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CTR Holdings Limited

(Incorporated in the Cayman Islands with members' limited liability)

(Stock Code: 1416)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 29 FEBRUARY 2024

The board (the “**Board**”) of directors (the “**Directors**”) of CTR Holdings Limited (the “**Company**”) hereby announces the audited results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 29 February 2024 together with comparative figures for the corresponding period in 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 29 February 2024

| | | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|--|--------------|--|--|
| | <i>Notes</i> | | |
| Revenue | 4 | 150,217 | 89,755 |
| Construction costs | | <u>(134,804)</u> | <u>(69,805)</u> |
| Gross profit | | 15,413 | 19,950 |
| Other income and gain, net | 5 | 1,466 | 1,532 |
| Administrative expenses | | (13,576) | (11,423) |
| Reversal of loss allowance/(provision on) financial assets and contract assets, net | 6 | 112 | (1,506) |
| Finance costs | | <u>(8)</u> | <u>(7)</u> |
| Profit before tax | 6 | 3,407 | 8,546 |
| Income tax expense | 7 | <u>(736)</u> | <u>(1,671)</u> |
| Profit for the year | | <u>2,671</u> | <u>6,875</u> |

| | | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|---|--------------|--|--|
| | <i>Notes</i> | | |
| Other comprehensive expense: | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign operation | | <u>(1)</u> | <u>(128)</u> |
| Other comprehensive expense for the year, net of tax | | <u>(1)</u> | <u>(128)</u> |
| Total comprehensive income for the year | | <u>2,670</u> | <u>6,747</u> |
| Profit attributable to: | | | |
| Owners of the company | | <u>2,671</u> | <u>6,875</u> |
| Total comprehensive income attributable to: | | | |
| Owners of the company | | <u>2,670</u> | <u>6,747</u> |
| Earnings per share | | | |
| – Basic and diluted (<i>SGD cents</i>) | 9 | <u>0.19</u> | <u>0.49</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 29 February 2024

| | | As at 29 February 2024 S\$'000 | As at 28 February 2023 S\$'000 |
|--|--------------|---|---|
| | <i>Notes</i> | | |
| Non-current assets | | | |
| Property, plant and equipment | | 2,896 | 2,511 |
| Investment properties | | 4,333 | 4,466 |
| Right-of-use assets | | 319 | 235 |
| Contract assets | | 16,940 | 13,149 |
| | | <u>24,488</u> | <u>20,361</u> |
| Total non-current assets | | | |
| Current assets | | | |
| Inventories | | 32 | 69 |
| Contract assets | | 14,646 | 16,157 |
| Trade receivables | 10 | 11,243 | 8,803 |
| Prepayments, other receivables and deposits | | 2,901 | 1,549 |
| Financial assets at fair value through profit or loss | | 2,030 | – |
| Amounts due from related parties | | 154 | 150 |
| Pledge deposits | | 650 | 706 |
| Time deposits with original maturity over three months | | 16,125 | 19,831 |
| Cash and cash equivalents | | 26,565 | 9,906 |
| | | <u>74,346</u> | <u>57,171</u> |
| Total current assets | | | |
| | | <u>98,834</u> | <u>77,532</u> |
| Total assets | | | |
| Current liabilities | | | |
| Contract liabilities | | 5,704 | 4,342 |
| Trade payables | 11 | 28,924 | 18,779 |
| Other payables and accruals | | 10,843 | 2,750 |
| Lease liabilities | | 152 | 48 |
| Income tax payable | | 705 | 1,791 |
| | | <u>46,328</u> | <u>27,710</u> |
| Total current liabilities | | | |
| | | <u>28,018</u> | <u>29,461</u> |
| Net current assets | | | |
| | | <u>52,506</u> | <u>49,822</u> |
| Total assets less current liabilities | | | |

| | As at 29 February 2024 S\$'000 | As at 28 February 2023 S\$'000 |
|---|---|---|
| <i>Notes</i> | | |
| Non-current liabilities | | |
| Lease liabilities | 93 | 86 |
| Deferred tax liabilities | 67 | 60 |
| | <hr/> | <hr/> |
| Total non-current liabilities | 160 | 146 |
| | <hr/> | <hr/> |
| Total liabilities | 46,488 | 27,856 |
| | <hr/> | <hr/> |
| Net assets | 52,346 | 49,676 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Equity attributable to owners of the Company | | |
| Share capital | 190 | 190 |
| Reserves | 52,156 | 49,486 |
| | <hr/> | <hr/> |
| Total equity | 52,346 | 49,676 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Total equity and liabilities | 98,834 | 77,532 |
| | <hr/> <hr/> | <hr/> <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

CTR Holdings Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands on 24 October 2018 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 15 January 2020. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and principal place of business of the Group is at 21 Woodlands Close #08-11/12, Primz Bizhub, Singapore 737854.

