



# CTR Holdings Limited

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

(Stock Code: 1416)

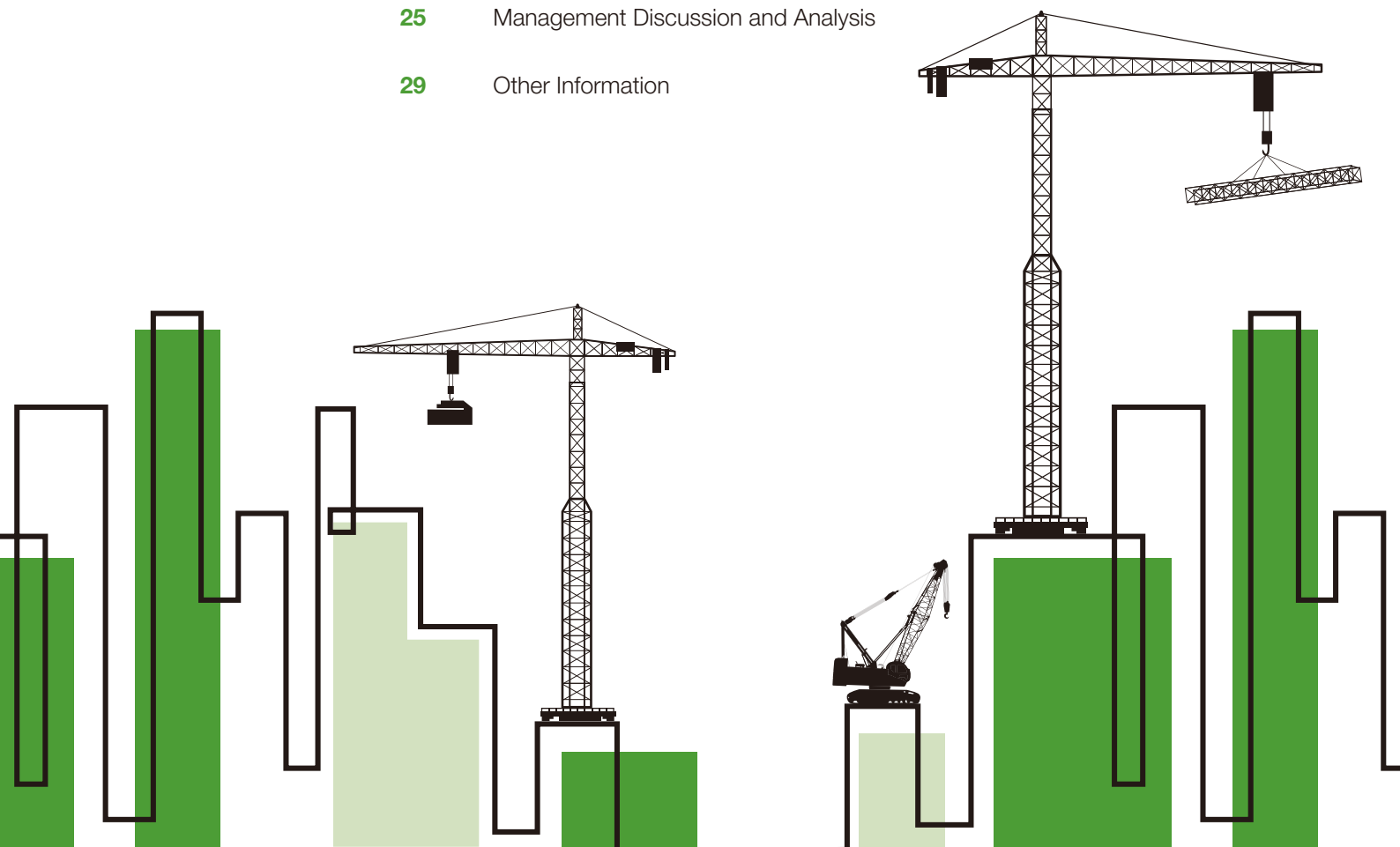


INTERIM REPORT

2024

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Xu Xuping (*Chairman and Chief Executive Officer*)  
Mr. Xu Tiancheng

### Independent Non-Executive Directors

Dr Kung Wai Chiu Marco  
Mr. Tang Chi Wang  
Ms. Wang Yao

### AUDIT COMMITTEE

Dr Kung Wai Chiu Marco (*Chairman*)  
Mr. Tang Chi Wang  
Ms. Wang Yao

### REMUNERATION COMMITTEE

Ms. Wang Yao (*Chairman*)  
Dr Kung Wai Chiu Marco  
Mr. Tang Chi Wang

### NOMINATION COMMITTEE

Mr. Tang Chi Wang (*Chairman*)  
Dr Kung Wai Chiu Marco  
Ms. Wang Yao

### COMPANY SECRETARY

Ms. Fung Mei Ling

### AUTHORISED REPRESENTATIVES

Mr. Xu Xuping  
Ms. Fung Mei Ling

### REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

21 Woodlands Close #08-11/12  
Primz Bizhub  
Singapore 737854

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 17/F, United Centre  
95 Queensway, Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited  
2103B, 21/F  
148 Electric Road  
North Point  
Hong Kong

### PRINCIPAL BANKERS

Maybank Singapore Limited  
United Overseas Bank Limited

### AUDITOR

HLB Hodgson Impey Cheng Limited  
*Certified Public Accountants*  
31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central, Hong Kong SAR

### COMPANY'S WEBSITE

[www.ctrholdings.com](http://www.ctrholdings.com)

### STOCK CODE

1416



The board (the “Board”) of directors (the “Directors”) of CTR Holdings Limited (the “Company”) is pleased to present the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 31 August 2024, together with comparative figures for the corresponding period in 2023 as follows:

