



# CTR Holdings Limited

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

(Stock Code: 1416)

INTERIM  
REPORT  
2 0 2 1

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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

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

## AUDIT COMMITTEE

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

## REMUNERATION COMMITTEE

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

## NOMINATION COMMITTEE

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

## COMPANY SECRETARY

Ms. Leung Hoi Yan

## AUTHORISED REPRESENTATIVES

Mr. Xu Xuping  
Ms. Leung Hoi Yan

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
PO 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  
PO 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

## COMPLIANCE ADVISER

Grande Capital Limited  
*(A licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO)*  
Room 2701, 27/F  
Tower One, Admiralty Centre  
18 Harcourt Road  
Admiralty  
Hong Kong

## PRINCIPAL BANKERS

Malayan Banking Berhad  
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.chianteck.com](http://www.chianteck.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 2021, together with comparative figures for the corresponding period in 2020 as follows:

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

	Notes	For the six months ended 31 August	
		2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
<b>Revenue</b>	4	43,968	6,300
Construction costs		(38,109)	(6,221)
<b>Gross profit</b>		5,859	79
Other income	5	1,397	2,040
Administrative expenses		(4,545)	(6,482)
<b>Profit/(Loss) before tax</b>	6	2,711	(4,363)
Income tax expense	8	(471)	(12)
<b>Profit/(Loss) for the period</b>		2,240	(4,375)
<b>Other comprehensive expense:</b>			
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(206)	(317)
<b>Other comprehensive expense for the period, net of tax</b>		(206)	(317)
<b>Total comprehensive income/(expense) for the period</b>		2,034	(4,692)
<b>Total comprehensive income/(expense) attributable to:</b>			
Owners of the Company		2,034	(4,692)
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
– Basic and diluted (SGD cents)	9	0.2	(0.3)



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	10	2,917	2,512
Investment properties	11	4,567	4,632
Contract assets	12	7,937	6,351
<b>Total non-current assets</b>		<b>15,421</b>	<b>13,495</b>
<b>Current assets</b>			
Contract assets	12	9,030	6,626
Inventories		48	84
Trade receivables	13	5,964	5,427
Prepayments, other receivables and deposits	14	2,040	2,915
Amount due from related parties	15	147	145
Cash and cash equivalents	16	26,069	25,900
<b>Total current assets</b>		<b>43,298</b>	<b>41,097</b>
<b>Total assets</b>		<b>58,719</b>	<b>54,592</b>
<b>Current liabilities</b>			
Contract liabilities	12	1,725	566
Trade payables	17	7,915	8,049
Other payables and accruals	18	3,270	2,612
Amount due to related parties	15	16	16
Income tax payable		602	192
<b>Total current liabilities</b>		<b>13,528</b>	<b>11,435</b>
<b>Net current assets</b>		<b>29,770</b>	<b>29,662</b>
<b>Total assets less current liabilities</b>		<b>45,191</b>	<b>43,157</b>
<b>Non-current liability</b>			
Deferred tax liabilities	19	31	31
<b>Total non-current liability</b>		<b>31</b>	<b>31</b>
<b>Total liabilities</b>		<b>13,559</b>	<b>11,466</b>
<b>Net assets</b>		<b>45,160</b>	<b>43,126</b>
<b>Equity attributable to owners of the Parent</b>			
Share capital	20	190	190
Reserves	21	44,970	42,936
<b>Total equity</b>		<b>45,160</b>	<b>43,126</b>
<b>Total equity and liabilities</b>		<b>58,719</b>	<b>54,592</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 2021 and 1 March 2021 (Audited)	190	17,739	(265)	1,100	24,362	43,126
Profit for the period	–	–	–	–	2,240	2,240
Other comprehensive income for the period						
Foreign currency translation	–	–	(206)	–	–	(206)
Total comprehensive income for the period	–	–	(206)	–	2,240	2,034
At 31 August 2020 (Unaudited)	190	17,739	(471)	1,100	26,602	45,160

