騰龍國際集團

GLOBAL DRAGON LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No.198102945K and SGX: 586

Founded on 25 June 1981, **GLOBAL DRAGON LIMITED** (the "**Company**", and together with its subsidiaries, the "**Group**"), is a public limited company incorporated in Singapore and was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") since 27 September 1999.

On 14 December 2017, JK Global Assets Pte. Ltd. became the major shareholder of the Group.

On 23 March 2018, the Company adopted the Chinese name "**騰龍國際集團**" for identification purposes and changed its principal activities to property development and investment.

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YEAR 2021
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40th anniversary year for incorporation of the Company since June 1981
21st anniversary year as a public company listed on the SGX-ST since September 1999
Young and dynamic property developer and property investor since March 2018

UNAUDITED RESULTS ANNOUNCEMENT

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Lee Khai Yinn (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

		The Group					
		6 months ended 30 June 2021	6 months ended 30 June 2020 (restated)	% Change Increase/ (Decrease)	12 months ended 30 June 2021	12 months ended 30 June 2020 (restated)	% Change Increase/ (Decrease)
	Note	S$'000	S$'000	%	S$'000	S$'000	%
Revenue	4	**30,956**	**545**	>100%	**35,641**	**998**	>100%
Cost of sales		(24,414)	(338)	>100%	(28,869)	(567)	>100%
Gross profit		**6,542**	**207**	>100%	**6,772**	**431**	>100%
Other income		326	704	(54%)	688	762	(10%)
Fair value loss on investment properties		(205)	(640)	(68%)	(205)	(640)	(68%)
Sales and marketing expenses		(745)	(100)	>100%	(943)	(444)	>100%
General and administrative expenses		(852)	(776)	10%	(1,653)	(1,586)	4%
Other expenses		(126)	(403)	(69%)	(126)	(887)	(86%)
Finance costs		(718)	(797)	(10%)	(1,264)	(1,382)	(9%)
Profit/(loss) before tax	6	**4,222**	**(1,805)**	N.M.	**3,269**	**(3,746)**	N.M.
Income tax expense	7	(541)	–	N.M.	(541)	–	N.M.
Profit/(loss) for the financial period		**3,681**	**(1,805)**	N.M.	**2,728**	**(3,746)**	N.M.
Other comprehensive income:							
Item that will not be reclassified to profit or loss							
Revaluation of land		–	1,332	N.M.	–	50,663	N.M.
Deferred tax on revaluation of land		–	(8,613)	N.M.	–	(8,613)	N.M.
Item that may be reclassified subsequently to profit or loss							
Currency translation differences - foreign operations, at nil tax		–	44	N.M.	–	45	N.M.
Total comprehensive income for the financial period attributable to the owners of the Company		**3,681**	**(9,042)**	N.M.	**2,728**	**38,349**	(93%)
Earnings/(loss) per ordinary share of the Group for the financial period based on net profit/(loss) attributable to owners of the Company on weighted average number of ordinary shares in issue (basic) (cents) and fully diluted basis (cents)		**0.54**	**(0.26)**	N.M.	**0.40**	**(0.55)**	N.M.

Notes:
* The Company does not have any dilutive equity instruments in FY2021 and FY2020.
** N.M. – Not meaningful.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

		The Group		The Company	
		30 June 2021	30 June 2020 (restated)	30 June 2021	30 June 2020
	Note	S$'000	S$'000	S$'000	S$'000
ASSETS					
Non-current assets					
Property, plant and equipment	9	111,320	107,746	27	46
Investment properties	10	11,170	14,065	11,170	14,065
Investment in subsidiaries		–	–	6,000	5,000
Right-of-use asset		–	103	–	–
		122,490	**121,914**	**17,197**	**19,111**
Current assets					
Trade and other receivables		9,158	66	106	47
Due from subsidiaries (non-trade)		–	–	34,708	33,970
Prepayments		26	19	24	18
Contract assets		32,834	613	–	–
Development properties	11	91,873	86,865	–	–
Lease receivable		–	259	–	259
Properties held for sale		1,071	3,100	1,071	–
Cash and short-term deposits		8,037	3,332	33	634
Right-of-use asset		38	–	–	–
		143,037	**94,254**	**35,942**	**34,928**
Total assets		**265,527**	**216,168**	**53,139**	**54,039**
LIABILITIES					
Current liabilities					
Trade and other payables		4,080	1,280	641	584
Due to subsidiaries (non-trade)		–	–	1,981	978
Contract liabilities		20,300	691	–	–
Derivative instrument		–	222	–	–
Lease liabilities		39	426	–	361
Provisions		15	15	15	15
Borrowings	12	22,661	50,366	2,245	1,089
		47,095	**53,000**	**4,882**	**3,027**
Net current assets		**95,904**	**41,254**	**31,060**	**31,901**
Non-current liabilities					
Lease liabilities		–	39	–	–
Borrowings	12	129,153	77,119	7,720	9,612
Deferred tax liabilities		9,154	8,613	–	–
		138,307	**85,771**	**7,720**	**9,612**
Total liabilities		**185,402**	**138,771**	**12,602**	**12,639**
Net assets		**80,125**	**77,397**	**40,537**	**41,400**
EQUITY					
Share capital	13	46,116	46,116	46,116	46,116
Reserves		34,009	31,281	(5,579)	(4,716)
Equity attributable to owners of the Company		**80,125**	**77,397**	**40,537**	**41,400**
Total equity		**80,125**	**77,397**	**40,537**	**41,400**
Total equity and liabilities		**265,527**	**216,168**	**53,139**	**54,039**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE FULL FINANCIAL YEAR ENDED 30 JUNE 2021

