



## **KSH Holdings Limited**

(Company Registration Number: 200603337G)  
(Incorporated in the Republic of Singapore on 9 March 2006)

### **KSH HOLDINGS LIMITED and its SUBSIDIARIES**

#### **CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022**

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**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**A(i) Condensed interim consolidated income statement**

		<b>GROUP</b>		
		<b>HALF YEAR ENDED</b>		
		<b>30.09.2022</b>	<b>30.09.2021</b>	increase/ (decrease)
<b>Note</b>		<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>REVENUE</b>				
	Project revenue	139,651	111,219	25.6
	Rental income from investment properties	1,935	2,508	(22.8)
		<b>141,586</b>	<b>113,727</b>	24.5
	Other income	5,133	4,967	3.3
	Cost of construction	(130,143)	(106,615)	22.1
	Personnel expenses	(6,089)	(5,397)	12.8
	Depreciation of property, plant and equipment	(1,043)	(1,123)	(7.1)
	Finance costs	(1,464)	(1,328)	10.2
	Other operating expenses	(7,743)	(3,055)	>100
		(146,482)	(117,518)	24.6
	<b>Profit from operations before share of results of associates and joint ventures</b>	<b>237</b>	<b>1,176</b>	<b>(79.8)</b>
	Share of results of associates and joint ventures	10,208	9,759	4.6
	<b>Profit before taxation</b>	<b>10,445</b>	<b>10,935</b>	<b>(4.5)</b>
	Income tax expense	(256)	(894)	(71.4)
	<b>Profit for the period</b>	<b>10,189</b>	<b>10,041</b>	<b>1.5</b>
	<b>Attributable to:</b>			
	- Owners of the Company	10,105	9,858	2.5
	- Non-controlling interests	84	183	(54.1)
		<b>10,189</b>	<b>10,041</b>	<b>1.5</b>
	<b>Earnings per share (cents per share)</b>			
	- Basic and diluted	1.79	1.75	

**Notes to Condensed interim consolidated income statement**

- The increase in other income in half year ended 30 September 2022 ("**1HFY2023**") was mainly due to an increase in interest income from additional loans to associates to finance new projects.
- The increase in personnel expenses in 1HFY2023 was mainly due to increase in salaries and wages.
- The increase in finance costs in 1HFY2023 as compared to half year ended 30 September 2021 ("**1HFY2022**") was mainly due to the increase in interest rates.
- The increase in other operating expenses in 1HFY2023 was mainly due to an increase in foreign exchange losses.
- Share of profits of associates and joint ventures in 1HFY2023 increase slightly with the contributions from development projects from Gaobedian in the People's Republic of China ("**PRC**").

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**A(ii) Condensed interim consolidated statement of comprehensive income**

		<b>GROUP</b>		
		<b>HALF YEAR ENDED</b>		
		<b>30.09.2022</b>	<b>30.09.2021</b>	increase/ (decrease)
	<b>Note</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Profit for the period</b>		<b>10,189</b>	<b>10,041</b>	1.5
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
- Foreign currency translation	1	(7,269)	3,046	(>100)
<b>Other comprehensive income for the period, net of tax</b>		<b>(7,269)</b>	<b>3,046</b>	<b>(&gt;100)</b>
<b>Total comprehensive income for the period</b>		<b>2,920</b>	<b>13,087</b>	<b>(77.7)</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company		4,129	12,308	(66.5)
- Non-controlling interests		(1,209)	779	(>100)
<b>Total comprehensive income for the period</b>		<b>2,920</b>	<b>13,087</b>	<b>(77.7)</b>

**Notes to Condensed interim consolidated statement of comprehensive income**

- Foreign currency translation differences arises from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. Translation loss in 1HFY2023 was mainly due to depreciation of Chinese Yuan against Singapore dollars on the Group's foreign net assets which are largely denominated in Chinese Yuan.

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**B. Condensed interim balance sheets**

	GROUP		COMPANY			
	30.09.2022	31.03.2022	30.09.2022	31.03.2022		
	Note	S\$'000	S\$'000	Note	S\$'000	S\$'000
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	1	18,069	18,513		-	-
Investments in subsidiaries		-	-		16,791	16,791
Interests in associates	2	260,663	230,551		-	-
Interests in joint ventures	3	15,883	17,367		-	-
Investment securities	4	8,686	5,985	12	8,686	5,985
Investment properties	5	114,355	120,007		-	-
Amounts due from subsidiaries (non-trade)		-	-		175,244	188,816
Deferred tax assets		1,339	1,249		72	308
Club membership		23	25		-	-
		419,018	393,697		200,793	211,900
<b>Current assets</b>						
Trade receivables	6	22,848	7,246		-	-
Other receivables and deposits		2,239	2,447		205	95
Prepayments		546	619		35	40
Amounts due from a joint venture (non-trade)		28,276	40,373		-	-
Amounts due from subsidiaries (non-trade)		-	-		22,000	-
Contract assets	7	37,452	30,441		-	-
Structured deposits		4,715	4,715		-	-
Fixed deposits		73,312	86,150		53,503	66,364
Cash and bank balances		29,901	56,919		1,201	3,442
		199,289	228,910		76,944	69,941
<b>Total assets</b>		<b>618,307</b>	<b>622,607</b>		<b>277,737</b>	<b>281,841</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade payables	8	32,197	26,805		-	-
Other payables and accruals	9	77,784	64,216		1,146	2,662
Lease liabilities		696	739		-	-
Deferred income		18	18		-	-
Amounts due to subsidiaries (non-trade)		-	-		30,000	-
Provision for income tax		1,592	1,489		607	546
Contract liabilities	10	672	27,566		-	-
Provision for onerous contract		121	252		-	-
Bank term loans, secured	11	46,141	24,762		43,670	22,470
		159,221	145,847		75,423	25,678