	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 2020 and 1 March 2020 (Audited)	190	17,739	366	1,100	27,766	47,161
Loss for the period	–	–	–	–	(4,375)	(4,375)
Other comprehensive income for the period						
Foreign currency translation	–	–	(317)	–	–	(317)
Total comprehensive income for the period	–	–	(317)	–	(4,375)	(4,692)
At 31 August 2020 (Unaudited)	190	17,739	49	1,100	23,391	42,469



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	For the six months ended 31 August	
		2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit/(Loss) before tax		2,711	(4,363)
Adjustments for:			
Bad debts written off	6	–	1
Depreciation of property, plant and equipment	6	196	218
Depreciation of investment properties	6	(65)	63
Gain on disposal of property, plant and equipment	6	(66)	–
Interest income	5	112	(20)
<b>Operating cash flows before changes in working capital</b>		<b>2,794</b>	<b>(4,101)</b>
Increase in inventories		36	–
(Increase)/decrease in contract assets		(3,990)	5,174
(Increase)/decrease in trade receivables		(537)	4,499
Decrease/(increase) in prepayments, other receivables and deposits		875	(3,102)
Increase/(decrease) in contract liabilities		1,159	(209)
Decrease in trade payables and retention payables		(134)	(2,982)
Increase/(decrease) in other payables and accruals		658	(849)
Effect of exchange rate changes on balances in foreign currencies		(2)	–
<b>Cash flows used in operations</b>		<b>859</b>	<b>(1,570)</b>
Interest received		17	11
Income taxes paid		(61)	(504)
<b>Net cash flows from/(used in) operating activities</b>		<b>815</b>	<b>(2,063)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(601)	(90)
Proceeds from disposal of property, plant and equipment		66	–
Interest received from fixed deposits		95	9
<b>Net cash flows used in investing activities</b>		<b>(440)</b>	<b>(81)</b>
<b>Cash flows from financing activities</b>			
Decrease in amount due to directors	15	–	(2)
<b>Net cash flows from/(used in) financing activities</b>		<b>–</b>	<b>(2)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>375</b>	<b>(2,146)</b>
Cash and cash equivalents at beginning of financial period		25,900	30,088
Effect of exchange rate changes on the balance of cash held on foreign currencies		(206)	(314)
<b>Cash and cash equivalents at end of financial period</b>	16	<b>26,069</b>	<b>27,628</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\$3,000,000	–	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
Promontory Company Limited	Hong Kong 25 February 2020	HK\$10,000	–	100	Sales and distribution of foaming cement
Hong Kong Integrated Sport Therapy Centre Limited	Hong Kong 3 March 2014	HK\$1,000	–	100	Dormant



# 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 2021 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 2021.

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 2021, 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	
	2021 S\$’000 (Unaudited)	2020 S\$’000 (Unaudited)
Customer A	4,030	639
Customer Group B	33,705	3,629
Customer K	4,306	–
Customer N	–	1,328



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. OPERATING SEGMENT INFORMATION (Continued)

### Geographical information

During the six months ended 31 August 2021, 100% of the Group's total revenue was generated in Singapore (for the six months ended 31 August 2020: 100%).

## 4. REVENUE

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

	For the six months ended 31 August	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
<b>Type of goods or services</b>		
Structural engineering works	38,586	6,182
Wet architectural works	5,382	118
Total revenue from contracts with customers	43,968	6,300
Timing of transfer of goods or services		
Over time	43,968	6,300

### (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	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Amounts expected to be recognised as revenue:		
Within one year	64,784	48,784
After one year	722	19,956
	65,506	68,740



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 5. OTHER INCOME

	For the six months ended 31 August	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Gain on foreign exchange, net	–	172
Government grants*	873	1,422
Rendering of services	274	320
Rental income	55	58
Scrap sales	83	–
Interest income	112	20
Others	–	48
	<b>1,397</b>	<b>2,040</b>

\* Government grants relates to Foreign Worker Levy Rebate, Jobs Support Scheme, Productivity and Innovation Credit Scheme, Wage Credit Scheme and Special Employment Credit Scheme. There are no unfulfilled conditions or contingencies relating to these grants.

