



**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 2021**

<b>Table of Contents</b>	<b>Page</b>
<u>Condensed interim consolidated income statement</u>	<u>1</u>
<u>Condensed interim consolidated statement of comprehensive income</u>	<u>2</u>
<u>Condensed interim balance sheets</u>	<u>3 - 5</u>
<u>Condensed interim statements of changes in equity</u>	<u>6 - 7</u>
<u>Condensed interim consolidated cash flow statement</u>	<u>8 - 9</u>
<u>Notes to condensed interim financial statements</u>	<u>10 - 18</u>
<u>Other information Required by Listing Rule Appendix 7.2</u>	<u>19 - 22</u>

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2021

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

		<b>GROUP</b>		
		<b>HALF YEAR ENDED</b>		
		<b>30.09.2021</b>	<b>30.09.2020</b>	increase/ (decrease)
<b>Note</b>		<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>REVENUE</b>				
	Project revenue	111,219	32,622	>100
	Rental income from investment properties	2,508	1,897	32.2
		<b>113,727</b>	<b>34,519</b>	>100
	Other income	4,967	9,186	(45.9)
	Cost of construction	(106,615)	(37,639)	>100
	Personnel expenses	(5,397)	(5,880)	(8.2)
	Depreciation of property, plant and equipment	(1,123)	(1,105)	1.6
	Finance costs	(1,328)	(1,233)	7.7
	Other operating expenses	(3,055)	(2,012)	51.8
		(117,518)	(47,869)	>100
	<b>Pofit/(loss) from operations before share of results of associates and joint ventures</b>	<b>1,176</b>	<b>(4,164)</b>	<i>nm</i>
	Share of results of associates and joint ventures	9,759	(327)	<i>nm</i>
	<b>Profit/(loss) before taxation</b>	<b>10,935</b>	<b>(4,491)</b>	<i>nm</i>
	Income tax (expense)/tax credit	(894)	553	<i>nm</i>
	<b>Profit/(loss) for the period</b>	<b>10,041</b>	<b>(3,938)</b>	<i>nm</i>
	<b>Attributable to:</b>			
	- Owners of the Company	9,858	(4,063)	<i>nm</i>
	- Non-controlling interests	183	125	46.4
		<b>10,041</b>	<b>(3,938)</b>	<i>nm</i>
	<b>Earnings/(loss) per share (cents per share)</b>			
	- Basic and diluted	1.75	(0.72)	

*nm: not meaningful*

**Notes to Condensed interim consolidated income statement**

- The decrease in other income in half year ended 30 September 2021 ("1HFY2022") was mainly due to lower government grants and aids.
- The decrease in personnel expenses in 1HFY2022 was mainly due to the decrease in workers' accomodation expenses.
- The increase in finance costs in 1HFY2022 as compared to half year ended 30 September 2020 ("1HFY2021") was mainly due to the increase in bank charges for additional banking facilities secured.
- The increase in other operating expenses in 1HFY2022 was mainly due to the increase in foreign exchange losses.
- Share of profits of associates and joint ventures in 1HFY2022 was mainly attributable to the progress of completion of property development projects in Singapore as compared to the share of losses of associates and joint ventures in 1HFY2021 as construction work on these projects was affected during the Circuit Breaker period from April to June 2020. The share of profits was partially offset by a share of loss of approximately S\$0.8 million arising from the disposal of a property by an associate.

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2021

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

		<b>GROUP</b>		
		<b>HALF YEAR ENDED</b>		
		<b>30.09.2021</b>	<b>30.09.2020</b>	increase/ (decrease)
	<b>Note</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Profit/(loss) for the period</b>		<b>10,041</b>	<b>(3,938)</b>	<i>nm</i>
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
- Foreign currency translation	1	3,046	786	>100
<b>Other comprehensive income for the period, net of tax</b>		<b>3,046</b>	<b>786</b>	<b>&gt;100</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>13,087</b>	<b>(3,152)</b>	<i>nm</i>
<b>Total comprehensive income/(loss) attributable to:</b>				
- Owners of the Company		12,308	(3,438)	<i>nm</i>
- Non-controlling interests		779	286	>100
<b>Total comprehensive income/(loss) for the period</b>		<b>13,087</b>	<b>(3,152)</b>	<i>nm</i>

