



**SOLIS HOLDINGS LIMITED**  
**守益控股有限公司**

(incorporated in the Cayman Islands with limited liability)  
Stock Code: 2227

**2022**  
Interim Report

# Contents

Corporate Information	2
Management Discussion and Analysis	4
Other Information	9
Consolidated Statement of Profit or Loss and Other Comprehensive Income	15
Consolidated Statement of Financial Position	16
Consolidated Statement of Changes in Equity	17
Consolidated Statement of Cash Flows	18
Notes to Consolidated Financial Statements	20

# Corporate Information

## EXECUTIVE DIRECTORS

Mr. Tay Yong Hua (*Chairman*)  
Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing)

## NON-EXECUTIVE DIRECTOR

Mr. Lu Xianglong (*retired on 17 June 2022*)

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Cheung Garnok  
Mr. Kwong Choong Kuen (Huang Zhongquan)  
Ms. Zhang Xiuyan (*retired on 17 June 2022*)

## AUDIT COMMITTEE

Mr. Cheung Garnok (*Chairman*)  
Mr. Kwong Choong Kuen (Huang Zhongquan)  
Ms. Zhang Xiuyan (*retired on 17 June 2022*)

## REMUNERATION COMMITTEE

Mr. Tay Yong Hua  
Mr. Cheung Garnok  
Ms. Zhang Xiuyan (*retired on 17 June 2022*)

## NOMINATION COMMITTEE

Mr. Kwong Choong Kuen (Huang Zhongquan) (*Chairman*)  
Mr. Cheung Garnok  
Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing)

## CORPORATE GOVERNANCE COMMITTEE

Mr. Kenneth Teo Swee Cheng  
(Kenneth Zhang Ruiqing) (*Chairman*)  
Mr. Kwong Choong Kuen (Huang Zhongquan)  
Ms. Zhang Xiuyan (*retired on 17 June 2022*)

## COMPANY SECRETARY

Mr. Lee Kwok Lun

## AUTHORIZED REPRESENTATIVES

Mr. Kenneth Teo Swee Cheng  
(Kenneth Zhang Ruiqing)  
Mr. Lee Kwok Lun

## REGISTERED OFFICE

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

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS

85 Tagore Lane  
Singapore 787527

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1302, 13/F.,  
Perfect Commercial Building  
No. 20 Austin Avenue, Tsim Sha Tsui  
Kowloon, Hong Kong

## INDEPENDENT AUDITOR

Baker Tilly TFW LLP  
600 North Bridge Road  
#05-01 Parkview Square  
Singapore 188778

## **Corporate Information *(continued)***

### **PRINCIPAL BANKERS**

Standard Chartered Bank (Singapore) Limited  
8 Marina Boulevard  
Marina Bay Financial Centre Tower 1  
Singapore 018981

United Overseas Bank Limited  
80 Raffles Place  
UOB Plaza  
Singapore 048624

### **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS**

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

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

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

### **STOCK CODE**

2227

### **COMPANY WEBSITE**

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



# Management Discussion and Analysis

## BUSINESS REVIEW AND OUTLOOK

The Group is a design and build mechanical and electrical (“M&E”) engineering contractor in Singapore and our scope of services comprises (i) designing of M&E systems, which involves the design for functionality and connectedness of various building systems; and (ii) building and installation of the M&E systems. The Group has been established for over 30 years and specialises in electrical engineering, and the projects are in relation to new building developments and major additions and alterations works, which include private residential, mixed residential and commercial developments and institutional buildings.

It has been more than two years into the Coronavirus Disease 2019 (“COVID-19”) pandemic. Singapore has transited to living with COVID-19 with the progressive removal of almost all of its domestic and border restrictions. This has in turn supported the recovery from the impact of the pandemic. While last year’s construction demand has rebounded from the lows in 2020, the Group foresees many headwinds in light of market uncertainties in the next few quarters.

Although the outlook for the construction sector is upbeat, it remains vulnerable and volatile. Supply chain disruptions, labour and material shortages and the resultant cost pressures remain the most pressing issues as these will affect tender pricings which in turn lead to much lower profit margins and hence affecting the financial performance of the Group.

The Group has also adopted a more prudent approach in tendering for new projects in view of the above headwinds and volatility of the market. The Group has to cope with the lower gross profits due to the probable cost overrun of the ongoing projects and the intense competition from other contractors for new projects. The Group will continue to pay close attention to the macroeconomic environment and implement contingency plans in a timely manner, while it continues to ensure smooth progress of its projects and practice tight cost controls. The Group will be well-equipped to rise to new challenges that may appear and will remain dedicated to preserving its market leadership while creating greater value for its shareholders.

For the six months ended 30 June 2022 (the “Period”), the Group’s revenue increased by 4.6% to approximately S\$6.8 million as compared to approximately S\$6.5 million recorded in the corresponding period. This was mainly due to the increase in revenue contributed by the private sector projects which was driven by more construction activities gradually resumed. Our gross profit decreased by approximately S\$0.3 million, from a gross profit of approximately S\$1.3 million for the six months ended 30 June 2021 to a gross profit of approximately S\$1.0 million for the Period.