## 6. PROFIT/(LOSS) BEFORE TAX

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

	For the six months ended 31 August	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Construction costs (a) (b)	38,109	6,221
Bad debts written off	–	1
Depreciation of property, plant and equipment	196	218
Depreciation of investment properties	65	63
Gain on disposal of property, plant and equipment	(66)	–
Loss/(Gain) on foreign exchange, net	82	(172)
Employee benefit expense (including directors' remuneration)		
– Salaries and bonuses	2,442	2,252
– Central Provident Fund contributions	189	156

(a) Construction costs includes S\$4,567,000 of wages for the six months ended 31 August 2021 (for the six months ended 31 August 2020: S\$1,424,000).

(b) Construction costs includes S\$936,000 of rental expenses of short-term leases for the six months ended 31 August 2021 (for the six months ended 31 August 2020: S\$1,087,000).



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 7. 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	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Salaries	180	98
Directors' fees	159	161
Central Provident Fund contributions	24	17
	<b>363</b>	<b>276</b>

On 24 October 2018, Mr. Xu Xuping and Mr. Xu Tiancheng were appointed as executive directors of the Company. Mr. Kung Wai Chiu Marco, Mr. Tang Chi Wang and Ms. Wang Yao were appointed as independent non-executive directors of the Company on 22 November 2019.

There were no fees or emoluments payable by the Company to the executive directors during the period ended 31 August 2021. 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 directors as recorded in the financial statements of the subsidiaries is set out below.

### (a) Independent non-executive directors

Directors' fees	For the six months ended 31 August	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Independent non-executive directors:		
Mr. Kung Wai Chiu Marco	13	14
Mr. Tang Chi Wang	13	14
Ms. Wang Yao	13	14
	<b>39</b>	<b>42</b>



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 7. DIRECTORS' REMUNERATION (Continued)

### (b) Executive directors

For the six months ended 31 August 2021	Salaries	Directors'	Central	Total
	S\$'000	fees	Provident	
	S\$'000	S\$'000	Fund	S\$'000
			contributions	
			S\$'000	
Executive directors:				
Mr. Xu Xuping	90	60	12	162
Mr. Xu Tiancheng	90	60	12	162
	180	120	24	324

For the six months ended 31 August 2020	Salaries	Directors'	Central	Total
	S\$'000	fees	Provident	
	S\$'000	S\$'000	Fund	S\$'000
			contributions	
			S\$'000	
Executive directors:				
Mr. Xu Xuping	53	60	8	121
Mr. Xu Tiancheng	45	60	8	113
	98	120	16	234

There was no arrangement under which a director waived or agreed to waive any remuneration for the six months ended 31 August 2021 and 31 August 2020. During the six months ended 31 August 2021 and 31 August 2020, 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.

## 8. 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 2021 and 2020.

	For the six months ended 31 August	
	2021	2020
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Current – Singapore		
Charge for the period	471	12
Total tax charge for the period	471	12



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 8. INCOME TAX EXPENSE (Continued)

A reconciliation of the tax expense applicable to profit/(loss) 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	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Profit/(Loss) before tax from continuing operations	2,711	(4,363)
Tax at the statutory tax rate of 17%	461	(517)
Adjustments:		
Non-deductible expenses	195	546
Income not subject to taxation	(94)	–
Effect of tax exemption*	(91)	(17)
Tax charge at the Group's effective rate	471	12

\* 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 2021 and 2022 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\$100,000.

## 9. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated as profit/(loss) 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	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Profit/(Loss) for the year, attributable to owners of the Company used in the computation of basic and diluted earnings/(loss) per share (S\$'000)	2,240	(4,375)
Number of shares ('000)		
Weighted average number of ordinary shares for basic earnings/(loss) per share computation	1,400,000	1,400,000

As at 31 August 2021, the Company had 1,400,000,000 ordinary shares in issue. The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 15 January 2020 by way of placing of 350,000,000 new shares and capitalisation of 1,050,000,000 shares resulting in 1,400,000,000 ordinary shares in issue. The weighted average number of ordinary shares for the purpose of calculating basic earnings per shares has been retrospectively adjusted, assuming the reorganization had been effective on 1 March 2019.