	Attributable to owners of the Company					
The Group	**Share capital**	**Asset revaluation reserve**	**Exchange fluctuation reserve**	**Share option reserve**	**Accumulated losses**	**Total Equity**
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2021						
At 1 July 2020 (restated)	**46,116**	**42,050**	**285**	**498**	**(11,552)**	**77,397**
Profit for the year, representing total comprehensive income for the year	**–**	**–**	**–**	**–**	**2,728**	**2,728**
At 30 June 2021	**46,116**	**42,050**	**285**	**498**	**(8,824)**	**80,125**
2020						
At 1 July 2019	**46,116**	**–**	**240**	**498**	**(7,806)**	**39,048**
Loss for the year	–	–	–	–	(3,746)	**(3,746)**
Other comprehensive income						
- Foreign currency translation differences	–	–	45	–	–	**45**
- Net surplus on revaluation of land	–	50,663	–	–	–	**50,663**
- Effect of prior year adjustment (Note 2.3)	–	(8,613)	–	–	–	**(8,613)**
Total comprehensive income for the year (restated)	**–**	**42,050**	**45**	**–**	**(3,746)**	**38,349**
At 30 June 2020 (restated)	**46,116**	**42,050**	**285**	**498**	**(11,552)**	**77,397**

	Attributable to owners of the Company			
The Company	**Share capital**	**Share option reserve**	**Accumulated losses**	**Total equity**
	S$'000	S$'000	S$'000	S$'000
2021				
At 1 July 2020	**46,116**	**498**	**(5,214)**	**41,400**
Loss for the year, representing total comprehensive income for the year	**–**	**–**	**(863)**	**(863)**
At 30 June 2021	**46,116**	**498**	**(6,077)**	**40,537**
2020				
At 1 July 2019	**46,116**	**498**	**(6,004)**	**40,610**
Profit for the year, representing total comprehensive income for the year	**–**	**–**	**790**	**790**
At 30 June 2020	**46,116**	**498**	**(5,214)**	**41,400**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	The Group 12 months ended 30 June 2021	The Group 12 months ended 30 June 2020
		S$'000	S$'000
Operating activities			
Profit/(loss) before tax		**3,269**	**(3,746)**
Adjustments for:			
(Write back of)/allowance for estimated credit losses	6	(2)	15
Depreciation of property, plant and equipment	6	19	27
Depreciation of right-of-use asset	6	65	54
Fair value loss on investment properties	6	205	640
Loss on disposal of investment properties	6	126	267
Gain on disposal of derivative instrument held at fair value through profit and loss	6	(222)	–
Loss on derivative instrument held at fair value through profit and loss	6	–	222
Write down to net realisable value of property held for sale	6	149	147
Grant expense		–	398
Government grants received on lease liabilities		–	(310)
Interest expense	6	1,260	1,377
Interest income	6	(6)	(42)
Operating profit/(loss) before working capital changes		**4,863**	**(951)**
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(9,097)	3,234
Increase in contract assets		(32,221)	(613)
Increase in development properties and property held for sale		(1,779)	(25,322)
Decrease in lease receivable		263	896
Increase in trade and other payables		2,800	103
Increase in contract liabilities		19,609	691
Decrease in lease liabilities		(430)	(941)
Cash used in operations		**(15,992)**	**(22,903)**
Interest paid		(1,167)	(1,429)
Net cash flows used in operating activities		**(17,159)**	**(24,332)**
Investing activities			
Interest received		2	14
Interest paid		(622)	(968)
Additions to property, plant and equipment		(2,972)	(8,769)
Proceeds from disposal of investment properties		1,493	3,148
Net cash flows used in investing activities		**(2,099)**	**(6,575)**
Financing activities			
Interest paid		(367)	(350)
Decrease/(increase) in fixed deposits pledged		622	(622)
Proceeds from bank loans		26,386	72,260
Proceeds from shareholder's loans		1,300	6,981
Repayment of bank loans		(3,356)	(40,299)
Repayment of shareholder's loans		–	(6,981)
Net cash flows from financing activities		**24,585**	**30,989**
Net increase in cash and cash equivalents		**5,327**	**82**
Cash and cash equivalents at beginning of financial year		1,710	1,628
Cash and cash equivalents at end of financial year		**7,037**	**1,710**
Note to the Consolidated Statement of Cash Flows			
Cash and short-term deposits		**8,037**	**3,332**
Less: Fixed deposits pledged		**(1,000)**	**(1,622)**
Cash and cash equivalents(1)		**7,037**	**1,710**

Note:

(1) *Included in cash and cash equivalents is an amount of S$5,872,000 (FY2020: S$12,000) deposited in the project accounts. Withdrawals of these monies for expenditures related to specific properties under development are governed by the Housing Developers (Control and Licensing) Act.*

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

1. Corporate information

Global Dragon Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The registered office and principal place of business are located at 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962.

The principal activities of the Company and of the Group are property development and investment.

2. Basis of preparation

The condensed interim financial statements for the six months and full financial year ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. 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 financial statements for the year ended 30 June 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Reporting Standards (International) ("**SFRS(I)**s"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (SGD or S$) which is the Company's functional currency and all values in the tables are rounded to the nearest thousand (S$'000), except when otherwise indicated.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2.1. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The accounting policies adopted and methods of computation applied are consistent with those previously applied under SFRS(I)s except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2020.