### Ongoing projects

As at 30 June 2022, the Group had eight ongoing projects with an aggregate contract sum of approximately S\$201.4 million, of which approximately S\$12.9 million had been recognised as revenue as at 30 June 2022. The remaining balance will be recognised as our revenue in accordance with the stage of completion.

### Newly awarded project

During the Period, the Group has secured a newly awarded project with an aggregate contract value of approximately S\$139.0 million. Please refer to the Company’s announcement dated 22 April 2022 for more details.

# Management Discussion and Analysis *(continued)*

## FINANCIAL HIGHLIGHT AND REVIEW

For the six months ended 30 June

	<b>2022</b>	2021	Change
	<b>S\$' million</b>	S\$' million	%
Revenue	<b>6.8</b>	6.5	4.6
Gross profit	<b>1.0</b>	1.3	-23.1
Gross profit margin	<b>14.7%</b>	19.3%	-4.6
Net loss	<b>(0.5)</b>	(0.3)	66.7
Loss per share (S\$ cents)	<b>(0.05)</b>	(0.03)	66.7

## REVENUE

The Group derived revenue from our design and/or build and installation of M&E systems for both private sector and public sector projects.

For the six months ended 30 June

	<b>2022</b>			2021		
	Number of projects with revenue contribution	S\$ million	% of total revenue	Number of projects with revenue contribution	S\$ million	% of total revenue
Private sector projects	2	3.2	47.1	4	1.4	21.5
Public sector projects	5	3.6	52.9	4	5.1	78.5
Total	7	6.8	100.0	8	6.5	100.0

Our revenue increased by approximately S\$0.3 million or 4.6%, from approximately S\$6.5 million for the six months ended 30 June 2021 to approximately S\$6.8 million for the Period, which was mainly due to the increase in revenue contributed by the private sector projects which was driven by more construction activities gradually resumed.

## COST OF SERVICES

Our cost of services increased by approximately S\$0.5 million or 9.4%, from approximately S\$5.3 million for the six months ended 30 June 2021 to approximately S\$5.8 million for the Period, which was in line with the increase in revenue for the same period.

# Management Discussion and Analysis *(continued)*

## GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit decreased by approximately S\$0.3 million, from a gross profit of approximately S\$1.3 million for the six months ended 30 June 2021 to a gross profit of approximately S\$1.0 million for the Period. Our gross profit margin decreased from a gross profit margin of approximately 19.3% for the six months ended 30 June 2021 to a gross profit margin of approximately 14.7% for the Period. The decrease in gross profit margin is mainly attributable to the current ongoing projects which have lower project margins as compared to the corresponding period.

## OTHER INCOME AND OTHER GAINS – NET

Other income decreased by approximately S\$0.1 million or 20.0%, from approximately S\$0.5 million for the six months ended 30 June 2021 to approximately S\$0.4 million for the Period. Such decrease was mainly attributable to the decrease in government subsidies granted from the Singapore Government to assist business to defray the cost caused by the COVID-19 pandemic.

Other gains – net for the Period is mainly due to the gain on disposal of a freehold property in January 2022.

## ADMINISTRATIVE EXPENSES

The administrative expenses of the Group slightly increased by approximately S\$0.3 million or 15.0%, from approximately S\$2.0 million for the six months ended 30 June 2021 to approximately S\$2.3 million for the Period. Such increase is mainly due to the increase in staff costs incurred during the Period as compared to the corresponding period.

## TAX EXPENSE

As the Group recorded tax loss for both periods, there was no income tax expense recorded.

## LOSS FOR THE PERIOD

Loss for the Period increased by approximately 66.7% to approximately S\$0.5 million from approximately S\$0.3 million for the six months ended 30 June 2021.

## INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period (six months ended 30 June 2021: Nil).

## LIQUIDITY AND FINANCIAL RESOURCES

The Group practiced prudent financial management and maintained a strong and sound financial position during the Period. As of 30 June 2022, the Group had cash and bank balances of approximately S\$17.5 million (31 December 2021: approximately S\$14.0 million) and available unutilised banking facilities of approximately S\$6.5 million (31 December 2021: approximately S\$4.8 million). The current ratio and gearing ratio were approximately 3.0 times (31 December 2021: approximately 3.8 times) and 1.0% (31 December 2021: Nil%) respectively.

# Management Discussion and Analysis *(continued)*

## **PLEDGE OF ASSETS**

As at 30 June 2022, the Group had pledged fixed deposits of approximately S\$1.7 million (31 December 2021: approximately S\$0.2 million) to secure the banking facilities granted to the Group. The Group's owned properties with a fair value amounted to approximately S\$13.4 million (31 December 2021: approximately S\$13.5 million) were also pledged for mortgage to secure the bank facilities as at 30 June 2022 and 31 December 2021.

## **EXPOSURE TO FOREIGN EXCHANGE RATE RISKS**

The Group transacts mainly in Singapore dollars, which is the functional currency of all the Group's operating subsidiaries. However, the Group retains some listing proceeds in Hong Kong dollars amounting to approximately S\$0.9 million (31 December 2021: approximately S\$1.0 million) that are exposed to foreign exchange rate risks.