No adjustment has been made to basic earnings/(loss) per share as the Group had no potential dilutive ordinary shares in issue during the period ended 31 August 2021 and 31 August 2020.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 10. PROPERTY, PLANT AND EQUIPMENT

Group	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
<b>31 August 2021</b>							
At 1 March 2021:							
Cost	1,837	149	35	377	1,687	96	4,181
Accumulated depreciation	(174)	(72)	(27)	(233)	(1,083)	(80)	(1,669)
Net carrying amount	1,663	77	8	144	604	16	2,512
At 1 March 2021, net of accumulated depreciation	1,663	77	8	144	604	16	2,512
Additions	-	-	-	22	579	-	601
Depreciation provided during the period	(16)	(17)	(2)	(29)	(127)	(5)	(196)
At 31 August 2021, net of accumulated depreciation	1,647	60	6	137	1,056	11	2,917
At 31 August 2021:							
Cost	1,837	149	35	399	2,125	96	4,641
Accumulated depreciation	(190)	(89)	(29)	(262)	(1,069)	(85)	(1,724)
Net carrying amount (Unaudited)	1,647	60	6	137	1,056	11	2,917
Group	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
28 February 2021							
At 1 March 2020:							
Cost	1,837	54	35	373	1,657	96	4,052
Accumulated depreciation	(141)	(48)	(23)	(177)	(788)	(71)	(1,248)
Net carrying amount	1,696	6	12	196	869	25	2,804
At 1 March 2020, net of accumulated depreciation	1,696	6	12	196	869	25	2,804
Additions	-	95	-	18	30	-	143
Written off	-	-	-	(3)	-	-	(3)
Depreciation provided during the period	(33)	(24)	(4)	(67)	(295)	(9)	(432)
At 28 February 2021, net of accumulated depreciation	1,663	77	8	144	604	16	2,512
At 28 February 2021:							
Cost	1,837	149	35	377	1,687	96	4,181
Accumulated depreciation	(174)	(72)	(27)	(233)	(1,083)	(80)	(1,669)
Net carrying amount (Audited)	1,663	77	8	144	604	16	2,512



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

The office units held by the Group are as follows:

Description and location	Existing use	Remaining useful lives	
		As at 31 August 2021 Years	As at 28 February 2021 Years
21 Woodlands Close #08-10 Primz Bizhub	Office	49	50
21 Woodlands Close #08-11 Primz Bizhub	Office	49	50
21 Woodlands Close #08-12 Primz Bizhub	Office	49	50
21 Woodlands Close #08-29 Primz Bizhub	Warehouse	49	50

## 11. INVESTMENT PROPERTIES

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
At the beginning of the year	4,632	4,646
Depreciation provided during the period/year	(65)	(126)
Reversal of impairment provided during the year	-	112
At the end of the period/year	4,567	4,632



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 11. INVESTMENT PROPERTIES (Continued)

The investment properties held by the Group are as follows:

Description and location	Existing use	Remaining unexpired lease term	
		As at 31 August 2021 Years	As at 28 February 2021 Years
25 Mandai Estate #06-09*	Office/Shop	*	*
98 Kaki Bukit Industrial Terrace	Industrial	33	34

Description and location	Estimated fair value	
	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
25 Mandai Estate #06-09*	780	780
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 depreciation. The fair value of the investment properties as at 31 August 2021 and 2020. The valuations were performed by GB Global Pte Ltd, 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.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 12. CONTRACT ASSETS/LIABILITIES

### (a) Contract assets

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Unbilled revenue (note (i))	7,299	6,682
Retention receivables (note (ii))	8,301	6,653
	15,600	13,335
Less: Loss allowance provision	(358)	(358)
	15,242	12,977
Represented by:		
Contract assets		
– Non-current	7,937	6,351
– Current	9,030	6,626
	16,967	12,977

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 2020, contract assets amounted to approximately S\$14,322,000.

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.