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

	GROUP			COMPANY		
		30.09.2022	31.03.2022		30.09.2022	31.03.2022
	Note	S\$'000	S\$'000	Note	S\$'000	S\$'000
<b>Non-current liabilities</b>						
Other payables and accruals		223	236		-	-
Lease liabilities		3,797	3,896		-	-
Amounts due to subsidiaries (non-trade)		-	-		76,920	91,231
Amount due to a minority shareholder of a subsidiary (non-trade)		3,667	-		-	-
Bank term loans, secured	11	77,510	95,125		51,840	88,250
Deferred tax liabilities		16,375	17,275		-	-
		<u>101,572</u>	<u>116,532</u>		<u>128,760</u>	<u>179,481</u>
<b>Total liabilities</b>		<b>260,793</b>	<b>262,379</b>		<b>204,183</b>	<b>205,159</b>
<b>NET ASSETS</b>		<b><u>357,514</u></b>	<b><u>360,228</u></b>		<b><u>73,554</u></b>	<b><u>76,682</u></b>
<b>EQUITY</b>						
<b>Equity attributable to Owners of the Company</b>						
Share capital		50,915	50,915		50,915	50,915
Treasury shares		(2,128)	(2,128)		(2,128)	(2,128)
Translation reserve		(1,289)	4,630		-	-
Accumulated profits		281,634	277,163		22,138	25,266
Other reserves		5,685	5,742		2,629	2,629
		<u>334,817</u>	<u>336,322</u>		<u>73,554</u>	<u>76,682</u>
Non-controlling interests		22,697	23,906		-	-
<b>TOTAL EQUITY</b>		<b><u>357,514</u></b>	<b><u>360,228</u></b>		<b><u>73,554</u></b>	<b><u>76,682</u></b>

**Notes to condensed interim balance sheets**

**The Group**

- 1 The decrease in property, plant and equipment was mainly due to depreciation.
- 2 The increase in interest in associates was mainly due to the additional loans to associates and higher share of profits in 1HFY2023.
- 3 The decrease in interest in joint ventures was mainly due to repayment of loans by joint ventures.
- 4 The increase in investment securities was mainly due to quoted debt instruments purchased by the Company.
- 5 The decrease in investment properties was mainly due to the translation loss from an investment property in the PRC.
- 6 The increase in trade receivables was mainly due to the increase in amount of progress claims certified for construction projects in progress as at 1HFY2023 as compared to financial year ended 31 March 2022 ("FY2022").
- 7 Contract assets have increased based on the progress of construction projects completed but not billed as at 1HFY2023 as compared to FY2022.
- 8 The increase in trade payables was mainly due to the increase in billings from suppliers and subcontractors which will be due for release of payments in the next 12 months for construction activities.
- 9 The increase in other payables and accruals was mainly due to the increase in accruals made for construction projects.
- 10 Contract liabilities has decreased based on the progress of construction projects and the progress billings billed as at 1HFY2023 as compared to FY2022.
- 11 The increase in total loans and borrowings of S\$3.8 million from S\$119.9 million as at FY2022 to S\$123.7 million as at 1HFY2023, mainly due to the increase in new bank borrowings, partially offset by the repayments.

**The Company**

- 12 The increase in investment securities was mainly due to quoted debt instruments purchased.

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**C. Condensed interim statements of changes in equity**