The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

## **CAPITAL STRUCTURE**

During the Period, there has been no change to the capital structure of the Company. The Company's capital comprises ordinary shares and capital reserves. The Group finances its working capital, capital expenditures and other liquidity requirements through a combination of its cash and cash equivalents, cash flows generated from operations and bank facilities.

## **CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

As at 30 June 2022, the Group did not have any material contingent liabilities and capital commitments (31 December 2021: Nil).

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

During the Period, the Group did not have any material acquisitions nor disposals of subsidiaries and affiliated companies.

## **SIGNIFICANT INVESTMENTS HELD AND PRINCIPAL PROPERTIES**

Save for those disclosed in relation to the financial assets at fair value through other comprehensive income, financial asset at fair value through profit or loss and property held by the Group, as at 30 June 2022, the Group did not have any other investment in equity interest in any other company.



# Management Discussion and Analysis *(continued)*

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 June 2022, the Group had a total of 137 employees (30 June 2021: 138 employees), including executive Directors. Total staff costs (including Directors' emoluments) were approximately S\$2.7 million for the Period as compared to approximately S\$2.7 million for six months ended 30 June 2021.

The Group's employees are remunerated according to their job scope, responsibilities, and performance. On top of basic salaries, employees are also entitled to discretionary bonuses depending on their respective performance and the profitability of the Group. The Group's foreign workers are typically employed on two-year basis depending on the period of their work permits, and subject to renewal based on their performance, and are remunerated according to their work skills.

The emoluments of Directors and senior management were reviewed by the remuneration committee of the Company, having regard to salaries paid by comparable companies, experience, responsibilities, and performance of the Group, and approved by the Board.

## **FUTURE PLANS FOR MATERIAL INVESTMENT AND CAPITAL ASSETS**

On 18 May 2022, the indirect wholly-owned subsidiary of the Company accepted and exercised the option in relation to the acquisition of a property located at 7 Woodlands Industrial Park E1 Singapore 757730 at a consideration of S\$8,100,000. For further details, please refer to the Company's announcement dated 18 May 2022 and the circular dated 10 August 2022.

Save for those disclosed above, the Group does not have any other plans for material investments and capital assets as at 30 June 2022.

## Other Information

### RELATED PARTY TRANSACTIONS

During the Period, details of the significant related party transactions undertaken in the normal course of business are set out in the note 16 to the Interim consolidated financial statements, and none of which constitutes a disclosable connected transaction as defined under the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### DIRECTORS’ MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY’S BUSINESS

Save for the service contract/letter of appointment with the Directors, no other transactions, arrangements or contracts that is significant in relation to the Group’s business to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had, directly or indirectly, a material interest subsisted at the end of the Period or at any time during the Period.

### SHARE OPTION SCHEME

The Company has conditionally adopted the share option scheme (the “Share Option Scheme”), which was approved by written resolutions passed by its sole Shareholder on 14 November 2017 and became unconditional on 11 December 2017. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

The purpose of the Share Option Scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of Executives (including executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group), to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions with a payment of HK\$1.00 upon each grant of options offered.

The exercise price of the share option will be not less than the highest of:

- (a) the nominal value of a share of the Company (the “Share”);
- (b) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet on the offer date; and;
- (c) the average closing price of a Share as stated in the Stock Exchange’s daily quotations sheets for the 5 Business Days (as defined in the Listing Rules) immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of ten years from 14 November 2017 to 13 November 2027, after which no further options will be granted or offered.

## Other Information *(continued)*

The maximum number of shares in respect of which options may be granted shall not exceed 10% of the number of shares of Company in issue from time to time. Unless further shareholders' approval has been obtained pursuant to the conditions set out in the Share Option Scheme, no person shall be granted an option which, if all the options granted to the person (including both exercised and outstanding options) in any 12 months period up to the date of grant are exercised in full, would result in such person's maximum entitlement exceeding 1% of the number of issued shares of Company.

As at 30 June 2022 and up to the date of this report, there was no option outstanding, granted, cancelled, exercised or lapsed.

Details of the principal terms of the Share Option Scheme are set out in paragraph headed "Share Option Scheme" in section headed "Statutory and General Information" in Appendix V to the Prospectus.

### **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE**

Apart from the Share Option Scheme, at no time during the Period was the Company or any associated corporation a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such rights.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES**

The Company has not redeemed any of its shares during the Period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Period.

### **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 30 June 2022, the interests or short positions of Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong (the "SFO"))) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to standards of dealing by Directors contained in the Listing Rules, were as follows:

## Other Information (continued)

### (I) Long position in the ordinary shares and underlying shares of the Company

#### (i) Interests in the Company

Interests in ordinary shares

Name of director	Personal interests	Family interests	Corporate interests	Total interests in ordinary shares	Total interests in underlying shares	Aggregate interests	Approximate % of the Company's issued voting shares
Mr. Tay Yong Hua <sup>Note 1</sup>	20,000,000	-	529,792,000	549,792,000	-	549,792,000	60.05%
Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing) <sup>Note 2</sup>	-	-	529,792,000	529,792,000	-	529,792,000	57.86%
Mr. Kwong Choong Kuen (Huang Zhongquan)	2,144,000	-	-	2,144,000	-	2,144,000	0.23%

Notes:

- Mr. Tay Yong Hua holds 90% shares in HMK Investment Holdings Limited ("HMK") and he is therefore deemed to be interested in the 529,792,000 Shares held by HMK under the SFO.
- Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing) holds 4% shares in HMK and he is therefore deemed to be interested in the 529,792,000 Shares held by HMK under the SFO.