The movements in loss allowance provision of contract assets are as follows:

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
At the beginning of the year	358	220
Loss allowance provision	–	138
At the end of the period/year	358	358



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 12. CONTRACT ASSETS/LIABILITIES (Continued)

### (b) Contract liabilities

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Construction contracts	1,725	566

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

As at 1 March 2020, contract liabilities amounted to approximately S\$1,372,000.

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

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Revenue recognised in the year from the amounts included in the contract liabilities at the beginning of the year	232	1,372

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.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. TRADE RECEIVABLES

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Trade receivables	6,115	5,578
Less: Loss allowance provision	(151)	(151)
	<b>5,964</b>	<b>5,427</b>

The Group's trading terms with its customers are on credit. The credit period is generally 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Within 1 month	4,207	5,069
1 to 2 months	1,757	140
2 to 3 months	–	132
Over 3 months	–	86
	<b>5,964</b>	<b>5,427</b>

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

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
At the beginning of the year	151	85
Loss allowance provision	–	66
At the end of the period/year	<b>151</b>	<b>151</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.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 14. PREPAYMENTS, OTHER RECEIVABLES AND DEPOSITS

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Other receivables	55	136
Less: Loss allowance provision	(3)	(3)
	52	133
Deposits (note a)	1,558	1,490
Prepayments	430	815
Grant receivables (note b)	–	477
	2,040	2,915

Notes:

- (a) Deposits included a minimum purchase deposit of approximately S\$1,009,000 (equivalent to approximately HK\$6,095,000) in relation to the operation of sale of foam cement products in Cameroon, Africa. The minimum purchase deposits have been fully recovered up to the date of this report.
- (b) Grant receivables relate to the Jobs Support Scheme from the government in relation to the COVID-19 pandemic.

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

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
At the beginning of the year	3	9
Loss allowance reversal	–	(6)
At the end of the period/year	3	3

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

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Amount due from holding company	147	145
Amount due to directors	–*	–*
Amount due to a related party	(16)	(16)
	131	129

\* Less than S\$1,000

The amounts due from holding company, due to directors and due to a related party were non-trade in nature, unsecured, interest-free and have no fixed term of repayment.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 16. CASH AND CASH EQUIVALENTS AND FIXED DEPOSITS

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Cash and bank balances	13,025	6,856
Fixed deposits	13,044	19,044
Cash and cash equivalents as stated in the consolidated statement of cash flows	26,069	25,900

Cash at banks earns interest at floating rates based on daily bank deposit rates. Fixed deposits earn interest rates of 0.45% to 0.90% per annum during the period. The bank balances and fixed deposits are deposited with creditworthy banks with no recent history of default.

## 17. 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 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Trade payables:		
Within 1 month	6,780	7,170
1 to 2 months	921	439
2 to 3 months	137	39
Over 3 months	77	401
	7,915	8,049

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

## 18. OTHER PAYABLES AND ACCRUALS

	As at 31 August 2021 S\$'000 (Unaudited)	As at 28 February 2021 S\$'000 (Audited)
Other payables and accruals	2,199	666
Accrued staff cost	634	1,184
Deposits received	19	19
Deferred government grants	–	363
Net Goods and Services Tax (“GST”) payables	418	380
	<b>3,270</b>	<b>2,612</b>

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

Deferred government grants relates to Jobs Support Scheme and Jobs Growth Incentive Scheme provided by the Singapore government in relation to COVID-19.

## 19. DEFERRED TAX LIABILITIES

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

	<b>Depreciation in excess of related depreciation allowance</b> S\$'000	<b>Total</b> S\$'000
At 1 March 2020 and 31 August 2020	61	61
Deferred tax credited to profit or loss during the period	(30)	(30)
At 28 February 2021, 1 March 2021 and 31 August 2021	31	31



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 20. SHARE CAPITAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 24 October 2018 with authorised share capital of US\$50,000 divided into 5,000,000 shares of US\$0.01 each.

On 15 November 2019, every share of the Company of US\$0.01 each was subdivided into 100 shares of US\$0.0001 each following which the Company had an authorised share capital of US\$50,000 divided into 500,000,000 shares with a par value of US\$0.0001 each.