The adoption of these standards did not have any material effect on the financial performance or position of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

2. Basis of preparation (cont'd)

2.1. New and amended standards adopted by the Group

Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	***Effective for annual periods beginning on or after***
Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*	January 2022
Amendments to SFRS(I) 1-16: *Property, Plant and Equipment – Proceeds before Intended Use*	January 2022
Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*	January 2022
Annual Improvements to SFRS(I)s 2018 – 2020	January 2022
SFRS(I) 17: *Insurance Contracts*	January 2023
Amendments to SFRS(I) 17: *Insurance Contracts*	January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The Group expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.2. 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 the 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 financial year ended 30 June 2020.

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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(a) Note 7 - Determination of provision for income taxes
(b) Notes 9 and 10 - Impairment of non-financial assets

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

(a) Note 9 - Valuation of leasehold land held as property, plant and equipment ("**PPE**")
(b) Note 10 - Valuation of investment properties
(c) Notes 9 and 10 - Impairment of non-financial assets
(d) Note 11 - Estimation of net realisable value ("**NRV**") for development properties

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

2. Basis of preparation (cont'd)

2.3. Comprative figures

On 1 July 2020, the Group did not recognise the deferred tax liabilities relating to the revaluation gain on leasehold land held as property, plant and equipment of its wholly owned subsidiary, GDL Properties Pte. Ltd..

Accordingly, the Group has restated the financial statements to reflect the accounting for the deferred tax liabilities in accordance with SFRS(I) 1-12 as follows:

Impact on Other Comprehensive Income

		The Group		
	Note	As previously reported	Adjustments	As restated
		S$'000	S$'000	S$'000
Item that will not be reclassified to profit or loss				
Deferred tax on net surplus of revaluation of land		–	8,613	8,613
Total comprehensive income for the financial year attributable to the owners of the Company		**46,962**	**(8,613)**	**38,349**

Impact on Statement of Financial Position

		The Group		
	Note	As previously reported	Adjustments	As restated
		S$'000	S$'000	S$'000
Non-current liabilities				
Deferred tax liabilities		–	8,613	8,613
Total liabilities		**130,158**	**8,613**	**138,771**
Equity				
Reserves		39,894	(8,613)	31,281
Total equity		**86,010**	**(8,613)**	**77,397**

3. Seasonal operations

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

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. Segment and revenue information

The Group has several reportable business segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they are targeting different market segments and require different marketing strategies. For each strategic business unit, the Group's Executive Chairman reviews internal management reports at least on a monthly basis.

The following summary describes the operations of each of the Group's reportable business segments:

(a) Property development segment relates to the development of residential properties;
(b) Property investment segment relates to the holding of investment properties to earn rental and for capital appreciation; and
(c) Hospitality segment relates to the leasing of hotels to operators with limited variability in rental income.

The Group operates in a single principal geographical segment in Singapore for the six months and full financial years ended 30 June 2021 and 30 June 2020. Therefore, no information on geographical segments is disclosed.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit for the year, as included in the internal management reports that are reviewed by the Group's Executive Chairman. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. Segment and revenue information (cont'd)

The Group	Property development	Property investment	Hospitality	Adjustments and eliminations	Consolidated total
	S$'000	S$'000	S$'000	S$'000	S$'000
1 January 2021 to 30 June 2021					
External revenue	30,797	689	–	(530)	30,956
Fair value loss on investment properties	–	(205)	–	–	(205)
Depreciation of property, plant and equipment	–	(5)	–	–	(5)
Depreciation of right-of-use asset	(33)	–	–	–	(33)
Write down to net realisable value of property held for sale	–	(149)	–	–	(149)
Interest income	1	–	–	–	1
Interest expense	(502)	(115)	(99)	–	(716)
Reportable segment profit/(loss) for the period	4,869	(559)	(109)	(520)	3,681
Capital expenditure	–	–	1,514	–	1,514
Reportable segment assets	142,986	56,057	112,967	(46,483)	265,527
Reportable segment liabilities	(138,715)	(13,283)	(70,130)	36,726	(185,402)
Restated					
1 January 2020 to 30 June 2020					
External revenue	366	1,355	–	(1,176)	545
Fair value loss on investment properties	–	(640)	–	–	(640)
Depreciation of property, plant and equipment	–	(13)	–	–	(13)
Depreciation of right-of-use asset	(54)	–	–	–	(54)
Write down to net realisable value of property held for sale	(147)	–	–	–	(147)
Interest income	–	12	–	–	12
Interest expense	(604)	(197)	(12)	–	(813)
Reportable segment (loss)/profit for the period	461	135	(27)	(2,374)	(1,805)
Capital expenditure	–	–	8,766	–	8,766
Reportable segment assets	92,659	57,268	109,369	(43,128)	216,168
Reportable segment liabilities	(92,655)	(14,840)	(66,355)	35,079	(138,771)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. Segment and revenue information (cont'd)