Brave Ocean Limited (“**Brave Ocean**”), a company incorporated in the British Virgin Islands (the “**BVI**”), is the immediate holding company of the Company, and in the opinion of the Directors, which is also the ultimate holding company of the Company.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of structural engineering works and wet architectural works.

The consolidated financial statements are presented in Singapore dollars (“**SGD**” or “**S\$**”), which is different from the Company’s functional currency of Hong Kong dollar (“**HK\$**”). For the convenience of the financial statements users, the consolidated financial statements are presented in S\$ as the board (the “**Board**”) of directors of the Company (the “**Directors**”) consider that SGD is the functional currency of the primary economic environment in which most of the transactions of the Company and its subsidiaries (the “**Group**”) are denominated and settled in and this presentation is more useful for its current and potential investors. The consolidated financial statements are presented in the nearest thousand (“**S\$’000**”), except when otherwise indicated.

The consolidated financial statements have been prepared in accordance with IFRS (which include all International Financial Reporting Standards, IASs and Interpretations) issued by the International Accounting Standards Board. For the purposes of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost basis, except for the financial assets at fair value through profit or loss (“**FVTPL**”) as explained in the accounting policies below.

2. APPLICATION OF AMENDMENTS TO IFRSs

New and amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 March 2023 for the preparation of the consolidated financial statements:

| | |
|---|--|
| IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17) | Insurance Contracts |
| Amendments to IAS1 and IFRS Practice Statement 2 | Disclosure of Accounting Policies |
| Amendment to IAS 8 | Definition of Accounting Estimates |
| Amendments to IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| Amendments to IAS 12 | International Tax Reform – Pillar Two Model Rules |

The application of the new and amendments to IFRS in the current year has had no material impact on the Group's financial positions and performance for the current prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

| | |
|----------------------------------|--|
| Amendments to IFRS 10 and IAS 28 | Sale of Contribution of Assets between an Investor and its Associate or Joint Venture ¹ |
| Amendments to IFRS 16 | Lease Liability in a Sale and Leaseback ² |
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-current ² |
| Amendments to IAS 1 | Non-current Liabilities with Covenants ² |
| Amendments to IAS 7 and IFRS 7 | Supplier Finance Arrangements ² |
| Amendments to IAS 21 | Lack of Exchangeability ³ |

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors of the Company anticipate that the application of all new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. OPERATING SEGMENT INFORMATION

The Group focused primarily on the provision of structural engineering works and wet architectural works during both years. Information reported to the Group's Executive director, for the purpose of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue is set out below:

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|------------|--|--|
| Customer A | 19,255 | 12,541 |
| Customer B | 2,839* | 27,112 |
| Customer C | 62,432 | 15,108 |
| Customer D | 6,698* | 9,322 |

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Geographical information

All of the Group's total revenue was derived in Singapore and all of the Group's total non-current assets were located in Singapore.

4. REVENUE

(a) An analysis of revenue from contracts with customers is as follows:

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|---|--|--|
| Structural engineering works | 126,333 | 83,602 |
| Wet architectural works | 23,884 | 6,153 |
| | <hr/> | <hr/> |
| Total revenue from contracts with customers | 150,217 | 89,755 |
| | <hr/> | <hr/> |
| Timing of transfer of goods or services | | |
| Over time | 150,217 | 89,755 |
| | <hr/> | <hr/> |

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

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.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are as follows:

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|---|--|--|
| Amounts expected to be recognised as revenue: | | |
| Within one year | 128,894 | 123,586 |
| After one year but within two years | 15,080 | 36,547 |
| | <hr/> | <hr/> |
| | 143,974 | 160,133 |
| | <hr/> | <hr/> |

The amounts disclosed above do not include variable consideration which is constrained.