On 22 November 2019, the Company increased its authorized share capital from US\$50,000 divided into 500,000,000 shares with a par value of US\$0.0001 each to US\$500,000 (equivalent to approximately S\$670,000) divided into 5,000,000,000 shares with a par value of US\$0.0001 each by creation of 4,500,000,000 new shares with a par value of US\$0.0001 each.

As at 28 February 2021, the Company has 1,400,000,000 shares of US\$0.0001 each in issue and fully paid (equivalent to approximately S\$190,000).

A summary of movements in the Company's share capital is as follow:

	<b>Number of Shares in issue</b>
At 1 March 2020	10,000
Capitalisation issue ( <i>Note (a)</i> )	1,049,990,000
Issue of shares under the initial public offering ( <i>Note (b)</i> )	350,000,000
At 28 February 2021, 1 March 2021 and 31 August 2021	1,400,000,000

Notes:

- (a) In preparation for the listing of the shares of the Company on the Stock Exchange of Hong Kong (the "Stock Exchange"), the Group underwent the reorganisation and 1,050,000,000 shares of US\$0.0001 each, were issued for a consideration of S\$142,000.
- (b) In connection with the Company's initial public offering ("IPO"), 350,000,000 shares of US\$0.0001 each, were issued at a price of US\$0.0452 per shares for a total cash consideration, before listing expenses, of S\$22,088,000. Dealings of these shares on the Stock Exchange commenced on 15 January 2020.

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.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 21. RESERVES

### Group

The amounts of the Group's reserves and the movements therein for the period ended 31 August 2021 and period ended 31 August 2020 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.

### 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 2021 and period ended 31 August 2020 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.

## 22. OPERATING LEASE ARRANGEMENTS

### As lessor

The Group has entered into leases on its investment properties. These non-cancellable leases have remaining lease terms ranging from one to two years. Minimum lease payments recognised as rental income in profit or loss for the financial period ended 31 August 2021 amounted to S\$55,000 (the period ended 31 August 2020: S\$58,000).

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

	As at 31 August 2021 S\$'000	As at 28 February 2021 S\$'000
Within one year	50	91

### As lessee

The Group leases dormitories under operating lease arrangements. The leases are negotiated for one year term. The Group applies the short-term lease recognition exemption to its short-term leases of dormitories (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

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

	As at 31 August 2021 S\$'000	As at 31 August 2020 S\$'000
Within one year	311	407



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 23. 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 2021, the Group had a net outstanding balance due to directors (non-trade) of S\$6 (29 February 2020: S\$6). Details of the balances are disclosed in Note 15 of the interim condensed consolidated financial statements.

### Personal guarantees by directors

During the period ended 31 August 2021 and year ended 28 February 2021, performance bonds issued by insurance companies that were secured by corporate guarantee provided by a subsidiary.

### Compensation of key management personnel of the Group

	For the six months ended 31 August	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Salaries	180	98
Central Provident Fund contributions	24	16
	204	114

Further details of the directors' emoluments as disclosed in Note 7 to the financial statements.

## 24. DIVIDENDS

No dividend has been declared by the Company or group entities during the six months ended 31 August 2021 and 2020 or subsequent to the period end.



# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### 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 31 August 2021, the Group had a total of 16 (28 February 2021: 12) projects on hand (including projects in progress and projects which are yet to commence) including 10 (28 February 2021: 8) structural engineering projects and 6 (28 February 2021: 4) wet architectural projects. The aggregated contract sum of the above projects is approximately S\$181 million, of which approximately S\$116 million has been recognised as revenue up to 31 August 2021. The remaining balance will be recognised as Group's revenue in accordance with the respective stage of completion.

### 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	
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)
Structural engineering works	38,586	6,182
Wet architectural works	5,382	118
	<b>43,968</b>	<b>6,300</b>

The revenue of the Group increased by approximately S\$37.7 million or 598% from approximately S\$6.3 million for the six months ended 31 August 2020 to approximately S\$44.0 million for the six months ended 31 August 2021. Such significant increase was mainly due to commencement of some projects during the six months ended 31 August 2021, which were previously delayed due to the impact of COVID-19 outbreak.