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 31 August	
		2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
<b>Revenue</b>	4	92,208	60,652
Construction costs		(83,578)	(53,090)
<b>Gross profit</b>		8,630	7,562
Other income	5	1,065	549
Administrative expenses		(5,814)	(4,662)
Finance costs	6	(5)	(2)
<b>Profit before tax</b>	7	3,876	3,447
Income tax expense	9	(653)	(654)
<b>Profit for the period</b>		3,223	2,793
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(270)	17
<b>Other comprehensive income for the period, net of tax</b>		(270)	17
<b>Total comprehensive income for the period</b>		2,953	2,810
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		2,953	2,810
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
– Basic and diluted (SGD cents)	10	0.2	0.2

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	2,709	2,896
Investment properties	12	4,267	4,333
Right-of-use assets	13	241	319
Contract assets	14	17,642	16,940
<b>Total non-current assets</b>		<b>24,859</b>	<b>24,488</b>
<b>Current assets</b>			
Inventories		430	32
Contract assets	14	29,786	14,646
Trade receivables	15	15,993	11,243
Prepayments, other receivables and deposits	16	3,148	2,901
Amount due from related parties	17	150	154
Financial assets at fair value through profit or loss	18	2,066	2,030
Pledged deposit	19	650	650
Time deposits with original maturity over three months	19	16,125	16,125
Cash and cash equivalents	19	27,085	26,565
<b>Total current assets</b>		<b>95,433</b>	<b>74,346</b>
<b>Total assets</b>		<b>120,292</b>	<b>98,834</b>
<b>Current liabilities</b>			
Contract liabilities	14	11,040	5,704
Trade payables	20	40,073	28,924
Other payables and accruals	21	12,616	10,843
Lease liabilities	22	187	152
Income tax payable		1,010	705
<b>Total current liabilities</b>		<b>64,993</b>	<b>46,328</b>
<b>Net current assets</b>		<b>30,507</b>	<b>28,018</b>
<b>Total assets less current liabilities</b>		<b>55,299</b>	<b>52,506</b>
<b>Non-current liabilities</b>			
Lease liabilities		–	93
Deferred tax liabilities	23	67	67
<b>Total non-current liabilities</b>		<b>67</b>	<b>160</b>
<b>Total liabilities</b>		<b>64,993</b>	<b>46,488</b>
<b>Net assets</b>		<b>55,299</b>	<b>52,346</b>
<b>Equity attributable to owners of the Company</b>			
Share capital	24	190	190
Reserves	25	55,109	52,156
<b>Total equity</b>		<b>55,299</b>	<b>52,346</b>
<b>Total equity and liabilities</b>		<b>120,292</b>	<b>98,834</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital S\$'000	Share premium S\$'000	Foreign currency translation reserve S\$'000	Merger reserve S\$'000	Retained profits S\$'000	Total S\$'000
At 29 February 2024 and 1 March 2024 (Audited)	190	17,739	(285)	1,100	33,602	52,346
Profit for the period	-	-	-	-	3,223	3,223
Other comprehensive income for the period						
Foreign currency translation	-	-	(270)	-	-	(270)
Total comprehensive income for the period	-	-	(270)	-	3,223	2,953
At 31 August 2024 (Unaudited)	190	17,739	(555)	1,100	36,825	55,299

	Share capital S\$'000	Share premium S\$'000	Foreign currency translation reserve S\$'000	Merger reserve S\$'000	Retained profits S\$'000	Total S\$'000
At 28 February 2023 and 1 March 2023 (Audited)	190	17,739	(284)	1,100	30,931	49,676
Profit for the period	-	-	-	-	2,793	2,793
Other comprehensive income for the period						
Foreign currency translation	-	-	17	-	-	17
Total comprehensive income for the period	-	-	17	-	2,793	2,810
At 31 August 2023 (Unaudited)	190	17,739	(267)	1,100	33,724	52,486

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	For the six months ended 31 August	
		2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit before tax		3,876	3,447
Adjustments for:			
Depreciation of property, plant and equipment	7	230	212
Depreciation of investment properties	7	66	66
Depreciation of right-of-use assets	7	96	46
Loss/(gain) on disposal of property, plant and equipment	7	2	(5)
Loss allowance provision on/(reversal of provision on):			
– Contract assets		–	109
– Trade receivables		–	(2)
Interest income	5	(629)	(382)
Interest expenses		5	2
Foreign exchange loss, net		(276)	16
<b>Operating cash flows before changes in working capital</b>		<b>3,334</b>	<b>3,509</b>
Decrease/(increase) in inventories		(398)	24
(Increase)/decrease in contract assets		(15,843)	(5,025)
(Increase)/decrease in trade receivables		(4,750)	(2,554)
(Increase)/decrease in prepayments, other receivables and deposits		(156)	(128)
(Decrease)/increase in contract liabilities		5,336	(958)
Decrease in trade payables and retention payables		11,149	(2,158)
Increase in other payables and accruals		1,777	6,107
<b>Cash flows (used in)/generated from operations</b>		<b>450</b>	<b>(1,183)</b>
Interest received		299	6
Income taxes paid		(348)	(886)
<b>Net cash flows (used in)/from operating activities</b>		<b>401</b>	<b>(2,063)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(46)	(143)
Proceeds from disposal of property, plant and equipment		1	20
Acquisition of other financial assets		–	(1,000)
Interest received from fixed deposits		239	25
Placement of time proceeds with original maturity over three months		(6,125)	(29,249)
Proceeds from time deposits with original maturity over three months		(6,125)	29,249
<b>Net cash flows used in investing activities</b>		<b>194</b>	<b>(1,098)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(81)	(34)
<b>Net cash flows used in financing activities</b>		<b>(81)</b>	<b>(34)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of financial period		26,565	9,906
Effect of exchange rate changes on the balance of cash held on foreign currencies		6	–
<b>Cash and cash equivalents at end of financial period</b>	19	<b>27,085</b>	<b>6,711</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 24 October 2018. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company's subsidiaries were engaged in the provision of structural engineering works and wet architectural works.