GROUP	Attributable to Owners of the Company							Non-controlling interests	Total equity
	Share capital	Treasury shares	Translation reserve	Accumulated profits	Other reserves	Equity attributable to Owners of the Company, total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>At 1 April 2021</b>	<b>50,915</b>	<b>(2,128)</b>	<b>1,556</b>	<b>264,329</b>	<b>5,685</b>	<b>320,357</b>	<b>23,196</b>	<b>343,553</b>	
<b>Profit for the period</b>	-	-	-	9,858	-	9,858	183	10,041	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	2,450	-	-	2,450	596	3,046	
Other comprehensive income for the period	-	-	2,450	-	-	2,450	596	3,046	
<b>Total comprehensive income for the period</b>	-	-	2,450	9,858	-	12,308	779	13,087	
<u>Contributions by and distributions to owners</u>									
Final tax-exempt dividends on ordinary shares	-	-	-	(5,634)	-	(5,634)	-	(5,634)	
Transfer to other reserves	-	-	-	(56)	56	-	-	-	
<b>Total contributions by and distributions to owners</b>	-	-	-	(5,690)	56	(5,634)	-	(5,634)	
<b>At 30 September 2021</b>	<b>50,915</b>	<b>(2,128)</b>	<b>4,006</b>	<b>268,497</b>	<b>5,741</b>	<b>327,031</b>	<b>23,975</b>	<b>351,006</b>	
<b>At 1 April 2022</b>	<b>50,915</b>	<b>(2,128)</b>	<b>4,630</b>	<b>277,163</b>	<b>5,742</b>	<b>336,322</b>	<b>23,906</b>	<b>360,228</b>	
<b>Profit for the period</b>	-	-	-	10,105	-	10,105	84	10,189	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	(5,919)	-	(57)	(5,976)	(1,293)	(7,269)	
Other comprehensive income for the period	-	-	(5,919)	-	(57)	(5,976)	(1,293)	(7,269)	
<b>Total comprehensive income for the period</b>	-	-	(5,919)	10,105	(57)	4,129	(1,209)	2,920	
<u>Contributions by and distributions to owners</u>									
Final tax-exempt dividends on ordinary shares	-	-	-	(5,634)	-	(5,634)	-	(5,634)	
<b>Total contributions by and distributions to owners</b>	-	-	-	(5,634)	-	(5,634)	-	(5,634)	
<b>At 30 September 2022</b>	<b>50,915</b>	<b>(2,128)</b>	<b>(1,289)</b>	<b>281,634</b>	<b>5,685</b>	<b>334,817</b>	<b>22,697</b>	<b>357,514</b>	

**KSH Holdings Limited and its Subsidiaries**

**Condensed interim financial statements for the half year ended 30 September 2022**

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
<b>At 1 April 2021</b>	<b>50,915</b>	<b>(2,128)</b>	<b>35,513</b>	<b>2,629</b>	<b>86,929</b>
<b>Profit for the period</b>	-	-	1,498	-	1,498
Total comprehensive income for the period	-	-	1,498	-	1,498
<u>Contributions by and distributions to owners</u>					
Final tax-exempt dividends on ordinary shares	-	-	(5,634)	-	(5,634)
<b>At 30 September 2021</b>	<b>50,915</b>	<b>(2,128)</b>	<b>31,377</b>	<b>2,629</b>	<b>82,793</b>
<b>At 1 April 2022</b>	<b>50,915</b>	<b>(2,128)</b>	<b>25,266</b>	<b>2,629</b>	<b>76,682</b>
<b>Profit for the period</b>	-	-	2,506	-	2,506
Total comprehensive income for the period	-	-	2,506	-	2,506
<u>Contributions by and distributions to owners</u>					
Final tax-exempt dividends on ordinary shares	-	-	(5,634)	-	(5,634)
<b>At 30 September 2022</b>	<b>50,915</b>	<b>(2,128)</b>	<b>22,138</b>	<b>2,629</b>	<b>73,554</b>



**KSH Holdings Limited and its Subsidiaries**
**Condensed interim financial statements for the half year ended 30 September 2022**
**D. Condensed interim consolidated cash flow statement**

	<b>GROUP</b>	
	<b>HALF YEAR ENDED</b>	
	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit before taxation	10,445	10,935
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	1,043	1,123
Amortisation of club membership	1	1
Gain on dilution of interest in a subsidiary	-	(3)
Loss on disposal of plant and equipment, net	1	4
Loss on disposal of a joint venture	2	-
Fair value loss/(gain) on quoted debt instruments (investment securities)	299	(323)
Write-off of bad debts	695	-
(Write back)/allowance for provision of onerous contract	(131)	218
Interest expense	1,439	1,270
Interest income	(3,452)	(2,957)
Share of results of associates and joint ventures	(10,208)	(9,759)
<b>Operating cash flows before changes in working capital</b>	<b>134</b>	<b>509</b>
<u>Changes in working capital:</u>		
(Increase)/decrease in:		
Trade and other receivables, deposits and prepayments	(15,321)	(187)
Contract assets	(7,011)	5,343
Increase/(decrease) in:		
Trade and other payables and accruals	18,947	7,209
Amount due to a minority shareholder of a subsidiary (non-trade)	3,667	-
Contract liabilities	(26,894)	(1,853)
<b>Cash flows (used in)/from operations</b>	<b>(26,478)</b>	<b>11,021</b>
Income taxes paid	(305)	(371)
Interest income received	3,452	2,957
Exchange differences	2,935	668
<b>Net cash flows (used in)/from operating activities</b>	<b>(20,396)</b>	<b>14,275</b>
<b>Investing activities</b>		
Purchase of plant and equipment	(603)	(222)
Proceeds from disposal of plant and equipment	-	1
Purchase of quoted debt instruments (investment securities)	(3,000)	(1,998)
(Increase)/decrease in loans and amounts due from associates and joint ventures, net	(12,521)	21,970
Dividends received from associates and joint ventures	423	4,233
<b>Net cash flows (used in)/from investing activities</b>	<b>(15,701)</b>	<b>23,984</b>
<b>Financing activities</b>		
Dividends paid	(5,634)	(5,634)
Proceeds from bank term loans	20,000	5,000
Repayment of bank term loans	(16,236)	(18,868)
Repayment of bills payable to banks	-	(114)
Interest paid	(1,439)	(1,270)
Payment of principal portion of lease liabilities	(142)	(316)
(Increase)/decrease in pledged fixed deposits	(132)	3,141
<b>Net cash flows used in financing activities</b>	<b>(3,583)</b>	<b>(18,061)</b>

## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2022

	GROUP	
	HALF YEAR ENDED	
	30.09.2022	30.09.2021
	S\$'000	S\$'000
<b>Net (decrease)/increase in cash and cash equivalents</b>	(39,680)	20,198
Effect of exchange rate changes on cash and cash equivalents	(307)	111
<b>Cash and cash equivalents at beginning of year</b>	94,154	69,028
<b>Cash and cash equivalents at end of period (Note A)</b>	<u>54,167</u>	<u>89,337</u>

**Note A: Cash and cash equivalents at end of period comprise:**

	30.09.2022	30.09.2021
	S\$'000	S\$'000
Cash and bank balances**	29,901	83,068
Fixed deposits	73,312	56,998
	<u>103,213</u>	<u>140,066</u>
Less: Pledged fixed deposits	(49,046)	(50,729)
Cash and cash equivalents	<u>54,167</u>	<u>89,337</u>

\*\* The Group's cash and bank balances earn interest at floating rates based on daily bank deposit rates.

### Cash flows used in operations

Net cash flows used in operating activities increased in 1HFY2023 as compared to 1HFY2022 mainly due to higher changes in working capital.

### Net cash flows used in investing activities

Net cash flows used in investing activities increased in 1HFY2023 as compared to 1HFY2022 mainly due to the additional loans provided to associates and joint ventures and purchase of quoted debt instruments (investment securities).

### Net cash used in financing activities

Net cash flows used in financing activities decreased in 1HFY2023 as compared to 1HFY2022 mainly due to an increase in proceeds from bank term loans, offset by an increase in pledged fixed deposits.

**E. Notes to condensed interim financial statements**

**1 Basis of preparation**

The condensed interim financial statements for the half year ended 30 September 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting*. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 1.1.

The condensed interim financial statements are presented in Singapore dollar ("SGD" or "S\$") and all values are rounded to the nearest thousand (\$'000), except when otherwise indicated.

**1.1 New and amended standards adopted by the Group**

The Group applied for the first-time certain standards and amendments, which are effective for annual period beginning on or after 1 January 2022. The adoption of these standards and amendments did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current financial period.

**1.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimated uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical accounting estimates in applying the Group's accounting policies in the financial statements for the half year ended 30 September 2022:

**1.2(a) Revaluation of investment properties**

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged real estate valuation experts to assess fair value as at 31 March 2022.

The fair values of investment properties are determined by independent real estate valuation experts using market comparable approach and discounted cash flow approach.

The determination of the fair values of the investment properties require the use of estimates on yield adjustments such as location, size, tenure, age and condition. These estimates are based on local market conditions existing at the end of each reporting date.

For the purpose of this condensed interim financial statements for the half year ended 30 September 2022, the management reviewed the valuation reports prepared by professional valuers as at 31 March 2022 to determine whether the facts and assumptions used has materially changed. The Management assessed that there is no material change in the estimates and assumptions used to determine the fair value of the investment properties as at 30 September 2022 and no fair value change was recorded for the half year ended 30 September 2022.

**1.2(b) Impairment assessment of interest in associates and joint ventures**

The Group has significant interests in associates and joint ventures. The Group's interests in associates and joint ventures comprise the investments and amounts due from associates and joint ventures. The associates and joint ventures of the Group are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the interest is impaired.

The Group applies the general approach to provide for ECLs on amounts due from associates and joint ventures carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

**1.2(c) Construction contracts and revenue recognition**

The Group principally operates fixed price contracts. Contract revenue and contract costs are recognised over time by measuring the progress towards complete satisfaction of performance obligations. The Group has determined that the cost-based input method reflects the over-time transfer of control to customers.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. The Group is restricted contractually from directing the assets for another use as they are being constructed, and has enforceable rights to payment for performance completed to date. The revenue is recognised over time, based on the construction costs incurred to date as a proportion of estimated total construction costs to be incurred.

**2 Seasonal operations**

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

**3 Segment and revenue information**

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

- a) The construction segment is in the business of general building.
- b) The property development and investment segment is in the business of developing properties and investing, leasing and management of investment properties.
- c) The corporate and others segment is involved in Group-level corporate services, treasury functions and investments in marketable securities (if any).

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transaction with third parties.