### Construction Costs

The Group's construction costs increased by approximately S\$31.9 million or 513% from approximately S\$6.2 million for the six months ended 31 August 2020 to approximately S\$38.1 million for the six months ended 31 August 2021. Such significant increase in construction cost for the six months ended 31 August 2021 was mainly due to the material impact from the outbreak of COVID-19 that took place in early 2020, while the less-than-proportionate increase in construction costs when compared to the revenue was mainly due to the Group had to afford costs for the direct labours which include wages and rental expenses for dormitories during and after the Circuit Breaker period while such costs could not generate any corresponding project revenue in the corresponding periods.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately S\$5.8 million or 7,316% from approximately S\$79,000 for the six months ended 31 August 2020 to approximately S\$5.9 million for the six months ended 31 August 2021. The Group's gross profit margin also increased from approximately 1.3% for the six months ended 31 August 2020 to approximately 13.3% for the six months ended 31 August 2021. The significant increases were both primarily due to the increase in revenue and the less-than-proportionate increase in construction costs as discussed above.

## Other Income

The Group's other income decreased by approximately S\$0.6 million from approximately S\$2.0 million for the six months ended 31 August 2020 to approximately S\$1.4 million for the six months ended 31 August 2021, mainly attributable to decrease in various job support schemes and/or rebates granted by the Singaporean Government during the six months ended 31 August 2021 due to the outbreak of the COVID-19.

## Administrative Expenses

The Group's administrative expenses decreased by approximately S\$2.0 million or 29.9% from approximately S\$6.5 million for the six months ended 31 August 2020 to approximately S\$4.5 million for the six months ended 31 August 2021, mainly due to the decrease in legal and professional fees, license and subscription fees which constituted a total of S\$2.4 million for the six months ended 31 August 2020, comparing to S\$0.6 million for the six months ended 31 August 2021.

## Income Tax Expenses

The Group's income tax expense increased by approximately S\$0.5 million from approximately S\$12,000 for the six months ended 31 August 2020 to approximately S\$0.5 million for the six months ended 31 August 2021, which was mainly due to the increase of profit before tax due to the gradual resumption of operations during the six months ended 31 August 2021.

## Profit for the Period

As a result, the profit for the period was approximately S\$2.2 million as compared to approximately loss of S\$4.4 million for the same period last year, represented a increase of S\$6.6 million. The increase was due to the gradual resumption of operations from the outbreak of the coronavirus global pandemic that took place in early 2020 on our project revenues.

## 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 does not have any bank borrowings, debt securities or indebtedness as at 31 August 2021.

The Group's sources of funding comprise of its cash and cash equivalents. As at 31 August 2021, the Group's cash and cash equivalents recorded a increase by 0.7% from approximately S\$25.9 million as at 28 February 2021 to approximately S\$26.1 million, which was mainly due to net cash flows generated from operating activities during the period.

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 2021, 96.9% (28 February 2021: 96.8%) of the Group's cash and cash equivalents was denominated in Singapore dollar and 3.1% (28 February 2021: 3.2%) was denominated in Hong Kong dollar.

As at 31 August 2021, the Group had bank facilities with credit limit amounting to approximately S\$1.0 million (28 February 2021: S\$1.0 million), of which approximately S\$1.0 million (28 February 2021: S\$1.0 million) was unutilised.



## MANAGEMENT DISCUSSION AND ANALYSIS

### 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 2021, the gearing ratio of the Group was negative, which was mainly due to the significant amount of Group's cash and cash equivalents from the listing proceeds (28 February 2021: negative).