The Group	Property development	Property investment	Hospitality	Adjustments and eliminations	Consolidated total
	S$'000	S$'000	S$'000	S$'000	S$'000
1 July 2020 to 30 June 2021					
External revenue	35,321	1,118	–	(798)	35,641
Fair value loss on investment properties	–	(205)	–	–	(205)
Depreciation of property, plant and equipment	–	(19)	–	–	(19)
Depreciation of right-of-use asset	(65)	–	–	–	(65)
Write down to net realisable value of property held for sale	–	(149)	–	–	(149)
Interest income	1	5	–	–	6
Interest expense	(880)	(222)	(158)	–	(1,260)
Reportable segment profit/(loss) for the year	4,338	(656)	(176)	(778)	2,728
Capital expenditure	–	–	3,543	–	3,543
Reportable segment assets	142,986	56,057	112,967	(46,483)	265,527
Reportable segment liabilities	(138,715)	(13,283)	(70,130)	36,726	(185,402)
Restated					
1 July 2019 to 30 June 2020					
External revenue	613	3,455	–	(3,070)	998
Fair value loss on investment properties	–	(640)	–	–	(640)
Depreciation of property, plant and equipment	–	(27)	–	–	(27)
Depreciation of right-of-use asset	(54)	–	–	–	(54)
Write down to net realisable value of property held for sale	(147)	–	–	–	(147)
Interest income	1	41	–	–	42
Interest expense	(992)	(373)	(12)	–	(1,377)
Reportable segment (loss)/profit for the year	(1,568)	902	(31)	(3,049)	(3,746)
Capital expenditure	–	–	9,725	–	9,725
Reportable segment assets	92,659	57,268	109,369	(43,128)	216,168
Reportable segment liabilities	(92,655)	(14,840)	(66,355)	35,079	(138,771)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. Segment and revenue information (cont'd)

4.2 Disaggregation of Revenue

	The Group 6 months ended 30 June					
	Property development		Investment properties		Total revenue	
	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Primary geographical markets						
Singapore	30,797	366	159	179	30,956	545
Major product or service lines						
Commercial properties	–	–	159	179	159	179
Residential properties	30,797	366	–	–	30,797	366
Timing of transfer of goods or services						
Over time	30,797	366	159	179	30,956	545

	The Group 12 months ended 30 June					
	Property development		Investment properties		Total revenue	
	2021	2020	2021	2020	2021	2020
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Primary geographical markets						
Singapore	35,321	613	320	385	35,641	998
Major product or service lines						
Commercial properties	–	–	320	385	320	385
Residential properties	35,321	613	–	–	35,321	613
Timing of transfer of goods or services						
At a point in time	3,100	–	–	–	3,100	–
Over time	32,221	613	320	385	32,541	998

A breakdown of sales:

	The Group		
	12 months ended 30 June 2021	12 months ended 30 June 2020	Changes
	S$'000	S$'000	(%)
First half year			
Sales reported	4,685	453	>100%
Operating loss after tax before deducting non-controlling interests reported	(953)	(1,941)	(51%)
Second half year			
Sales reported	30,956	545	>100%
Operating profit/(loss) after tax before deducting non-controlling interests reported	4,222	(1,805)	N.M.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 30 June 2020:

	Note	The Group		The Company	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
		S$'000	S$'000	S$'000	S$'000
Financial assets					
Amortised cost		50,029	4,011	34,847	34,651
Financial liabilities					
Amortised cost		176,194	129,456	12,587	12,263
Fair value through profit and loss		–	222	–	–

6. Profit/(loss) before tax

6.1 Significant items

	The Group			
	6 months ended 30 June 2021	6 months ended 30 June 2020	12 months ended 30 June 2021	12 months ended 30 June 2020
	S$'000	S$'000	S$'000	S$'000
Income				
Interest income	(1)	(12)	(6)	(42)
Deposits forfeited on aborted property sales	(296)	–	(296)	–
Foreign exchange gain	–	–	–	(339)
Gain on disposal of derivative instrument held at fair value through profit and loss	(222)	–	(222)	–
Government grants	(29)	(352)	(163)	(381)
Write back of allowance for estimated credit loss	(2)	–	(2)	–
Expenses				
Allowance for estimated credit loss	–	–	–	15
Depreciation of property, plant and equipment	5	13	19	27
Depreciation of right-of-use asset	33	54	65	54
Employee benefit expense	567	436	1,002	856
Fair value loss on investment properties	205	640	205	640
Loss on disposal of investment properties	126	67	126	267
Loss on derivative instrument held at fair value through profit and loss	–	222	–	222
Interest expense	716	813	1,260	1,377
Operating lease expenses	43	–	84	83
Write down to net realisable value of property held for sale	149	147	149	147

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

6. Profit/(loss) before tax (cont'd)

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

7.1 Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	The Group			
	6 months ended 30 June 2021	6 months ended 30 June 2020 (restated)	12 months ended 30 June 2021	12 months ended 30 June 2020 (restated)
	S$'000	S$'000	S$'000	S$'000
Consolidated statement of profit of loss				
Deferred income tax expenses attributable to profits from the sale of development properties	541	–	541	–
Consolidated statement of comprehensive income				
Deferred income tax expenses relating to revaluation gain on leasehold land held as property, plant and equipment	–	8,613	–	8,613

7.2 Deferred tax liabilities

	The Group			
	6 months ended 30 June 2021	6 months ended 30 June 2020 (restated)	12 months ended 30 June 2021	12 months ended 30 June 2020 (restated)
	S$'000	S$'000	S$'000	S$'000
Deferred tax liabilities				
Attributable to profits from the sale of development properties	541	–	541	–
Revaluation gain on leasehold land held as property, plant and equipment	8,613	8,613	8,613	8,613
	9,154	8,613	9,154	8,613

8. Net asset value

	The Group		The Company	
	As at 30 June 2021	As at 30 June 2020 (restated)	As at 30 June 2021	As at 30 June 2020
Net asset value per ordinary share (cents)	11.75	11.35	5.94	6.07

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

9. Property, plant and equipment

During the six months and full financial year ended 30 June 2021, additions to the Group's property, plant and equipment amounted to S$1,509,000 and S$3,593,000 (six months and full financial year ended 30 June 2020: S$8,780,000 and S$9,725,000) respectively. During the six months and full financial year ended 30 June 2020, the Group also recognised a gain on revaluation of leasehold land held at property, plant and equipment of S$50,663,000.

