Amcorp Global Limited

ANNUAL REPORT 2020

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CORPORATE PROFILE

Amcorp Global Limited

Amcorp Global Limited (formerly known as TEE Land Limited) (the "Company" or "Amcorp Global" and together with its subsidiaries, the "Group") is a regional real estate developer and investor with presence in Singapore, Malaysia, Australia and New Zealand. The Group undertakes residential, commercial and industrial property development projects, as well as invests in income-generating assets such as hotels in Australia and short-term accommodation in New Zealand.

We are an established property developer with a strong track record of delivering quality and well-designed living, commercial and industrial spaces that harmonise societies, businesses and people. Our property development projects are predominantly freehold in tenure and are targeted at buyers who value exclusivity in good locations.

Amcorp Global was incorporated in 2012 and listed on the mainboard of the Singapore Exchange in 2013. It is majority owned by Amcorp Supreme Pte Ltd, which in turn is a wholly-owned subsidiary of Amcorp Group Berhad based in Malaysia.

CHAIRMAN'S LETTER TO SHAREHOLDERS

DEAR SHAREHOLDERS

On behalf of the Board of Directors (the "Board"), I present the Annual Report and Audited Financial Statements of Amcorp Global Limited (the "Company" and together with its subsidiaries, the "Group") for the financial period ended 31 March 2020 ("FP2020").

AN EVENTFUL YEAR

The already soft market conditions due to the various cooling measures introduced were exacerbated by emergence of the COVID-19 pandemic. Along with these conditions, there was a slowdown in economic activities, an escalation of trade disputes, commodity price fluctuations and other uncertainties. The widespread imposition of travel restrictions, lockdown measures and temporary suspension of business operations to curb the spread of the COVID-19 virus has led to a cautious investor and consumer sentiment amidst an outlook of a global recession.

These have an adverse impact on property developers as house buyers and investors are generally more cautious when purchasing such big ticket items due to market uncertainties and concerns over job security. There is pressure on margins as buyers and property agents alike request for higher discounts and commissions. The circuit breaker or the like imposed in various countries, travel restrictions and quarantine measures imposed by the governments would also disrupt the supply chain of building materials and the availability or limitation of workers at construction sites.

> The Group's focus in the coming financial year is to progress on construction activities and to continue the sale momentum of our properties. We will also focus on liquidity and costs management as well as realise our investments.

Sales and leasing of commercial properties such as shop lots and offices face a knock-on effect due to the weakened business sentiment and activities. Our tenants encountered difficulties in meeting rental commitments while demand for new sales or leases have softened significantly. The lower rental yields and increased vacancy would inadvertently affect property values. To this end, the Group had to recognise impairment and fair value loss related mainly to its commercial properties held either through its subsidiaries or through its associates including its office tower in Cyberjaya, Malaysia totalling S$12.9 million.

On a more positive note, all countries are united in fighting this and will implement pump priming measures to kick-start their economies, supported by both fiscal stimulus and accommodative monetary policies.

Er. Dr. Lee Bee Wah
Independent and
Non-Executive Chairman

CHAIRMAN'S LETTER TO SHAREHOLDERS

Governments across the globe have announced various multi-billion-dollar economic aid like wage support schemes, rental reliefs, payment moratoriums, tax relief and subsidies. The Singapore government through the Resilience, Solidarity and Fortitude budgets have also announced various measures including an enhanced job support scheme, property tax rebates and various grants including the recent grants for contractors. Central banks too have intervened timely with interest rate reductions and increased bond buying programmes. All these measures will definitely help to counter the economic disruptions brought about by the COVID-19 pandemic.

In the last twelve months, we have successfully completed two projects, namely our 183 Longhaus and Rezi 35 with the keys handed over to our proud buyers in September 2019 and June 2020 respectively. In the meantime, our two ongoing development projects, namely Lattice One and 35 Gilstead are fully funded and have achieved respectable sales rate.

The Group's focus in the coming financial year is to progress on construction activities and to continue the sale momentum of our properties. We will also focus on liquidity and costs management as well as realise our investments. Given the general economic climate and risk-reward profile, the Group will remain cautious in making any new investments or land acquisitions.

REBRANDING

In February 2020, the Company saw a change in its major shareholder to Amcorp Supreme Pte Ltd ("Amcorp Supreme"), which is a wholly owned subsidiary of Amcorp Group Berhad ("Amcorp Group"). Amcorp Group is an established conglomerate based in Malaysia with interests in financial services, property and renewable energy. I would like to extend a warm welcome to Mr. Soo Kim Wai and Mr. Shahman Azman to the Board and look forward to their contributions in navigating through this unprecedented time. Our panel of bankers is positive on this change and have expressed support for the Group's activities and its new majority shareholder. On 9 April 2020, the Company changed its name to Amcorp Global Limited to reflect the enlarged Group's prominence in the Financial and Property sectors in many key global cities.

Moving forward, to strengthen the Group's financials, we will dispose of non-core investments. We have made some headway having disposed our investment property, Workotel, in New Zealand for NZ$8.4 million (S$7.6 million) and have received the net proceeds of S$2.3 million in early August 2020. We are also in active discussions with parties concerned to finalise the sale of TEE Industrial Pte Ltd which will further improve the cash position of the Group.

35 Gilstead

Lattice One

The Board has recently engaged UOB Kay Hian to advise on the resumption of trading of the Company's shares, which was suspended following the close of mandatory general offer by Amcorp Supreme on 20 March 2020 when the free float of the Company's shares fell below the required 10% free float requirement. Further announcements will be made when there are new developments on this matter.

A NOTE OF THANKS

On behalf of the Board, we would like to extend our sincere thanks to all our stakeholders for your continued support for the Group and will continue to be a socially responsible organisation. Our Sustainability Statement is listed on page 14 of this Annual Report. A word of thanks to Mr. Phua Cher Chew, Dato Paduka Timothy Ong Teck Mong and Mr. Neo Weng Meng, Edwin, who have resigned on 5 March 2020 as directors of the Company to facilitate recomposition of the Board following the change in majority shareholder in February 2020. Last but not least, a sincere appreciation to our teams who continue to maintain the projects in a good state of operational readiness and momentum during this difficult COVID-19 period.

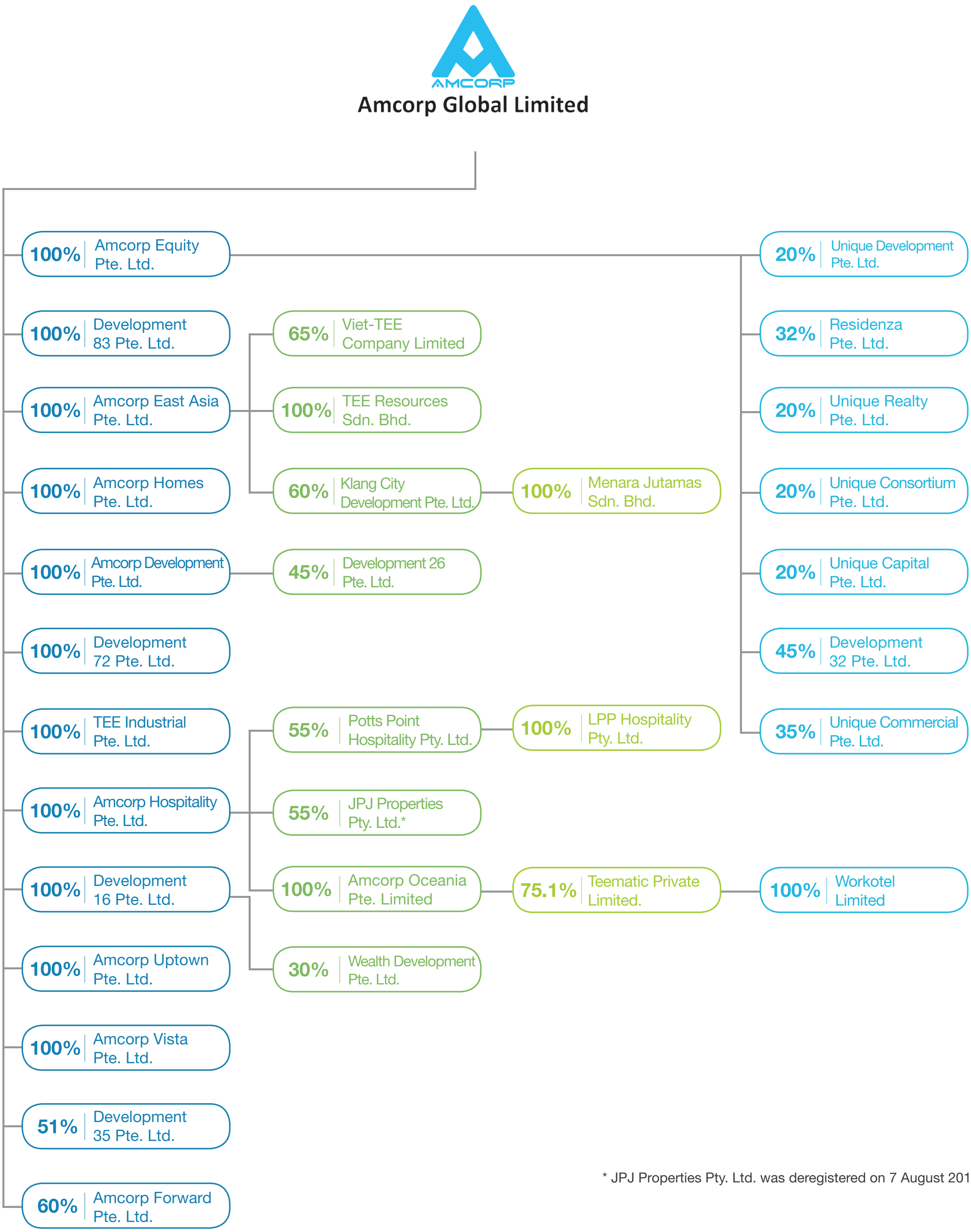
Thank you and stay safe.

Er. Dr. Lee Bee Wah
Independent and Non-Executive Chairman

FINANCIAL HIGHLIGHTS

	2020	2019
FOR THE FINANCIAL PERIOD/YEAR (S$'000)	(10-month)	(12-month)
Revenue	53,337	100,520
Gross profit	10,567	10,441
Loss before interest, tax, depreciation and amortisation (EBITDA)	(15,807)	(9,412)
Loss before tax	(25,767)	(26,154)
Loss for the financial period/year	(28,801)	(25,823)
Loss attributable to owners of the Company	(27,725)	(23,840)
AT YEAR END (S$'000)		
Current assets	280,248	316,567
Total assets	334,083	397,599
Current liabilities	124,721	127,234
Total liabilities	234,267	267,675
Total debt (including lease and loans from non-controlling interests)	195,558	229,393
Equity attributable to owners of the Company	92,836	121,292
Total Equity	99,816	129,924
Numbers of shares (excluding treasury shares) as at 31 March 2020/31 May 2019	446,876	446,876
Net asset value per share (cents)	20.77	27.14

CORPORATE STRUCTURE



* JPJ Properties Pty. Ltd. was deregistered on 7 August 2019.