The shares of the Company were listed (the "Listing") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 January 2020.

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 has direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Company name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct %	Indirect %	
<b>Held by the Company</b>					
Pinnacle Shine Ltd	British Virgin Islands 20 August 2018	US\$10	100	–	Investment holding
<b>Held through a subsidiary</b>					
Chian Teck Realty Pte Ltd	Singapore 30 March 2009	S\$6,500,000	–	100	Provision of structural engineering works and wet architectural works
Chian Teck Development Pte Ltd	Singapore 22 March 2006	S\$100,000	–	100	Provision of structural engineering works and wet architectural works



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 2.1 BASIS OF PRESENTATION

The interim condensed consolidated financial information for the six months ended 31 August 2023 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and International Accounting Standards (“IAS”) 34 Interim Financial Reporting issued by the International Accounting Standards Board (the “IASB”). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 28 February 2023.

The financial statements have been prepared under the historical cost convention. These financial statements are presented in Singapore dollars (“SGD” or “S\$”) and all values are rounded to the nearest thousand (“S\$’000”) except when otherwise indicated.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 28 February 2023, except for the adoption of the following revised International Financial Reporting Standards (“IFRSs”) for the first time for the current period’s financial information.

Amendments to IAS 39, IFRS 4, IFRS 7, IFRS 9 and IFRS 16  
Amendments to IFRS 16

*Interest Rate Benchmark Reform – Phase 2*  
*Covid-19-related Rent Concessions*

The directors do not anticipate that the application of the revised IFRSs above will have a material effect on the Group’s interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

The Group focuses primarily on the provision of structural engineering works and wet architectural works. Information reported to the Group’s Executive director, for the purpose of resources 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:

	For the six months ended 31 August	
	2024 S\$’000 (Unaudited)	2023 S\$’000 (Unaudited)
Customer B	24,001	6,837
Customer K	15,166	—*
Customer P	17,033	—*
Customer T	—*	25,381

\* The revenue contribution was less than 10% of the Group’s revenue.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. OPERATING SEGMENT INFORMATION (Continued)

### Geographical information

During the six months ended 31 August 2024, 100% of the Group's total revenue was generated in Singapore (for the six months ended 31 August 2023: 100%).

## 4. REVENUE

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

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
<b>Type of goods or services</b>		
Structural engineering works	83,578	54,037
Wet architectural works	8,630	6,615
Total revenue from contracts with customers	92,208	60,652
Timing of transfer of goods or services		
Over time	92,208	60,652

### (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:

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Amounts expected to be recognised as revenue:		
Within one year	165,243	142,135
After one year	16,018	10,076
	181,261	152,211

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 5. OTHER INCOME

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Foreign exchange gain, net	277	–
Government grants and subsidy	4	1
Fair value changes in FVTPL	36	–
Rental income	67	75
Interest income	629	382
Others	52	91
	<b>1,065</b>	<b>549</b>

\* Government grants relates to CIT Rebate Cash Grant. There are no unfulfilled conditions or contingencies relating to these grants.

## 6. FINANCE COSTS

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Interest on lease liabilities	5	2

## 7. PROFIT BEFORE TAX

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

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Construction costs (Notes (a), (b))	83,578	53,090
Depreciation of property, plant and equipment	230	212
Depreciation of investment properties	66	66
Depreciation of right-of-use assets	96	46
Loss/(gain) on disposal of property, plant and equipment	2	(5)
Employee benefit expense (including directors' remuneration)		
– Salaries and bonuses	3,185	2,412
– Central Provident Fund contributions	303	241
Loss allowance provision on/(reversal of provision on)		
– Contract assets	–	109
– Trade receivables	–	(2)

Notes:

(a) Construction costs includes S\$6,098,000 of wages for the six months ended 31 August 2024 (for the six months ended 31 August 2023: S\$6,637,000).

(b) Construction costs includes S\$1,590,000 of rental expenses of short-term leases for the six months ended 31 August 2024 (for the six months ended 31 August 2023: S\$1,021,000).

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 8. DIRECTORS' REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Directors' fees	163	162
Salaries	580	180
Central Provident Fund contributions	24	24
	<b>767</b>	<b>366</b>

There were no fees or emoluments payable by the Company to the executive directors during the period ended 31 August 2024. The executive directors received remuneration from the subsidiaries now comprising the Group for their appointment as directors or officers of these subsidiaries. The remuneration of each of these executive directors as recorded in the financial statements of the subsidiaries is set out below.

For the six months ended 31 August 2024	Salaries S\$'000	Directors' fees S\$'000	Central Provident Fund contributions S\$'000	Total S\$'000
Executive directors:				
Mr. Xu Xuping	290	60	14	364
Mr. Xu Tiancheng	290	60	14	364
	<b>580</b>	<b>120</b>	<b>28</b>	<b>728</b>

For the six months ended 31 August 2023	Salaries S\$'000	Directors' fees S\$'000	Central Provident Fund contributions S\$'000	Total S\$'000
Executive directors:				
Mr. Xu Xuping	90	60	12	162
Mr. Xu Tiancheng	90	60	12	162
	<b>180</b>	<b>120</b>	<b>24</b>	<b>324</b>

There was no arrangement under which a director waived or agreed to waive any remuneration for the six months ended 31 August 2024 and 31 August 2023. During the six months ended 31 August 2024 and 31 August 2023, no remuneration was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

No discretionary performance related bonuses were made to the directors during the six months ended 31 August 2024 and 31 August 2023.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 9. 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 profits tax has been provided at the rate of 17% on the estimated assessable profits arising in Singapore for the six months ended 31 August 2024 and 2023.

