MYP LTD.
(Company Registration Number: 200509721C)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

PART I – INFORMATION REQUIRED FOR ANNOUCEMENTS OF FULL YEAR RESULTS

1(a) An income statement and a statement of other comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Full Year FY2020	Full Year FY2019	Change
	$'000	$'000	%
Revenue	23,330	22,753	2.5
Other income (i)	3	15	(80.0)
Capital gains on disposal of investment property	-	2,000	(100.0)
Revaluation (losses)/gains from investment properties	(1,456)	1,335	(>100.0)
Depreciation expense on plant and equipment	(63)	(68)	(7.4)
Staff costs	(1,128)	(1,153)	(2.2)
Direct operating expenses of investment properties	(4,752)	(4,946)	(3.9)
Other expenses	(1,256)	(4,113)	(69.5)
Results from operating activities	**14,678**	**15,823**	**(7.2)**
Finance income	925	542	70.7
Finance costs	(17,617)	(18,315)	(3.8)
Net finance costs (ii)	(16,692)	(17,773)	(6.1)
Loss before taxation	**(2,014)**	**(1,950)**	**3.3**
Taxation (iii)	(70)	(68)	2.9
Loss for the year	**(2,084)**	**(2,018)**	**3.3**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges	(3,216)	(414)	>100.0
Total other comprehensive income for the year, net of income tax	(3,216)	(414)	>100.0
Total comprehensive income for the year	**(5,300)**	**(2,432)**	**>100.0**
Loss for the year attributable to:			
Equity holders of the Company	(2,084)	(2,018)	3.3
	(2,084)	**(2,018)**	**3.3**
Total comprehensive income attributable to:			
Equity holders of the Company	(5,300)	(2,432)	>100.0
	(5,300)	**(2,432)**	**>100.0**
Loss per share, cents			
Basic	(0.13)	(0.13)	
Diluted	(0.13)	(0.13)	

FY: Financial year ended 31 March
nm: not meaningful

Note (i) Other income

	Full Year FY2020	Full Year FY2019
	$'000	$'000
Wage Credit Scheme pay-out	2	8
Government-paid leave	1	7
	3	15

Note (ii) Net finance costs

	Full Year FY2020	Full Year FY2019
	$'000	$'000
Finance income		
Interest income on deposits with banks	925	542
Finance costs		
Amortisation of transaction costs related to bank borrowings	(820)	(728)
Interest expense on bank borrowings - secured	(16,797)	(17,587)
	(17,617)	(18,315)
Net finance costs	(16,692)	(17,773)

Note (iii) Taxation

The income tax expense on the results of the Group for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit/(loss) before taxation, due to the following factors:

	Full Year FY2020	Full Year FY2019
Income tax recognised in profit or loss	$'000	$'000
Income tax expense/(credit)		
- current year	219	137
- prior year	(149)	(69)
	70	68
Reconciliation of effective tax:		
Loss for the year	(2,084)	(2,018)
Total income tax expense	70	68
Loss before taxation	(2,014)	(1,950)
Tax using the Singapore tax rate of 17% (2019: 17%)	(342)	(332)
Singapore statutory stepped income exemption	(37)	(38)
Non-deductible expenses	598	1,156
Non-taxable income	-	(649)
Over provision in prior year	(149)	(69)
	70	68

1(b) Statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31.03.2020	**31.03.2019**	**31.03.2020**	**31.03.2019**
	$'000	$'000	$'000	$'000
Non-current assets				
Plant and equipment	202	246	-	1*
Other assets	5,689	2,973	-	-
Investments in subsidiaries	-	-	345,686	345,686
Investment properties	832,900	834,330	-	-
	838,791	837,549	345,686	345,687
Current assets				
Trade and other receivables	4,289	1,058	429	387
Time deposits	-	50,000	-	-
Cash and cash equivalents	24,108	47,553	101	41
	28,397	98,611	530	428
Total assets	**867,188**	**936,160**	**346,216**	**346,115**
Equity				
Share capital	255,318	255,318	262,106	262,106
Other reserves	43,047	46,263	(456)	(456)
Retained earnings	49,257	51,341	2,006	2,574
Total equity	347,622	352,922	263,656	264,224
Non-current liabilities				
Other payables	1,962	1,360	-	-
Bank borrowings – secured	450,920	362,016	-	-
Derivative financial liabilities	4,760	1,544	-	-
	457,642	364,920	-	-
Current liabilities				
Trade and other payables	3,512	3,642	55,201	4,528
Bank borrowings – secured	-	92,146	-	-
Amount owing to a shareholder	58,192	122,386	27,356	77,361
Current tax liabilities	220	144	3	2
	61,924	218,318	82,560	81,891
Total liabilities	519,566	583,238	82,560	81,891
Total equity and liabilities	**867,188**	**936,160**	**346,216**	**346,115**