**KSH Holdings Limited and its Subsidiaries**
**Condensed interim financial statements for the half year ended 30 September 2022**
**Business segments**

Half year ended 30 September 2022	Construction	Property development and investment	Corporate & Others	Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>REVENUE</b>					
- Sales to external sales	139,651	1,935	-	-	141,586
- Inter-segment sales	-	198	-	(198)	-
	<u>139,651</u>	<u>2,133</u>	<u>-</u>	<u>(198)</u>	<u>141,586</u>

**Results**

Interest income	47	14	7,526	(4,135)	3,452
Finance costs	(132)	-	(5,467)	4,135	(1,464)
Depreciation of property, plant and equipment	(1,035)	(8)	-	-	(1,043)
Share of results of associates and joint ventures	-	10,208	-	-	10,208
Other non-cash items:					
- Write back provision for onerous contract	131	-	-	-	131
- Fair value loss on quoted debt instruments (investment securities)	-	-	(299)	-	(299)
Segment profit/(loss) before taxation	<u>4,356</u>	<u>11,054</u>	<u>(4,965)</u>	<u>-</u>	<u>10,445</u>

**As at 30 September 2022**
**Assets and liabilities**

Investments in associates and joint ventures	6,304	270,242	-	-	276,546
Additions to non-current assets:					
- Property, plant and equipment	603	-	-	-	603
Segment assets	<u>249,248</u>	<u>417,408</u>	<u>151,608</u>	<u>(199,957)</u>	<u>618,307</u>
Segment liabilities	<u>106,668</u>	<u>44,414</u>	<u>290,055</u>	<u>(180,344)</u>	<u>260,793</u>

Year ended 30 September 2021	Construction	Property development and management	Corporate & Others	Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>REVENUE</b>					
- Sales to external sales	111,219	2,508	-	-	113,727
- Inter-segment sales	-	216	-	(216)	-
	<u>111,219</u>	<u>2,724</u>	<u>-</u>	<u>(216)</u>	<u>113,727</u>

**Results**

Interest income	41	16	7,004	(4,104)	2,957
Finance costs	(306)	(1)	(5,125)	4,104	(1,328)
Depreciation of property, plant and equipment	(1,111)	(12)	-	-	(1,123)
Share of results of associates and joint ventures	-	9,759	-	-	9,759
Other non-cash items:					
- Fair value gain on quoted debt instruments (investment securities)	-	-	323	-	323
- Provision for onerous contract	(218)	-	-	-	(218)
Segment profit/(loss) before taxation	<u>366</u>	<u>10,449</u>	<u>(30)</u>	<u>150</u>	<u>10,935</u>

**As at 30 September 2021**
**Assets and liabilities**

Investments in associates and joint ventures	6,177	257,778	-	-	263,955
Additions to non-current assets:					
- Property, plant and equipment	222	-	-	-	222
Segment assets	<u>257,483</u>	<u>380,236</u>	<u>122,326</u>	<u>(156,696)</u>	<u>603,349</u>
Segment liabilities	<u>120,334</u>	<u>44,407</u>	<u>202,222</u>	<u>(114,620)</u>	<u>252,343</u>

## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2022

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### Geographical segments

	Total assets	
	30.09.2022	31.03.2022
	S\$'000	S\$'000
Singapore	427,252	428,535
Malaysia	284	297
Bhutan	1,788	1,788
Japan	3,486	2,915
Australia	4,396	5,719
England, United Kingdom	27,239	25,066
The People's Republic of China	153,862	158,287
<b>Total</b>	<b>618,307</b>	<b>622,607</b>

Total assets information presented above consist of property, plant and equipment, and investment properties as presented in the consolidated balance sheet.

## KSH Holdings Limited and its Subsidiaries

### Condensed interim financial statements for the half year ended 30 September 2022

#### Revenue

Disaggregation of revenue from contracts with customers

	Construction	Property development and investment	Corporate & Others	Total
Half year ended 30 September 2022	S\$'000	S\$'000	S\$'000	S\$'000
<b>Primary geographical markets</b>				
Singapore	139,651	162	-	139,813
The People's Republic of China	-	1,773	-	1,773
	139,651	1,935	-	141,586
<b>Major product or service lines</b>				
Construction contracts	139,651	-	-	139,651
Rental of investment properties	-	1,935	-	1,935
	139,651	1,935	-	141,586
<b>Timing of transfer of goods or services</b>				
Over time	139,651	-	-	139,651
At a point in time	-	1,935	-	1,935
	139,651	1,935	-	141,586

	Construction	Property development and investment	Corporate & Others	Total
Half year ended 30 September 2021	S\$'000	S\$'000	S\$'000	S\$'000
<b>Primary geographical markets</b>				
Singapore	111,219	145	-	111,364
The People's Republic of China	-	2,363	-	2,363
	111,219	2,508	-	113,727
<b>Major product or service lines</b>				
Construction contracts	111,219	-	-	111,219
Rental of investment properties	-	2,508	-	2,508
	111,219	2,508	-	113,727
<b>Timing of transfer of goods or services</b>				
Over time	111,219	-	-	111,219
At a point in time	-	2,508	-	2,508
	111,219	2,508	-	113,727

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**4 Fair value of assets and liabilities**

**(a) Fair value hierarchy**

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

**(b) Assets and liabilities measured at fair value**

Financial assets and non-financial assets were measured at fair value as at 30 September 2022 and 31 March 2022.