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Current – Singapore		
Charge for the period	653	661
Overprovision in respect of prior year	–	(7)
Total tax charge for the period	653	654

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries (or jurisdictions) in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Profit before tax from continuing operations	3,876	3,447
Tax at the statutory rate of 17%	659	586
Adjustments:		
Non-deductible expenses	67	104
Non-taxable income	(55)	(1)
Effect of tax exemption and relief	(18)	(28)
Overprovision in respect of prior year	–	(7)
Tax charge at the Group effective rate	653	654

\* Include corporate income tax rebate, tax exemption and tax deductions/allowances under the Productivity and Innovation Credit Scheme.

The tax exemption for the Year of Assessment of 2024 and 2025 is computed based on 75% of the chargeable income cap at S\$10,000 and the next 50% of the chargeable income cap at S\$190,000.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 10. 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:

	For the six months ended 31 August	
	2024 (Unaudited)	2023 (Unaudited)
Profit for the year, attributable to owners of the Company used in the computation of basic and diluted earnings per share (S\$'000)	3,223	2,793
Number of shares ('000)		
Weighted average number of ordinary shares for basic earnings per share computation	1,400,000	1,400,000

No adjustment has been made to basic earnings per share as the Group had no potential dilutive ordinary shares in issue during the period ended 31 August 2024 and 31 August 2023.

## 11. PROPERTY, PLANT AND EQUIPMENT

Group 31 August 2024	Furniture and equipment						Total S\$'000
	Office units S\$'000	Computers S\$'000	fixtures S\$'000	Office equipment S\$'000	Motor vehicles S\$'000	Renovation S\$'000	
At 1 March 2024:							
Cost	1,837	116	9	366	2,708	96	5,132
Accumulated depreciation	(273)	(109)	(4)	(241)	(1,573)	(96)	(2,236)
Net carrying amount	1,564	7	5	125	1,195	-	2,896
At 1 March 2024, net of accumulated depreciation	1,564	7	5	125	1,195	-	2,896
Additions	-	2	-	-	43	-	45
Depreciation provided during the period	(16)	(1)	(1)	(34)	(178)	-	(230)
Disposal	-	-	-	(2)	-	-	(2)
At 31 August 2024, net of accumulated depreciation	1,548	8	4	89	1,060	-	2,709
At 31 August 2024:							
Cost	1,837	114	9	363	2,751	96	5,170
Accumulated depreciation	(289)	(106)	(5)	(274)	(1,691)	(96)	(2,461)
Net carrying amount (Unaudited)	1,548	8	4	89	1,060	-	2,709

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 11. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 31 August 2023	Office units S\$'000	Computers S\$'000	Furniture and fixtures S\$'000	Office equipment S\$'000	Motor vehicles S\$'000	Renovation S\$'000	Total S\$'000
At 1 March 2023:							
Cost	1,837	154	41	437	2,251	96	4,816
Accumulated depreciation	(240)	(136)	(34)	(349)	(1,450)	(96)	(2,305)
Net carrying amount	1,597	18	7	88	801	-	2,511
At 1 March 2023, net of accumulated depreciation							
Additions	-	-	-	31	112	-	143
Depreciation provided during the period	(16)	(12)	(1)	(27)	(156)	-	(212)
Disposal	-	-	-	-	(15)	-	(15)
At 31 August 2023, net of accumulated depreciation							
	1,581	6	6	92	742	-	2,427
At 31 August 2023:							
Cost	1,837	154	41	468	2,263	96	4,859
Accumulated depreciation	(256)	(148)	(35)	(376)	(1,521)	(96)	(2,432)
Net carrying amount (Unaudited)	1,581	6	6	92	742	-	2,427

The office units held by the Group are as follows:

Description and location	Existing use	Remaining useful lives	
		As at 31 August 2024 Years	As at 29 February 2024 Years
21 Woodlands Close #08-10 Primz Bizhub	Office	47	47
21 Woodlands Close #08-11 Primz Bizhub	Office	47	47
21 Woodlands Close #08-12 Primz Bizhub	Office	47	47
21 Woodlands Close #08-29 Primz Bizhub	Warehouse	47	47

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 12. INVESTMENT PROPERTIES

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
At the beginning of the year	4,333	4,466
Depreciation provided during the period/year	(66)	(133)
At the end of the period/year	4,267	4,333

The investment properties held by the Group are as follows:

Description and location	Existing use	Remaining unexpired lease term	
		As at 31 August 2024 Years	As at 29 February 2024 Years
25 Mandai Estate #06-09*	Office/Shop	*	*
98 Kaki Bukit Industrial Terrace	Industrial	31	31

\* Tenure – Freehold

Description and location	Estimated fair value	
	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
25 Mandai Estate #06-09*	910	910
98 Kaki Bukit Industrial Terrace	3,900	3,900

\* Tenure – Freehold

### Valuation of investment properties

The Group's investment properties are stated at cost less accumulated depreciation and accumulated impairment. The fair value of the investment properties as at 31 August 2024 and 29 February 2024 are disclosed above. The valuations were performed by an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the properties valued.