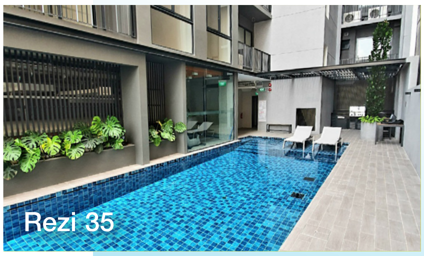
SINGAPORE PROJECTS


35 Gilstead


35 Gilstead

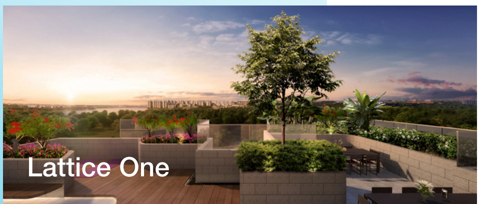

24One Residences


24One Residences


Rezi 35


Rezi 35


Lattice One

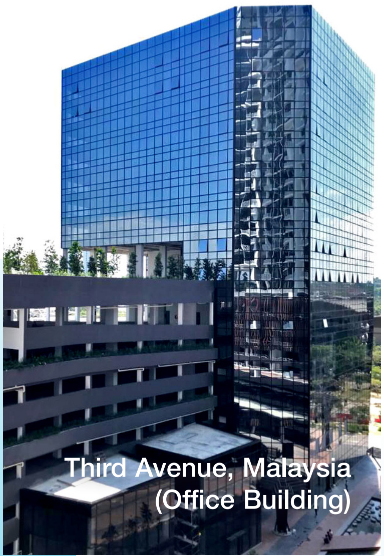

Lattice One

TRIO


183 Longhaus

OVERSEAS PROJECTS
& INVESTMENTS


Third Avenue, Malaysia
(Residences)

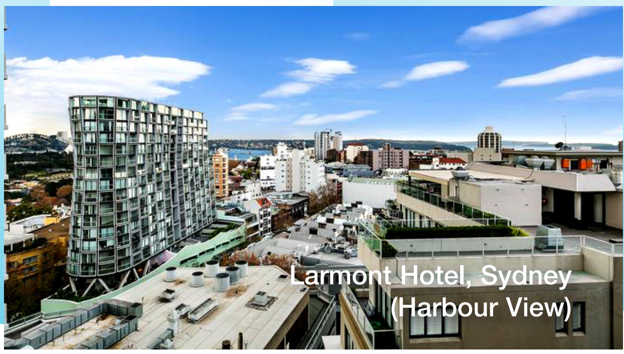

Third Avenue, Malaysia
(Office Building)

Third Avenue, Malaysia
(Retail Shops)


Larmont Hotel, Sydney

Larmont Hotel, Sydney


Larmont Hotel, Sydney


Larmont Hotel, Sydney
(Harbour View)

Workotel, New Zealand

PROJECT AND INVESTMENTS

RESIDENTIAL

SINGAPORE

Name of Property	Location	Land Area (sqm)	Tenure	No. Of Units	Estimated Completion/ TOP Date	Group's Effective Interest
Completed						
31 & 31A Harvey Ave	31 & 31A Harvey Avenue	1,026	Freehold	2	Mar-18	100%
The Peak @ Cairnhill I	51 Cairnhill Circle	978	Freehold	52	Sep-14	100%
Rezi 35	Geylang Lorong 35	1,115	Freehold	44	May-20	51%
24One Residences	241 Pasir Panjang	1,202	Freehold	24	Apr-19	100%
Ongoing						
Lattice One	1 Seraya Crescent	2,477	Freehold	48	2022	100%
35 Gilstead	35 Gilstead Road	3,538	Freehold	70	2022	60%

MIXED DEVELOPMENTS

Name of Property	Location	Land Area (sqm)	Tenure	No. Of Units	Estimated Completion/ TOP Date	Group's Effective Interest
Completed (Singapore)						
183 Longhaus	183 Upper Thomson Road	1,576	Freehold	40 Residential 10 Commercial	Jul-19	100%
Completed (Malaysia)						
Third Avenue	Jalan Teknokrat 3, Cyberjaya, Selangor	24,085	Freehold	701 Residential 31 Commercial 1 Office Building	Oct-18	100%

COMMERCIAL

Name of Property	Location	Land Area (sqm)	Tenure	No. Of Units	Estimated Completion/ TOP Date	Group's Effective Interest
Completed (Singapore)						
Hexacube	160 Changi Road	1,670	Freehold	32 Retail 4 Restaurant 37 Office	Mar-17	30%
TRIO	11 Sam Leong Road	1,149	Freehold	28 Retail 15 Restaurant	Jan-18	35%

INCOME GENERATING

Name of Property	Location	Tenure/No. of Units	Group's Effective Interest
Singapore			
TEE Building	25 Bukit Batok Street 22 (2,600sqm)	30+30 Lease	100%
Overseas			
Workotel	19 Main South Road, Christchurch, New Zealand	104 Units 4 Houses	75.1%
Thistle Guest House	21 Main North Road, Christchurch, New Zealand	10 Rooms	75.1%
Larmont Hotel Sydney	2-14 Kings Cross Road, Potts Point, New South Wales, Australia	103 Rooms	55%

OPERATING AND FINANCIAL REVIEW

OPERATIONS REVIEW

The financial period under review that ended on 31 March 2020 ("FP2020") was a difficult one amidst a challenging macroeconomic environment coupled with existing property cooling measures introduced over the years, curtailing demand for properties in Singapore. In addition, the outbreak of the COVID-19 pandemic further weighed on business confidence and investor and consumer sentiment.

Currently, we have two on-going residential development projects, namely 35 Gilstead and Lattice One which were launched in March 2019 and June 2019 respectively. Despite the soft demand, we achieved a respectable take-up rate for both projects. To provide a further impetus to sales, various marketing schemes including amongst others, interior design and home furnishing vouchers and targeted marketing to surrounding residents have been put in place. During the period when circuit breaker was imposed by the Singapore government and show-flats were mandated to close from 7 April 2020 to 18 June 2020, we continue to record new take up interests for these two projects albeit at a slower rate.

For our completed residential development projects, we sold the remaining bungalow at 31 Harvey Avenue, and one of the two units at The Peak @ Cairnhill 1 ("The Peak"). Over in Malaysia, the residential component of our Third Avenue project is 99% sold with limited retail and SOHO units remaining. We are thus fortunate that we have no development projects completing this financial year and have limited unsold completed residential units.

The unsold inventories mainly relate to those strata commercial units, namely TRIO, Hexacube and Flora Vista, which were developed under our associated companies in Singapore, as well as the commercial component consisting of the retail units in 183 Longhaus and the Third Avenue office tower in Cyberjaya, Malaysia. There were no new sales during FP2020 and securing new tenants would take time given the current retail environment. Nevertheless, we continue to engage multiple agencies to market these commercial units both for sale or lease and to engage with interested buyers.

On the construction front, we completed 183 Longhaus in July 2019, a mixed development where the residential component is fully sold while the commercial component is partly leased. Rezi 35, a 51% owned project which is fully sold, obtained its temporary occupation permit ("TOP") in May 2020. We have since completed the handing over of the 44 units to the buyers. As for 35 Gilstead and Lattice One, construction progress was impacted by the various measures introduced to curb the pandemic and we are now in the midst of resuming construction to bring it up to speed.

Over in Australia, our Larmont Hotel in Sydney had been performing well with occupancy levels at above 80% until March 2020, when occupancy levels plunged on the back of lockdown measures and border closures as well as the financial difficulties faced by one of its major customers, Virgin Australia. Its gradual recovery in the last few months was short-lived when it was again impacted by restriction on inter-state travel as the state of Victoria declared a state of emergency and imposed another lockdown in early August 2020. In mitigation, we have worked with the local management team to reduce operating costs and only has a lean essential workforce currently in place, to scale up when demand from both corporate and leisure travelers return as the COVID-19 situation improves. On a positive note, the Australian government has extended various assistance programs such as business wage subsidies, small business support grants and land tax relief, and our financer supports us with interest and principal deferral.

For our Workotel in New Zealand, it was not affected by the pandemic with occupancy rate holding above 90% due to its customer profile. We have since completed the divestment of Workotel for NZ$8.4 million (S$7.6 million) on 7 August 2020.

FINANCIAL REVIEW

The Group changed its financial year-end from 31 May 2020 to 31 March 2020. This has some impact as comparison is made between the two financial periods, FP2020 being the 10-month financial period from 1 June 2019 to 31 March 2020, and FY2019 being the 12-month financial year from 1 June 2018 to 31 May 2019.

Overall, revenue for the 10-month period decreased by S$47.2 million or 46.9%, with the decrease attributed mainly to lower revenue from sales of development and completed properties. Revenue from ongoing property development projects in FP2020 came mainly from fully sold Rezi 35 (S$23.0 million), 35 Gilstead (S$4.6 million) and Lattice One (S$4.1 million), while sales of completed properties (S$12.1 million) mainly comprised The Peak, 31 Harvey Avenue and a shop unit in Third Avenue. As at 31 March 2020, Rezi 35 was substantially completed as it obtained its TOP in May 2020 while 35 Gilstead and Lattice One were both at the early phases of site preparation and construction.

OPERATING AND FINANCIAL REVIEW

In comparison, revenue from ongoing development projects in FY2019 came mainly from 183 Longhaus (S$19.1 million), 24One Residences (S$18.3 million) and Rezi 35 (S$17.0 million), all of which were fully sold except for the commercial component of 183 Longhaus. For completed development properties, we sold 13 units of The Peak (S$23.2 million), and 53 SOHO and 2 shop units of Third Avenue (S$12.5 million) during FY2019. 24One Residences obtained its TOP in April 2019 while 183 Longhaus obtained its TOP post FY2019 in July 2019.

During FP2020, there were a number of one-off and non-cash items, in part as a result of the current uncertain economic conditions that had negatively impacted the Group's results as follows:

Description	S$'000
• Write down of completed properties held for sale due to the drop in sale value of Third Avenue's office tower and the remaining unit at The Peak	6,927
• Additional buyer's stamp duty for 183 Longhaus	4,680
• Impairment of investment and loans in associates due mainly to drop in valuation of commercial properties	3,618
• Share of loss in associate resulting from fair value loss on investment property	1,476
• Changes in fair value of investment properties attributed to TEE Building, 3 units of Thai condominium and Workotel	1,555
• Reversal of deferred tax assets	2,980
Total adverse impact for FP2020	**21,236**

As a result, the Group recorded a loss after tax of S$28.8 million in FP2020 compared to a loss after tax of S$25.8 million in FY2019.