10. Investment properties

The Group's investment properties are commercial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

	The Group and The Company	
	30 June 2021	**30 June 2020**
	S$'000	S$'000
Balance sheet:		
At 1 July	14,065	18,120
Disposal of investment properties	(1,344)	(3,148)
Fair value loss on investment properties	(205)	(640)
Loss on disposal of investment properties	(126)	(267)
Write down to net realisable value of property held for sale	(149)	–
Properties held for sale	(1,071)	–
At 30 June	11,170	14,065
Statement of comprehensive income:		
Rental income from investment properties:		
- Minimum lease payments	320	385
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	(136)	(184)
- Non-rental generating properties	(23)	(18)
	(159)	(202)

10.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every year based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the property manager, management and the independent valuer yearly.

The fair value of the Group's investment properties and leasehold land held as property, plant and equipment is determined based on significant unobservable inputs and are categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using valuation techniques (i.e., direct comparison method and/or residual value method) with unobservable inputs (i.e., price per square feet) by the external valuation experts. An increase/decrease in these unobservable inputs based on management's assumptions would result in a higher/lower fair value measurements.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

11. Development properties

The Group accounts for its development properties at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The Group had reviewed the estimated selling prices of its development properties and is of the view that no allowance for net realisable value is required as at 30 June 2021.

12. Borrowings

	The Group		The Company	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	S$'000	S$'000	S$'000	S$'000
Amount repayable within one year or on demand				
Secured	21,361	50,366	945	1,089
Unsecured	1,300	–	1,300	–
Amount repayable after one year				
Secured	129,153	77,119	7,720	9,612

Details of any collateral:

Secured borrowings

As at 30 June 2021 and 30 June 2020, the secured borrowings of the Group are secured by way of:

(i) legal mortgages over leasehold land and building of the Group, development properties, investment properties and properties held for sale held by the Group and the Company;
(ii) corporate guarantees by the Company;
(iii) assignment of developer's rights and benefits in the sale and purchase agreements; and
(iv) personal guarantees by the Executive Chairman and a substantial shareholder of the Company.

Unsecured borrowings

As at 30 June 2021, the unsecured borrowings of the Company are interest-free borrowings from the Executive Chairman of the Company.

As at 30 June 2020, the Company does not have any unsecured borrowings.

13. Share capital

	The Group and the Company			
	30 June 2021		30 June 2020	
	Number of shares	Share capital	Number of shares	Share capital
		S$'000		S$'000
Issued and fully paid:				
As at beginning and end of the period	681,975,469	46,116	681,975,469	46,116

There has been no change in the Company's share capital since 31 December 2020.

The Company does not hold any treasury shares or convertible instruments as at 30 June 2021 and 30 June 2020.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 30 June 2020.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements. Other than disclosed in the financial statements, the following events occurred after the reporting period.

Subsequent to the full financial year ended 30 June 2021, the Group's subsidiaries, GDL Homes Pte. Ltd. ("**GDL Homes**") and GDL Land Pte. Ltd. ("**GDL Land**"), recorded the following key events:

(a) GDL Homes completed the purchase a property at Woo Mon Chew Road for a purchase consideration of S$8,600,000 in July 2021;

(b) GDL Homes issued options-to-purchase for its development property at Kovan Close and Tan Sim Boh Road amounting to S$11,380,000;

(c) GDL Land issued options-to-purchase for its development property units at East Coast Road, Flower Road and Lorong Mydin amounting to S$33,916,000; and

(d) GDL Land completed the sale of its first residential property development at Lorong Mydin in August 2021.

At the date of these financial statements, the outbreak of pandemic Coronavirus Disease (COVID-19) and the measures taken to contain the spread of COVID-19 had affected the global economic activities as well as the financial performance of the companies.

The Group envisages the outbreak of COVID-19 to have an impact on Singapore's property market. The values of the Group's assets measured based on unobservable inputs will be affected as a result of the volatility in prices and key assumptions used to determine the fair value.

In view of the uncertainty amid the COVID-19 outbreak, the extent of the impact on the Group's financial performance cannot be reasonably determined at this juncture.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

1. Review

The condensed consolidated statement of financial position of Global Dragon Limited and its subsidiaries as at 30 June 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 six-month period and the full financial year and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

2.1 Statement of Comprehensive Income Review

Review for the performance of the Group is based on the financial year ended 30 June 2021 ("**FY2021**") as compared to the financial year ended 30 June 2020 ("**FY2020**").

In FY2021, the Group recorded a net profit of S$2.73 million (FY2020: net loss of S$3.75 million), resulting in a basic earnings per share of 0.40 cents (FY2020: basic loss per share of 0.55 cents).

In FY2021, the Group's total comprehensive income for the year reduced by S$35.62 million to S$2.73 million (FY2020: S$38.35 million), due mainly to the net revaluation surplus of S$42.05 million recognised in FY2020.