#### (ii) Interests in the associated corporation

Name of directors	Name of associated corporation	Capacity/Nature	No. of shares held	% of the issued voting shares of associate corporation
Mr. Tay Yong Hua	HMK	Beneficial owner	90	90%
Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing)	HMK	Beneficial owner	4	4%

Save as disclosed above, as at 30 June 2022, none of the directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to standards of dealing by Directors contained in the Listing Rules.

## Other Information (continued)

### SUBSTANTIAL SHAREHOLDER'S INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2022, the following persons/entities (not being Directors or chief executive of our Company) have an interest or a short position in the shares or the underlying shares which were disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, were as follows:

#### Long position in the ordinary shares and underlying shares of the Company

Name of shareholders	Capacity	Number of shares held	Approximate % of the Company's issued voting shares
HMK <sup>Note 1</sup>	Beneficial owner	529,792,000	57.86%
Mr. Tay Yong Meng <sup>Note 2</sup>	Interest in a controlled corporation	529,792,000	57.86%
Ms. Lim Sim Swee ("Mrs. Tay") <sup>Note 3</sup>	Deem interest by virtue of interest held by spouse	549,792,000	60.05%
Mr. Zheng Ming Qiang ("Mr Zheng") <sup>Note 4</sup>	Beneficial owner	67,073,714	7.33%

Notes:

1. The 529,792,000 shares are beneficially held by HMK which is owned as to 90% by Mr. Tay Yong Hua, 6% by Mr. Tay Yong Meng and 4% by Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing), and they are deemed to be interested in 529,792,000 Shares held by HMK by virtue of the SFO.
2. Mr. Tay Yong Meng holds 6% shares in HMK and he is therefore deemed to be interested in the 529,792,000 Shares held by MHK under the SFO.
3. Mrs. Tay, the spouse of Mr. Tay Yong Hua, is deemed to be interested in the interests held by Mr. Tay Yong Hua under the SFO.
4. According to the individual substantial shareholder notice filed on 8 April 2020 by Mr. Zheng, 67,073,714 shares are beneficially held by him.

Save as disclosed above, as at 30 June 2022, the Company had not been notified by any persons (other than directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### COMPETITION AND CONFLICT OF INTERESTS

Except for the interests in the Group, none of the Directors, the substantial shareholders or the management of the Company or any of their respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group or has any other conflict of interests with the Group during the Period.



## Other Information *(continued)*

### **CORPORATE GOVERNANCE**

The Board and the management of the Company are committed to maintaining high corporate governance standards to safeguard the interest of shareholders and to enhance corporate value and accountability. The Company's corporate governance practices are based on the principles and code provisions as set out in the corporate governance codes (the "CG Code") as contained in Appendix 14 of the Listing Rules.

The Board considers that the Company has complied with all the applicable principles and code provisions as set out in the CG Code during the Period.

### **CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by directors (the "Model Code") on terms no less exacting than the required standard of dealings as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the Period.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted during the Period after making reasonable enquiry.

### **AUDIT COMMITTEE**

The Company established an audit committee (the "Audit Committee") on 14 November 2017 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix 14 to the Listing Rules. The Company has updated the written terms of reference of Audit Committee on 16 November 2018 in compliance with the new CG Code with effect from 1 January 2019. The revised terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

The responsibility of the Audit Committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company's financial reporting, risk management and internal control principles and procedures, and to provide advice and comments to the Board. The members meet regularly with the external auditor and/or the Company's senior management for the review, supervision and discussion of the Company's financial reporting, risk management and internal control procedures and ensure that the board and the management have discharged their duties to have an effective risk management and internal control systems.

As at 30 June 2022, the Audit Committee comprises two independent non-executive Directors, namely Mr. Cheung Garnok (Chairman) and Mr. Kwong Choong Kuen. None of them is a former partner of the Company's existing auditing firm. Mr. Cheung Garnok, who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the Audit Committee.

The financial information in this report has not been audited by the auditor of the Company, but the Audit Committee has reviewed the unaudited consolidated results of the Group for the Period and is of the opinion that such results complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

## Other Information *(continued)*

### CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the annual report of the Company for the year ended 31 December 2021 are set out below:

<b>Directors</b>	<b>Details of Changes</b>
Mr. Lu Xianglong	Retired as non-executive Director with effect from 17 June 2022
Ms. Zhang Xiuyan	Retried as an independent non-executive Director and ceased to be the chairman of remuneration committee and the member of Audit Committee and corporate governance committee of the Board with effect from 17 June 2022

Up to the date of this report, the Company has only two independent non-executive directors; and has only two members in the Audit Committee, as such, the Company fails to meet (i) the requirement set out in Rules 3.10(1) and 3.10(A) of the Listing Rules that every board of directors of a listed issuer must include at least three independent non-executive directors; (ii) the requirements set out in Rule 3.21 of the Listing Rules that the Audit Committee must comprise a minimum of three members and (iii) the requirements set out in Rule 3.25 of the Listing Rules that the remuneration committee should be chaired by an independent non-executive director.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained the prescribed public float under the Listing Rules of at least 25% of the Company's total number of issued shares which was held by the public during the Period.

### SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

Up to the date of this report, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the Period.

By Order of the Board  
**Solis Holdings Limited**  
**Tay Yong Hua**  
*Executive Chairman and Executive Director*

Singapore, 26 August 2022

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2022

The board (the “Board”) of directors (the “Directors”) of Solis Holdings Limited (the “Company”) hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2022 (the “Period”), together with the comparative figures for the six months ended 30 June 2021. The Group’s interim results for the Period are unaudited, but have been reviewed by the audit committee of the Company.

	Note	Six months ended 30 June	
		2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Revenue	4	6,808	6,538
Cost of services		(5,807)	(5,277)
<b>Gross profit</b>		<b>1,001</b>	1,261
Other income	5	449	508
Other gains – net	6	308	9
Administrative expenses		(2,253)	(2,042)
Finance costs		(4)	–
<b>Loss before tax</b>	7	<b>(499)</b>	(264)
Tax expense	8	–	–
<b>Loss for the period</b>		<b>(499)</b>	(264)
<b>Other comprehensive loss:</b>			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Fair value loss of financial assets at fair value through other comprehensive income – debt securities		(125)	–
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value (loss)/gain of financial assets at fair value through other comprehensive income – equity securities		(201)	3
<b>Other comprehensive loss for the period, net of tax</b>		<b>(326)</b>	3
<b>Total comprehensive loss for the period</b>		<b>(825)</b>	(261)
<b>Loss attributable to:</b>			
Owners of the Company		(499)	(264)
Non-controlling interest		–	–
<b>Loss for the period</b>		<b>(499)</b>	(264)
<b>Total comprehensive loss attributable to:</b>			
Owners of the Company		(825)	(261)
Non-controlling interest		–	–
<b>Total comprehensive loss for the period</b>		<b>(825)</b>	(261)
<b>Loss per share of the Company (expressed in Singapore cents per share)</b>			
Basic and diluted	9	(0.05)	(0.03)

# Consolidated Statement of Financial Position

As at 30 June 2022

	<i>Note</i>	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment		14,441	14,451
Right-of-use asset		468	–
Intangible assets		63	248
Financial assets at fair value through other comprehensive income		13,341	9,641
Financial asset at fair value through profit or loss		4,326	4,326
<b>Total non-current assets</b>		<b>32,639</b>	28,666
<b>Current assets</b>			
Trade receivables	10	954	905
Other receivables, deposits and prepayments	11	1,134	332
Contract assets		2,625	3,020
Inventories		79	119
Financial assets at fair value through other comprehensive income		–	247
Pledged fixed deposits	12	1,711	211
Cash and cash equivalents	12	17,494	13,955
		<b>23,997</b>	18,789
Non-current asset held for sale		–	9,044
<b>Total current assets</b>		<b>23,997</b>	27,833
<b>Total assets</b>		<b>56,636</b>	56,499
<b>Non-current liabilities</b>			
Lease liability		470	–
Deferred tax liabilities		229	229
<b>Total non-current liabilities</b>		<b>699</b>	229
<b>Current liabilities</b>			
Trade payables and trade accruals	13	1,701	1,660
Other payables and accrued expenses	14	3,195	4,069
Contract liabilities		3,013	1,688
<b>Total current liabilities</b>		<b>7,909</b>	7,417
<b>Total liabilities</b>		<b>8,608</b>	7,646
<b>Net assets</b>		<b>48,028</b>	48,853
<b>Equity and reserves</b>			
Share capital	15	1,585	1,585
Share premium	15	34,440	34,440
Retained earnings		1,135	1,634
Reserves		10,871	11,197
Equity attributable to owners of the Company		48,031	48,856
Non-controlling interest		(3)	(3)
<b>Total equity</b>		<b>48,028</b>	48,853

# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2022

	Attributable to owners of the Company									Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Retained earnings S\$'000	Merger reserve S\$'000	Revaluation reserve for intangible assets S\$'000	Revaluation reserve for financial asset at fair value through other comprehensive income S\$'000	Revaluation reserve for property, plant and equipment S\$'000	Total S\$'000	Non-controlling interests S\$'000	
Balance at 1 January 2022 (audited)	1,585	34,440	1,634	1,500	77	(52)	9,672	48,856	(3)	48,853
Loss for the period	-	-	(499)	-	-	-	-	(499)	-	(499)
Other comprehensive loss for the period	-	-	-	-	-	(326)	-	(326)	-	(326)
<b>Balance at 30 June 2022 (unaudited)</b>	<b>1,585</b>	<b>34,440</b>	<b>1,135</b>	<b>1,500</b>	<b>77</b>	<b>(378)</b>	<b>9,672</b>	<b>48,031</b>	<b>(3)</b>	<b>(48,028)</b>