The fair values of the investment properties are determined using the comparison method by making references to comparable sale evidence as available in the relevant market. Comparable properties of similar size, character and location are analysed and selected for each investment property in order to arrive at a fair comparison of their fair values. The fair value measurement is positively correlated to the market unit sale rate. There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. RIGHT-OF-USE ASSETS

	Leasehold land and buildings S\$'000	Motor vehicle S\$'000	Office equipment S\$'000	Total S\$'000
<b>Cost:</b>				
At 1 March 2024	257	297	15	569
Addition	18	–	–	18
Written off	(61)	–	–	(61)
<b>At 31 August 2024</b>	<b>214</b>	<b>297</b>	<b>15</b>	<b>526</b>
<b>Accumulated depreciation:</b>				
At 1 March 2024	95	149	6	250
Depreciation provided during the period	65	30	1	96
Written off	(61)	–	–	(61)
<b>At 31 August 2024</b>	<b>99</b>	<b>179</b>	<b>7</b>	<b>285</b>
<b>Net carrying amount:</b>				
<b>At 31 August 2024</b>	<b>115</b>	<b>118</b>	<b>8</b>	<b>241</b>
At 31 August 2024 (Unaudited)	115	118	8	241

	Leasehold land and buildings S\$'000	Motor vehicle S\$'000	Office equipment S\$'000	Total S\$'000
<b>Cost:</b>				
At 1 March 2023	125	297	–	422
Addition	–	–	15	15
Written off	(64)	–	–	(64)
<b>At 31 August 2023</b>	<b>61</b>	<b>297</b>	<b>15</b>	<b>373</b>
<b>Accumulated depreciation:</b>				
At 1 March 2023	94	93	–	187
Depreciation provided during the period	15	27	4	46
Written off	(48)	–	–	(48)
<b>At 31 August 2023</b>	<b>61</b>	<b>120</b>	<b>4</b>	<b>185</b>
<b>Net carrying amount:</b>				
<b>At 31 August 2023</b>	<b>–</b>	<b>177</b>	<b>11</b>	<b>188</b>
At 31 August 2023 (Unaudited)	–	177	11	188

The lease agreements do not impose any covenants other than security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 14. CONTRACT ASSETS/LIABILITIES

### (a) Contract assets

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Unbilled revenue ( <i>note (i)</i> )	29,804	12,208
Retention receivables ( <i>note (ii)</i> )	19,001	20,753
	48,805	32,961
Less: Loss allowance provision	(1,377)	(1,375)
	47,428	31,586
Represented by:		
Contract assets		
– Non-current	17,642	16,940
– Current	29,786	14,646
	47,428	31,586

Notes:

- (i) Unbilled revenue is initially recognised for revenue earned from the provision of construction work as the receipt of consideration is conditional on successful completion of construction. Upon completion of construction and acceptance by the customer, the amounts recognised as unbilled revenue are reclassified to trade receivables.
- (ii) Retention receivables included in contract assets represents the Group's right to consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over the maintenance period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically after the expiry date of the maintenance period.

As at 1 March 2023, contract assets amounted to approximately S\$29,306,000.

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 providing for contract assets.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 14. CONTRACT ASSETS/LIABILITIES (Continued)

### (b) Contract liabilities

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Construction contracts	11,040	5,704

The Group receives payments from customers based on invoices issued for work performed that were certified by the main contractor.

As at 1 March 2023, contract liabilities amounted to approximately S\$4,342,000.

The revenue recognised related to the carried-forward contract liabilities are as follows:

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Revenue recognised in the year from the amounts included in the contract liabilities at the beginning of the year	4,259	4,342

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

#### **Construction contracts**

In recognising the construction revenue, the Group adjusts the amount of payment received for the effect of the time value of money of the goods and services transferred to the customers. In certain circumstances, the adjustment will result the amount of payment received in excess of the revenue recognised to date. Such difference will be recorded as contract liabilities.

## 15. TRADE RECEIVABLES

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Trade receivables	16,859	12,109
Less: Loss allowance provision	(866)	(866)
	15,993	11,243

The credit period is generally 30 to 90 days.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 15. TRADE RECEIVABLES (Continued)

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 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Within 1 month	13,681	9,015
1 to 2 months	2,560	1,625
2 to 3 months	248	603
	<b>15,993</b>	<b>11,243</b>

The movements in loss allowance provision of trade receivables are as follows:

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
At the beginning of the year	866	287
(Reversal of)/loss allowance provision for the year/period	–	579
At the end of the period/year	<b>866</b>	<b>866</b>

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 providing for all trade receivables.

## 16. PREPAYMENTS, OTHER RECEIVABLES AND DEPOSITS

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Other receivables	3	169
Interest receivables	451	370
Deposits	1,914	1,542
Prepayments	765	820
	<b>3,133</b>	<b>2,901</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 17. AMOUNT DUE FROM/(TO) RELATED PARTIES

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Amount due from ultimate holding company	150	154

The amount was non-trade in nature, unsecured, interest-free and have no fixed term of repayment.

## 18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Investment in money market fund	2,066	2,030

The above unlisted investments were wealth management products issued by banks in Singapore. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

## 19. CASH AND CASH EQUIVALENTS/TIME DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS

The cash and cash equivalents carry interest at floating rates based on daily bank deposit rates. The time deposits carried market interest rate of 2.90%–4.10% (2024: 3.25%–4.10%) per annum with original maturity over three months but not exceeding one year.

As at 31 August 2024, the Group had bank deposits with carrying amount of approximately S\$650,000 (2024: S\$650,000) pledged as security in respect of performance bond for the due and proper performance obligations undertaken by the Group's subsidiary for projects in its ordinary course of business. The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

## 20. 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 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Trade payables:		
Within 1 month	17,975	19,673
1 to 2 months	10,483	7,379
2 to 3 months	7,788	739
Over 3 months	7,827	1,133
	40,073	28,924

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

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 21. OTHER PAYABLES AND ACCRUALS

	As at 31 August 2024 S\$'000 (Unaudited)	As at 29 February 2024 S\$'000 (Audited)
Other payables and accruals	9,145	1,847
Accrued staff cost	994	3,771
Deposits received	27	27
Retention payables	835	–
Provision for onerous contract ( <i>note</i> )	1,615	4,302
Net Goods and Services Tax (“GST”) payables	–	896
	<b>12,616</b>	<b>10,843</b>

*Note: The provision for onerous contracts relates to certain contracts with customers under which the unavoidable costs of meeting the obligation exceed the economic benefits to be received due to anticipated increase in certain production costs.*

Other payables are non-interest bearing and are repayable on demand.