Total assets decreased by S$63.5 million comparing the financial position as at 31 March 2020 with the positon as at 31 May 2019. One of the reasons for this decrease is the one-off/non-cash items mentioned above which affected our carrying values of investment in associates, investment properties, completed properties held for sale and other assets. The total impact as mentioned is S$21.2 million. The other reasons are the sale and completion of development properties primarily from 183 Longhaus and Rezi 35.

A positive cash flow of S$39.0 million was generated from operating activities in FP2020, mainly from the above mentioned sale of completed properties and development properties, and also collection from receivables which was then utilized for repayment of bank loans and interest of S$37.5 million. A further S$2.0 million of cash flow was generated from investing activities from dividends received, capital and loan repayments from associates. As a result, there was a net increase in cash and cash equivalents of S$1.8 million in FP2020, bringing the total cash and cash equivalents balance as at 31 March 2020 to S$26.9 million.

BOARD OF DIRECTORS

Er. Dr. Lee Bee Wah

Dr. Tan Khee Giap

Mr. Chin Sek Peng

Mr. Soo Kim Wai

Mr. Shahman Azman

ER. DR. LEE BEE WAH

Independent and Non-Executive Chairman

Er. Dr. Lee Bee Wah is a Licensed Professional Engineer who made history at the Institution of Engineers Singapore ("IES") by becoming its first woman President in 2008. She is also the first Singaporean to be awarded Honorary Fellow of the Institution of Structural Engineers in the United Kingdom.

She is an Honorary Fellow Member of IES and a Board Member of the Professional Engineers Board, Singapore from 1999 to 2000 and 2006 to 2017 respectively. She holds a Master of Science (Engineering) from the University of Liverpool, UK and a Bachelor of Civil Engineering from Nanyang Technological University. She was conferred Honorary Doctorate by The University of Liverpool in July 2011.

Er. Dr. Lee is currently the Group Director of Meinhardt (Singapore) Pte. Ltd., a leading global engineering, planning and management consultancy firm headquartered in Singapore. Prior to this, she was the Principal Partner of LBW Consultants LLP before the acquisition by Meinhardt Group.

She was appointed as an Independent Director of Koh Brothers Group Limited on 1 July 2015. She also served as an elected Member of Parliament from 2006 to 2011 in Ang Mo Kio GRC and from 2011 to July 2020 in Nee Soon GRC.

Er. Dr. Lee was President of the Singapore Table Tennis Association ("STTA") from 2008 to 2014. During her tenure, STTA put Singapore on the global sporting map, winning regional and international awards, including medals in the 2008 Beijing Summer Olympics and in the 2012 London Olympics. She is currently Adviser to STTA and Singapore Swimming Association since 2014.

DR. TAN KHEE GIAP

Independent and Non-Executive Director

Dr. Tan Khee Giap is Associate Professor at Lee Kuan Yew School of Public Policy ("LKYSPP"), National University of Singapore ("NUS") and he has been the Chairman of Singapore National Committee for Pacific Economic Cooperation since 2008. Currently, he is also serving on the board of several listed companies and he has also served as a consultant to international agencies and multinational corporations.

Dr. Tan started his career in the banking sector as a treasury manager and served as secretary to the

BOARD OF DIRECTORS

Assets and Liabilities Committee of Overseas Chinese Banking Corporation for three years. He then moved on to teaching at the Department of Economics and Statistics at NUS before joining Nanyang Technological University in 1993, where he was Associate Dean of Graduate Studies Office from January 2007 to October 2009. He was Co-Director of the Asia Competitiveness Institute at LKYSPP, NUS from 2011 to 2020.

Dr. Tan holds a PhD in Economics from the University of East Anglia, United Kingdom.

MR. CHIN SEK PENG

Independent and Non-Executive Director

Mr. Chin Sek Peng is the Managing Partner responsible for managing and running the assurance, advisory, consulting and related professional services of PKF-CAP LLP and its related entities. PKF-CAP LLP is a firm of chartered accountants in Singapore. He is also a Broad member of PKF International, Asia Pacific Region.

Mr. Chin started his accountancy and audit training in Casson Beckman, a medium sized firm of chartered accountants in London. After qualifying as a chartered accountant, he joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, he joined the Institute of Singapore Chartered Accountants (“ISCA”) as the first Practice Review Director, heading, running and regulating the compliance of work standards of all audit practices in Singapore.

In 1999, Mr. Chin joined legacy Arthur Andersen as a partner in its Assurance and Business Advisory Division and in 2002, he left the firm to set up his own audit and consultancy practices together with another partner. He holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom and is a Fellow (Practising) Chartered Accountant of Singapore and a Fellow Member of the Institute of Chartered Accountants in England and Wales.

Mr. Chin also serves as Independent Director mainly in the capacity of Audit Committee Chairman to three other public companies listed on the Singapore Exchange and is a member of the Institute of Internal Auditors of Singapore and the Singapore Institute of Directors. He was a council member of ISCA and the Chairman of the Public Accounting Practice Committee of ISCA until April 2018.

MR. SOO KIM WAI

Non-Independent and Non-Executive Director

Mr. Soo Kim Wai, a Malaysian, was appointed to the Board on 5 March 2020 as Non-Independent and Non-Executive Director.

Mr. Soo is a Member of Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He is also a Fellow of the Certified Practising Accountant, Australia, and the Association of Chartered Certified Accountants, United Kingdom.

Mr. Soo is currently the Group Managing Director of Amcorp Group Berhad. He joined Amcorp Group Berhad in 1989 as Senior Manager, Finance and has since held various positions. He was appointed as a Director of Amcorp Group Berhad on 13 March 1996. Before joining Amcorp Group Berhad, he was in the accounting profession for 5 years with Deloitte KassimChan from 1980 to 1985 and with Plantation Agencies Sdn Bhd from 1985 to 1989.

Apart from Amcorp Group Berhad, his directorships in other public companies include Amcorp Properties Berhad, RCE Capital Berhad, AMMB Holdings Berhad and AmBank (M) Berhad. Amcorp Properties Berhad, RCE Capital Berhad and AMMB Holdings Berhad are listed on the Main Market of Bursa Malaysia Securities Berhad. He also serves as Chairman of AmREIT Managers Sdn Bhd, the Manager of AmFirst Real Estate Investment Trust.

MR. SHAHMAN AZMAN

Non-Independent and Non-Executive Director

Mr. Shahman Azman, a Malaysian, was appointed to the Board on 5 March 2020 as Non-Independent and Non-Executive Director.

After graduating from Chapman University, U.S.A. with a Bachelor of Communications, Mr. Shahman joined Amcorp Group Berhad in 1996. He was subsequently promoted to General Manager spearheading the Corporate Planning and Strategy portfolio. In 2001, he joined MCM Technologies Berhad, a former subsidiary of Amcorp Group Berhad, as General Manager of Corporate Planning and Strategy. His last held position in MCM Technologies Berhad was Chief Investment Officer.

Mr. Shahman later joined RCE Capital Berhad as Director of Corporate Affairs on 1 April 2004 and was promoted to Director of Strategic Business Unit on 1 January 2006.

Apart from Amcorp Group Berhad, his directorship in other public company includes RCE Capital Berhad listed on the Main Market of Bursa Malaysia Securities Berhad. He is currently the Non-Executive Chairman of RCE Capital Berhad and Deputy Group Chief Executive Officer of Amcorp Properties Berhad.

KEY EXECUTIVES

MR. TOH LENG POH, LAWRENCE

Chief Operating Officer

Mr. Toh Leng Poh, Lawrence joined the Group in January 2017. He is responsible for overseeing the performance of the Group's overseas investments and supports the Group Executive Committee in various aspects of operations, including the evaluation and developments of new investments, corporate finance and sustainability reporting.

Mr. Toh brings with him over 20 years of experience in financial management and reporting, audit and operations. Prior to joining the Group, Mr. Toh has held key positions in SGX-ST Mainboard listed companies that are in the business of manufacturing, real estate investments, construction and recycling, as well as in KPMG LLP.

He is a Fellow Member of the Association of Chartered Certified Accountants, Member of the Institute of Singapore Chartered Accountants and Member of the Institute of Internal Auditors. He is also a director to various subsidiaries and associated companies of the Group.

MR. NG TAH WEE, DAVID

Financial Controller and Company Secretary

Mr. Ng Tah Wee, David is our Financial Controller and Company Secretary responsible for the Group's statutory financial accounts, consolidation and financial reporting to the SGX-ST, overall financial and accounting management, and the corporate secretarial function of the Group.

Prior to joining our Group, he was the Financial Controller of China Bearing Ltd from November 2009 to March 2013. From April 2004 to October 2009, he was the Chief Financial Officer of China Auto Electronics Group Ltd. Both China Bearing Ltd and China Auto Electronics Group Ltd were SGX-ST Main Board companies during those respective dates. He was with Ho Bee Group for the period December 1993 to March 2004, serving in one of its subsidiaries, HBM Print Ltd, as Finance and Administrative Manager from December 1993 to March 1997 and Financial Controller from April 1997 to March 2000. He served in another of Ho Bee Group's subsidiaries, Ho Bee Print Pte. Ltd., as Financial Controller from April 2000 to June 2001 and General Manager (Operations) from July 2001 to March 2004. He has over 30 years of experience in audit and accounting work.

Mr. Ng graduated with a Bachelor of Accountancy degree from the National University of Singapore. He is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants.

MR. WONG CHEE MENG, RAYMOND

Project Director

Mr. Wong Chee Meng, Raymond is our Project Director and is responsible for overseeing the property development and management matters of the Group. He has more than 40 years of experience in real estate project and construction management. In the course of his work, he had been involved with managing both local and overseas projects in the USA, China, Hong Kong, Indonesia and Malaysia.

Prior to joining the Group, he was the Assistant Director of Arcadis Project Management Pte Ltd from May 2014 to October 2016.

From September 1988 to December 2013, he was with Wing Tai Property Management Pte Ltd. He was the Assistant General Manager (Projects) from 2007. Mr. Wong first joined Wing Tai as a Senior Project Officer in 1988, and had since held the position of Assistant Project Manager in 1994, Project Manager in 1995, and Senior Project Manager in 1999. He had helped to set up the Project Department in the Malaysia Division (Southern) in year 2005.

Mr. Wong graduated with a Bachelor in Construction Economics (with Distinction) from the Royal Melbourne Institute of Technology, Australia, as well as a Technician Diploma in Building from the Singapore Polytechnic.

He is a Member of the Society of Project Managers, and a Member of the Singapore Institute of Building Ltd. He was also a Member of the "REDAS Design and Build Conditions of Contract" First Edition 2001, and a Member of the "Home Buyer's Guide for Building Quality 2001" published by the Consumer's Association of Singapore.