*nm: not meaningful*

**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 gain in 1HFY2022 was mainly due to appreciation 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 2021

**B. Condensed interim balance sheets**

	<b>GROUP</b>				<b>COMPANY</b>			
	<b>30.09.2021</b>		<b>31.03.2021</b>		<b>30.09.2021</b>		<b>31.03.2021</b>	
	<b>Note</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>Note</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>								
<b>Non-current assets</b>								
Property, plant and equipment	1	19,440	20,342		-	-		
Investments in subsidiaries		-	-		16,791	16,791		
Interests in associates	2	210,296	201,712		-	-		
Interests in joint ventures	3	53,659	78,684		-	-		
Investment securities	4	5,986	3,665	13	5,986	3,665		
Investment properties	5	119,735	117,130		-	-		
Amount due from a minority shareholder of a subsidiary (non-trade)		2,328	2,269		-	-		
Amounts due from subsidiaries (non-trade)		-	-		185,171	214,494		
Deferred tax assets		520	513		72	52		
Club membership		25	26		-	-		
		<b>411,989</b>	<b>424,341</b>		<b>208,020</b>	<b>235,002</b>		
<b>Current assets</b>								
Trade receivables	6	17,223	16,410		-	-		
Other receivables and deposits	7	1,394	1,996		138	219		
Prepayments		540	564		35	22		
Amounts due from associates (non-trade)		10	10		-	-		
Contract assets	8	32,127	37,470		-	-		
Fixed deposits		56,998	62,136		32,507	37,663		
Cash and bank balances		83,068	60,764		7,343	18,507		
		<b>191,360</b>	<b>179,350</b>		<b>40,023</b>	<b>56,411</b>		
<b>Total assets</b>		<b>603,349</b>	<b>603,691</b>		<b>248,043</b>	<b>291,413</b>		
<b>LIABILITIES</b>								
<b>Current liabilities</b>								
Trade payables	9	25,215	18,933		-	-		
Other payables and accruals	10	52,701	51,798		958	979		
Lease liabilities		772	780		-	-		
Deferred income		18	18		-	-		
Provision for income tax		2,159	2,020		569	591		
Contract liabilities	11	20,434	22,287		-	-		
Provision for onerous contract		218	-		-	-		
Bank term loans, secured	12	34,267	40,793		32,600	39,960		
Bills payable to banks, secured	12	16,796	16,910		-	-		
		<b>152,580</b>	<b>153,539</b>		<b>34,127</b>	<b>41,530</b>		

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2021

	GROUP			COMPANY		
		30.09.2021	31.03.2021		30.09.2021	31.03.2021
	Note	S\$'000	S\$'000	Note	S\$'000	S\$'000
<b>Non-current liabilities</b>						
Other payables and accruals		233	210		-	-
Lease liabilities		4,197	4,505		-	-
Amounts due to subsidiaries (non-trade)		-	-		61,073	81,604
Bank term loans, secured	12	78,175	85,517		70,050	81,350
Deferred tax liabilities		17,158	16,367		-	-
		<u>99,763</u>	<u>106,599</u>		<u>131,123</u>	<u>162,954</u>
<b>Total liabilities</b>		<b>252,343</b>	<b>260,138</b>		<b>165,250</b>	<b>204,484</b>
<b>NET ASSETS</b>		<u><b>351,006</b></u>	<u><b>343,553</b></u>		<u><b>82,793</b></u>	<u><b>86,929</b></u>
<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		4,006	1,556		-	-
Accumulated profits		268,497	264,329		31,377	35,513
Asset revaluation reserve		219	219		-	-
Other reserves		5,522	5,466		2,629	2,629
		<u>327,031</u>	<u>320,357</u>		<u>82,793</u>	<u>86,929</u>
Non-controlling interests		23,975	23,196		-	-
<b>TOTAL EQUITY</b>		<u><b>351,006</b></u>	<u><b>343,553</b></u>		<u><b>82,793</b></u>	<u><b>86,929</b></u>