2.1.1 Revenue, Other Income and Fair Value Adjustment on Investment Properties

Revenue
The Group's revenue increased by S$34.64 million (or 3,471%) to S$35.64 million in FY2021 (FY2020: S$998,000) due mainly to the recognition of revenue from the property development projects located at East Coast Road ("**Project Infini At East Coast**"), Flower Road ("**Project Flower Road**") and Jalan Demak ("**Project Jalan Demak**") of S$35.32 million (FY2020: S$613,000). The Group completed the sale of its first residential property development project, Project Jalan Demak, during the financial year under review.

The increase is partially offset by the decrease in rental income of S$65,000 from its investment properties to S$320,000 (FY2020: S$385,000) which is in line with the decrease in property investment portfolio of 999-year leasehold prime office units to 15 units in FY2021 (FY2020: 17 units).

Cost of sales
The Group recognised cost of sales of S$28.87 million in FY2021 (FY2020: S$567,000) for Project Infini At East Coast, Project Flower Road and Project Jalan Demak.

Other income
The Group's other income decreased by S$74,000 (or 10%) to S$688,000 in FY2021 (FY2020: S$762,000) due mainly to the decrease in interest income of S$36,000, decrease in gain on foreign exchange of S$339,000 and decrease in government grants of S$217,000 from rental waivers for campus in FY2020. The decrease was offset by the increase in deposits forfeited on aborted property sales of S$296,000 during FY2021, as well as gain on disposal of derivative instrument held at fair value through profit and loss recognised of S$222,000.

Fair value loss on investment properties
The Group recorded a fair value loss on investment properties of S$205,000 in FY2021 (FY2020: S$640,000).

2.1.2 Operating Expenses and Other Expenses

Operating expenses
The Group's operating expenses, which comprised sales and marketing expenses and general and administrative expenses, have increased by S$566,000 (or 28%) to S$2.60 million in FY2021 (FY2020: S$2.03 million), due mainly to the increase in sales and marketing expenses relating to the development projects.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

2.1 Statement of Comprehensive Income Review (cont'd)

2.1.2 Operating Expenses and Other Expenses (cont'd)

Sales and marketing expenses

Sales and marketing expenses increased significantly by S$499,000 (or 112%) to S$943,000 in FY2021 (FY2020: S$444,000), arising mainly from the increase in commissions paid and show flat expenses of S$536,000 and S$45,000 respectively for Project Infini At East Coast, Project Flower Road and Project Jalan Demak. The increase was offset by the decrease in advertisement and promotional expenses of S$82,000 for Project Infini At East Coast, Project Flower Road and Project Jalan Demak.

General and administrative expenses

General and administrative expenses increased by S$67,000 (or 4%) to S$1.65 million in FY2021 (FY2020: S$1.59 million) due mainly to the increase in employee benefits expense of S$146,000, which is in line with the increase in staff headcount and bonus. This is partly offset by the following:

(a) the decrease in professional fee, compliance expenses and listing expenses of S$12,000;
(b) the decrease in depreciation of plant and equipment and maintenance expenses recorded on the investment properties of S$53,000; and
(c) the decrease in allowance for expected credit loss of S$15,000.

Other expenses

The Group recorded other expenses of S$126,000 in FY2021 (FY2020: S$887,000). In FY2021, the Group recorded a loss on disposal of investment property of S$126,000, while the other expenses for FY2020 comprised loss on derivative instrument held at fair value through profit and loss, lease modification expenses for campus and loss on disposal of investment properties of S$222,000, S$398,000 and S$267,000 respectively.

2.1.3 Finance Costs

Finance costs decreased by S$118,000 (or 9%) to S$1.26 million in FY2021 (FY2020: S$1.38 million) due to the decrease in loan interest expenses, lease interest expenses and bank facility fees of S$87,000, S$30,000 and S$1,000 respectively.

2.2 Balance Sheet Review

The comparative performance for both assets and liabilities are based on the Group's consolidated financial statements as at 30 June 2021 and 30 June 2020.

As at 30 June 2021, the Group recorded total net assets of S$80.13 million (30 June 2020: S$77.40 million).

2.2.1 Total Equity

Equity attributable to the owners of the Company amounted to S$80.13 million as at 30 June 2021 (30 June 2020: S$77.40 million). The increase was due to the net profit for the year of S$2.73 million.

2.2.2 Non-Current Assets

Non-current assets increased by S$576,000 (or 1%) to S$122.49 million as at 30 June 2021 (30 June 2020: S$121.91 million) due to the increase in property, plant and equipment by S$3.57 million, which comprise the increase in hotel under construction of S$3.59 million and depreciation charges of S$19,000 recognised in FY2021.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

2.2 Balance Sheet Review (cont'd)

2.2.2 Non-Current Assets (cont'd)

The increase was mainly offset by the following items:

(a) the decrease in investment properties of S$2.90 million arising from the disposal of two (2) office units amounting to S$1.34 million, reclassification of investment properties of S$1.07 million as properties held for sale, fair value loss on investment properties of S$205,000, write down to net realisable value of property held for sale of S$149,000, and loss on disposal of investment properties of S$126,000 recognised in FY2021; and

(b) the decrease in right-of-use asset of S$103,000, arising from the depreciation charges of S$65,000 recognised in FY2021 and the reclassification of S$38,000 right-of-use asset from non-current to current.