GROUP (\$'000)	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>30 September 2022</b>				
Financial assets and non-financial assets at fair value through profit or loss				
<b>Financial assets:</b>				
Investment securities	8,686	-	-	8,686
<b>Non-financial assets:</b>				
Investment properties				
Commercial	-	-	96,995	96,995
Residential	-	-	17,360	17,360
	<b>8,686</b>	<b>-</b>	<b>114,355</b>	<b>123,041</b>
<b>31 March 2022</b>				
Financial assets and non-financial assets at fair value through profit or loss				
<b>Financial assets:</b>				
Investment securities	5,985	-	-	5,985
<b>Non-financial assets:</b>				
Investment properties				
Commercial	-	-	102,647	102,647
Residential	-	-	17,360	17,360
	<b>5,985</b>	<b>-</b>	<b>120,007</b>	<b>125,992</b>

**(c) Level 3 fair value measurements**

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under level 3 of the fair value hierarchy as at 31 March 2022:

Description	Valuation techniques	Key unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value measurement
Commercial	Market comparable approach	Price per square metre	RMB 13,000 to RMB 23,000	The estimated fair value increases with higher transacted price of comparable properties
	Discounted cash flow approach	Discount rate	5%	The estimated fair value varies inversely against the capitalisation rate, discount rate and terminal yield rate
Residential	Market comparable approach	Price per square metre	\$14,000 to \$31,000	The estimated fair value increases with higher transacted price of comparable properties



## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2022

### 5 Related party transactions

In addition to the related party information disclosed in the condensed interim financial statements, the following significant transactions between the Group and Company and their related parties took place during the financial period at terms agreed between the parties:

#### *Sale and purchase of goods and services*

	GROUP	
	HALF YEAR ENDED	
	30.09.2022	30.09.2021
	S\$'000	S\$'000
Construction services rendered to:		
- associates	19	69
<b>Income</b>		
Interest income		
- associates	2,319	2,370
- joint ventures	442	324
Management and administrative fee income		
- associates	192	162

### 6 Other income

	GROUP	
	HALF YEAR ENDED	
	30.09.2022	30.09.2021
	S\$'000	S\$'000
Interest income	3,452	2,957
Government grants and aids*	225	596
Fair value gain on quoted debt instruments (investment securities)	-	323
Management and administrative fee income	192	162
Foreign exchange gain	761	506
Miscellaneous income	503	423
	<u>5,133</u>	<u>4,967</u>

\* Included grants received from Singapore Government to help businesses deal with impact from COVID-19.

## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2022

### 7 Profit after tax

The following items have been included in arriving at profit after tax:

	GROUP	
	HALF YEAR ENDED	
	30.09.2022	30.09.2021
	S\$'000	S\$'000
Amortisation of club membership	1	1
Depreciation of property, plant and equipment	1,043	1,123
(Write back)/allowance for provision for onerous contract	(131)	218
Write-off of bad debts	695	-
Fair value loss/(gain) on quoted debt instruments (investment securities)	299	(323)
Loss on disposal of plant and equipment, net	1	4
Interest expense	1,439	1,270
Foreign exchange loss, net	4,318	568

### 8 Earnings per share

	GROUP	
	HALF YEAR ENDED	
	30.09.2022	30.09.2021
	(cents)	(cents)
Earnings per ordinary share for the period:		
(i) Based on weighted average number of ordinary shares in issue (in cents)	1.79	1.75
(ii) On a fully diluted basis (in cents)	1.79	1.75
Weighted average number of ordinary shares excluding treasury shares for computing basic and diluted EPS	563,396,245	565,466,543

Basic earnings per share ("EPS") is calculated by dividing the Group's profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share is calculated by dividing the Group's profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

### 9 Net asset value per share

	GROUP		COMPANY	
	as at 30.09.2022	as at 31.03.2022	as at 30.09.2022	as at 31.03.2022
Net asset value per ordinary share (cents)	59.43	59.70	13.06	13.61
Issue share capital excluding treasury shares at the end of the period/year	563,396,245	563,396,245	563,396,245	563,396,245

Net asset value per share is calculated by dividing the Group's net assets attributable to owners of the Company by the total number of issued ordinary shares as at the end of the period/year.

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2022

**10 Property, plant and equipment**

	Leasehold factory building	Right-of-use assets	Plant and machinery	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>As at 31.03.2022</b>					
<b>Cost</b>	13,908	6,312	13,703	6,718	40,641
Accumulated depreciation and impairment	(2,865)	(1,520)	(12,491)	(5,252)	(22,128)
Net book value	<u>11,043</u>	<u>4,792</u>	<u>1,212</u>	<u>1,466</u>	<u>18,513</u>
Half year ended 30 September 2022					
Opening net book value	11,043	4,792	1,212	1,466	18,513
Addition	-	176	84	343	603
Disposals	-	-	(27)	(5)	(32)
Depreciation	(245)	(337)	(307)	(154)	(1,043)
Translation difference	-	-	-	28	28
Closing net book value	<u>10,798</u>	<u>4,631</u>	<u>962</u>	<u>1,678</u>	<u>18,069</u>
<b>As at 30.09.2022</b>					
<b>Cost</b>	13,908	6,312	13,703	6,718	40,641
Accumulated depreciation and impairment	(3,110)	(1,681)	(12,741)	(5,040)	(22,572)
Net book value	<u>10,798</u>	<u>4,631</u>	<u>962</u>	<u>1,678</u>	<u>18,069</u>