5. OTHER INCOME AND GAIN, NET

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|---|--|--|
| Foreign exchange gain, net | 1 | 130 |
| Government grants* | 78 | 513 |
| Rendering of services | – | 167 |
| Rental income | 123 | 119 |
| Interest income | 869 | 348 |
| Fair value changes in FVTPL | 30 | – |
| Gain on disposal of property, plant and equipment | 88 | – |
| Other | 277 | 255 |
| | <u>1,466</u> | <u>1,532</u> |

* Government grants relate to Jobs Support Scheme and Foreign Worker Levy Rebate. There are no unfulfilled conditions or contingencies relating to these grants.

6. PROFIT BEFORE TAX

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

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|---|--|--|
| Auditors' remuneration | 177 | 260 |
| Construction costs (<i>Note</i>) | 134,804 | 69,805 |
| Depreciation of property, plant and equipment | 431 | 427 |
| Depreciation of investment properties | 133 | 133 |
| Depreciation of right-of-use assets | 112 | 125 |
| Reversal of impairment loss on investment properties | – | (282) |
| Gain on disposal of property, plant and equipment | (88) | (16) |
| Loss allowance provision on/(reversal of provision on): | | |
| – Contract assets | (691) | 1,505 |
| – Trade receivables | 579 | 1 |
| Employee benefit expense (including directors' remuneration) | | |
| – Salaries and bonuses | 9,277 | 6,488 |
| – Central Provident Fund contributions | 559 | 493 |
| Gross rental income from investment properties | (123) | (119) |
| Less: | | |
| Direct operating expenses incurred for investment properties that generated rental income during the year | 23 | 30 |
| | <u>(100)</u> | <u>(89)</u> |

Note: Construction costs included sub-contracting charges, wages and rental expenses for short-term leases of approximately S\$64,577,000, S\$13,861,000 and S\$2,285,000 (2023: S\$28,578,000, S\$9,790,000 and S\$1,574,000) respectively for the year ended 29 February 2024 and 28 February 2023.

7. INCOME TAX EXPENSE

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Singapore Corporate Income Tax (“CIT”) has been provided at the rate of 17% (2023: 17%) on the estimated assessable profits arising in Singapore during the year.

Hong Kong Profits Tax is calculated at the rate of 16.5% (2023: 16.5%). No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits arising in Hong Kong for the years.

| | Year ended 29 February 2024 S\$'000 | Year ended 28 February 2023 S\$'000 |
|--|--|--|
| Current – Singapore CIT | | |
| Charge for the year | 734 | 1,786 |
| Over-provision in respect of prior years | (5) | (93) |
| Deferred tax | | |
| Current year | 7 | (22) |
| Total tax charge for the year | <u>736</u> | <u>1,671</u> |

8. DIVIDENDS

The directors of the Company do not declare or propose any payment of a dividend for the years ended 29 February 2024 and 28 February 2023.

9. EARNINGS PER SHARE

Basic earnings per share is calculated as profit for the year attributable to owners of the Company divided by the weighted average number of ordinary shares issued during the year. The data used for the calculation is as follows:

| | Year ended 29 February 2024 | Year ended 28 February 2023 |
|--|--|-----------------------------------|
| Profit for the year, attributable to owners of the Company used in the computation of basic and diluted loss per share (S\$'000) | <u>2,671</u> | <u>6,875</u> |
| Number of shares ('000) | | |
| Weighted average number of ordinary shares for basic loss per share computation | <u>1,400,000</u> | <u>1,400,000</u> |

No diluted earnings per share were presented as the Group had no potentially dilutive ordinary shares in issue during the years ended 29 February 2024 and 28 February 2023.

10. TRADE RECEIVABLES

| | As at 29 February 2024 S\$'000 | As at 28 February 2023 S\$'000 |
|--------------------------------|---|---|
| Trade receivables | 12,109 | 9,090 |
| Less: Loss allowance provision | (866) | (287) |
| | <u>11,243</u> | <u>8,803</u> |

The credit period is generally 30 to 90 days.

