

GRP LIMITED

(Company Registration No: 197701449C)

(Incorporated in the Republic of Singapore)

MATERIAL DIFFERENCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

The Board of Directors (the “**Board**”) of GRP Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the unaudited full year results announcement for the financial year ended 30 June 2021 (“**FY2021**”) released on 17 August 2021 (“**Unaudited Results**”). Further reference is made to the audited financial statements of the Group for FY2021 (“**Audited Financial Statements**”) contained in the Company’s annual report for FY2021 which will be released via the SGXNET shortly.

Pursuant to Rule 704(6) of the Singapore Exchange Securities Trading Limited, the Company would like to announce that subsequent to the release of the Unaudited Results, certain material adjustments were made to the Unaudited Results.

The material variances for FY2021 between the Audited Financial Statements and the Unaudited Results and the explanation thereon are set out as follows:

1) Consolidated Statement of Comprehensive Income for FY2021

	Audited Financial Statements \$’000	Unaudited Results \$’000	Variance \$’000	Variance %
Other losses	(448)	-	(448)	(100.00)
Loss before income tax expense	(851)	(403)	(448)	(>100.00)
Income tax expenses	(343)	(343)	-	-
Loss from continuing operations	(1,194)	(746)	(448)	(60.05)
Loss from discontinued operations	(525)	(525)	-	-
Loss for the financial year	(1,719)	(1,271)	(448)	(35.25)
Loss per ordinary share from continuing and discontinued operations (cents)	(0.77)	(0.52)	(0.25)	(48.08)
Loss per ordinary share from continuing operations (cents)	(0.66)	(0.41)	(0.25)	(60.98)
Loss per ordinary share from discontinued operations (cents)	(0.11)	(0.11)	-	-

Explanation for the variance:

The Company recognised an additional impairment loss on development properties amounting to S\$0.448 million for FY2021. The development properties comprise the 3 pieces of land in Ipoh, Malaysia.

2) Statement of Financial Position as at 30 June 2021

Group Financial Position

	Audited Financial Statements \$'000	Unaudited Results \$'000	Variance \$'000	Variance %	Note
Current assets					
-Properties held for sale	-	2,956	(2,956)	(100.00)	(A)
-Development properties	3,607	4,052	(445)	(10.98)	(B)
-Development property expenditures	6,370	634	5,736	>100.00	(A)
Non-current assets					
-Right-of-use assets	1,401	557	844	>100.00	(C)
Current liabilities					
-Deferred consideration	2,780	-	2,780	100.00	(A)
-Lease liabilities	720	585	135	23.08	(C)
Non-current liabilities					
-Lease liabilities	711	2	709	>100.00	(C)
Capital and reserves					
-Accumulated losses	(11,264)	(10,816)	(448)	(4.14)	(B)

Explanation for the variance:

(A) The properties owned by Ratus Nautika Sdn Bhd ("**Ratus Nautika**"), an indirect 70%-owned subsidiary, was reclassified from Properties held for sale to Development property expenditures.

In addition, the Group has included S\$2.78 million consideration payable in kind to Lembaga Perumahan Dan Hartanah, Perak ("**LPHP**") as compensation for access right to the land and work previously done on the land under Development property expenditures and Deferred consideration. The consideration will be paid by way of completed commercial and/or residential lots of the project within thirty days from

the date of Certificate of Completion and Compliance for the said lots.

(B) The Group has recognised an additional impairment loss on development properties amounting to S\$0.448 million for FY2021. The development properties comprise the 3 pieces of land in Ipoh, Malaysia.

(C) The Group has recognised additional right-of-use assets and the corresponding lease liabilities of 1 factory for the Hose and Marine Business as at FY2021.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
8 October 2021