**11 Investment properties**

	GROUP	
	30.09.2022	31.03.2022
	S\$'000	S\$'000
At beginning of period	120,007	117,130
Loss on fair value adjustment of investment properties	-	(1,126)
Translation difference	(5,652)	4,003
At end of period	<u>114,355</u>	<u>120,007</u>

**12 Loans and borrowings**

	GROUP	
	30.09.2022	31.03.2022
	S\$'000	S\$'000
The amount repayable in one year or less, or on demand		
- secured	46,141	24,762
The amount repayable after one year		
- secured	77,510	95,125
	<u>123,651</u>	<u>119,887</u>

Details of any collaterals:

The Group's loans and borrowings are secured by way of:

- 1) Assignment of progress payments from the developer for certain on-going construction projects;
- 2) Letters of assignment of certain progress payments and retention monies due to the Group;
- 3) First legal mortgage on the Group's investment properties and leasehold factory building;
- 4) Charge on fixed deposits and structured deposits;
- 5) First charge over the contract proceeds/project account arising from the construction project financed;
- 6) A first legal mortgage over the development property of a joint venture;
- 7) Legal assignment of sales proceeds from the development property of a joint venture;
- 8) Legal assignment of tenancy, rental, lease and licence agreements from the development property of a joint venture;
- 9) Legal assignment of the construction contract(s) and performance bonds from the development property of a joint venture;
- 10) Legal assignment of fire insurance policy from the development property of a joint venture;
- 11) Corporate guarantees from all the shareholders of a joint venture in equal share ratio; and
- 12) Debenture over all present and future assets of a joint venture.

**13 Subsequent events**

As at the issue date of this interim financial statements, there is no material subsequent events after 1HFY2023.

**F. Other information Required by Listing Rule Appendix 7.2**

**Other information**

**1 Review**

The condensed consolidated statement of financial position of the Company and its subsidiaries as at 30 September 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year ended and certain explanatory notes have not been audited or reviewed.

**2 Share capital**

- (i) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The changes in the Company's issued share capital (excluding treasury shares) for the financial period ended 30 September 2022 were as follows:

	Number of shares
Total number of issued shares excluding treasury shares:	
<b>Balance as at 31 March 2022 and 1 April 2022</b>	
- Ordinary Shares	<b>563,396,245</b>
Purchase of treasury shares during 1HFY2023	
- Ordinary Shares	-
<b>Balance as at 30 September 2022</b>	<b>563,396,245</b>

The total number of treasury shares held by the Company as at 30 September 2022 was 6,339,400 shares (30 September 2021: 6,339,400 shares).

- (ii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

The total number of issued shares as at 30 September 2022 was 563,396,245 shares (30 September 2021: 563,826,245 shares) excluding treasury shares.

- (iii) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no sales, transfers, disposals, cancellation and/or use of treasury shares during the year.

- (iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable.

- 3 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must include discussion of any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also include discussion of any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**Half year results: 1HFY2023 vs 1HFY2022**

**Revenue**

The Group had a total revenue of S\$141.6 million for 1HFY2023, an increase of S\$27.9 million compared to S\$113.7 million in the corresponding 1HFY2022. The increase was mainly due to the increase in revenue from construction business of S\$28.5 million from S\$111.2 million in 1HFY2022 to S\$139.7 million in 1HFY2023. Rental income from investment properties decreased mainly due to contributions from the PRC, 1HFY2023 was translated at a weaker foreign exchange translation rate.

**Other income**

The increase in other income was mainly due to an increase in interest income from additional loans to associates to finance new projects.

**Other operating expenses**

Cost of construction increased by S\$23.5 million from S\$106.6 million in 1HFY2022 to S\$130.1 million in 1HFY2023 as construction works done increased with escalating construction costs.

Personnel expenses increased by S\$0.7 million from S\$5.4 million in 1HFY2022 to S\$6.1 million due to the increase in salaries and wages.

Finance costs increased S\$0.2 million from S\$1.3 million in 1HFY2022 to S\$1.5 million in 1HFY2023 mainly due to the increase in interest rates.

Other operating expenses increased by S\$4.6 million from S\$3.1 million in 1HFY2022 to S\$7.7 million in 1HFY2023 mainly due to increase in foreign exchange losses of S\$4.0 million from S\$1.1 million in 1HFY2022 to S\$5.1 million in 1HFY2023 and a bad debt written off of S\$0.7 million on a shareholder's loan advance to a joint venture for a Singapore development project.

Share of profits of associates and joint ventures in 1HFY2023 increased by S\$0.4 million as compared to 1HFY2022 with the contributions from the development project in Gaobedian PRC.

Overall, the Group recorded a profit attributable to owners of the Company of S\$10.1 million in 1HFY2023 as compared to S\$9.9 million in 1HFY2022.

**Group Statement of Financial Position Review**

Non-current assets as at 1HFY2023 increased by S\$25.3 million to S\$419.0 million as compared to S\$393.7 million as at FY2022 mainly due to the increase in interest in associates for new properties development projects in Singapore offset by the decrease in investment properties due to loss in exchange translation.