**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 share of profits in 1HFY2022 and additional loans to associates.
- 3 The decrease in interest in joint ventures was mainly due to repayment of loan by joint ventures, partially offset by share of profits in 1HFY2022.
- 4 The increase in investment securities was mainly due to quoted debt instruments purchased by the Company.
- 5 The increase in investment properties was mainly due to the translation gain from an investment property in People's Republic of China ("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 1HFY2022 as compared to financial year ended 31 March 2021 ("FY2021").
- 7 The decrease in other receivables and deposits was mainly due to the decrease in Government grants and aids receivable.
- 8 Contract assets has decreased based on the progress of construction projects completed but not billed as at 1HFY2022 as compared to FY2021.
- 9 The increase 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.
- 10 The increase in other payables and accruals was mainly due to the increase in accruals made for construction projects.
- 11 Contract liabilities has decreased based on the progress of construction projects and the progress billings billed as at 1HFY2022 as compared to FY2021.
- 12 The decrease in total loans and borrowings of S\$14.0 million from S\$143.2 million as at FY2021 to S\$129.2 million as at 1HFY2022, mainly due to the repayment of bank borrowings, partially offset by increase in new borrowings.

**The Company**

- 13 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 2021

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

GROUP	Attributable to Owners of the Company								
	Share capital S\$'000	Treasury shares S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Asset revaluation reserve S\$'000	Other reserves S\$'000	Equity attributable to Owners of the Company, total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>At 1 April 2020</b>	50,915	(1,645)	(1,202)	274,889	219	5,466	328,642	22,977	351,619
<b>(Loss)/profit for the period</b>	-	-	-	(4,063)	-	-	(4,063)	125	(3,938)
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	625	-	-	-	625	161	786
Other comprehensive income for the period	-	-	625	-	-	-	625	161	786
<b>Total comprehensive income for the period</b>	-	-	625	(4,063)	-	-	(3,438)	286	(3,152)
<u>Contributions by and distributions to owners</u>									
Purchase of treasury shares	-	(334)	-	-	-	-	(334)	-	(334)
<b>Total contributions by and distributions to owners</b>	-	(334)	-	-	-	-	(334)	-	(334)
<b>At 30 September 2020</b>	<b>50,915</b>	<b>(1,979)</b>	<b>(577)</b>	<b>270,826</b>	<b>219</b>	<b>5,466</b>	<b>324,870</b>	<b>23,263</b>	<b>348,133</b>
<b>At 1 April 2021</b>	50,915	(2,128)	1,556	264,329	219	5,466	320,357	23,196	343,553
<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>219</b>	<b>5,522</b>	<b>327,031</b>	<b>23,975</b>	<b>351,006</b>

**KSH Holdings Limited and its Subsidiaries**

**Condensed interim financial statements for the half year ended 30 September 2021**

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Other reserves S\$'000	Total equity S\$'000
At 1 April 2020	50,915	(1,645)	10,346	2,629	62,245
Profit for the period	-	-	30,657	-	30,657
Total comprehensive income for the period	-	-	30,657	-	30,657
<u>Contributions by and distributions to owners</u>					
Purchase of treasury shares	-	(334)	-	-	(334)
<b>At 30 September 2020</b>	<b>50,915</b>	<b>(1,979)</b>	<b>41,003</b>	<b>2,629</b>	<b>92,568</b>
At 1 April 2021	50,915	(2,128)	35,513	2,629	86,929
Profit for the period	-	-	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>



**KSH Holdings Limited and its Subsidiaries**
**Condensed interim financial statements for the half year ended 30 September 2021**
**D. Condensed interim consolidated cash flow statement**