## 22. LEASE LIABILITIES

As at 31 August 2024, the Group leases various motor vehicles, office equipment, leasehold land and buildings for a period of time through lease arrangements with lease terms ranging from 2 to 5 years. These liabilities were measured at the net present value of the lease payments during the lease terms that are not yet paid.

The interest rates were 5.25% (2024: 5.25%) per annum.

The total future minimum lease payments under lease arrangements and their present value were as follows:

	Minimum lease payments as at 31 August 2024 S\$'000 (Unaudited)	Present value of minimum lease payments as at 31 August 2024 S\$'000 (Unaudited)	Minimum lease payments as at 29 February 2024 S\$'000 (Audited)	Present value of minimum lease payments as at 29 February 2024 S\$'000 (Audited)
Within 1 year	142	137	160	152
After 1 year but not exceeding 2 years	37	36	77	75
After 2 year but not exceeding 5 years	16	14	18	18
	<b>195</b>	<b>187</b>	<b>255</b>	<b>245</b>
Less: Total future interest expenses	(8)		(10)	
Present value of lease liabilities	<b>187</b>		<b>245</b>	
Less: Amount due for settlement within one year		(106)		(152)
Amount due for settlement after one year		<b>81</b>		<b>93</b>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 23. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

	<b>Depreciation in excess of related depreciation allowance</b>	<b>Total</b>
	S\$'000	S\$'000
At 1 March 2023 and 31 August 2023	60	60
Deferred tax charged to profit or loss during the period	7	7
At 29 February 2024 and 1 March 2024	67	67
Charged to profit and loss during the period	–	–
At 31 August 2024	67	67

## 24. SHARE CAPITAL

	Number of shares in issue	S\$'000
Ordinary shares of US\$0.0001		
Authorised:		
At 1 March 2023, 29 February 2024 and 31 August 2024	5,000,000,000	678
Issued and fully paid:		
At 1 March 2023, 29 February 2024 and 31 August 2024	1,400,000,000	190

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

## 25. RESERVES

### Group

The amounts of the Group's reserves and the movements therein for the period ended 31 August 2024 and period ended 31 August 2023 are presented in the consolidated statements of changes in equity.

### Share premium

Share premium represents the difference between the nominal value and the issuing value of the shares.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 25. RESERVES (Continued)

### Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### Merger reserve

For the purposes of the preparation of the consolidated statements of financial position, the balance of merger reserve at the financial period ended 31 August 2024 and period ended 31 August 2023 represents the aggregate of the paid up share capital of the subsidiaries now comprising the Group attributable to the Controlling Shareholders prior to the Reorganisation.

## 26. OPERATING LEASE ARRANGEMENTS

### As lessor

The Group has entered into leases on its investment properties. These non-cancellable leases have remaining lease terms of one year or less.

Future minimum rental receivable under non-cancellable operating leases are as follows:

	As at 31 August 2024 S\$'000	As at 29 February 2024 S\$'000
Within one year	133	126
In the second year	38	98
	<b>171</b>	<b>244</b>

## 27. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these financial statements, the Group did not have transactions with related parties during the period.

### Outstanding balances with related parties

As at 31 August 2024, the Group had a net outstanding balance due to directors (non-trade) of S\$6 (29 February 2024: S\$6).

### Personal guarantees by directors

During the period ended 31 August 2024 and year ended 29 February 2024, performance bonds issued by insurance companies that were secured by corporate guarantee provided by a subsidiary.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 27. RELATED PARTY TRANSACTIONS (Continued)

### Compensation of key management personnel of the Group

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Directors' fees	120	120
Salaries	580	180
Central Provident Fund contributions	28	24
	<b>728</b>	<b>324</b>

Further details of the directors' emoluments as disclosed in Note 8 to the financial statements.

## 28. DIVIDENDS

No dividend has been declared by the Company or group entities during the six months ended 31 August 2024 and 2023 or subsequent to the period end.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

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 31 August 2024, the Group had a total of 31 (29 February 2024: 28) projects on hand (including projects in progress) including 24 (29 February 2024: 22) structural engineering projects and 7 (29 February 2024: 6) wet architectural projects. The aggregated contract sum of the above projects is approximately S\$485 million, of which approximately S\$304 million has been recognised as revenue up to 31 August 2024. The remaining balance will be recognised as Group's revenue in accordance with the respective stage of completion.

## PROSPECTS

The Group's prudent cash management approach has ensured that its cash flow position remains healthy and in a strong position to tender and secure more structural engineering and wet architecture projects. Currently, it has a strong project pipeline with 31 uncompleted projects.

With inflation, the Group's construction costs remain high, hence, it must judiciously manage its project costs. To stay competitive, it will need to step up its efforts and improve its efficiency and productivity level to ensure the smooth execution and delivery of its projects. In addition, it will also focus on its trade collections and will continue to work closely with its customers to avoid disruptions to its ongoing projects.

## 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:

	For the six months ended 31 August	
	2024 S\$'000 (Unaudited)	2023 S\$'000 (Unaudited)
Structural engineering works	83,578	54,037
Wet architectural works	8,630	6,615
	<b>92,208</b>	<b>60,652</b>

The Group's revenue increased by approximately S\$31.5 million or 52.0% from approximately S\$60.7 million for the six months ended 31 August 2023 to approximately S\$92.2 million for the six months ended 31 August 2024. The increased construction activities performed on the large scale projects mainly explained for the increase in revenue.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Construction Costs

In line with the increase in business activities, and taking into account higher costs of construction materials, rental and labour costs, construction costs rose 57.4% to approximately S\$83.6 million for the six months ended 31 August 2024, from approximately S\$53.1 million for the six months ended 31 August 2023.