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

| | As at 29 February 2024 S\$'000 | As at 28 February 2023 S\$'000 |
|----------------|---|---|
| Within 1 month | 9,015 | 8,200 |
| 1 to 2 months | 1,625 | 427 |
| 2 to 3 months | 603 | 60 |
| Over 3 months | – | 116 |
| | <u>11,243</u> | <u>8,803</u> |

11. TRADE PAYABLES

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

| | As at 29 February 2024 S\$'000 | As at 28 February 2023 S\$'000 |
|----------------|---|---|
| Within 1 month | 19,673 | 12,227 |
| 1 to 2 months | 7,379 | 5,161 |
| 2 to 3 months | 739 | 819 |
| Over 3 months | 1,133 | 572 |
| | <u>28,924</u> | <u>18,779</u> |

The trade payables are non-interest-bearing and are normally settled on 30 to 60 day terms.

12. CONTINGENT LIABILITIES

As at 29 February 2024, the Group had contingent liabilities in respect of performance bonds to guarantee for the due and proper performance of the obligations undertaken by the Group's subsidiary for projects amounting to approximately S\$17,059,000 (2023: S\$17,696,000) in its ordinary course of business. The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group is a Singapore-based contractor specialising in structural engineering works and wet architectural works. Structural engineering works are comprising (i) reinforced concrete works which include steel reinforcement works, formwork erection and concrete works; and (ii) precast installation works. Wet architectural works are comprising (i) masonry building works; (ii) plastering and screeding works; (iii) tiling works; and (iv) waterproofing works.

The Group participates various building and infrastructure projects in both public and private sectors in Singapore. Public sector projects include the building of hospitals and MRT stations which are initiated by the Singapore Government departments, statutory bodies or Government-controlled entities. Private sector projects include the building of office buildings and data centres which are driven by property developers.

As at 29 February 2024, the Group had a total of 28 (2023: 30) projects on hand including 22 (2023: 23) structural engineering projects and 6 (2023: 7) wet architectural projects. The aggregated contract sum of the above projects including variation orders are approximately S\$357 million, of which approximately S\$213 million has been recognised as revenue up to 29 February 2024. The remaining balance will be recognised as Group's revenue in accordance with the respective stage of completion.

Prospects

The easing of pandemic-related restrictions has allowed the Group to secure more projects. Despite a competitive and challenging business landscape, construction demand in Singapore is projected to remain strong, supported by residential and infrastructure projects in both the public and private sectors. The Group plans to tender for more projects, capitalizing on the growing demand in the Singapore market.

While the business outlook has improved, challenges such as cost management and maintaining profitability remain. The Group will adopt a prudent approach to cash management, be selective in project tenders, and closely monitor debt collections to ensure healthy cash flows.

FINANCIAL REVIEW

Revenue

The following table sets out the breakdown of the Group's revenue derived from (i) the provision of structural engineering works and (ii) the provision of wet architectural works for each period indicated:

| | FY2023/2024 | FY2022/2023 |
|------------------------------|--------------------|----------------|
| | <i>S\$'000</i> | <i>S\$'000</i> |
| Structural engineering works | 126,333 | 83,602 |
| Wet architectural works | 23,884 | 6,153 |
| | 150,217 | 89,755 |

The Group's revenue increased significantly by approximately S\$60.4 million or 67.4% from S\$89.8 million for the year ended 28 February 2023 ("FY2022/2023") to approximately S\$150.2 million for the year ended 29 February 2024 ("FY2023/2024"). This increase is attributed to the higher volume of construction activities performed during the year and the securing of more large-scale projects.

Construction Costs

The Group's construction costs increased by approximately S\$65.0 million or 93.1% from S\$69.8 million for FY2022/2023 to approximately S\$134.8 million FY2023/2024. This increase is in line with the rise in revenue and reflects higher costs incurred for materials, sub-contracting services, and labour.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by approximately S\$4.6 million or 22.7% from S\$20.0 million for FY2022/2023 to approximately S\$15.4 million for FY2023/2024. The Group's gross profit margin decreased from approximately 22.2% for the year ended 28 February 2023, to approximately 10.3% for the year ended 29 February 2024, primarily due to the higher costs of construction materials and sub-contracting services, coupled with increased competition leading to tighter margins.

Other Income

The Group's other income decreased slightly by approximately S\$0.1 million or 4.3%, from approximately S\$1.5 million for FY2022/2023 to approximately S\$1.4 million for FY2023/2024. The reduction is mainly due to lower government grants received as pandemic-related support measures were phased out.