SUSTAINABILITY REPORT

BOARD STATEMENT

Our commitment to embed sustainability into our business activities and maintain a high standard of sustainability management system governed by internal controls and risk management practices remain one of our top priorities. As an established property developer with a track record of delivering quality and well-designed living and working spaces, Amcorp Global Limited (formerly known as TEE Land Limited) (the "Company" or "Amcorp Global" and together with its subsidiaries, the "Group") remains committed to improve our sustainability performance that influence our business operations and stakeholders' confidence.

The Company established its Sustainability Committee in 2018 to assess and review the performance of the relevant Environmental, Social and Governance ("ESG") material topics on our day-to-day business operations to ensure the long-term value of our sustainability management process. Engagement with our stakeholders continued in 2020 with material topics reviewed.

The Board maintains oversight of the Sustainability Committee as well as approval of all ESG topics as finalised in this 2020 Sustainability Report.

REPORTING PRACTICE AND BOUNDARY

This sustainability report covers our performance and practices for the financial period from 1 June 2019 to 31 March 2020 ("FP2020"). Due to the change in the financial year, this sustainability report will only cover 10 months of data analysis.

The scope of this report includes the Group's subsidiaries and corporate office in Singapore.

Amcorp Global is listed on the Mainboard of Singapore Exchange Securities Trading Limited ("SGX-ST").

The report has been prepared with reference to the GRI standards and SGX guidelines. This sustainability report forms part the Group's Annual Report 2020 and is available at our corporate website www.amcorpglobal.com.

OUR STAKEHOLDERS

Amcorp Global continually engages with its key stakeholder groups. Engaging and addressing the concerns of our stakeholders enable us to strive for continual value creation for all stakeholders.

We continue to adopt a consistent and balanced process for the identification of key stakeholders who are material to our operations, businesses and management. The impact and nature of key stakeholder groups are evaluated using assessment parameters involving quantitative and qualitative matrices. The management has established multiple channels to engage and interact with key stakeholders on an ongoing basis, as well as provide timely and appropriate responses to address their inquiries and concerns.

We are committed to reviewing the relevance and significance of key stakeholders on at least an annual basis.

Stakeholders	Areas of concern	Methods of engagement and frequency
EMPLOYEES	• Corporate direction and growth plans • Job security • Remuneration and benefits • Career development and training opportunities • Workplace health and safety • Work-life balance	**Throughout the year** • Training • Recreational and team-building sessions • Other sports club activities • Annual performance appraisal • Employee events e.g. annual dinner, company outings
SHAREHOLDERS	• Growth and profitability • Risk management • Corporate governance • Sustainable performance and communication • Dividend distribution	**Throughout the year** • Website updates & press releases • Official meetings & site visits • Monthly/Quarterly financial reports • Company website **Annually** • Annual General Meeting • Annual report

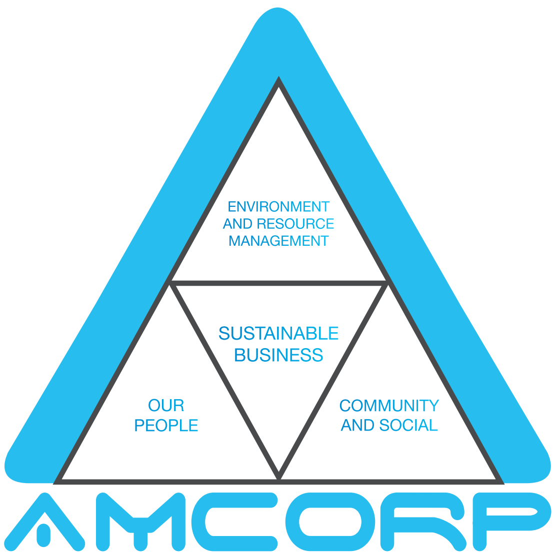
SUSTAINABILITY REPORT

GOVERNMENT AND REGULATORS	• Compliance with laws and regulations • Labour practices • Environment and waste management	**Throughout the year** • Compliance with regulatory requirements • Official meetings and site visits
CUSTOMERS	• Pricing and quality • Workmanship and defect rectification • Design and features • Resource conservation features	**Throughout the year** • Project launches and roadshow • Advertisement and marketing promotions • Feedback session with sales agencies
CONTRACTORS / SUPPLIERS	• Pricing and payment schedules • Compliance with agreed terms	**Throughout the year** • Project meetings and site visits • Tender process

MATERIALITY ANALYSIS AND APPROACH TO SUSTAINABILITY

In FP2020, we held internal stakeholder discussions and reviewed our material topics in order to prioritise and be more focused on key areas in light of the Group's operations and size. Our sustainability commitment and initiatives are based on three key pillars – Environment and Resource Management, Our People and Community and Social. We strive to ensure that these commitments are intrinsic in our approach towards business and our day-to-day operations.

Our internal controls and risk management practices across our value chain guide us in improving our sustainability practices while strengthening our long-term growth. Although our efforts are influenced by project complexity, we are committed to enhance the positive effects of our projects and avoid or mitigate the negative ones. Due to the nature of the construction business which typically is labour intensive and has a large environmental footprint, we have placed a strong focus on health and safety standards as well as environmental management best practices.



Sustainability Focus Areas	Material Topics
Sustainable Business In striving for both economic performance and a sustainable business, our leadership focuses on sound governance, ethical business conduct and a culture of compliance.	• Business Governance • Customer Health and Safety
Environment and Resource Management The Group strives to minimise negative environmental impact by evaluating and improving our processes in resource management and energy conservation.	• Environment and Resource Management • Environmental Compliance
Our People The Group is committed to promote a safe and conducive working environment for our people and encouraging a healthy culture of mutual trust and respect.	• Employee Management • Occupational Health and Safety
Community and Social We understand and appreciate the importance of giving back to the community through our various corporate social responsibility community projects.	• Corporate Social Responsibility

SUSTAINABILITY REPORT

OUR SUSTAINABILITY FOCUS AREAS

SUSTAINABLE BUSINESS

Business Governance GRI 205-3

Good governance is an important foundation for our business to progress seamlessly. Amcorp Global conducts its business in a responsible and transparent manner while upholding high standards of corporate governance. We have established policies to uphold a high standard of ethical business practices.

Our Code of Conduct and Ethics addresses anti-corruption as one of its guidelines for all employees to adhere when conducting business dealings and extends to all third-party vendors such as contractors and other business partners. Our whistle blowing policy protects the interests of the Group by facilitating employees, vendors and all other stakeholders to report any suspected breach of conduct, corruption, conflict of interests, bribery or any other unethical practices that can jeopardise the Group's confidence and reputation. At Amcorp Global, employees are made aware of the Group's code of conduct and established policies. We routinely conduct awareness training if any policies change to keep our employees aligned at all times.

What we have done in FP2020

Besides having in place our Code of Conduct and Ethics and other polices, we have in place an Enterprise Risk Management ("ERM") framework to address the major risk factors of the Group's operations and to ensure the internal controls are working as intended. This framework and the risk register were reviewed twice during FP2020 to align to the changing operating environment and corporate governance requirements.

In FP2020, there have been no reported cases of corruption and we aim to maintain full compliance with applicable laws and regulations relating to business ethics and governance.

Customer Health and Safety GRI 416-2

Amcorp Global is committed to creating comfortable living environment, productive workplaces and enjoyable recreational facilities that embody high standards of quality, functionality and workmanship. Our customers' safety, security and overall well-being are paramount to the Group's success.

Our contractors comply with local regulations and we endeavour to deliver products that meet or exceed customers' expectations. Our approach at each of the development stages - land acquisition, project planning, management, material sourcing and construction to marketing, enables full quality assurance at all stages. Materials purchased go through a procurement process to ensure they are of the required quality and specifications, meet the necessary safety requirements and are befitting of the design and theme. During the construction phase, our project managers or resident engineers are on site to ensure regular quality and safety checks are done, and where needed, take immediate corrective actions to address any issues.

Prior to handover, a joint inspection is performed to ensure that our product meets all the contracted requirements. An inspection with the purchaser and us is carried out during handover to address any concerns that each purchaser may have so that purchaser is assured of our products and services.

What we have done in FP2020

24One Residences and 183 Longhaus achieved TOP in FY2019 and FP2020, respectively, and we successfully handed over the completed units to our buyers. We did not receive any incident of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our products and services.

We will continue to work closely with our contractors to maintain a high standard of quality of our products to ensure full compliance with necessary health and safety regulations and codes.

SUSTAINABILITY REPORT

ENVIRONMENT AND RESOURCE MANAGEMENT

Environment and Resource Management GRI 302-1, GRI 303-1

Protecting our environment is an integral part of Amcorp Global's business. We recognise the impact our business activities and products can have on the environment and strive to preserve the surrounding ecosystems. The Company integrates best environmental practices to ensure that its business is conducted with compliance to environmental regulations, other governing environmental standards and its own environmental practices.

In our commitment to improve environmental footprint, we implement practices to conserve energy consumption and reduce environmental impact on the eco-systems. Our offices have been designed to incorporate energy efficiency practices and energy saving initiatives such as solar panels, LED lights with motion sensors, controlled central air-con and/or maximum natural light and ventilation. The project management team responsible for building developments integrates energy saving practices throughout all stages of the project construction from the time of project development to delivery. We aim to have all our Singapore development projects Building and Construction Authority ("BCA") Green Mark certified.

BCA Green Mark[1] is a green building rating system to evaluate a building for its environmental impact and performance. It provides a comprehensive framework for assessing the overall environmental performance of new and existing buildings to promote sustainable design, construction and operations practices in buildings. Under the assessment framework for new buildings, developers and design teams are encouraged to design and construct green, sustainable buildings which are more climatic responsive, energy effective, resource efficient, smarter and have healthier indoor environments.

Water is a scarce resource and conserving water consumption is highly encouraged at Amcorp Global. We installed sensor taps and put up posters in our offices to promote conscientiousness in our employees on their daily water usage where they can practice in the offices as well as in their own homes. Posters are also put up at project sites to encourage our workers to adopt good water usage practices.

We continuously monitor our environmental impacts and work towards making our development projects more energy efficient. Our conservation efforts and innovative energy-saving initiatives contribute to lower operating costs in the long term.

What we have done in FP2020

Our recently completed project, 183 Longhaus and Rezi 35 are BCA Green Mark certified while on-going projects, Lattice One and 35 Gilstead, have construction and build quality which are aligned towards achieving BCA Green Mark certification upon completion.

Our consumption of energy from the corporate office has remained relatively consistent. Based on the 10-month data for FP2020, our consumption for the period thus far is on par with FY2019. We started monitoring our water consumption in FY2018 for our corporate office. Our 10-month data of water use in FP2020, when normalised to 12-month, has an approximately 6% increase compared to FY2019's figure. This is partially due to an increase in cleaning frequency of our premises during the COVID-19 period. We will continue to monitor the water consumption in our corporate office, and at the same time, seek to analyse the consumption data for our projects to enable us to set the baseline and performance target for our future projects.