	Attributable to owners of the Company									Total equity S\$'000
	Share capital S\$'000	Share premium S\$'000	Retained earnings S\$'000	Merger reserve S\$'000	Revaluation reserve for intangible assets S\$'000	Revaluation reserve for financial asset at fair value through other comprehensive income S\$'000	Revaluation reserve for property, plant and equipment S\$'000	Total S\$'000	Non-controlling interests S\$'000	
Balance at 1 January 2021 (audited)	1,585	34,440	5,608	1,500	33	104	8,811	52,081	(2)	52,079
Loss for the period	-	-	(264)	-	-	-	-	(264)	-	(264)
Other comprehensive income for the period	-	-	-	-	-	3	-	3	-	3
<b>Balance at 30 June 2021 (unaudited)</b>	<b>1,585</b>	<b>34,440</b>	<b>5,344</b>	<b>1,500</b>	<b>33</b>	<b>107</b>	<b>8,811</b>	<b>51,820</b>	<b>(2)</b>	<b>51,818</b>



# Consolidated Statement of Cash Flows

For the six months ended 30 June 2022

	Note	Six months ended 30 June	
		2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
<b>Cash flows from operating activities</b>			
Loss before income tax		(499)	(264)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		188	196
Depreciation of right-of-use asset		67	–
Gain on disposal of property, plant and equipment	6	(316)	(9)
Loss on disposal of intangible asset	6	49	–
Reclassification of gain on financial assets at fair value through other comprehensive income from equity to profit or loss upon disposal	6	(41)	–
Interest income	5	(206)	–
Dividend income	5	(2)	–
Unrealised exchange (gain)/loss		(26)	17
Operating cash flows before movements in working capital		(786)	(60)
<i>Changes in working capital:</i>			
Trade receivables		(49)	592
Other receivables, deposits and prepayments		(679)	152
Inventories		40	(192)
Contract assets		395	476
Trade payables and trade accruals		41	(542)
Other payables and accrued expenses		(826)	(667)
Contract liabilities		1,325	886
Cash generated (used in)/from operations		(539)	645
Income tax paid		–	–
<b>Net cash generated (used in)/from operating activities</b>		<b>(539)</b>	<b>645</b>

## Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2022

	Note	Six months ended 30 June	
		2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
<b>Cash flows from investing activities</b>			
Amount due from ultimate holding company		–	98
Purchases of property, plant and equipment		(272)	(7)
Proceeds from disposal of property, plant and equipment		9,454	9
Proceeds from disposal of intangible asset		136	–
Purchase of financial assets at fair value through other comprehensive income		(3,738)	–
Dividends received		2	–
Interest received		83	–
Placement of fixed deposit		(1,500)	(1)
<b>Net cash generated from investing activities</b>		<b>4,165</b>	<b>99</b>
<b>Cash flows from financing activity</b>			
Repayment of lease liability		(65)	–
<b>Net cash used in financing activity</b>		<b>(65)</b>	<b>–</b>
<b>Increase in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		13,955	16,599
Effects of foreign exchange rate changes on the balance of cash held in foreign currency		(22)	(17)
<b>Cash and cash equivalents at end of the period</b>	12	<b>17,494</b>	<b>17,326</b>

# Notes to Consolidated Financial Statements

## 1 GENERAL

The Company was incorporated in the Cayman Islands on 21 June 2017 as an exempted company with limited liability under the Companies Law (Cap. 22, Law of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Hong Kong is at Room 1302, 13F., Perfect Commercial Building, No. 20 Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong. The head office and principal place of business of the Group in Singapore is at 85 Tagore Lane, Singapore 787527.

The Company is a subsidiary of HMK Investment Holdings Limited, a company incorporated in the British Virgin Islands ("BVI") which is also the Company's ultimate holding company. Mr. Tay Yong Hua, Mr. Tay Yong Meng and Mr. Kenneth Teo Swee Cheng jointly control the ultimate holding company and are the controlling shareholders of Solis Holdings Limited and its subsidiaries (the "Group") (together referred to as the "Controlling Shareholders").

The Company is an investment holding company. The Company's operating subsidiary (collectively, the "Group") is principally engaged in designing, building and installations of mechanical and electrical systems.

The shares of the Company were listed on Main Board of The Stock Exchange of Hong Kong Limited by way of placing and public offer on 11 December 2017.

## 2 BASIS OF PREPARATION

The financial statements are presented in Singapore dollar ("S\$"), which is the Company's functional currency. All financial information presented in Singapore dollar are rounded to the nearest thousand ("S\$'000") except when otherwise indicated. The financial statements have been prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance and International Financial Reporting Standards ("IFRSs"). The financial statements have been prepared under the historical cost convention except for certain properties, intangible assets and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period.

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

## Notes to Consolidated Financial Statements *(continued)*

### 3 ADOPTION OF NEW AND REVISED STANDARDS

In the current financial period, the Group has adopted all the new and revised IFRSs and International Financial Reporting Interpretations Committee Interpretations (“IFRIC INT”) that are relevant to its operations and effective for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRSs and IFRIC INT.