2.2.3 Current Assets

The increase in current assets of S$48.78 million (or 52%) to S$143.04 million as at 30 June 2021 (30 June 2020: S$94.25 million) was due mainly to the increase in the following items:

(a) the increase in trade and other receivables of S$9.10 million, in which S$8.96 million are amounts due from the property purchasers for Project Infini At East Coast and Project Flower Road;

(b) the increase in contract assets of S$32.22 million from Project Infini At East Coast and Project Flower Road;

(c) the increase in development properties of S$5.01 million from the increase in costs capitalised into property development projects located at East Coast Road, Flower Road, Jalan Daud ("**Project Jalan Daud**"), Kovan Close ("**Project Kovan Close**"), Lorong Mydin ("**Project Lorong Mydin**"), Tan Sim Boh Road ("**Project Tan Sim Boh Road**") and Woo Mon Chew Road ("**Project Woo Mon Chew Road**");

(d) the reclassification of investment properties as properties held for sale of S$1.07 million, arising from the option-to-purchase issued for two (2) office units at Peninsula Plaza;

(e) the increase in prepayment of S$7,000; and

(f) the increase in cash and short-term deposits of S$4.71 million due mainly to the increase in cash at project account.

The increase was partially offset by the decrease in the following items:

(a) the decrease in lease receivable of S$259,000; and

(b) the decrease in property held for sale of S$2.03 million due to the completion of sale for Project Jalan Demak of S$3.10 million and an increase in investment properties held for sales of S$1.07 million.

2.2.4 Current Liabilities

Current liabilities decreased by S$5.91 million (or 11%) to S$47.10 million as at 30 June 2021 (30 June 2020: S$53.00 million) due mainly to the decrease in the following items:

(a) the decrease in derivative instrument of S$222,000;

(b) the decrease in lease liabilities of S$387,000; and

(c) the decrease in current borrowings by S$27.71 million, due mainly to the classification of borrowings amounting to S$38.30 million from current liabilities to non-current liabilities (see paragraphs 2.2.5 below for more details).

The decrease was partially offset by the increase in the following items:

(a) the increase in contract liabilities of S$19.61 million relating to Project Infini At East Coast and Project Flower Road; and

(b) the increase in trade and other payables of S$2.80 million due mainly to the following items:

  (i) the increase in trade payables of S$913,000, accrued expenses of S$1.14 million and retention sum of S$783,000 relating to the construction of development properties; and

  (ii) the increase in deposits received of S$25,000 for deposits relating to the investment properties.

  The increase in trade and other payables was partially offset by the decrease in other payable of S$4,000 and decrease in net GST payable of S$54,000.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

2.2 Balance Sheet Review (cont'd)

2.2.4. Current Liabilities (cont'd)

Net Current Assets

The Group's net current assets increased by S$54.65 million to S$95.90 million as at 30 June 2021 (30 June 2020: S$41.25 million) due to the increase in current assets of S$48.75 million and decrease in current liabilities of S$5.91 million. For the analysis of current assets and current liabilities, please refer to paragraphs 2.2.3 and 2.2.4 above for details.

2.2.5 Non-Current Liabilities

Non-current liabilities increased by S$52.54 million to S$138.31 million as at 30 June 2021 (30 June 2020: S$85.77 million) due to the increase in deferred tax liabilities of S$541,000 and the drawdown of borrowings of S$52.03 million to fund the Group's existing and future property development projects as well as the Group's working capital requirements. The increase was offset by the decrease in lease liabilities of S$39,000.

Total borrowings (current and non-current)

The Group recorded an increase of S$24.32 million in total borrowings to S$151.81 million as at 30 June 2021 (30 June 2020: S$127.49 million) for its development projects and working capital requirements.

2.3 Cash Flow Review

Cash and short-term deposits increased by S$4.71 million to S$8.04 million as at 30 June 2021 (30 June 2020: S$3.33 million), which comprised cash at banks of S$1.17 million, cash at project account of S$5.87 million and fixed deposits pledged of S$1.00 million. The increase in cash and short-term deposits was mainly contributed by the increase in cash at project account.

The Group recorded net cash used in operating activities of S$17.16 million in FY2021 due mainly to cash used for working capital of S$20.86 million and interest expenses paid of S$1.17 million. The cash outflows were partially offset by the operating profit before working capital changes of S$4.86 million.

The net cash used in investing activities amounted to S$2.10 million in FY2021 due mainly to the additions to property, plant and equipment of S$2.97 million and interest expenses paid of S$622,000. The cash outflow was offset by the proceeds from disposal of investment properties of S$1.49 million and interest income received of S$2,000.

The Group had also received cash of S$24.59 million from its financing activities in FY2021. This comprised mainly proceeds from bank loans of S$26.39 million, shareholder's loans of S$1.30 million and the decrease in fixed deposits pledged of S$622,000 to finance the purchases and construction of development properties. The proceeds from borrowings were partially offset by the interest expenses paid of S$367,000 and repayments of bank loans of S$3.36 million.

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

The Group's results for FY2021 are generally in line with the Company's profit guidance announcement dated 13 August 2021.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. 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.

As of the date of this announcement, the Group's reportable business segments comprise the property development segment, property investment segment and hospitality segment.

Property development segment

According to data released by the Urban Redevelopment Authority ("**URA**") on 23 July 2021, for the second quarter of 2021, prices of private residential properties increased by 0.8%, compared with the 3.3% increase in the previous quarter, in which, prices of landed properties decreased by 0.3% while those of non-landed properties increased by 1.1%, compared with the increase of 6.7% and 2.5% respectively in the previous quarter [(1)].