### Use of Proceeds

The below table sets out the proposed applications and actual usage of the net proceeds from the date of listing to 31 August 2021:

	Planned use of proceeds HK\$'000	Actual use of proceeds from Listing Date to 31 August 2021 HK\$'000	Unutilised balance As at 31 August 2021 HK\$'000	Expected timeline for utilisation of the unutilised net proceeds
Payment of upfront costs for projects	61,040	61,040	–	–
Strengthen the workforce	21,003	7,494	13,509	On or before 28 February 2023
	82,043	68,534	13,509	

As at 31 August 2021, all use of net proceeds were in accordance with the intentions previously disclosed. The remaining unutilised net proceeds as at 31 August 2021 is placed on short-term interest-bearing deposits of treasury products with the authorised financial institutions and are expected to be used in the manner consistent with the proposed allocations as set out in the prospectus.

### 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 2021.

### Future Plans for Material Investments or Capital Assets

Save as disclosed under the section headed "Use of Proceed" in this report, the Group did not have other future plans for material investments or capital assets as at 31 August 2021.

### 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.

However, the Group retains most of the listing proceeds from denominated in Hong Kong dollars amounting to approximately HK\$4.6 million that are exposed to fluctuations in foreign exchange rate risks. The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Pledge of Asset

As at 31 August 2021, no assets (28 February 2021: nil) was pledged to the banks to secure the bank facilities granted to the Group.

## Contingent Liabilities

As at 31 August 2021, the Group had no contingent liabilities (28 February 2021: nil).

## Capital Commitments

The Group had no capital commitments as at 31 August 2021 (28 February 2021: nil).

The Group leases dormitories under operating lease arrangements. The leases are negotiated for one year term.

## Capital Expenditures

For FY2020/2021, the Group's capital expenditure in respect of the acquisition of properties, plant and equipment amounting to approximately S\$0.6 million (FY2019/2020: S\$0.7 million).

## Employees and Remuneration Policy

As at 31 August 2021, the Group had a total of 431 (28 February 2021: 417) employees in Singapore, of which comprising 14% was Singapore citizens and 86% 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 and the Philippines during the period.

Total staff costs, including Directors' emoluments, salaries, wages and contributions, for the six months ended 31 August 2021 amounted to approximately S\$7.2 million (the six months ended 31 August 2020: S\$4.1 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

Since the outbreak of COVID-19, the prevention and control of the novel coronavirus has been going on throughout the country. The novel coronavirus has brought additional uncertainties for the Group.

The Group expects that the novel coronavirus may pose an impact that might not be reasonably estimated at this stage. The Board will continue to assess the impact of the novel coronavirus on the Group's operations and financial performance and closely monitor the Group's exposures to the risks and uncertainties in connection with the novel coronavirus. The Group will take appropriate measures as necessary. Up to the date of this report, the assessment is still in progress.

## Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 31 August 2021 (the six months ended 31 August 2020: 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 2021, 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 10 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: 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 acting in concert to exercise their voting rights in the Company 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 acting in concert to exercise their voting rights in the Company 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 2021, 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 10 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 2021, 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	1,050,000,000	75%
Mr. Xu Junjie (Note 5)	Interest of spouse	1,050,000,000	75%

Notes:

- 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 acting in concert to exercise their voting rights in the Company 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 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 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 interest in the Group through Brave Ocean. Mr. XP Xu, Mr. TC Xu and Ms. Gou are persons acting in concert pursuant to the confirmation and undertaking (the "Acting In Concert Confirmation And Undertaking") entered into among Mr. XP Xu, Mr. TC Xu and Ms. Gou dated 28 November 2018 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 Shares in which Ms. Gou is interested.

Save as disclosed above, as at 31 August 2021, 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.

### SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code as set out in Appendix 10 of the Listing Rules as the codes of conduct regarding securities transactions by Directors and by relevant employees of the Company. 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 2021.



## OTHER INFORMATION

### CORPORATE GOVERNANCE

During the six months ended 31 August 2021, the Company complied with the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules except for the following deviation:

Under the code provision A.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 during the six months ended 31 August 2021.

### 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 2021 and discussed with the management of the Company on the accounting principles and policies adopted by the Group with no disagreement by the Audit Committee.

### PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The unaudited interim results announcement of the Company for the six months ended 31 August 2021 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.chianteck.com>. This interim report 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, 19 April 2022