Administrative Expenses

The Group's administrative expenses increased by approximately S\$2.2 million or 18.8%, from approximately S\$11.4 million for FY2022/2023 to approximately S\$13.6 million for FY2023/2024. The increase is due to higher employee benefit.

Finance Cost

There was no material increase in interest expense in respect of the Group's leases for the year ended 29 February 2024.

Income Tax Expense

The Group's income tax expense decreased by approximately S\$1.0 million or 56.0%, from approximately S\$1.7 million for FY2022/2023 to approximately S\$0.7 million for FY2023/2024. This reduction aligns with the lower taxable profit generated during the year.

Profit for the Year

The Group's profit for the year decreased by approximately S\$4.2 million or 61.1% from approximately S\$6.9 million for FY2022/2023 to approximately S\$2.7 million for FY2023/2024. This decrease is primarily due to the lower gross profit margin and higher administrative expenses.

Capital Structure, Liquidity and Financial Resources

Since the shares of the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 15 January 2020, there has been no change in capital structure of the Group. The capital of the Group comprises of issued ordinary share capital and capital reserves. The Group had share capital of approximately S\$0.2 million as at 29 February 2024.

The Group's sources of funding comprise of its cash and cash equivalents and time deposits. The Group's cash and cash equivalents and time deposits recorded an increase by 43.6% from approximately S\$29.7 million as at 28 February 2023 to approximately S\$42.7 million as at 29 February 2024, which was mainly due to net cash flows generated from operating activities during the year.

The cash and cash equivalents and time deposits of the Group, mainly denominated in SGD and HKD, are generally deposited with authorised financial institutions. As at 29 February 2024, 99.9% (2023: 99.9%) of the Group's cash and cash equivalents and time deposits was denominated in Singapore dollars and 0.1% (2023: 0.1%) was denominated in Hong Kong dollars.

As at 29 February 2024, the Group had bank facilities with credit limit amounting to approximately S\$1.0 million (2023: S\$1.0 million), of which approximately S\$1.0 million (2023: S\$1.0 million) was unutilised.

Gearing Ratio

Gearing ratio is calculated as net debt (i.e. total borrowings, including amount due to related parties, lease liabilities, net off cash and cash equivalents and time deposits) divided by the capital plus net debt as at the end of respective period.

As at 29 February 2024, the gearing ratio of the Group was negative, which was mainly due to the significant amount of Group's cash and cash equivalents and time deposits (2023: negative).

Treasury Policy

The Group has continued to implement a prudent financial management policy and maintained healthy liquidity and capital ratios in order to support its business and maximise shareholders' value during the year. The Group strives to reduce credit risk by conducting ongoing credit assessments and trading with recognised and creditworthy customers. To maintain a balance between continuity of funding and flexibility through the use of funds generated from operations, the management of the Group closely monitors the overall business performance and liquidity position. Taking into account the cash at banks, and credit facilities available, the Directors considered that the Group has sufficient working capital for its present operation and meet its funding requirements all the time.

Use of Proceeds

The net proceeds from the Share Offer were approximately HK\$82.0 million (equivalent to approximately S\$14.3 million). Details of the proposed applications of such net proceeds are as disclosed in "Future Plans and Use of Proceeds" of the prospectus of the Company dated 30 December 2019 (the "**Prospectus**"). The below table sets forth the proposed applications and actual usage of the net proceeds from the Listing Date to 29 February 2024:

| | Planned use of proceeds HK\$'000 | Actual use of proceeds from Listing Date to 29 February 2024 HK\$'000 | Unutilised balance as at 29 February 2024 HK\$'000 |
|---------------------------------------|---|--|---|
| Payment of upfront costs for projects | 61,040 | 61,040 | – |
| Strengthen the workforce | 21,003 | 21,003 | – |
| | <u>82,043</u> | <u>82,043</u> | <u>–</u> |

As at 29 February 2024, the net proceeds raised was fully utilised for the intended purposes as listed above.

Significant Investment, Material Acquisitions and Disposal of Subsidiaries and Associated Companies

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies by the Group during the year ended 29 February 2024.

Investments or Capital Assets

Save as disclosed under the section headed “Use of Proceeds” in this announcement, the Group did not have other future plans for material investments or capital assets as at 29 February 2024.