** Amount less than $1,000*

1(c) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.03.2020		**As at 31.03.2019**	
Secured	Unsecured	Secured	Unsecured
-	58,192,000	92,146,000	122,386,000

Amount repayable after one year

As at 31.03.2020		**As at 31.03.2019**	
Secured	Unsecured	Secured	Unsecured
450,920,000	-	362,016,000	-

Details of any collateral: The secured bank loans of the Group are secured over investment properties with carrying amount of $820,100,000 (31.03.2019: of $821,400,000).

1(d) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Note	Full Year FY2020	Full Year FY2019
		$'000	$'000
Cash flows from operating activities			
Loss after tax		(2,084)	(2,018)
Adjustments for:			
Depreciation expense on plant and equipment		63	68
Plant and equipment written off		-	41
Capital gains on disposal of investment property		-	(2,000)
Finance income		(925)	(542)
Finance costs		17,617	18,315
Revaluation losses/(gains) on investment properties		1,456	(1,335)
Income tax expense		70	68
Operating cash flows before working capital		**16,197**	**12,597**
Changes in working capital			
Trade and other receivables		(3,330)	608
Trade and other payables		376	(638)
Cash generated from operations		**13,243**	**12,567**
Tax refund/(paid)		6	(483)
Net cash generated from operating activities		**13,249**	**12,084**
Cash flows from investing activities			
Purchase of plant and equipment		(19)	(68)
Purchase of other assets		(2,716)	(2)
Proceeds from disposal of investment property		-	247,000
Capital expenditure on investment property		(26)	(485)
Placement of bank deposits		-	(50,000)
Withdrawal of bank deposits		50,000	-
Interest income received		1,024	415
Net cash generated from investing activities		**48,263**	**196,860**
Cash flows from financing activities			
Decrease in amount owing to a shareholder		(64,194)	(35,704)
Changes in debt service reserve		13	(505)
Repayment of bank borrowings		(3,600)	(128,000)
Payment of transaction costs related to bank borrowings		(462)	-
Interest paid		(16,701)	(18,031)
Net cash used in financing activities		**(84,944)**	**(182,240)**
Change in cash and cash equivalents		**(23,432)**	**26,704**
Cash and cash equivalents at the beginning of the year		44,363	17,659
Cash and cash equivalents at the end of the year	1	**20,931**	**44,363**

Note to consolidated statement of cash flows

(1) For the purpose of the consolidated statement of cash flows, the group's cash and cash equivalents comprise the following:

	Full Year FY2020	Full Year FY2019
	$'000	$'000
Cash and cash equivalents in the statement of financial position	24,108	47,553
Debt service reserve	(3,177)	(3,190)
Cash and cash equivalents in the statement of cash flows	**20,931**	**44,363**

Debt service reserve represents bank balances maintained for the purpose of a bank loan obtained by a subsidiary.

1(e) Statements (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

Consolidated Statement of Changes in Equity for the Financial Year Ended 31 March 2020

	Share capital	Capital reserve	Hedging reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000
At 1 April 2018	**255,318**	**46,677**	**-**	**53,359**	**355,354**
Loss for the year	-	-	-	(2,018)	(2,018)
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	(414)	-	(414)
Total comprehensive income for the year	-	-	(414)	(2,018)	(2,432)
At 31 March 2019	**255,318**	**46,677**	**(414)**	**51,341**	**352,922**
At 1 April 2019	**255,318**	**46,677**	**(414)**	**51,341**	**352,922**
Loss for the year	-	-	-	(2,084)	(2,084)
Other comprehensive income					
Effective portion of changes in fair value of cash flow hedges	-	-	(3,216)	-	(3,216)
Total comprehensive income for the year	-	-	(3,216)	(2,084)	(5,300)
At 31 March 2020	**255,318**	**46,677**	**(3,630)**	**49,257**	**347,622**