	<b>GROUP</b>	
	<b>HALF YEAR ENDED</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Profit/(loss) before taxation	10,935	(4,491)
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	1,123	1,105
Amortisation of club membership	1	1
Gain on dilution of interest in a subsidiary	(3)	-
Loss on disposal of plant and equipment, net	4	-
Fair value (gain)/loss on quoted debt instruments (investment securities)	(323)	612
Fair value gain on structured deposits	-	(5)
Write back of doubtful debts	-	(676)
Allowance for provision of onerous contract	218	686
Interest expense	1,270	1,224
Interest income	(2,957)	(2,964)
Share of results of associates and joint ventures	(9,759)	327
<b>Operating cash flows before changes in working capital</b>	<b>509</b>	<b>(4,181)</b>
<u>Changes in working capital:</u>		
(Increase)/decrease in:		
Trade and other receivables, deposits and prepayments	(187)	15,834
Contract assets	5,343	2,483
Increase/(decrease) in:		
Trade and other payables and accruals	7,209	(4,852)
Deferred income	-	(705)
Contract liabilities	(1,853)	6,995
<b>Cash flows from operations</b>	<b>11,021</b>	<b>15,574</b>
Income taxes paid	(371)	(670)
Interest income received	2,957	2,964
Exchange differences	668	491
<b>Net cash flows from operating activities</b>	<b>14,275</b>	<b>18,359</b>
<b>Investing activities</b>		
Purchase of plant and equipment	(222)	(545)
Proceeds from disposal of plant and equipment	1	1
Payment for cancellation of shares in associates on capital reduction	-	450
Purchase of quoted debt instruments (investment securities)	(1,998)	-
Decrease/(increase) in loans and amounts due from associates and joint ventures, net	21,970	(2,686)
Dividends received from associates and joint ventures	4,233	3,240
<b>Net cash flows from investing activities</b>	<b>23,984</b>	<b>460</b>
<b>Financing activities</b>		
Dividends paid	(5,634)	-
Purchase of treasury shares	-	(334)
Proceeds from bank term loans	5,000	5,000
Repayment of bank term loans	(18,868)	(29,203)
Repayment of bills payable to banks	(114)	(8,082)
Interest paid	(1,270)	(1,224)
Payment of principal portion of lease liabilities	(316)	(344)
Decrease in pledged fixed deposits	3,141	19,563
<b>Net cash flows used in financing activities</b>	<b>(18,061)</b>	<b>(14,624)</b>

**KSH Holdings Limited and its Subsidiaries**

Condensed interim financial statements for the half year ended 30 September 2021

	GROUP	
	HALF YEAR ENDED	
	30.09.2021	30.09.2020
	S\$'000	S\$'000
<b>Net increase in cash and cash equivalents</b>	20,198	4,195
Effect of exchange rate changes on cash and cash equivalents	111	-
<b>Cash and cash equivalents at beginning of period</b>	69,028	66,098
<b>Cash and cash equivalents at end of period (Note A)</b>	<u>89,337</u>	<u>70,293</u>

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

	30.09.2021	30.09.2020
	S\$'000	S\$'000
Cash and bank balances**	83,068	65,086
Fixed deposits	56,998	49,885
	<u>140,066</u>	<u>114,971</u>
Less: Pledged fixed deposits	(50,729)	(44,678)
Cash and cash equivalents	<u>89,337</u>	<u>70,293</u>

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

**Net cash from operating activities**

Net cash flows from operating activities decreased in 1HFY2022 as compared to 1HFY2021 mainly due to lower changes in working capital.

**Net cash from investing activities**

Net cash flows from investing activities increased in 1HFY2022 as compared to 1HFY2021 mainly due to repayment of loan and amounts due from associates and joint ventures.

**Net cash used in financing activities**

Net cash flows used in financing activities increased in 1HFY2022 as compared to 1HFY2021 mainly due to dividends paid and lesser decrease in fixed deposits pledged, offset by lesser net repayment of borrowings.

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

**1 Basis of preparation**

The condensed interim financial statements for the half year ended 30 September 2021 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 2021.

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 2021. The adoption of these standard 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 estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2021.

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 2021.

**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 2021.

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 2021, the management reviewed the valuation reports prepared by professional valuers as at 31 March 2021 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 at 30 September 2021 and no fair value change was recorded for the half year ended 30 September 2021.

### **1.2(b) Impairment of 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**

Construction contract revenue is recognised over time by reference to the Group's progress towards completing the performance obligation in the contract.