The adoption of these new and revised IFRSs and IFRIC INT did not have any material effect on the financial results or position of the Group.

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial period ended 30 June 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group.

### 4 REVENUE AND SEGMENT INFORMATION

Information is reported to the executive directors of the Group, being the chief operating decision makers, for the purposes of resource allocation and performance assessment. They would review the overall results and financial position of the Group as a whole prepared based on same accounting policies. Accordingly, the Group has only one single operating segment and only disclosures on services, major customers and geographical information of this single segment are presented.

An analysis of the Group’s revenue for the period is as follows:

	Six months ended 30 June	
	2022	2021
	S\$’000	S\$’000
	(Unaudited)	(Unaudited)
Construction contracts revenue for the designing, building and installations of mechanical and electrical systems	6,808	6,538

# Notes to Consolidated Financial Statements *(continued)*

## 4 REVENUE AND SEGMENT INFORMATION *(continued)*

### Information about major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group of the corresponding periods are as follows:

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Customer A	2,780	N/A*
Customer B	1,711	N/A*
Customer C	1,325	886
Customer D	–	4,256

\* The corresponding revenue did not contribute over 10% of the total revenue of the Group in the respective financial periods.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the financial periods are as follows:

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Construction contracts revenue for the designing, building and installations of mechanical and electrical systems	188,514	62,202

The management of the Company expect that the transaction price allocated to the unsatisfied performance contracts as of the six months ended 30 June 2022 will be recognised as revenue varying from 1 to 4 years according to the contract period.

### Geographical information

The Group principally operates in Singapore, which is also the place of domicile. All revenue was derived from Singapore based on the location of services performed and the Group's property, plant and equipment are all located in Singapore. Accordingly, no geographical segment analysis is presented.



## Notes to Consolidated Financial Statements *(continued)*

### 5 OTHER INCOME

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Interest income from banks	206	–
Dividend income	2	–
Government grants		
– Jobs Support Scheme	–	367
– Foreign worker levy waiver and rebates	–	50
– Others	161	19
Rental income	75	72
Others	5	–
	<b>449</b>	508

No government grant income (six months ended 30 June 2021: S\$367,000) was recognised during the financial period under the Jobs Support Scheme (the “JSS”). Under the JSS, the Singapore Government will co-fund gross monthly wages paid to each local employee through cash subsidies with the objective of helping employers retain local employees. The JSS is a temporary scheme introduced in the Singapore Budget 2020 and had been extended up to 2021 by the Government.

No foreign worker levy waiver and rebates (six months ended 30 June 2021: S\$50,000) was recognised during the financial period. The Singapore Government provided business employers who hire foreign workers on work permit and S-Pass with foreign worker levy waiver and rebates to ease the labour costs of the Group.

## Notes to Consolidated Financial Statements *(continued)*

### 6 OTHER GAINS – NET

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Gain on disposal of property, plant and equipment	316	9
Loss on disposal of intangible asset	(49)	–
Reclassification of gain on financial assets at fair value through other comprehensive income from equity to profit or loss upon disposal	41	–
	<b>308</b>	9

### 7 LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Auditor's remuneration		
– Auditors of the Company	55	50
Fees for the non-audit services paid to		
– Auditors of the Company	2	2
Depreciation of property, plant and equipment	188	196
Depreciation of right-of-use asset	67	–
Employee benefits expenses, including directors' emoluments		
– Directors' emoluments (including employer's contribution to defined contribution plans)	620	600
– Salaries and other benefits	1,980	1,958
– Employer's contribution to defined contribution plans	103	98
Subcontractor costs included in cost of services	454	1,500
Foreign currency exchange gains, net	26	17

Employees benefits expenses of S\$1,260,000 (six months ended 30 June 2021: S\$1,365,000) are included in cost of services.

## Notes to Consolidated Financial Statements *(continued)*

### 8 TAX EXPENSE

Singapore corporate income tax has been provided for at the rate of 17% (30 June 2021: 17%) on the estimated assessable profit.

No overseas profits tax has been calculated for entities of the Group that are incorporated in the BVI or the Cayman Islands as they are exempted from tax (30 June 2021: Nil).

The amount of tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Tax expense comprises:		
Current tax		
– Singapore corporate income tax (“CIT”)	–	–
Deferred tax charged to other comprehensive income		
– current financial period	–	–

### 9 LOSS PER SHARE

#### a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the number of ordinary shares in issue during the financial period.

	Six months ended 30 June	
	2022 (Unaudited)	2021 (Unaudited)
Loss attributable to the owners of the Company (S\$'000)	(499)	(264)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share ('000)	915,600	915,600
Loss per share (S\$ cents per share)	(0.05)	(0.03)

#### b) Diluted

The diluted loss per share is the same as the basic loss per share due to the absence of dilutive ordinary shares during the respective periods.