Company

Statement of Changes in Equity for the Financial Year Ended 31 March 2020

	Share capital	Capital reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000
At 1 April 2018	**262,106**	**(456)**	**3,157**	**264,807**
Loss for the year, representing total comprehensive income	-	-	(583)	(583)
At 31 March 2019	**262,106**	**(456)**	**2,574**	**264,224**
At 1 April 2019	**262,106**	**(456)**	**2,574**	**264,224**
Loss for the year, representing total comprehensive income	-	-	(568)	(568)
At 31 March 2020	**262,106**	**(456)**	**2,006**	**263,656**

1(f) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, 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 current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Full Year FY2020	Full Year FY2019
	'000	'000
Ordinary shares in issue:		
At beginning and end of the financial year	1,592,469	1,592,469

1(g) 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.

	As at 31.03.2020	As at 31.03.2019
Total number of issued shares (excluding treasury shares)		
At beginning and end of year	1,592,469,212	1,592,469,212

There were no shares held as treasury shares as at 31 March 2020 and 31 March 2019.

1(h) 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.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements of the current financial reporting period as in the audited financial statements for the financial year ended 31 March 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

With effect from 1 April 2019, the Group has adopted various new / revised Singapore Financial Reporting Standards (International) (SFRS(I)s) which are relevant to the Group's operations.

The adoption of these new standards and amendments has no significant effect on the consolidated financial statements of the Group.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Basic and diluted earnings/(loss) per share was based on loss attributable to ordinary shareholders, and a weighted average number of ordinary shares outstanding, calculated as follows:

	Full Year FY2020	Full Year FY2019
	S$'000	S$'000
Loss for the year attributable to:		
Equity holders of the Company	(2,084)	(2,018)

Weighted average number of ordinary shares and loss per share:-

	Full Year FY2020	Full Year FY2019
Weighted average number of ordinary shares during the year ('000)	1,592,469	1,592,469
Basic loss per share (cents)	(0.13)	(0.13)
Diluted loss per share (cents)	(0.13)	(0.13)

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and
(b) immediately preceding financial year

	Group		Company	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the year reported on	21.8	22.2	16.6	16.6

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.

REVENUE
Group's revenue comprised mainly rent and service income generated from its investment properties. Group's revenue for the full year FY2020 increased by 2.5% despite the disposal of an investment property in FY2019. This is mainly due to improved occupancy rates for existing investment properties.

OTHER INCOME
Decrease in other income for full year FY2020 is mainly due to lower pay-out from the Wage Credit Scheme and government-paid leave.

CAPITAL GAINS
Capital gains of $2.0 million in FY2019 arose from the disposal of investment property which represents the difference between sale price of $247.0 million and carrying amount at market valuation of $245.0 million. No such item in FY2020.

REVALUATION (LOSSES)/GAINS FROM INVESTMENT PROPERTIES
At reporting date on 31 March 2020, the Group revalued its investment properties at fair values. The net change in fair values of approximately $1.5 million represents revaluation losses (FY2019: revaluation gains of $1.3 million).

EXPENSES

	Full Year FY2020	Full Year FY2019	Change
	$'000	$'000	%
Depreciation	63	68	(7.4)
Staff costs	1,128	1,153	(2.2)
Direct operating expenses of investment properties	4,752	4,946	(3.9)
Other expenses	1,256	4,113	(69.5)
Net finance costs	16,692	17,773	(6.1)
Taxation	70	68	2.9
Total	**23,961**	**28,121**	**(14.8)**

Decrease in depreciation is mainly due to write-off of renovation cost in FY2019 and certain fully depreciated plant and equipment in FY2020 still in use.

Decrease in staff costs is mainly due to lower headcount compared to FY2019.

Decrease in direct operating expenses is mainly due to the disposal of an investment property in FY2019.

Other expenses in FY2019 included non-recurring expenses incurred in respect of the disposal of an investment property such as commission fee, legal and professional fees, rental expense for management office as well as write-off of certain plant and equipment. No such items for FY2020.