The Group's property development projects are summarised as below:

(a) Completed property development projects

(i) Project Demak – The Group completed the sale of its first residential landed property in FY2021; and
(ii) Project Lorong Mydin – The Group issued options-to-purchase and obtained the Certificate of Statutory Completion ("**CSC**") in July 2021 for its second completed residential landed property development project. Barring any unforeseen circumstances, the Group targets to complete the sales during the first half of the financial year ending 30 June 2022 ("**FY2022**").

(b) Property development projects under construction

The Group has four (4) property development projects which are currently under construction as set out below:

(i) Project Infini At East Coast – residential non-landed property development project;
(ii) Project Flower Road – residential landed property development project located;
(iii) Project Tan Sim Boh Road – residential landed property development project; and
(iv) Project Kovan Close – residential landed property development project.

(c) Property development project in the development planning stage

The Group has two (2) property development projects which are currently in the development planning stage as set out below. Subject to relevant development approvals from the authorities, the Group expects to commence the construction works of the following development projects during the first half of FY2022:

(i) Project Woo Mon Chew Road – The Group completed the purchase of the properties for residential landed property development during the second half of FY2021; and
(ii) Project Jalan Daud – The Group procured an option-to-purchase a property during the second half of FY2021 and targets to complete the purchase of Project Jalan Daud during the first half of FY2022.

FY2021 was a challenging year due to the continued impact of the COVID-19 pandemic, however, the Group is pleased to announce that despite the difficulties and challenges, the Group has managed to secure healthy sales for its property developments at Project Infini At East Coast, Project Flower Road, Project Lorong Mydin and Project Tan Sim Boh Road, in which Project Flower Road and Project Lorong Mydin are expected to be fully sold by the first half of FY2022.

As of date of this announcement, a total sale value of S$101.10 million has been secured, in which S$10.70 million sales have been completed and delivered. Barring any unforeseen circumstances, these development projects are expected to contribute positively to the Group's earnings for FY2022.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

4. 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. (cont'd)

Property investment segment

The Group's property investment portfolio as at 30 June 2021 consisted of 15 units (30 June 2020: 17 units) of 999-leasehold prime office units located in Singapore's Central Business District ("**CBD**") and achieved tenant occupancy rate of 79% in FY2021.

As part of the Group's strategy to unlock the value of the CBD Office Units, the Group issued options-to-purchase to dispose four (4) units of the CBD Office Units in FY2021, in which the sales of two (2) units of the mentioned disposal was completed in FY2021 and the Group has completed the disposal of the remaining two (2) units during the first half of FY2022.

Hospitality segment

The Group's hospitality investment portfolio as at 30 June 2021 consisted of a 194-room hotel development project located at Telok Blangah Road ("**Project Telok Blangah Road**") which is currently under construction and construction work is targeted to be completed during the second half of FY2022.

Barring any unforeseen circumstances, the Group's current focus is to complete the construction of all its residential and hotel projects in its pipelines and strengthening its financial fundamentals thereby ensuring sustainable long-term growth for the Group.

Reference:

(1) Extracted from the URA Website, which was published on 23 July 2021 (https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr21-26).

5. Dividend Information

5a. Current Financial Period Reported on
Any dividend declared/recommended for the current financial period reported?

Yes.

Name of dividend	Final
Dividend type	Cash
Dividend amount per Share	S$0.003 per ordinary share
Number of Shares in Issue (excluding treasury shares)	681,975,469
Total Dividend Amount	S$2,045,926
Tax Rate	Tax-exempt (one-tier tax) dividend

The proposed final tax exempt dividend in respect of FY2021 is subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

5b. Corresponding Period of the Immediate Preceding Financial Year
Any dividend declared/recommended for the corresponding period of the immediately preceding financial year?

No dividend was declared for FY2020.

5c. Date payable

To be announced, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

5. Dividend Information (cont'd)

5d. Books Closure Date

To be announced, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

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

	FY2021 S$'000	FY2020 S$'000
Ordinary	2,046	-
Preference	-	-
Total	**2,046**	**-**

7. Interested Person Transactions

The Group has not obtained a general mandate from shareholders of the Company in respect of any interested person transaction.

There were no interested person transactions above S$100,000 during FY2021.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

9. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

For the six months and full financial year ended 30 June 2021, revenue, capital expenditure, assets and liabilities of the business segments were derived in Singapore. Please refer to paragraph 2 above for detailed explanation of the performance of the Group.

10. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(10) of the Catalist Rules, Global Dragon Limited confirms that apart from Ms Koh Sor Cher, who is the sister of Mr Koh Kian Soo and a director of a principal subsidiary of the Company, there is no other person occupying a managerial position in the Company or its principal subsidiaries that are related to any director or chief executive officer or substantial shareholder of the Company.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Koh Sor Cher	67	Sister of Mr Koh Kian Soo	Director of GDL Land Pte. Ltd., a principal subsidiary of the Company, since 19 June 2018. Ms Koh is in charge of the application of the developer's licence and its compliance requirements.	None

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

11. Additional information required pursuant to Rule 706A of the Catalist Rules

Incorporation of a wholly-owned subsidiary in Singapore

On 22 April 2021, the Company incorporated a wholly-owned subsidiary, GDL Assets Pte. Ltd., with a paid-up capital of S$1,000,000 (funded through internal resources) and principal activities of property development and investment. Please refer to the Company's announcement dated 23 April 2021 for more information on this incorporation.

BY ORDER OF THE BOARD

Mr Koh Kian Soo
Executive Chairman

Mr Tan Chee Wee
Executive Director and Chief Operating Officer

28 August 2021