Management has determined that a cost-based input method for these services provides a faithful depiction of the Group's performance in transferring control of the goods and services promised to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the contract. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the performance obligation within the contract.

The estimated total contract costs are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project managers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration the historical trends of the amounts incurred in the Group's other similar construction contracts for the past 3 to 5 years.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

## **2 Seasonal operations**

The Group's businesses were 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 relates to acting as main contractors in construction projects in Singapore, and provision of services mainly to property developers in both the private and public sectors.
- b) The property development and investment segments relate to the development and sales of properties and holding of investment properties.
- c) The others segment relates to general corporate and investment holding activities.

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 2021**
**Business segments**

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

**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:					
- Provision for onerous contract	(218)	-	-	-	(218)
Segment profit before taxation	366	10,449	(30)	150	10,935

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

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

	Property development and				Total
	Construction	management	Others	Eliminations	
Half year ended 30 September 2020	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>REVENUE</b>					
- Sales to external customers	32,622	1,897	-	-	34,519
- Inter-segment sales	-	178	-	(178)	-
	32,622	2,075	-	(178)	34,519

**Results**

Interest income	92	7	6,653	(3,788)	2,964
Finance costs	(198)	(1)	(4,822)	3,788	(1,233)
Depreciation of property, plant and equipment	1,098	7	-	-	1,105
Share of results of associates and joint ventures	-	(327)	-	-	(327)
Other non-cash items:					
- Provision for onerous contract	(686)	-	-	-	(686)
Segment loss before taxation	(5,720)	298	931	-	(4,491)

**As at 31 March 2021**
**Assets and liabilities**

Interests in associates and joint ventures	-	274,196	6,200	-	280,396
Additions to non-current assets:					
- Property, plant and equipment	1,380	76	-	-	1,456
Segment assets	253,710	388,081	139,233	(177,333)	603,691
Segment liabilities	115,331	43,526	236,034	(134,753)	260,138

## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2021

---

### Geographical segments

	GROUP	
	Total assets	
	30.09.2021	31.03.2021
	S\$'000	S\$'000
Singapore	408,029	404,545
Malaysia	291	297
Bhutan	1,784	1,787
Japan	3,549	5,902
Australia	5,536	2,376
England, United Kingdom	26,881	33,897
The People's Republic of China	157,279	154,887
<b>Total</b>	<b>603,349</b>	<b>603,691</b>

## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2021

### Revenue

Disaggregation of revenue from contracts with customers

Half year ended 30 September 2021	Property development and investment			Total
	Construction	investment	Others	
	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
	<u>111,219</u>	<u>2,508</u>	<u>-</u>	<u>113,727</u>
<b>Major product or service lines</b>				
Construction contracts	111,219	-	-	111,219
Rental of investment properties	-	2,508	-	2,508
	<u>111,219</u>	<u>2,508</u>	<u>-</u>	<u>113,727</u>
<b>Timing of transfer of goods or services</b>				
Over time	111,219	-	-	111,219
At a point in time	-	2,508	-	2,508
	<u>111,219</u>	<u>2,508</u>	<u>-</u>	<u>113,727</u>

Half year ended 30 September 2020	Property development and investment			Total
	Construction	investment	Others	
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Primary geographical markets</b>				
Singapore	32,622	158	-	32,780
The People's Republic of China	-	1,739	-	1,739
	<u>32,622</u>	<u>1,897</u>	<u>-</u>	<u>34,519</u>
<b>Major product or service lines</b>				
Construction contracts	32,622	-	-	32,622
Rental of investment properties	-	1,897	-	1,897
	<u>32,622</u>	<u>1,897</u>	<u>-</u>	<u>34,519</u>
<b>Timing of transfer of goods or services</b>				
Over time	32,622	-	-	32,622
At a point in time	-	1,897	-	1,897
	<u>32,622</u>	<u>1,897</u>	<u>-</u>	<u>34,519</u>