Net finance costs decreased by 6.1% compared to FY2019 mainly due to repayment of a bank loan in FY2019 following disposal of an investment property, higher interest income earned on deposits placed with banks and financial institution in FY2020, partly offset by higher interest rates on existing bank loans in FY2020.

Higher tax expense is in line with higher estimated chargeable income for FY2020, offset by tax refunds for prior year received in FY2020.

RESULTS FROM OPERATING ACTIVITIES
The Group's operating profits decreased by 7.2%. Reasons are mentioned in the preceding paragraphs.

LOSS FOR THE YEAR
In FY2020, the Group incurred a net loss of $2.1 million. Reasons are mentioned in the preceding paragraphs.

OTHER COMPREHENSIVE INCOME
Other comprehensive income represents the effective portion of changes in fair value of cash flow hedges.

GROUP'S STATEMENT OF FINANCIAL POSITION

Plant and equipment increased due mainly to purchase of new plant and equipment, partly offset by depreciation charge for the year.

Other assets consist mainly of art pieces amounting to $5.7 million (31.03.2019: $3 million) which have been reclassified from plant and equipment as at 31 March 2020 and 31 March 2019 for better presentation of asset category. The increase is due to purchase of new art piece during the year.

The decrease in investment properties is mainly due to fair value losses on revaluations of investment properties as at financial year ended 31 March 2020.

Trade and other receivables have increased compared to balances as at 31 March 2019, mainly due to higher accrued revenue and prepaid operating expenses.

Decrease in time deposits is due to withdrawal in FY2020.

Other reserves of the Group and Company comprise the following balances:

	Group		Company	
	31.03.2020	**31.03.2019**	**31.03.2020**	**31.03.2019**
	$'000	$'000	$'000	$'000
Capital reserve	46,677	46,677	(456)	(456)
Hedging reserve	(3,630)	(414)	–	–
	43,047	46,263	(456)	(456)

Hedging reserve of the Group represents effective portion of the change in fair value of cash flow hedges as at 31 March 2020.

Decrease in retained earnings is due to net loss incurred in the current year reported on.

Non-current other payables comprise security deposits collected from tenants which are refundable after one year from 31 March 2020. The increase is mainly attributable to new occupancy agreements secured as well as renewal of certain existing occupancy agreements in FY2020.

Increase in non-current bank borrowings as at 31 March 2020 is due to renewal of a bank loan for a further 5 years.

Derivative financial liabilities represent the fair value of interest rate swap contracts entered by the Group to manage its exposure to interest rate movements on its floating rate interest-bearing borrowings by swapping the interest expense on its borrowings from floating rates to fixed rates. As at 31 March 2020, the Group has interest rate swap contracts with a total notional amount of $182.0 million (31.03.2019: $182.0 million) which mature in December 2021. Under the contracts, the Group pays fixed interest rates ranging from 1.95% to 2.25% (FY2019: 1.95% - 2.25%) per annum and receives interest at one-month Singapore Dollar SOR.

Trade and other payables of the Group have increased mainly due to increase in accrued expenses, offset by lower amount of security deposits collected from tenants which are refundable within one year from 31 March 2020, and lower advance rent income collected from new tenants.

Decrease in current bank borrowings is reclassification from current to non-current liabilities of a bank loan after its renewal for five years till March 2024.

Amount owing to a shareholder is unsecured, non-interest bearing and has no fixed repayment terms. The decrease is mainly due to partial repayments made in FY2020.

Increase in current tax liabilities is mainly due to tax provision made for FY2020, offset by payments of income tax during the year.

As at 31 March 2020, the Group has a negative working capital of approximately $33.5 million (31 March 2019: $119.7 million) mainly due to amount owing to a shareholder included as current liabilities. Notwithstanding this, the shareholder undertakes to provide financial support to the Group to enable it to continue its operations and to meet its financial obligations as and when due.

COMPANY'S STATEMENT OF FINANCIAL POSITION

As at 31 March 2020, investments in subsidiaries remained the same as the last financial year ended 31 March 2019, at approximately $345.7 million, representing costs of investments in the three subsidiaries of the Company.

Increase in trade and other receivables is mainly due to higher amount of accrued income.