Fixed deposits, cash and bank balances has decreased by S\$39.9 million from S\$143.1 million in FY2022 to S\$103.2 million in 1HFY2023 mainly from net cash flows used in investing activities and operating activities, offset by the net decrease in cash flows used in financing activities.

Loans and borrowings of the Group increased slightly by S\$3.8 million from S\$119.9 million in FY2022 to S\$123.7 million in 1HFY2023 for working capital purpose.

**4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

There was no forecast or any prospect statement previously disclosed to shareholders. The actual results in 1HFY2023 is in line with the commentary made on 27 May 2022 in Note 5 of Section F the full year results announcement for FY2022.

**5 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The global economic outlook remains downcast with growth expected to slow down in the region. The International Monetary Fund recently purported that the economic slowdown in the PRC, the war in Ukraine and the aggressive monetary policy tightening by the United States of America (“USA”) Federal reserve monetary tightening are the three main headwinds facing the region. This has resulted in tighter financial conditions in the markets the Group has presence in.

Amidst global uncertainties and challenges, the Monetary Authority of Singapore (“MAS”) has projected slower economic growth and elevated core inflation over the next few quarters. The challenging global financial conditions and continued COVID-19 curbs in some countries are expected to weigh on growth in Singapore’s major trading partners and in turn, adversely affect Singapore. According to advance estimates recently released by the Ministry of Trade and Industry (“MTI”), the Singapore economy grew at a slower pace of 4.4%, although growth still exceeded earlier expectations, in the third quarter of 2022.

MTI has announced that the construction sector grew by 7.8% year-on-year in the third quarter, accelerating from the 4.8% growth in the preceding third quarter of 2022. Both public and private construction output picked up during the third quarter, partly supported by the easing of border restrictions on the migrant workers coming into Singapore. In absolute terms, the value-added by the construction sector remained 18% below pre-pandemic levels. Separately, MAS expects that labour shortages and elevated costs of construction materials will weigh on the outlook even as activity continues to pick up in 2023.

The growth in Singapore residential prices accelerated to 3.8% in the third quarter to record levels after rising 3.5% in the previous three months. Despite the rising rental rates and recent cooling measures introduced by the government, property demand remained. While home sales volume dropped 9.7% to 6,148 units in the third quarter, several new launches in October this year saw robust demand with a good start in sales price and volume.

Hotel performance in countries such as United Kingdom and Japan has continued to improve although uncertainties loom as global macroeconomic factors could potentially impact hotel operations and investment in the near future. Although still affected by the COVID-19 pandemic and uncertainties in macroeconomic factors, the investment properties held by the Group in Singapore and overseas have maintained good occupancy rates and rental rates.

The Group’s construction order book remains healthy at approximately S\$393.0 million as at 30 September 2022.

Most of the launched development projects in Singapore under the Group are either fully sold or almost fully sold to date. As previously announced, the Group is currently participating in 3 joint ventures for proposed residential and mixed development in Singapore, namely Peace Centre / Peace Mansion, Euro-Asia Apartments at 1037 Serangoon Road and Park View Mansions.

The construction for Phase 1 of the Group’s 22.5%-owned Singapore Sino Health City (中新健康城) (“SSHC”) residential development project located in PRC’s Gaobeidian county has been completed, for which the Group has started recognising profit for sold units. Phase 2 of SSHC has commenced sale and construction. More than 70% of the approximately 1,000 units launched in both phases have been sold. The Group announced its effective 33.75% equity stake in another mixed property development also located in Gaobeidian county last month, which is expected to contribute positively to the Group’s results for the current financial year.

In view of the on-going pandemic and challenging economy outlook, the Group remains cautiously optimistic on the outlook of its performance in FY2023.

**6 Dividends****(a) Current financial period reported on**

Any dividend declared for the current financial period reported on? **Yes**

Name of Dividend Dividend Type	(Tax Exempt 1-Tier)	
	Interim Ordinary Cash	Total Cash
Dividend Rate	1.00 cent per ordinary share	1.00 cent per ordinary share

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

Name of Dividend Dividend Type	(Tax Exempt 1-Tier)	
	Interim Ordinary Cash	Total Cash
Dividend Rate	1.00 cent per ordinary share	1.00 cent per ordinary share

**(c) Date payable**

The date payable for the proposed interim cash dividend will be announced at a later date.

**(d) Books closure date**

The Notice on the closure date of the Transfer Books and the Register of Members of the Company for the proposed interim cash dividend will be announced at a later date.

**7 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the**

Not applicable.

**8 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions (IPTs).

**9 Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1).

**10 Disclosure on acquisitions and realisation of shares pursuant to Rule 706A.**

Save as disclosed on SGXNET, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the company, or resulting in the company increasing or reducing its shareholding percentage in a subsidiary or associated company.

**11 Confirmation pursuant to Rule 705(5)**

We, Choo Chee Onn and Lim Kee Seng, being two of the Directors of KSH Holdings Limited. (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Company and of the Group for the half year ended 30 September 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors,  
**BY ORDER OF THE BOARD**

Choo Chee Onn  
Executive Chairman and Managing Director  
11 November 2022

Lim Kee Seng  
Executive Director