### Gross Profit and Gross Profit Margin

As a result of the above, the Group's gross profit increased by approximately S\$1.0 million from approximately S\$7.6 million for the six months ended 31 August 2023 to approximately S\$8.6 million for the six months ended 31 August 2024.

In view of the higher costs incurred on the projects and lower margins from large scale projects, the Group's gross profit margin declined by approximately 3.1% from approximately 12.5% during the six months ended 31 August 2023 to approximately 9.4% during the six months ended 31 August 2024.

### Other Income

The Group's other income increased by approximately S\$0.6 million from approximately S\$0.5 million for the six months ended 31 August 2023 to approximately S\$1.1 million for the six months ended 31 August 2024. The increase was attributed to the foreign exchange gain of S\$0.3 million due to Singapore dollar strengthens. In addition, higher interest income was received of approximately S\$0.2 million as the Group benefitted from higher interest rates on its time deposits.

### Administrative Expenses

The Group's administrative expenses increased by approximately S\$1.1 million from approximately S\$4.7 million for the six months ended 31 August 2023 to approximately S\$5.8 million for the six months ended 31 August 2024.

The increase was mainly attributed to higher employee benefit.

### Finance Costs

The Group's finance costs increased by approximately S\$2,000 from approximately S\$5,000 for the six months ended 31 August 2023 to approximately S\$7,000 for the six months ended 31 August 2024. This was in line with the increase in repayment of lease liabilities.

### Income Tax Expenses

The Group's income tax expense remained relatively stable for the six months ended 31 August 2023 and the six months ended 31 August 2024, which amounted to approximately S\$0.7 million in both periods, respectively.

### Profit for the Period

As a result of the foregoing, the Group's profit for the period amounted to approximately S\$3,223,000 (six months ended 31 August 2023: S\$2,793,000).

### 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 approximately S\$0.2 million as at 31 August 2024.

The Group's sources of funding comprise of its cash and cash equivalents and time deposits. As at 31 August 2024, the Group's cash and cash equivalents and time deposits recorded an increase by 1.2% from approximately S\$42.7 million as at 29 February 2024 to approximately S\$43.2 million, which was mainly due to net cash flows used in operating, investing and financing activities.

# MANAGEMENT DISCUSSION AND ANALYSIS



The cash and cash equivalents of the Group, mainly denominated in SGD and HKD, are generally deposited with authorised financial institutions. As at 31 August 2024, 99.9% (29 February 2024: 99.9%) of the Group's cash and cash equivalents was denominated in Singapore dollar and 0.1% (29 February 2024: 0.1%) was denominated in Hong Kong dollar.

As at 31 August 2024, the Group had bank facilities with credit limit amounting to approximately S\$1.0 million (29 February 2024: S\$1.0 million), of which approximately S\$1.0 million (29 February 2024: 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, net off cash and cash equivalents) divided by the capital plus net debt as at the end of respective period.

As at 31 August 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 (29 February 2024: 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 and cash equivalents, short-term time deposits 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.

## 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 six months ended 31 August 2024.

## Future Plans for Material Investments or Capital Assets

The Group did not have other future plans for material investments or capital assets as at 31 August 2024.

## Foreign Exchange Exposure

The headquarters and principal 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 31 August 2024, the Group does not have major exposure to foreign currency risk. It has maintained only 0.1% of the Group's cash and cash equivalents in Hong Kong dollars for its compliance costs in Hong Kong.

## Pledge of Asset

As at 31 August 2024, a fixed deposit of approximately S\$650,000 (29 February 2024: S\$650,000) was pledged as a banker's guarantee in relation to a structural engineering contract. Subsequent to end of the financial period, the banker's guarantee is released back to the Group as it has fully fulfilled its contract obligations.

## Contingent Liabilities

As at 31 August 2024, the Group had contingent liabilities amounting to S\$23,398,000 (29 February 2024: S\$17,059,000) in respect of performance bonds to guarantee for the due and proper performance of the obligations undertaken by the Group's subsidiary for projects 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

### Capital Commitments

The Group had no capital commitments as at 31 August 2024 (29 February 2024: nil).

### Capital Expenditures

For six months ended 31 August 2024, the Group's capital expenditure in respect of the acquisition of properties, plant and equipment and right-of-use assets amounting to approximately S\$1,000 (FY2023/2024: S\$0.9 million).

### Employees and Remuneration Policy

As at 31 August 2024, the Group had a total of 469 (29 February 2024: 480) employees in Singapore, of which comprising 8.5% was Singapore citizens and 91.5% 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 the six months ended 31 August 2024 amounted to approximately S\$9.6 million (the six months ended 31 August 2023: S\$9.1 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.

### Events after the Reporting Period

Save as disclosed in this report, there is no material subsequent event undertaken by the Group after 31 August 2024 and up to the date of this report.

### Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 31 August 2024 (the six months ended 31 August 2023: nil).

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 August 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

#### (a) Long positions in the shares of US\$0.0001 each of the Company (the "Shares")

Name of Director	Nature of interest	Number of Shares held	Percentage of issued share capital
Mr. Xu Xuping ("Mr. XP Xu") (Note)	Interest in controlled corporation	1,050,000,000	75%
Mr. Xu Tiancheng ("Mr. TC Xu") (Note)	Interest in controlled corporation	1,050,000,000	75%

Note: The 1,050,000,000 Shares are held by BRAVE OCEAN LIMITED ("Brave Ocean") which is beneficially owned as to 40% by Mr. XP Xu, 40% by Mr. TC Xu and 20% by Ms. Gou Shuzhen ("Ms. Gou"). Mr. XP Xu, Mr. TC Xu and Ms. Gou are regarded as a group of controlling shareholders of the Company under the Listing Rules and parties acting in concert to exercise their voting rights in the Company pursuant to a confirmation and undertaking entered into among Mr. XP Xu, Mr. TC Xu and Ms. Gou dated 28 November 2018 (the "Acting in Concert Confirmation and Undertaking"); and they together are interested in a total of 75% of the issued share capital of the Company. Mr. XP Xu and Mr. TC Xu are deemed to be interested in the Shares held by Brave Ocean pursuant to the SFO.