## 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

GROUP (S'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 2021</b>				
Financial assets and non-financial assets at fair value through profit or loss				
<b>Financial assets:</b>				
Investment securities	5,986	-	-	5,986
<b>Non-financial assets:</b>				
Investment properties				
Commercial	-	-	103,495	103,495
Residential	-	-	16,240	16,240
	<u>5,986</u>	<u>-</u>	<u>119,735</u>	<u>125,721</u>
<b>31 March 2021</b>				
Financial assets and non-financial assets at fair value through profit or loss				
<b>Financial assets:</b>				
Investment securities	3,665	-	-	3,665
<b>Non-financial assets:</b>				
Investment properties				
Commercial	-	-	100,890	100,890
Residential	-	-	16,240	16,240
	<u>3,665</u>	<u>-</u>	<u>117,130</u>	<u>120,795</u>

(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 2021:

Description	Valuation techniques	Key unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value measurement
				The estimated fair value increases with higher transacted price of comparable properties
	Market comparable approach	Price per square metre	RMB 14,000 to RMB 22,000	The estimated fair value varies inversely against the capitalisation rate, discount rate and terminal yield rate
Commercial	Discounted cash flow approach	Discount rate	5%	The estimated fair value increases with higher transacted price of comparable properties
Residential	Market comparable approach	Price per square metre	\$16,000 to \$28,000	

For investment properties in which no valuation is performed as at 30 September 2021, management has assessed that the inputs and assumptions used by the valuers in the valuation techniques for their valuation as at 31 March 2021, such as occupancy rate, cashflows, capitalisation rate and discount rate, remains appropriate.



## KSH Holdings Limited and its Subsidiaries

Condensed interim financial statements for the half year ended 30 September 2021

### 5 Related party transactions

In addition to the related party information disclosed in the interim condensed 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:

	GROUP	
	HALF YEAR ENDED	
	30.09.2021	30.09.2020
	S\$'000	S\$'000
Construction services rendered to:		
- associate	69	372
<b>Income</b>		
Interest income		
- associates	(540)	(2,249)
- joint ventures	(324)	(347)
Management and administrative fee income		
- associates	(192)	(192)

### 6 Other income

	GROUP	
	HALF YEAR ENDED	
	30.09.2021	30.09.2020
	S\$'000	S\$'000
Other income	423	343
Interest income	2,957	2,964
Government grant*	596	5,091
Fair value gain on structured deposits	-	5
Fair value gain on quoted debt instruments (investment securities)	323	-
Management and administrative fee income	162	252
Foreign exchange gain	506	532
	4,967	9,186

\* 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 2021

**7 Profit/(loss) before taxation**

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

	<b>GROUP</b>	
	<b>HALF YEAR ENDED</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Amortisation of club membership	1	1
Depreciation of property, plant and equipment	1,123	1,105
Allowance of provision for onerous contract	218	686
Write back for doubtful debts	-	(676)
Fair value (gain)/loss on quoted debt instruments (investment securities)	(323)	612
Loss on disposal of plant and equipment, net	4	-
Interest expense	1,270	1,224
Foreign exchange loss	568	-

**8 Earnings per share**

	<b>GROUP</b>	
	<b>HALF YEAR ENDED</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
Earnings per ordinary share for the period:		
(i) Based on weighted average number of ordinary shares in issue (in cents)	1.75	(0.72)
(ii) On a fully diluted basis (in cents)	1.75	(0.72)
Weighted average number of ordinary shares excluding treasury shares for computing basic and diluted EPS	563,396,245	564,201,505

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

Diluted earnings/(loss) per share is calculated by dividing the Group's profit/(loss) 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**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.09.2021</b>	<b>31.03.2021</b>	<b>30.09.2021</b>	<b>31.03.2021</b>
Net asset value per ordinary share (cents)	58.05	56.86	14.70	15.43
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 2021