[1] https://www.bca.gov.sg/greenmark/green_mark_buildings.html

SUSTAINABILITY REPORT

Energy Consumption at our Corporate Office
(All energy consumed is from non-renewable sources)

	Fuel Consumption (MJ)	Electricity Consumption (MJ)
FY2018	-	506,008
FY2019	-	483,404
FP2020*	-	371,459

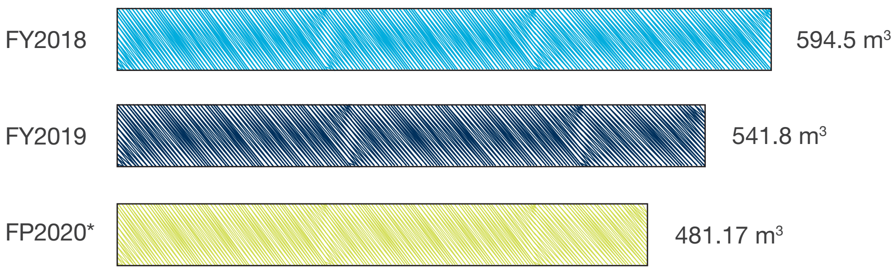
Conversion factors were sourced from Emission Factors for Cross Sector Tools, March 2017.

Greenhouse Gas Emissions at our Corporate Office
(Direct and indirect)

	GHG Emissions (kg CO_2)	
	Scope 1^	Scope 2
FY2018	0	58,922
FY2019	0	56,290
FP2020*	0	43,524

Emission factors are based on EMA Electricity Grid Emission Factor (2018)

Water Consumption at our Corporate Office



Environmental Compliance GRI 307-1

Environmental compliance is the pillar that supports adherence to environmental law, regulations and standards for our business operations. We impose strict environmental standards throughout the business operations and ensure our contractors are ISO 14001 (Environmental Management System) certified and in compliant with the law and regulations.

What we have done in FP2020

We work closely with our contractors so as to improve our environmental management system and practices. Site visits are routinely conducted to ensure our contractors are in compliance with environmental regulations. In addition to the online noise monitoring systems that our contractors have in place, regular housekeeping is conducted to ensure there is no stagnant water which may result in mosquito breeding and earth control measures are also implemented to ensure silt is not washed from exposed earth into the waterways.

We did not incur any significant fines[2] in FP2020 and aim to comply fully with all necessary environmental regulations at all our sites.

[2] Significant fine refers to any fine that is S$5,000 and above.
* The environmental performance for FP2020 covers the financial period from 1 June 2019 to 31 March 2020 ("FP2020"), i.e. 10 months of data.
^ The Scope 1 emissions for FY2018 and FY2019 has been restated to cover only our Corporate Office.

SUSTAINABILITY REPORT

OUR PEOPLE

Employee Management GRI 401-1, GRI 404-1

Amcorp Global values our employees who are essential in contributing to the continued success of the Group. Boosting employee morale is a key factor in employee retention while keeping our employees engaged increases productivity and in turn reduces turnover. Amcorp Global is built upon a cohesive and performance driven work environment and is committed to fair employment practices. We hire on the basis of merit and want to attract and retain people with the right experiences and expertise. The Tripartite Alliance for Fair Employment Practices (TAFEP) and the Ministry of Manpower (MOM) guide us on our working relationship with our employees. Open communication is encouraged between management and employees to understand and address any concerns.

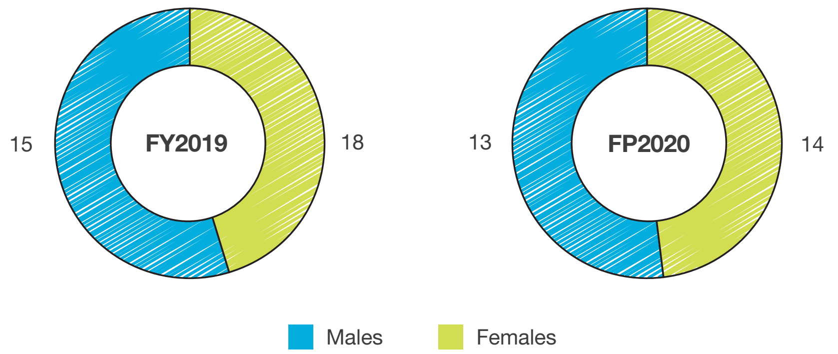
What we have done in FP2020

Our overall headcount as of 31 March 2020 was 27 employees and our turnover rate in FP2020 was 30%, largely attributed to staff who left the company upon completion of the Third Avenue project in Malaysia.

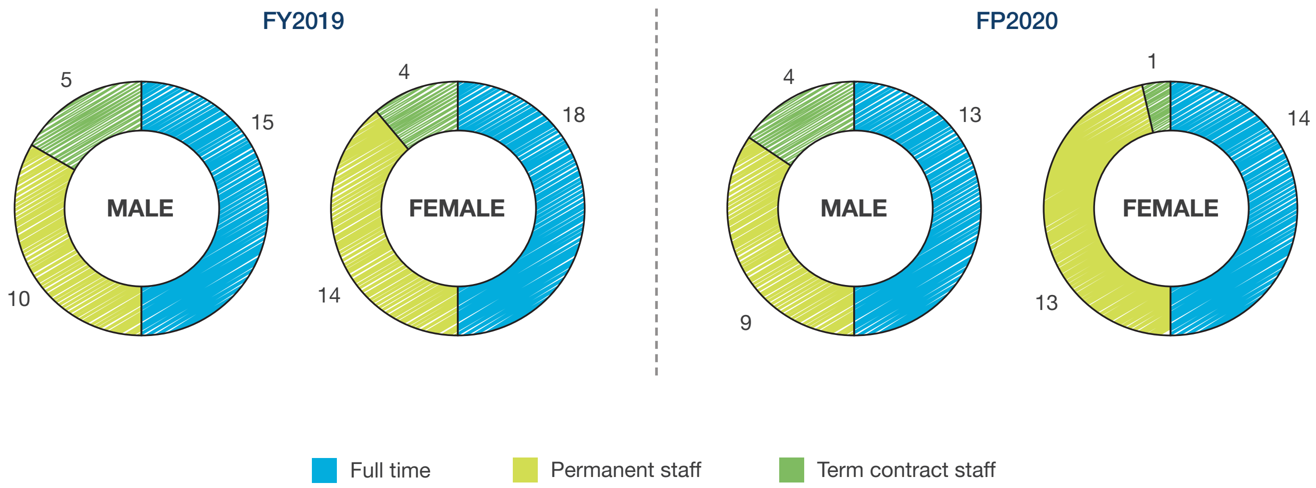
We aim to improve our staff retention rate through continued employee engagement and communication build to better rapport with them and understand their needs and concerns.

Profile of our employees

Total Employees by Gender

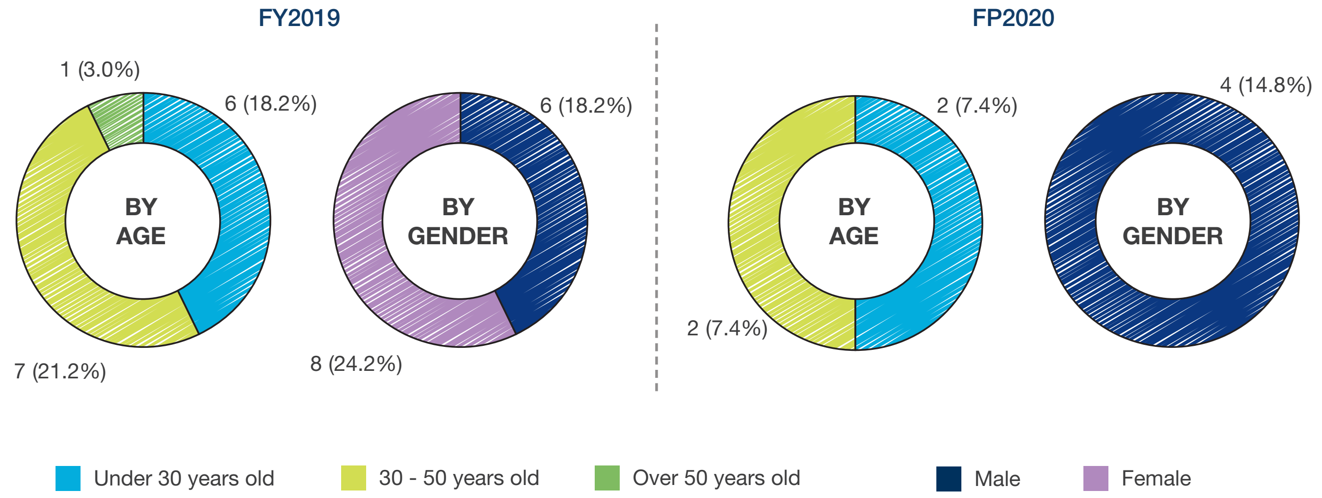


Total Employees by Employment Contract and Gender

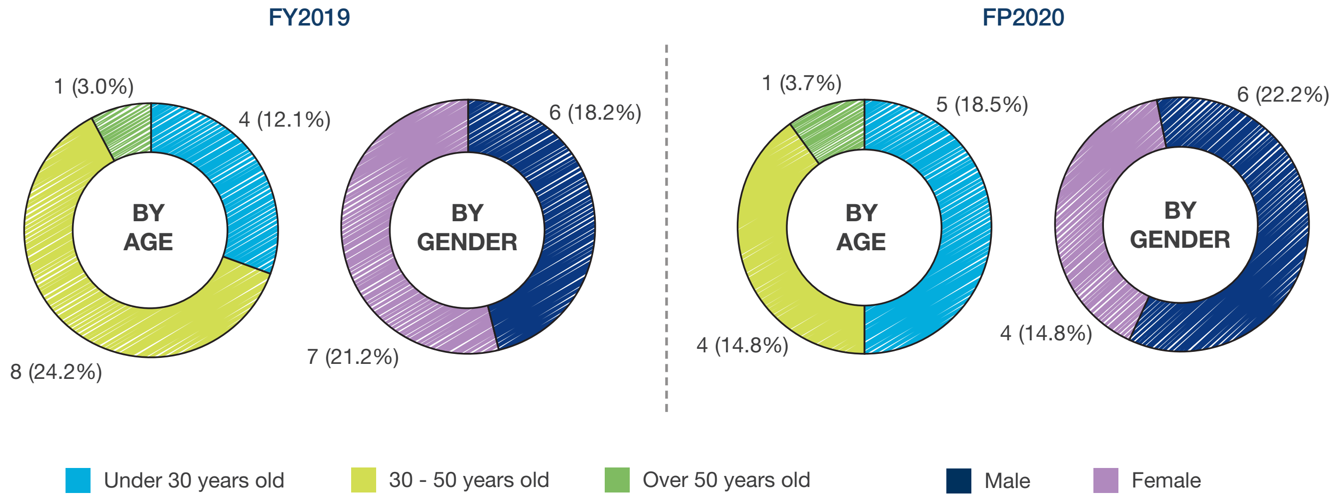


SUSTAINABILITY REPORT

Employee-New Hire



Employee-Turnover



SUSTAINABILITY REPORT

The Company also promotes an active lifestyle to our employees and encourage their participation in various activities.