#### (b) Long positions in the shares of associated corporations

Name of Director	Name of associated corporation	Nature of interest	Number of shares held	Percentage of interest in associated corporation
Mr. XP Xu (Note)	Brave Ocean	Beneficial owner	4	40%
Mr. TC Xu (Note)	Brave Ocean	Beneficial owner	4	40%

Note: The Company is owned as to 75% by Brave Ocean. Brave Ocean is beneficially owned as to 40% by Mr. XP Xu, 40% by Mr. TC Xu and 20% by Ms. Gou. Mr. XP Xu, Mr. TC Xu and Ms. Gou are regarded as a group of controlling shareholders of the Company under the Listing Rules and parties acting in concert to exercise their voting rights in the Company pursuant to the Acting in Concert Confirmation and Undertaking; and they together are interested in a total of 75% of the issued share capital of the Company.

Save as disclosed above, as at 31 August 2024, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 of the Listing Rules.

## OTHER INFORMATION

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 August 2024, the following persons had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

#### Long positions in the Shares

Name of shareholder	Nature of interest	Number of Shares held	Percentage of issued share capital
Brave Ocean (Note 1)	Beneficial owner	1,050,000,000	75%
Mr. XP Xu (Note 1)	Interest in controlled corporation	1,050,000,000	75%
Mr. TC Xu (Note 1)	Interest in controlled corporation	1,050,000,000	75%
Ms. Le Thi Minh Tam (Note 2)	Interest of spouse	1,050,000,000	75%
Ms. Lin Qingling (Note 3)	Interest of spouse	1,050,000,000	75%
Ms. Gou (Note 4)	Interests held jointly with another person	1,050,000,000	75%
Mr. Xu Junjie (Note 5)	Interest of spouse	1,050,000,000	75%

Notes:

- The 1,050,000,000 Shares are held by Brave Ocean which is beneficially owned as to 40% by Mr. XP Xu, 40% by Mr. TC Xu and 20% by Ms. Gou. Mr. XP Xu, Mr. TC Xu and Ms. Gou are regarded as a group of controlling shareholders of the Company under the Listing Rules and parties acting in concert to exercise their voting rights in the Company pursuant to the Acting in Concert Confirmation and Undertaking; and they together are interested in a total of 75% of the issued share capital of the Company. Mr. XP Xu and Mr. TC Xu are deemed to be interested in the Shares held by Brave Ocean pursuant to the SFO.
- Ms. Le Thi Minh Tam is the spouse of Mr. XP Xu. Under the SFO, Ms. Le Thi Minh Tam is deemed to be interested in the same number of the Shares in which Mr. XP Xu is interested.
- Ms. Lin Qingling is the spouse of Mr. TC Xu. Under the SFO, Ms. Lin Qingling is deemed to be interested in the same number of the Shares in which Mr. TC Xu is interested.
- Mr. XP Xu and Mr. TC Xu are sons of Ms. Gou. Mr. XP Xu, Mr. TC Xu and Ms. Gou hold their interests in the Group through Brave Ocean. Mr. XP Xu, Mr. TC Xu and Ms. Gou are persons acting in concert pursuant to the Acting in Concert Confirmation and Undertaking and accordingly each of them is deemed to be interested in the Shares held by the others. By the Acting in Concert Confirmation and Undertaking, each of Mr. XP Xu, Mr. TC Xu and Ms. Gou confirmed that, since 17 June 2011, they have been parties acting in concert with one another in respect of all major affairs concerning each member of the Group, adopted a consensus building approach to reach decisions on a unanimous basis, voted as a group (by themselves and/or through companies controlled by them) in respect of all corporate matters relating to the financials and operations of the Group at the shareholder level of each member company within the Group (where applicable), and will continue to do so.
- Mr. Xu Junjie is the spouse of Ms. Gou. Under the SFO, Mr. Xu Junjie is deemed to be interested in the same number of the Shares in which Ms. Gou is interested.

Save as disclosed above, as at 31 August 2024, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

## OTHER INFORMATION

### SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code as set out in Appendix C3 of the Listing Rules as the codes of conduct regarding securities transactions by the 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 throughout the six months period ended 31 August 2024.

### CORPORATE GOVERNANCE

During the six months ended 31 August 2024, 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 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.

### SHARE OPTION SCHEME

The shareholders of the Company approved and conditionally adopted a share option scheme on 22 November 2019 (the "Share Option Scheme") to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which any member of the Group holds any equity interest. No share options have been granted, exercised, lapsed or cancelled under the Share Option Scheme since then and up to the date of this report.

### 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 (including sale of treasury shares of the Company) during the six months ended 31 August 2024.

### AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has reviewed the Group's unaudited interim results for the six months ended 31 August 2024 and discussed with the management of the Company on the accounting principles and policies adopted by the Group including a review of the unaudited condensed consolidated interim financial statements and the interim report of the Company for the six months ended 31 August 2024 with no disagreement by the Audit Committee.



## OTHER INFORMATION

### PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The unaudited interim results announcement of the Company for the six months ended 31 August 2024 has been published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at <http://www.ctrholdings.com>. This interim report of the Company for the six months ended 31 August 2024 will be dispatched to the shareholders of the Company and made available 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, 29 October 2024