 2025 as compared to SGD1.6 million for the year ended 30 June 2024.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The capital structure of the Company comprised mainly issued share capital and reserves.

The Group's cash and cash equivalents balances as at 30 June 2025 amounted to SGD93.7 million (2024: SGD41.2 million) representing an increase of SGD52.5 million as compared to that for previous financial year. Included in cash and bank balances of the Group are balances denominated in Hong Kong dollars and United States dollars amounted to SGD0.4 million (2024: SGD0.7 million) and SGD0.4 million (2024: SGD0.4 million) respectively.

As at 30 June 2025, the Group's indebtedness comprised lease liabilities denominated in Singapore dollars of SGD2.9 million (2024: borrowings and lease liabilities of SGD4.5 million).

The Group recorded total current assets of SGD155.3 million as at 30 June 2025 (2024: SGD76.3 million) and total current liabilities of SGD121.2 million as at 30 June 2025 (2024: SGD57.3 million). The current ratio of the Group, calculated by dividing the current assets by the current liabilities, was 1.3 as at 30 June 2025 (2024: 1.3).

The Group's total equity attributable to owners of the Company were at SGD52.0 million as at 30 June 2025 (2024: SGD39.0 million).

The Group's operations are financed principally by cash generated from its business operations and bank facilities.

GEARING RATIO

As at 30 June 2025, the Group's gearing ratio which was calculated by dividing the total debts (being sum of borrowings and lease liabilities) by total equity was 5.6% (2024: 11.5%).

CONTINGENT LIABILITIES

As at 30 June 2025 and 30 June 2024, the Group did not have any material contingent liabilities.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the year ended 30 June 2025, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures. Save as disclosed herein, the Group did not have other plans for material investments or acquisition of capital assets as at 30 June 2025.

CAPITAL COMMITMENTS

As at 30 June 2025, the Group had no capital commitment (2024: Nil).

TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

FOREIGN CURRENCY RISK

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Most of the Group's transactions, monetary assets and liabilities are denominated in Singapore dollars.

The Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered insignificant. Nevertheless, the management will continue to closely monitor the Group's foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

PROSPECTS

Singapore's economy is projected to expand at a modest pace in the second half of 2025 and into 2026, supported by stable external demand, planned infrastructure projects, and ongoing public sector investments in sustainability and housing. The construction sector is expected to remain resilient, supported by the pipeline of multi-year public and private sector projects, including those in transportation, trade-related facilities, tourism infrastructure, and public housing development.

The BCA expects the outlook for construction demand to remain strong in the medium-term attributable to several large-scale development projects. For 2025, total demand is projected to range between SGD47 billion and SGD53 billion, supported by both public and private sector works. Over the medium-term, the BCA expects the total construction demand to reach an average of between SGD39 billion and SGD46 billion per year from 2026 to 2029, with public sector projects in transport infrastructure, trade and tourism facilities, and public housing forming the key drivers. Private sector demand is expected to remain steady, driven by redevelopment projects and investment in industrial and commercial assets. Against the backdrop of robust demand projections, Singapore's Built Environment sector will continue its transformation efforts to achieve better outcomes through better coordination and increased productivity. The authorities have been pushing developers, construction firms and consultants to transform and boost productivity through greater digitalisation, adopting robotics and automation and collaborative contracting.

Despite a positive outlook, the construction sector faces challenges such as rising labour and material costs, tighter manpower availability, elevated interest rates, and global uncertainties which include geopolitical tensions, supply chain disruptions, all of which could exert pressure on profit margins and project delivery. The continued adoption of digitalisation, robotics, automation, and collaborative contracting is expected to generate productivity gains, enhance efficiency, and strengthen competitiveness in meeting the evolving needs of Singapore's dynamic urban landscape.