**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 31.03.2021</b>					
<b>Cost</b>	13,908	6,337	13,680	6,329	40,254
Accumulated depreciation and impairment	(2,303)	(797)	(11,715)	(5,097)	(19,912)
Net book value	<u>11,605</u>	<u>5,540</u>	<u>1,965</u>	<u>1,232</u>	<u>20,342</u>
<b>Half year ended 30 September 2021</b>					
Opening net book value	11,605	5,540	1,965	1,232	20,342
Addition	-	-	20	202	222
Disposals	-	-	-	(5)	(5)
Depreciation	(282)	(369)	(390)	(82)	(1,123)
Translation difference	-	-	-	4	4
Closing net book value	<u>11,323</u>	<u>5,171</u>	<u>1,595</u>	<u>1,351</u>	<u>19,440</u>
<b>As at 30.09.2021</b>					
<b>Cost</b>	13,908	6,337	13,680	6,329	40,254
Accumulated depreciation and impairment	(2,585)	(1,166)	(12,085)	(4,978)	(20,814)
Net book value	<u>11,323</u>	<u>5,171</u>	<u>1,595</u>	<u>1,351</u>	<u>19,440</u>

**11 Investment properties**

	GROUP	
	30.09.2021	31.03.2021
	S\$'000	S\$'000
At beginning of period	117,130	117,604
Loss on fair value adjustment of investment properties	-	(2,633)
Translation difference	2,605	2,159
At end of period	<u>119,735</u>	<u>117,130</u>

**12 Loans and borrowings**

	GROUP	
	30.09.2021	31.03.2021
	S\$'000	S\$'000
The amount repayable in one year or less, or on demand		
- secured	51,063	57,703
The amount repayable after one year		
- secured	78,175	85,517
	<u>129,238</u>	<u>143,220</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 set of condensed interim financial statements, there are no material subsequent events after 1HFY2022.

**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 2021 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 half year period then 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 2021 were as follows:

	Number of shares
Total number of issued shares excluding treasury shares:	
<b>Balance as at 31 March 2021 and 1 April 2021</b>	
- Ordinary Shares	<b>563,396,245</b>
Purchase of treasury shares during 1HFY2022	
- Ordinary Shares	-
<b>Balance as at 30 September 2021</b>	<b>563,396,245</b>

The total number of treasury shares held by the Company as at 30 September 2021 was 6,339,400 shares (30 September 2020: 5,909,400 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 2021 was 563,396,245 shares (30 September 2020: 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 : 1HFY2022 vs 1HFY2021**

**Revenue**

The Group had a total revenue of S\$113.7 million for 1HFY2022, an increase of S\$79.2 million compared to S\$34.5 million in the corresponding 1HFY2021. The increase was mainly due to the increase in revenue from construction business of S\$78.6 million from S\$32.6 million in 1HFY2021 to S\$111.2 million in 1HFY2022, recovering from the circuit breaker measures imposed in 1HFY2021 to control the COVID-19 pandemic. Similarly, rental income from investment properties increased in People's Republic of China ("PRC") as the situation of the pandemic has improved as compared to previous year.

**Other income**

Other income decreased by S\$5.0 million or 45.9% from S\$9.2 million in 1HFY2021 to S\$5.0 million in 1HFY2022 mainly due to the decrease in Government grants and aids.

**Other operating expenses**

Cost of construction increased by S\$69.0 million from S\$37.6 million in 1HFY2021 to S\$106.6 million in 1HFY2022 as construction works done increased significantly with the resumption of construction activities after the circuit breaker measures to control the COVID-19 pandemic ended last year. The cost of construction in 1HFY2022 is still affected by unproductive prolongation costs for various projects, site overheads, staffs and labour costs, and others due to the safe distancing measures at work, serious shortages of labour, disruption in supply chain and other challenges.

There were no significant changes in personnel costs, depreciation of property, plant and equipment and finance costs in 1HFY2022 as compared to 1HFY2021.

Other operating expenses increased by S\$1.1 million or 51.8% from S\$2.0 million in 1HFY2021 to S\$3.1 million in 1HFY2022 mainly due to foreign exchange loss.

Share of profits of associates and joint ventures of S\$9.8 million in 1HFY2022 as compared to a loss of S\$0.3 million in 1HFY2021 mainly attributable to property development projects in Singapore, offset by the share of loss of S\$0.8 million from disposal of property.