Our employees took part in the Relay Race and the Corporate National Step Challenge, both held in November 2019

The Tabata Series Workout and Circuit Training conducted for our employees.

Christmas Party held in December 2019 for our employees to get together

Training and Education

Career and learning development are essential tools to raise the productivity of our employees. Providing opportunities for growth and learning will boost their morale, improve performance and in turn reduce turnover while supporting the Group's strategic objectives. Continual employee development is key in aligning employees to be better equipped to contribute positively to changing operating environment. On-going technical training is crucial for our workers at the project sites to ensure safe and compliant operations while keeping in check any operating technical changes and health and safety concerns. We evaluate employees' capability, competency and identify areas of improvement in an open discussion helping to carve out a suitable career route for them while keeping in line with our corporate objectives.

What we have done in FP2020

Based on the 10-month data that we have so far, our employees attended an average of 2.3 hours of training per person in FP2020. However, we are conscious that this is fewer than the 3.8 average hours of training per employee in FY2019. The training that senior management attended covered topics such as SGX Regulatory Symposium, SID Directors Conference 2019, Navigating Through a Financial Fraud Investigation and ACRA-SGX-SID Audit Committee Seminar 2020, amongst others. Managers and non-executive employees also attended Data Analytics and in-house Personal Data Protection training, respectively.

Since our employees started remote working arrangements in April 2020, they have been encouraged to attend online training for self-development. Our staff have enrolled on a variety of webinars and courses to keep abreast of latest regulatory updates as well as to improve their knowledge on topics from finance, efficient design, business operations during COVID-19, board leadership and adapting to new business demands after COVID-19.

We will continue to explore training and development opportunities for our employees to equip them with relevant skills for their positions.

SUSTAINABILITY REPORT

Average Training Hours Per Year Per Employee (Based on Employee Category)

		Average No. of Training Hours Per Employee	
		FY2019	FP2020
By Gender	Males	2.7	2.5
	Females	4.7	2.1
	Total	3.8	2.3
By Employee Category	Senior Management	10.8	6.6
	Management	3.1	3.3
	Executive	1.7	0
	Non-Executive	6.5	1.4
	Site-Operation	0	0

Occupational Health and Safety GRI 403-2

Amcorp Global believes that a safe working environment for its employees and contractors is of the highest priority. We adhere strictly to health and safety requirements and instil a strong work safety culture throughout the Group and encourage commitment to good safety practices. Our contractors, who are OHSAS 18001 or ISO 45001 Occupational Health and Safety Management System certified, provide training in occupational health and safety to their workers at the construction sites. Policies and procedures are in place to help identify safety hazards and promote occupational safety measures at the construction sites. A strong safety working culture ensures uninterrupted operational activities boosting productivity levels and employee morale. We continue to maintain our highest standards of health and safety practices.

What we have done in FP2020

We are pleased to share that in FP2020, there have been no cases of reportable injuries, both for our construction projects and in the office. We aim to create a safe working environment for our people to ensure an accident free environment for all.

COMMUNITY AND SOCIAL

Corporate Social Responsibility

Amcorp Global strives to be a socially responsible company by having a positive impact to the communities in which we operate. In cultivating a spirit of giving back to the society, our employees participated in various charitable activities such as the Catholic Welfare Services 60th Anniversary Celebration Food & Fun Fair at St. Theresa's Home on 30 June 2019 for the benefit of chronically ill and elderly, and supported the event through the sale of the coupons.

Our employees also participated in the National Kidney Foundation ("NKF") Sit-A-Thon on 25 August 2019 to learn more about the dangers of a sedentary lifestyle and how unhealthy dietary choices may increase the risks of developing kidney failure. NKF organised the event to raise awareness of kidney diseases.

Our employees took part in the National Kidney Foundation ("NKF") Sit-A-Thon on 25 August 2019

SUSTAINABILITY REPORT

Responses to COVID-19 Pandemic

We are mindful of how countries and businesses at the national and global scale have been adversely impacted by COVID-19, and we at Amcorp Global, face similar challenges. Our businesses and operations, both local and overseas, have been impacted to varying extents. As the COVID-19 situation continues to evolve, the management will continually review its operating strategies and finances for each of its businesses with a focus on liquidity (working capital) and costs, tap on available government support programmes and ensure compliance to standard operating procedures ("SOPs") introduced to curb the spread of the virus. We will also be socially responsible and endeavour to safeguard our stakeholders' interests.

For customers who are unable to perform their contractual obligations, we have adopted a flexible, fair and consultative approach as we take the view of a long-term relationship. We will also comply with all government mandated relief programmes for our customers, both buyers and tenants.

As COVID-19 has disrupted large parts of the global economy, many countries are adopting safe management measures and many international borders are still closed or restricted. As a result, our contractors face difficulties and delays on material availability as most are sourced from overseas. In addition, any resumption of supply will take time due to backlogs. The inability to procure materials as well as workers will inevitably slow the overall rate of progress on the construction projects. In light of the situation, Amcorp Global still maintains its contractual obligations with its suppliers, consultants and contractors and have not terminated any contracts with any parties due to COVID-19. We are instead working closely with them to step up the resumption of construction activities covering both manpower, materials and safe management measures.

Since the announcement on 3 April 2020 by the Multi-Ministry Taskforce on the closure of workplaces due to COVID-19, remote working arrangements have become the "new norm" and we have arrangements in place to allow employees and directors to connect virtually. All employees have been informed to work from home unless required for specific purposes where working from home is not feasible. Where employees are required to be in the office, face masks and sanitisers are provided and the required safe entry and distancing measures are practice. Employees are only to be in office for the duration needed to complete the tasks and not the full office day. We have not retrenched or furloughed any employees under our care due to the COVID-19 situation.

Our showrooms for our ongoing developments (i.e. Lattice One and 35 Gilstead) were mandated to close from 7 April 2020 until June 2020, and during that period, we worked closely with our property agents to market our developments through virtual means, social media, emails and phone calls. The focus was to continue engaging and keeping potential customers interested and informed on the merits of each project. Once the showrooms were allowed to reopen and the customer able to view the show units, we have managed to close several sales for both projects.

As Singapore exited the circuit breaker safely from 2 June 2020, projects that had halted temporarily required approval from the government before activities could resume. In addition to the strict observance of Safe Management Measures for our developments, construction owners were required to enforce health and safety procedures on their construction sites including, but not limited to, sanitary protocols, proper hygiene, social distancing, use of personal protective equipment (PPE), toolbox talks on special COVID-19 requirements, system (e.g. contract-tracing TraceTogetherapp) to track health status of workers, regular COVID-19 testing, housing workers on the same worksite, and prompt reporting of health issues related to COVID-19 by construction workers. The Group is in the midst of discussion with our contractors, suppliers and authorities on a catch-up programme to minimise any further delays. The BCA has also recently announced construction support packages and grants to assist contractors towards this end.

With the support of our lending financial institutions, we have also managed to ensure required fundings are met or credit lines remain available. Both our ongoing development projects are fully funded as they are manageable in size and have achieved the required number of sales. In Singapore, our existing borrowings for 183 Longhaus was extended while in Australia, our lender has granted relief on repayment of principal and interest in response to the impact of the pandemic on the hotel industry. Various cost cutting measures have been implemented at our 55% owned Larmont Hotel in Sydney in order to minimize cost and expenses to tie us through this period. This business is highly dependent on business and leisure travelers particularly from inter-state in Australia.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Er. Dr. Lee Bee Wah
Independent and Non-Executive Chairman

Dr. Tan Khee Giap
Independent and Non-Executive Director

Mr. Chin Sek Peng
Independent and Non-Executive Director

Mr. Soo Kim Wai
Non-Independent and Non-Executive Director

Mr. Shahman Azman
Non-Independent and Non-Executive Director

AUDIT COMMITTEE

Mr. Chin Sek Peng, Chairman
Er. Dr. Lee Bee Wah
Dr. Tan Khee Giap
Mr. Soo Kim Wai

NOMINATING AND RENUMERATION COMMITTEE

Dr. Tan Khee Giap, Chairman
Mr. Chin Sek Peng
Mr. Shahman Azman

COMPANY SECRETARIES

Mr. Ng Tah Wee, David
Ms. Lai Foon Kuen, ACIS

REGISTERED OFFICE

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Tel: (65) 6899 1428
Fax: (65) 6897 3468
Email: ir.amcorpglobal@amcorpgroup.co
Website: http://www.amcorpglobal.com

SHARE REGISTRAR

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Tel: (65) 6593 4848
Fax: (65) 6593 4847

INDEPENDENT AUDITORS

Baker Tilly TFW LLP
600 North Bridge Road,
#05-01 Parkview Square,
Singapore 188778
Audit Engagement Partner
Mr. Khor Boon Hong
(Appointed with effect from FY2019)

INVESTOR RELATIONS

Tel: (65) 6899 1428
Email: ir.amcorpglobal@amcorpgroup.co

PRINCIPAL BANKERS/FINANCIAL INSTITUTIONS

Hong Leong Finance Limited
United Overseas Bank Limited
Australia and New Zealand Banking Group Limited

CORPORATE GOVERNANCE REPORT

Corporate Governance Practices

The Board of Directors (the "Board") and management of Amcorp Global Limited (formerly known as TEE Land Limited) (the "Company" or "Amcorp Global" and together with its subsidiaries, the "Group") believes that ensuring business and performance sustainability, safeguarding shareholders' interests and maximising long-term shareholders' value entails a firm commitment to high standards of corporate governance.

The Company upholds the highest standards of corporate governance, business integrity and professionalism in all aspects of its business operations, reinforced by the adoption of a set of internal corporate governance guidelines based on the Code of Corporate Governance 2018 (the "Code") in respect of the financial period from 1 June 2019 to 31 March 2020 ("FP2020"). Where there are deviations from the Code, the Board has considered alternative practices adopted by the Company are sufficient to meet the underlying objectives of the Code. Appropriate explanations have been provided in the relevant sections where there are deviations.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with management for the long-term success of the Company and Group.

The Company is headed by its Board comprising professionals from various disciplines and entrusted with the responsibility for the overall management of the Group. The Board is collectively responsible for the long-term success of the Group and works with management to achieve this objective.