Foreign Exchange Exposure

The headquarters and principle place of business of the Group is in Singapore with its revenue and cost of sales mainly denominated in Singapore dollar, which is the functional currency of most of the Group’s operating companies. As such, the Group had not committed to any financial instrument for hedging its foreign currency risk exposure during the period.

As at 29 February 2024, the Group had fully utilized its listing proceeds which were denominated in Hong Kong dollars. It has maintained only 0.1% of its cash and cash equivalents in Hong Kong dollars for its compliance costs in Hong Kong. Accordingly, the Group’s exposure to foreign exchange rate risks is substantially minimised.

Pledge of Asset

As at 29 February 2024, S\$0.7 million (2023: 0.7 million) of the pledged deposits was placed as a banker’s guarantee in relation to a structural engineering project.

Contingent Liabilities

Save for the disclosure set out in note 41 to the consolidated financial statements, the Group has no material contingent liabilities.

Capital Commitments

The Group had no capital commitments as at 29 February 2024 (2023: nil).

Capital Expenditures

For FY2023/2024, the Group’s capital expenditure in respect of the acquisition of properties, plant and equipment amounting to approximately S\$0.9 million and nil (2023: S\$0.3 million).

Employees and Remuneration Policy

As at 29 February 2024, the Group had a total of 480 (2023: 479) employees in Singapore, of which comprising 7.9% was Singapore citizens and 92.1% was foreigners. With a view to mitigating the impact of shortage of foreign workers arising from changes in relevant laws, rules and regulations in Singapore and/or other countries where the foreign workers originated, the management has adopted a policy of employing foreign workers from more than one country, including the PRC, Bangladesh, India, Myanmar, Vietnam and the Philippines during the period.

Total staff costs, including Directors' emoluments, salaries, wages and contributions, for FY2023/2024 amounted to approximately S\$23.7 million (2023: S\$16.8 million). The Group reviews the performance of its employees on a periodical basis and make salary adjustment if necessary. In addition, the Group is required to make monthly Central Provident Fund contributions in respect of its employees who are either citizens or permanent residents of Singapore.

The emoluments of the Directors have been reviewed by the Remuneration Committee of the Company, having regard to the performance of Directors and market standards, and approved by shareholders. The Company has adopted a share option scheme as an incentive to Directors and eligible employees of the Group.

FINAL DIVIDEND

The Board has resolved not to recommend the declaration of a final dividend for FY2023/2024 (2023: nil).

COMPETING INTERESTS

The Directors confirm that neither the controlling shareholders of the Company nor their respective close associates is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the Group's business during the year ended 29 February 2024, and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

SUBSEQUENT EVENTS

There have been no other material events occurring after 29 February 2024 and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for the shares of the Company as required under the Listing Rules since the Listing Date and up to the date of this announcement.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange as the codes of conduct regarding securities transactions by Directors and by relevant employees of the Group. All Directors have confirmed, following specific enquiries by the Company, that they fully complied with the Model Code and its code of conduct regarding the Directors’ securities transactions during the year ended 29 February 2024.

CORPORATE GOVERNANCE

The Company complied with the code provisions as set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules during the year ended 29 February 2024 except for the following deviation:

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Xu Xuping is the chief executive officer (the “**CEO**”) and the chairman of the Board (the “**Chairman**”). In view of Mr. Xu Xuping has been operating and managing the Group since January 2007, the Board believes that the vesting of the roles of the Chairman and the CEO in Mr. Xu Xuping is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. Accordingly, the Company has not segregated the roles of the CEO and the Chairman.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 29 February 2024.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group’s audited financial results for the year ended 29 February 2024 and discussed with the management and the auditor of the Company on the accounting principles and policies adopted by the Group with no disagreement by the audit committee of the Company.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 29 February 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's consolidated financial statements for the year ended 29 February 2024. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at <http://www.ctrholdings.com>. The annual report of the Company for the year ended 29 February 2024 will be dispatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
CTR Holdings Limited
Xu Xuping

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 30 May 2024

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Xu Xuping and Mr. Xu Tiancheng; and three independent non-executive Directors, namely Dr Kung Wai Chiu Marco, Mr. Tang Chi Wang and Ms. Wang Yao.