Overall. The Group recorded a profit attributable to owners of the Company of S\$9.9 million in 1HFY2022 as compared to a loss of S\$4.1 million in 1HFY2021.

**Group Statement of Financial Position Review**

Non-current assets as at 1HFY2022 decreased by S\$12.3 million or 2.9% to S\$412.0 million as compared as compared to S\$424.3 million as at FY2021 mainly due to repayment of loan received from joint ventures, offset by share of profits from associates and joint ventures and purchase of investment securities.

Fixed deposits, cash and bank balances has increased by S\$17.2 million from S\$122.9 million in FY2021 to S\$140.1 million in 1HFY2022 mainly from net cash flows generated from operating activities and investing activities, offset by cash flows used in financing activities.

Total gearing ratio (net debt divided by total capital plus net debt) of the Group has improved to 17% as at 1HFY2022 from 22% as at FY2021.

- 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 1HFY2022 is in line with the commentary made on 28 May 2021 in paragraph 10 of the full year results announcement for FY2021.

**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**

Almost two years since the onset of the COVID-19 pandemic, the global economy is poised for recovery in 2022. However the rebound is expected to be uneven across countries, as major economies look set to register strong growth even as many developing economies lag behind.

Amidst global economy uncertainties and a high number of daily COVID-19 cases, Singapore economy grew 6.5% year on year in the third quarter of 2021, easing from a jump seen in the previous quarter as a result of last year's low base, according to recent estimates from the Ministry of Trade and Industry ("MTI").

Construction industry continue to be adversely hit by the COVID-19 pandemic. The construction sector expanded by 57.9% in the third quarter, slowing from a growth of 117.5% in the preceding quarter. MTI said this growth was "largely due to low base effects given the slow resumption of construction activities after the 'circuit breaker' period last year". Activities at construction worksites were weighed down by labour shortages due to border restrictions on the entry of migrant workers. Cost of construction is on the rise with higher cost of labour, material and overheads due to labour shortages and disruption in global supply chain.

Singapore's Ministry of National Development ("MND") and Building and Construction Authority ("BCA") have separately taken measures to help local construction companies mitigate the impact of COVID-19. MND announced an extension of relief periods under the COVID-19 (Temporary Measures) Act, which offers temporary relief to business and individuals who have been affected by the COVID-19 pandemic to 31 December 2021 from their original end date of 30 September 2021. The BCA has made changes to public sector construction tenders. The amendments will allow contractors to apply for an extension of time due to COVID-19 and to include provisional amounts for expected pandemic-related costs unknown at the time of tender.

Occupancy rate of hotels globally continue to be adversely affected. As international borders began to open up slowly, hotel performance is set to improve in 2022 as demand continues to return.

The Group's construction order book remains healthy at more than S\$522.0 million as at 30 September 2021.

Most of the development projects under the Group have been either fully sold or almost fully sold as at to date.

Gaobeidian City KAP Real Estate Development Co., Ltd (高碑店阿尔伯特园房地产开发有限公司), a 22.5%-owned associated company under the Group, has sold more than 580 units of the residential development project, Sino-Singapore Health City (中新健康城) in Gaobeidian, PRC to-date with an average selling price expected to earn a positive profit margin. Construction is currently ongoing progressively and is expected to complete before end of mid-FY2023. The Group expects the units sold from Gaobeidian project to contribute positively to the results when construction is completed.

As at 30 September 2021, the Group has share of progress billings to be recognised as sales revenue (based on equity interest percentage owned by the Group) of more than S\$318.0 million from the property development projects held by associates and joint ventures, which will be progressively recognised by these associates and joint ventures and contribute to the Group's results after 1HFY2022.

Although affected by the COVID-19 pandemic, the investment properties held by the Group in Singapore and overseas have maintained good occupancy rates and rental rates.

In view of the on-going pandemic and challenging economy outlook, the Group remains cautiously optimistic on the outlook of its performance in FY2022.

**6 (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)	Total Cash 1.00 cent per ordinary share
	Dividend Rate	

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

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

**(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 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 2021 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  
12 November 2021

Lim Kee Seng  
Executive Director