Each director brings to the Board skills, experience, insights and sound judgement, alongside strategic networking relationships that would serve to further the interests of the Group. In order to perform the Board's role effectively, all directors are obliged to act in good faith and exercise independent judgement as fiduciaries in the best interests of the Group and shareholders.

The Role of the Board

The Board's primary objectives are to ensure business and performance sustainability, maximise long-term shareholders' value, safeguard shareholders' interests and protect the Group's assets. In its leadership role to guide the Group, the Board's responsibilities, apart from statutory responsibility include:

(1) Providing entrepreneurial leadership and setting strategic directions, which should include appropriate focus on value creation, innovation and sustainability;

(2) Approving the Group's policies, strategies and financial plans;

(3) Ensuring adequate resources encompassing financial and human resources are in place for the Group to meet its strategic objectives;

(4) Overseeing the Group's framework of risk management and internal controls, as well as corporate governance practices, are established and maintained by the Group to effectively monitor and manage risks, and to achieve an appropriate balance between risks and the Group's performance;

(5) Reviewing the Group's financial and management performance, including challenging the management constructively;

(6) Identifying the key stakeholder groups and recognising that their perceptions affect the Group's reputation;

CORPORATE GOVERNANCE REPORT

(7) Instilling an ethical corporate culture and ensuring that the Company's values, standards, policies and practices are consistent with such culture; and

(8) Ensuring transparency and accountability to key stakeholder groups.

Disclosure of Interest [Provision 1.1]

The Board puts in place a code of conduct and ethnics, sets appropriate tone-from-the-top and instills the desired organisational culture.

All directors recognise that they have to discharge their duties and responsibilities in the best interests of the Group. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction, including those identified within the Code and the provision of the Companies Act, Cap. 50 (the "Companies Act") are required to declare the nature of their interests and recuse himself/herself from discussions and abstain from voting in relation to any such resolutions relating to the issues of conflict.

All directors are aware of the requirement stated in the Companies Act, Securities and Futures Act ("SFA") and the Singapore Exchange Securities Trading Limited ("SGX-ST") listing manual ("SGX-ST Listing Manual") including but not limited to timely disclosure of his/her interests in securities, disclosures of interest in transactions involving the Group, prohibition on dealings in the Company's securities during the blackout period and restrictions on the disclosure of price-sensitive information.

Directors' Training and Orientation [Provision 1.2]

When appointing a new director, a formal letter of appointment will be issued setting out the director's duties and obligations. To facilitate an understanding on the Group's business activities, strategic directions and corporate governance policies and practices, appropriate orientation programme and briefings by the management will be given to any new director. The Company notes the requirements under the Code and SGX-ST Listing Manual on the training requirements for directors with no prior experience as directors of an issuer listed on the SGX-ST to undergo the mandatory SGX-ST training. The Company has arranged for Mr. Shahman Azman and Mr. Soo Kim Wai, who were appointed as Non-Independent and Non-Executive Directors on 5 March 2020 and have no prior experience on listed issuers in SGX-ST, to attend the prescribed training conducted by Singapore Institute of Directors ("SID"). They have so far attended the LED 1 – Listed Entity Director Essentials on 13 May 2020 and have enrolled for the remaining trainings during the coming financial year. It is also noted that they have past experience as directors of listed companies listed on Bursa Malaysia which are of similar size and/or industry.

Directors are briefed by management or, if necessary, by the relevant professionals on the changes to regulations, policies and accounting standards. At each Board and/or Board Committee meeting, the directors will receive updates from the management on the business and strategic developments of the Group.

The directors attended training and update sessions at the SID, recognised training institutions and in-house workshops organised by the Company. Types of courses or seminars attended during the year included those covering regulatory updates, financial reporting and audit issues as well as current business related issues.

The Company will facilitate the arrangement and pay for the cost of training for directors.

Matters for Board Approval [Provision 1.3]

Matters requiring Board approval are communicated to management either in writing or documented in minutes of meetings, and include the following:

(1) The review, deliberation and approval of the Group's corporate strategies, annual budgets, major investments, divestments and funding proposals;

CORPORATE GOVERNANCE REPORT

(2) The review of the Group's financial performance, risk management and internal control processes and systems, human resource requirements and corporate governance practices;

(3) Relevant and material announcements to be released to the SGX-ST; and

(4) Declaration of interim dividend and proposal of final dividend.

The Board works closely with the management, which is responsible for the day-to-day operation and administration of the Group, and ensures adherence with the policies and strategies set by the Board.

Delegation of Authority to Board Committees [Provision 1.4]

In order to provide an independent oversight and to discharge the Board's responsibilities more efficiently, the Board has delegated certain functions to its committees (the "Board Committees"), namely:

- Audit Committee ("AC");
- Nominating Committee ("NC")*;
- Remuneration Committee ("RC")*; and
- Group Executive Committee ("EXCO").

* NC and RC were combined into one committee known as the Nominating and Remuneration Committee ("NRC") with effect from 8 July 2020.

These Board Committees have been constituted with clear terms of references setting out their compositions, authorities and duties. To ensure good corporate governance, all Board Committees are regularly engaged in active communications with the Board. Internal guidelines on financial authority and approval guidelines for investments, divestments and other capital investments, amongst others, have been established by the Group.

Below are the compositions of the Board and the Board Committees:

Director	Board	Audit Committee	Nominating Committee*	Remuneration Committee*
Er. Dr. Lee Bee Wah	Independent and Non-Executive Chairman	Member	Chairman	–
Dr. Tan Khee Giap	Independent and Non-Executive Director	Member	–	Chairman
Mr. Chin Sek Peng	Independent and Non-Executive Director	Chairman	Member	Member
Mr. Soo Kim Wai	Non-Independent and Non-Executive Director	Member	–	–
Mr. Shahman Azman	Non-Independent and Non-Executive Director	–	Member	Member

* NC and RC were combined into one committee known as the NRC with effect from 8 July 2020 and Dr. Tan Khee Giap becomes the Chairman of the NRC.

The EXCO, comprising key executives nominated by the Company's majority shareholder, was constituted on 13 March 2020 and it replaced the Strategic Advisory Committee ("SAC") which had since been dissolved and held its last meeting in July 2019. The EXCO meets with the management at least once a month starting from financial year 2021.

CORPORATE GOVERNANCE REPORT

The objectives of the EXCO, amongst others, are to assist the Board in:

(a) Formulating strategic direction and initiatives, so that the Group achieves its objective of delivering long term shareholder value creation;

(b) Providing direction and guidance to management and overseeing management's performance; and

(c) Facilitating decision making by the Board relating to important strategic and major operational issues faced by the Group, by making recommendation and proposal to the Board.

Further information on the authorities and duties of the NRC and AC and a summary of the activities are disclosed under Provision 4, Provision 6 and Provision 10 of this report.

Board and Board Committee Meetings and Directors' Record of Attendance [Provision 1.5, 1.6 and 1.7]

To facilitate full attendance, all Board and Board Committee meetings and the Annual General Meeting ("AGM") are scheduled after consultation with the directors. The Board meets regularly and the Board meetings are held once every quarter during FP2020, apart from ad-hoc meetings that are convened when matters requiring the Board's attention arise. In accordance with the Company's Constitution, meetings could be held via tele-conference, video-conference and/or through the use of any other audio or similar communication means.

Recognising that a complete, adequate, timely and constant flow of information to the Board is vital for the Board to effectively and efficiently fulfil its duties, sufficient lead time is provided to directors to prepare for meetings. All Board and Board Committee meeting papers are disseminated to directors at least three (3) working days in advance of any meeting. Any additional information requested by the directors is promptly furnished. This facilitates meeting discussions that are more productive, with a focus on queries that directors may have.

Background and explanatory information such as facts, resources required, risk analysis and mitigation strategies, financial impact, expected outcomes, conclusions and recommendations are provided in all management proposals that required approval from the Board. Depending on the matter on-hand, employees who can provide additional insights on the issue will be present at the relevant time during the Board and Board Committees meetings.

All directors are provided with the contact details of the Company's management and the Company Secretaries to facilitate direct access to these personnel. Any appointment and removal of the Company Secretary is subject to the approval of the Board. The directors, both as a group and individually, may seek and obtain independent professional advice at the expense of the Company in order to fulfil their duties and responsibilities. This is subject to the approval of the Chairman.

Five formal Board meetings and various Board Committee meetings were held during FP2020. The EXCO, which replaced the now dissolved SAC, holds meeting with the management at least once a month starting from financial year 2021. The attendance of directors at the Board and Board Committee meetings, as well as the frequency of the meetings, are as follows:

CORPORATE GOVERNANCE REPORT

Attendance records of meetings of the Board and Board Committees during FP2020:

Director	Board	Audit Committee	Nominating Committee#	Remuneration Committee#
Er. Dr. Lee Bee Wah	5 of 5	5 of 5	2 of 2	–
Dr. Tan Khee Giap	4 of 5	5 of 5	–	1 of 1
Mr. Chin Sek Peng	5 of 5	5 of 5	2 of 2	1 of 1
Mr. Phua Cher Chew [1]	4 of 5	5 of 5	1 of 2	1 of 1
Dato Paduka Timothy Ong Teck Mong [2]	4 of 5	3 of 5	–	–
Mr. Neo Weng Meng, Edwin [3]	3 of 5	3 of 5	–	–
Mr. Soo Kim Wai [4]	N.A.	N.A.	N.A.	N.A.
Mr. Shahman Azman [5]	N.A.	N.A.	N.A.	N.A.
Mr. Lim Teck Chai, Danny [6]	1 of 1	1 of 1	–	1 of 1

1 Mr. Phua Cher Chew resigned as an Executive Director of the Company on 5 March 2020 and as the CEO of the Company on 3 August 2020. He was not a member of the AC and RC but was invited to attend the meetings.

2 Dato Paduka Timothy Ong Teck Mong resigned as a Non-Executive Director of the Company on 5 March 2020. He was not a member of the AC but was invited to attend the meetings.

3 Mr. Neo Weng Meng, Edwin resigned as a Non-Executive Director of the Company on 5 March 2020. He was not a member of the AC but was invited to attend the meetings.

4 Mr. Soo Kim Wai was appointed as a Non-Executive Director on 5 March 2020.

5 Mr. Shahman Azman was appointed as Non-Executive Director on 5 March 2020.

6 Mr. Lim Teck Chai, Danny resigned as an Independent and Non-Executive Director on 23 August 2019.

The NC and RC have been combined into one committee known as NRC with effect from 8 July 2020.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Board Composition [Provision 2.2 and 2.3]

There are five directors on the Board, of whom three are independent and non-executive directors, and two are non-independent and non-executive directors. Independent directors make up a majority of the Board and non-executive directors make up to 100% of the Board.