Increase in cash and cash equivalents of the Company is mainly due to lower payments made in FY2020.

Retained earnings have decreased due to net loss incurred in the current year reported on.

Trade and other payables comprised mainly amounts owing to subsidiaries and accrued operating expenses. The increase is due to increase in amounts owing to subsidiaries. These amounts are non-trade in nature, non-interest bearing and have no fixed repayment terms.

Amount owing to a shareholder mainly comprises payments made on behalf of the Group. This amount is unsecured, non-interest bearing and has no fixed repayment terms. The decrease is due to partial repayment made in FY2020.

GROUP'S STATEMENT OF CASH FLOWS

Full Year FY2020 vs FY2019

Change in cash and cash equivalents for the full year FY2020 represents a net cash outflow of approximately $23.4 million is mainly resulted from the following factors:

- Increase in net cash generated from operating activities mainly due to higher revenue and lower net finance costs;
- Decrease in net cash generated from investing activities with lower purchase of new plant and equipment, the absence of non-recurring proceeds from disposal of an investment property, no placement of bank deposits, offset by withdrawal of bank deposits and higher interest income received; and
- Decrease in net cash used in financing activities mainly due to lower repayment of bank borrowings, lower interest paid, offset by higher repayment of amount owing to a shareholder, cash inflow from changes in debt service reserve and payment of transaction costs related to renewal of a bank loan.

9 Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results.

The Group did not make any forecast or prospect statement to shareholders.

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

The Group is closely monitoring external factors that might impact the performance of the Group, such as the softening of the office rental market and the fluctuation of bank interest rates.

The Group continues to explore strategic investments into value assets with the potential to generate attractive returns.

CESSATION OF QUARTERLY REPORTING

Following the recent amendments to Rule 705(2) of the Listing Manual of Singapore Exchange Securities Trading Limited ("Amended Listing Rules") which took effect from 7 February 2020, the Company will cease to release announcements of its unaudited financial results of the Group on quarterly basis. Going forward, the Company will release announcements pertaining to the unaudited financial results of the Group on a half-yearly basis as required under the Amended Listing Rules. Accordingly, the next financial results announcement of the Company will be in respect of the six-month period ending 30 September 2020, which will be announced no later than 14 November 2020. The Company will continue to keep shareholders updated on material developments relating to the Company and the Group in compliance with its continuing disclosure obligations, as and when appropriate.

11 Dividends

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Tax on dividend
Whether the dividend is before tax, net of tax or tax exempt? Not applicable.

(d) Date payable
Not applicable.

(e) Books closure date
Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect.

Given the Group's investment strategy of keeping a strong balance sheet with sufficient resources for future investment purposes for long-term and sustainable growth, the Board is not recommending any dividend for this financial year ended 31 March 2020.

13 Interested person transactions (IPT)

The Group has not obtained a general mandate from shareholders for IPTs.

PART II – ADDITIONAL INFORMATION

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) Operating segments

No segment information by operating segment has been presented as the Group operates only the business of property investment in FY2020.

(b) Geographical segments

No segment information by geographical location has been presented as the Group's activities are primarily carried out in Singapore.

(c) Information about major customers

Rental income of approximately $12.5 million (2019: $11.4 million) is derived from 2 (2019: 2) external tenants.

For the purpose of this disclosure, a major customer is defined as one in which revenue from transactions with a single customer amounts to 5 per cent (FY2019: 5 per cent) or more of the Group's revenue.

(d) Breakdown of revenue and operating profits/(losses)

	Group	FY2020 $'000	FY2019 $'000	Change %
(a)	Sales reported for first half year	11,597	12,232	(5.2)
(b)	Operating loss after taxation reported for first half year	(741)	(2,011)	(63.2)
(c)	Sales reported for second half year	11,733	10,521	11.5
(d)	Operating loss after taxation reported for second half year	(1,343)	(7)	>100.0

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

See comments under paragraph 8.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Pursuant to Rule704(13) of the Listing Rules, the Company confirms that there were no persons occupying managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

18. Confirmation pursuant to Rule 720(1) of the SGX Listing Rules.

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers under Rule 720(1) of the SGX Listing Rules.

BY ORDER OF THE BOARD
Jonathan Tahir
Executive Chairman

13 July 2020