FINAL DIVIDEND

The Board has proposed to declare a final dividend of HKD0.02 per ordinary share for the year ended 30 June 2025, amounting to approximately HKD16,000,000 (equivalent to SGD2,600,000) (2024: Nil) which is subject to consideration and approval by the shareholders of the Company at the forthcoming annual general meeting of the Company.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 504 employees (2024: 475 employees). Total staff costs for the year ended 30 June 2025 amounted to SGD21.4 million (2024: SGD16.7 million). Salaries and benefits of the Group's employees have been kept at a market level, and employees are rewarded on a performance-related basis. Remuneration package is reviewed annually. Staff benefits included contribution to mandatory contribution fund, allowance and performance-based bonus.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There was no material subsequent event after the year ended 30 June 2025 and up to the date of this announcement.

SEGMENT INFORMATION

Segmental information is presented for the Group as disclosed on Note 3 to this announcement.

CHARGES ON GROUP ASSETS

The bank facilities as at 30 June 2025 was secured against pledged time deposits of SGD7.0 million (2024: SGD3.0 million).

CORPORATE GOVERNANCE PRACTICE

The Company acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders' value. The Company is also committed to achieving a high standard of corporate governance that can protect and promote the interests of all shareholders and to enhance corporate value and accountability of the Company. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). Except for the deviation from code provision C.2.1 of the CG Code, the Company's corporate governance practices have complied with the CG Code during the year ended 30 June 2025 and up to the date of this announcement.

Code provision C.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and not be performed by the same individual to avoid power being concentrated in any one individual. Mr. Kwan Mei Kam is the Chairman and the Chief Executive Officer. In view of the fact that Mr. Kwan Mei Kam is the founder of the Group and has been operating and managing the Group since the establishment of the Group, the Board believes that it is in the best interest of the Group to have Mr. Kwan Mei Kam taking up both roles for effective management and business development. Major operating decisions are usually discussed with executive Directors and senior management. All significant decisions made during the year ended 30 June 2025 have been consulted and communicated with Board members and respective committees. Chief executives and senior management are invited to attend Board meetings from time to time to make presentations and answer the Board's enquiries. In particular, the Company is actively looking for suitable candidate for segregating the duties of the Chairman and the Chief Executive Officer.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by directors. Having made specific enquiry, all Directors confirmed that they had fully complied with the required standards set out in the Model Code and there is no event of non-compliance during the year ended 30 June 2025 and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 17 December 2019. The chairman of the Audit Committee is Mr. Fong Heng Boo, an independent non-executive Director, and other members include Mr. Lim Ah Lay, Dr. Wu Dongqing and Mr. Chou Sean Yu, independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the Stock Exchange's website and on the Company's website.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, review of the work of the internal auditor, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

During the year ended 30 June 2025, the Audit Committee held four meetings to review and comment on the Group's first quarter results, 2024 annual results, interim results and third quarter results, as well as the Company's internal control procedure and risk management systems.

The Group's consolidated financial statements for the year ended 30 June 2025 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the year ended 30 June 2025 comply with applicable accounting standards, Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF ERNST & YOUNG LLP

The figures in respect of the Group's consolidated statement of financial position as at 30 June 2025, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary announcement have been agreed by the Company's auditors, Ernst & Young LLP, to the amounts set out in the Group's audited consolidated financial statements for the year ended 30 June 2025. The work performed by Ernst & Young LLP in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Auditing and Assurance Standards Board and consequently no assurance has been expressed by Ernst & Young LLP on the preliminary announcement.

APPRECIATION

Mr. Kwan Mei Kam, the chairman of the Board, would like to express his sincerest gratitude to the shareholders, customers, suppliers and subcontractors for the continuous support. He would also like to extend his warmest thanks to all the management and staff members of the Group for the hard work and dedication throughout the year.

By order of the Board
Kwan Yong Holdings Limited
Kwan Mei Kam
Chairman and Executive Director

Singapore, 25 September 2025

As at the date of this announcement, the Board comprises Mr. Kwan Mei Kam, Ms. Tay Yen Hua, Mr. Jacob Wong San Ta and Ms. Kwan Shu Ming as executive Directors; Mr. Lim Ah Lay, Mr. Fong Heng Boo, Dr. Wu Dongqing and Mr. Chou Sean Yu as independent non-executive Directors.