

TARGET

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S A T U R D A Y

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CTR HOLDINGS LTD:

IT IS A RELATIVELY SMALL COMPANY,

DESTINED TO STAY AS SUCH

CTR Holdings Ltd (Code 1416, Main Board, The Stock Exchange of Hongkong Ltd) is, yet, another company that is based in The Republic of Singapore and, once again, it is a company that is markedly dependent on Annual Revenues, derived from just five customers – with one customers, being responsible for between 34 percent and 42 percent.

And, once again, it is a company, engaged in the structural engineering works in The Republic of Singapore and obtaining important contracts from the Government, or from organs of the Government of this so-called, Parliamentary Republic.

On Monday, December 30, 2019, the Company pitched its Share Offer Prospectus in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

The Initial Public Offering (IPO) Of CTR Holdings Ltd

The Share Offer Prospectus indicated that Management was desirous of selling 350 million \$US0.0001 Offer Shares at the Indicative Offer Price Per Share, ranging from a low of 36 cents to a high of 38 cents.

A Public Offer Shares tranche – obviously aimed at enticing HKSAR investors to subscribe to some of the Shares on Offer – of 35 million Shares was the total number of Offer Shares, initially available in this tranche.

A Placing Offer Shares tranche of 315 million Offer Shares, on the other hand, was presumably targeted at Institutional Investors, Professional Investors and select, Well-Heeled Investors, along with their corporate entities in which this class of investor has equity control.

As the name of this tranche implies, these Shares were to be allotted via Select Share Placements upon receipt of valid applications.

On Tuesday, January 14, 2020, Management of CTR Holdings Ltd announced that the Offer Price Per Share had been struck at 36 cents – the lowest level of the Indicative Offer Price range, acceptable to Management – and that the Company anticipated, netting about \$HK82 million from the Share Offer.

In the Announcement with regard to the Offer Price and the Allotment Results, one was informed that the Public Offer Shares tranche had been *‘moderately over-subscribed’*, a total of 10,377 valid applications, having been received for a total of 635,930,000 Public Offer Shares, equivalent to 18.17 times the total number of 35 million Public Offer Shares, initially available under this tranche.

As for the Placing Offer Shares tranche, one was told that it had been *‘slightly over-subscribed, representing approximately 106% of the total number of 315,000,000 Placing Shares initially available for subscription under the Placing.’*

At Page Eight of this Announcement, one was told how Management anticipated the utilisation of the net proceeds from the Share Offer:

- Approximately, \$HK60.20 million, that is about 73.40 percent, *‘will be used for (the) payment of upfront costs for the Group’s projects’*; and,
- Approximately, \$HK21.80 million, that is about 26.60 percent, *‘will be used to strengthen the Group’s workforce.’*

The History And Business Of CTR Holdings Ltd

CTR Holdings Ltd, a Company, domiciled in the Cayman Islands, states that it has a history, dating back about 14 years.

Chian Teck Development Private Ltd, a company, domiciled in The Republic of Singapore since March 22, 2006 – this company is referred to in the Share Offer Prospectus as, simply, '**CTD**' – was established by Mr Xu Jun Jie (), the father of Mr Xu Xu Ping () (referred to in the Prospectus as, simply, Mr XP Xu) who is, currently, the head muckety-muck at CTR Holdings Ltd, and Mr Xu Tian Cheng () (referred to in the Prospectus as, simply, Mr TC Xu), a brother of Mr Xu Xu Ping.

At Page 91 of the Share Offer Prospectus, one was told:

'CTD commenced business in 2006 by providing structural engineering works. Shortly after the incorporation of CTD, in January 2007, Mr. Xu Junjie transferred his entire shareholding in CTD to Mr. XP Xu as he intended to focus on his other business. Since then, Mr. XP Xu became a shareholder of 52% of the interest in CTD while Mr. Xu Junjie has been a consultant of CTD, providing advice to CTD as and when necessary. In March 2009, for the purposes of diversifying the business risk and operation efficiency, Mr. TC Xu incorporated CTR (Chian Teck Realty Private Ltd) in Singapore which also engaged in the provision of structural engineering works and Mr. XP Xu became a director of CTR in June 2010... Since then, Mr. XP Xu became the sole owner of CTD.'

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