## Notes to Consolidated Financial Statements *(continued)*

### 10 TRADE RECEIVABLES

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
Trade receivables – third parties	<b>954</b>	905

The Group grants credit terms to customers typically up to 35 days (31 December 2021: 35 days) from the invoice date for trade receivables. As at 30 June 2022 and 31 December 2021, the ageing analysis of the third-party trade receivables, based on invoice date, are as follows:

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
1 to 30 days	<b>858</b>	737
31 to 60 days	<b>75</b>	156
61 to 90 days	<b>9</b>	–
Greater than 90 days	<b>12</b>	12
	<b>954</b>	905

As at 30 June 2022 and 31 December 2021, the carrying amounts of trade receivables are denominated in S\$ and approximate their fair values.

Before accepting any new customer, the Group will assess the potential customer's credit quality and defined credit limit to each customer on individual basis. Limits attributed to customers are reviewed once a year.

The Group applied lifetime expected credit losses ("ECL") (simplified approach) to provide the expected credit losses as prescribed by IFRS 9.

As part of the Group's credit risk management, the ECL on trade receivables are assessed individually for debtors with significant balances. Assessment is done based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The directors of the Company considered that there is no loss allowance required for trade receivables as at 30 June 2022 and 31 December 2021.

## Notes to Consolidated Financial Statements *(continued)*

### 11 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
Refundable deposits	808	97
Prepayments	323	109
Advances to staff	3	3
Interest receivable from financial assets at fair value through other comprehensive income	–	123
	<b>1,134</b>	332

The directors of the Company considered that there is no loss allowance required for other receivables and deposits as at 30 June 2022 and 31 December 2021.

### 12 PLEDGED FIXED DEPOSITS/CASH AND CASH EQUIVALENTS

	<b>30 June 2022 S\$'000</b>	31 December 2021 S\$'000
Cash on hand	7	6
Cash at banks (Note A)	17,487	13,949
Cash and cash equivalents	<b>17,494</b>	13,955
Pledged fixed deposit	<b>1,711</b>	211

Pledged fixed deposits have an original maturity of 12 months for the purpose of securing the line of credit of S\$13,311,000 (31 December 2021: S\$5,780,000) granted to the Group. The balances are rolled forward on their maturity in January and March each year, and carry interest of 0.10% to 0.26% per annum (31 December 2021: 0.10% per annum).

### 13 TRADE PAYABLES AND TRADE ACCRUALS

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
Trade payables	1,121	1,200
Trade accruals	580	460
	<b>1,701</b>	1,660



## Notes to Consolidated Financial Statements (continued)

### 13 TRADE PAYABLES AND TRADE ACCRUALS (continued)

Trade payables at the end of the financial period comprise amounts outstanding to suppliers and subcontractors. The average credit period taken for trade purchase is generally 30 to 90 days or payable upon delivery. As at 30 June 2022 and 31 December 2021, the ageing analysis of the trade payables, based on invoice date, are as follows:

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
Within 90 days	934	876
Over 90 days	187	324
	<b>1,121</b>	1,200

The carrying amounts of trade payables approximate their fair values.

### 14 OTHER PAYABLES AND ACCRUED EXPENSES

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
Accrued operating expenses	740	1,178
Other payables	2,454	2,795
Advance purchase consideration	–	95
Amount due to a former shareholder	1	1
	<b>3,195</b>	4,069

Included in other payables is S\$2,241,000 (31 December 2021: S\$2,187,000) in relation to the unpaid purchase consideration for acquisition in D.D. Resident Co. Ltd.. The movement during the financial period/year is primarily due to exchange differences. The amount is denominated in HKD.

The amount due to a former shareholder is non-trade in nature, unsecured, interest-free and repayable on demand.

The carrying amounts of other payables and accrued expenses approximate their fair values.

## Notes to Consolidated Financial Statements *(continued)*

### 15 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	Share capital HK\$'000
<b>30 June 2022</b>		
Authorised:		
Ordinary shares of HK\$0.01 each		
At 1 January 2022 and 30 June 2022	10,000,000,000	100,000
	<b>Number of shares</b>	<b>Share capital S\$'000</b>
Issued and fully paid:		<b>Share premium S\$'000</b>
At 1 January 2022 and 30 June 2022	915,600,000	1,585
		34,440

	Number of shares	Share capital HK\$'000
<b>31 December 2021</b>		
Authorised:		
Ordinary shares of HK\$0.01 each		
At 1 January 2021 and 31 December 2021	10,000,000,000	100,000
	Number of shares	Share capital S\$'000
Issued and fully paid:		Share premium S\$'000
At 1 January 2021 and 31 December 2021	915,600,000	1,585
		34,440

## Notes to Consolidated Financial Statements *(continued)*

### 16 RELATED PARTIES TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

- a) In addition to information disclosed elsewhere in the report, the following transactions took place between the Group and the ultimate holding company during the financial period/year on terms agreed by the parties concerned:

	<b>30 June 2022 S\$'000 (Unaudited)</b>	31 December 2021 S\$'000 (Audited)
<b>Ultimate holding company</b>		
Payment made on behalf of	–	13

### b) Key management personnel compensation

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. Key management personnel includes executive directors and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

	<b>30 June 2022 S\$'000 (Unaudited)</b>	30 June 2021 S\$'000 (Unaudited)
Salaries, allowances and benefits in kind	<b>579</b>	577
Employer's contribution to defined contribution plans	<b>21</b>	20
	<b>600</b>	597