The composition of the Board as at the date of this report is as follows:

Er. Dr. Lee Bee Wah, Independent and Non-Executive Chairman
Dr. Tan Khee Giap, Independent and Non-Executive Director
Mr. Chin Sek Peng, Michael, Independent and Non-Executive Director
Mr. Soo Kim Wai, Non-Independent and Non-Executive Director
Mr. Shahman Azman, Non-Independent and Non-Executive Director

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Board Independence [Provision 2.1]

As stipulated in the Code, independent director is one who is independent in conduct, character and judgement, and has no relation with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors' independent business judgement in the best interest of the company.

A review of each director's independence is conducted annually by the NRC. In determining independence, the NRC takes into consideration whether a director has business relationships with the Company or any of its related companies, and if applicable, whether such relationships could interfere or be reasonably perceived to interfere, with the exercise of the director's independent judgement in acting in the best interests of the Group.

Based on the review of the confirmation of independence submitted by the independent directors of the Company, and taking into consideration SGX-ST Listing Rule 210(5)(d) where the independent directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past three financial years and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is or was determined by the NRC, the NRC was of the view that each independent director of the Company is independent.

None of the independent directors of the Company has served on the Board beyond nine years from the date of first appointment. None of the independent directors of the Company are directly associated with a substantial shareholder of the Company in the current or immediate past financial year.

Board Composition [Provision 2.4 and 2.5]

The NRC reviews the size and composition of the Board, each Board Committee and the skills and core competencies of its Board members to ensure an appropriate balance and diversity of skills and experience, taking into consideration the scope and nature of the operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to composition of the Board and Board Committees. Core competencies that are taken into consideration include banking, finance, accounting, business and management experience, real estate related industry knowledge, familiarity with regulatory and compliance requirements and knowledge of risk management.

The Board comprises entirely of non-executive directors with independent directors forming the majority of the Board, which provides a strong independent element allowing objective judgement to be exercised with no individual or group of individuals dominating the Board's decision-making process. In addition, the composition of Board comprises a female independent director, who is the Chairman of the Board, and directors of varying ethnic and age groups possessing varied skills, core competencies and experience, all of whom together will enable the Board to make objective and holistic decisions on the corporate affairs of the Group through robust and balanced discussions that will support the long term success of the Group.

Although the Company does not have a Board Diversity Policy and has deviated from Provision 2.4, the Board's existing composition provides a good level of independence and diversity to enable it to make decisions in the best interest of the Group. The NRC had interviewed and assessed the experience and skills of the two newly appointed non-independent and non-executive directors. Arising from the change in the major shareholder and the significant changes to the Board this year, the NRC will continue to assess on an annual basis the diversity of the Board taking into consideration the scope and nature of the operations as well as the evolving operating environment of the Group. The Company practices non-discrimination in any form whether based on age, gender or ethnicity throughout the organization and this includes the selection of Board members. The Board recognises the challenges in achieving the right balance of diversity on the Board. The Board also believes that while it is important to promote diversity, the normal selection criteria of a director, based on effective blend of competencies, skills, experience and knowledge in areas identified by the Board should remain a priority and all appointments to the Board should be made on merits so as not to compromise on effectiveness in carrying out the Board's functions and duties. The Board believes that the practices adopted above are consistent to the intent of Provision 2 of the Code.

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Independent directors and non-executive directors actively participate in constructive discussions with the management to develop strategic plans and conduct management performance and operational reviews. Non-executive directors meet periodically without the presence of management in meetings with the internal and external auditors at least annually and on such occasions as maybe required, and the chairman of such meetings provide feedback to the Board and/or Chairman as appropriate.

Collectively, the NRC is of the view that the current Board and Board Committees are at appropriate size and possess professional expertise in the relevant fields such as real estate, engineering, finance and economics, which are necessary to facilitate effective decision-making to meet the needs and demands of the Group's businesses.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

Chairman and CEO [Provision 3.1]

Er. Dr. Lee Bee Wah is the Independent Director and Non-Executive Chairman of the Company who is not part of the management team while Mr. Phua Cher Chew was the CEO of the Company in FP2020. The Chairman and the CEO are not immediate family members.

Roles and Responsibilities of Chairman and CEO [Provision 3.2]

As Chairman, Er. Dr. Lee Bee Wah takes on the responsibilities of leading the Board to ensure its effectiveness on all aspects of its role, overseeing the execution of the Board's decisions and strategic direction and ensuring high standards of corporate governance. She approves Board's meeting agenda and ensures that sufficient time is allocated for comprehensive discussion of each agenda item. To facilitate and promote effective and meaningful contributions by the directors, she advocates an open environment for debate and free speech. She also regulates the quality and quantity of information, as well as the timeliness of information flow between the Board and the management. On the whole, she provides oversight, guidance and advice to the management team. The management is responsible for the overall executive functions of the Group.

The Chairman and the Board set the strategic directions and makes key decisions in the best interest of the Group. The management, with the guidance of the EXCO, executes the Board's decisions and is responsible for managing and developing the Group's businesses and overseeing the Group's day-to-day operations.

At AGM and other shareholders' meetings, the Chairman chairs the meetings while ensuring effective and constructive dialogue between shareholders, the Board and management.

Lead Independent Director [Provision 3.3]

Provision 3.3 provides that the Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent.

Our Chairman and a majority of the Board members are independent. The roles of the Chairman and management are separate to ensure a clear distinction of responsibilities, increased accountability and greater capacity of the Board for independent decision-making. Through a consensus of the Board, a division of responsibilities and functions between the two roles has been established. Since it has been established that the above does not apply to the Company, the Board has determined that there is no requirement to appoint a Lead Independent Director.

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Principle 4: Board Membership and Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remunerations.

Nominating Committee [Provision 4.1 and 4.2] and Remuneration Committee [Provision 6.1, 6.2 and 6.4]

The NC and the RC have been combined into one committee known as the NRC with effect from 8 July 2020. By combining the committees, NRC's evaluation of candidates would be more balanced, as any evaluation of candidates and their attributes such as skills, knowledge and expertise, together with their remuneration package can be recommended to the Board for consideration as a whole. The NRC shall assume the roles and responsibilities of both the NC and RC.

The NRC comprises three directors, two of which, including its Chairman, Dr. Tan Khee Giap, are independent directors and all members are non-executive directors. As at the date of this Annual Report, the members of the NRC are as follows:

Independent and Non-Executive Directors

Dr. Tan Khee Giap (Chairman)
Mr. Chin Sek Peng (Member)

Non-Independent and Non-Executive Director

Mr. Shahman Azman (Member)

The NRC's key responsibilities include making recommendations to the Board on all Board appointments and re-appointments while ensuring a formal and transparent process, assessing the effectiveness of the Board and Board Committees, affirming the independence of directors annually and reviewing the Board size and composition, amongst others. The NRC is also responsible for ensuring that the process of developing the executive remuneration policy and determining individual director's and Chief/Deputy Chief Executive remuneration packages are carried out in a formal and transparent manner.

Subject to the Board's endorsement, the NRC recommends to the Board a framework of remuneration and terms of employment covering all aspects of remuneration, including directors' fees, salaries, allowances, bonuses, grant of shares and share options, and benefits in kind. In addition, specific remuneration packages for each director, Chief/Deputy Chief Executive and employees related to directors or substantial shareholders of the Group (if any) are deliberated on before the Board endorses it.

If the need arises, the NRC will seek expert advice internally and externally on remuneration of the directors. Remuneration consultants have not been engaged by the Company during FP2020 to advise on the remuneration of the directors.

During FP2020, the NC and the RC had carried out its duties within its terms of reference.

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The terms of reference of NRC are guided by, *inter alia*, the following:

(1) Recommend the appointment and re-appointment of directors;

(2) Review the Board's structure, size and composition on a regular basis and make recommendations to the Board on any adjustments that are deemed necessary;

(3) Perform an annual review on the independence of each director, and ensure that independent directors constitute at least one-third of the Board. In relation to a director's independence, the NRC will conduct a particularly rigorous review of any director who has served on the Board beyond nine years from the date of first appointment;

(4) Establish and implement the performance evaluation process for the Board, Board Committees and individual directors, and propose objective performance criteria to assess their effectiveness, as well as review the annual assessment of the effectiveness of the Board and Board Committees;

(5) Decide, when a director has other public-listed company board representations and/or principal commitments, whether the director is able to and has been adequately carrying out his or her duties as director of the Company. Guidelines will be adopted to address the competing time commitments that are faced when directors serve on multiple boards;

(6) Review the performance of the CEO/Deputy CEO;

(7) Review the succession plans for the Board, in particular, the Chairman and for the CEO, including their appointments and/or replacements;

(8) Review the training and professional development plans of Board members;

(9) Review and approve any employment of persons related to directors and/or substantial shareholders and the proposed terms of their employment;

(10) Formulate or review the remuneration policy and remuneration of the Chairman, Board members and CEO/Deputy CEO, to be aligned with their responsibilities and contributions, including any compensation payable on termination of employment/service contract, and to review for changes to the policy, as necessary, and recommend the same to the Board for approval;

(11) Develop or review the executive remuneration policy and practices; and

(12) Perform such other functions as the Board may determine.

Termination of Contracts of Service [Provision 6.3]

The NRC reviews the employment terms of the Chief Executive to ensure that they contain fair and reasonable termination clauses which are not overly onerous and do not reward poor performance.

Review of Directors' Independence [Provision 4.4]

The NRC undertakes the role of reviewing the independence status of the Directors which was described under Principle 2 above. The independence of each director is reviewed prior to the appointment and thereafter, annually with reference to the principles and provisions set out in the Code and the SGX-ST Listing Manual.

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In the most recently held NRC meeting in July 2020, the NRC reviewed the independence of all independent directors and taking account the respective independent directors' self-declarations and their performance on the Board and Board Committees. The NRC is satisfied that Er. Dr. Lee Bee Wah, Dr. Tan Khee Giap and Mr. Chin Sek Peng are independent and free from any of relationships stated in the above relevant regulations.

As of the date of this Annual Report, there is no independent director who has served for an aggregate period of nine or more years from the date of his or her first appointment.

Selection and Appointment of Directors [Provision 4.3]

The NRC has in place a formal procedure for making recommendations to the Board on the selection and appointment of directors. The NRC, in consultation with the Board and management as appropriate, determines the qualification, skill set, competence and expertise required or expected of a new Board member, taking into account the size, structure, composition, and progressive renewal of the Board, as well as the nature and size of the Group's operations.

In identifying suitable candidates, recommendations from Board members, business associates, advisors, professional bodies and other industry players are reviewed by the NRC. The NRC may also use services of external advisers or sources such as third-party search firm and SID to facilitate a search for a suitable candidate.

The NRC will review the curriculum vitae and other particulars/information of the shortlisted and/or nominated candidates. The NRC, in evaluating the suitability of the candidates, will take into account his/her qualifications, business and related experience and ability to contribute effectively to the Board process. The NRC will also determine if the candidate is able to commit time to his/her appointment having regard to his/her other Board appointments, and if he/she is independent. The evaluation process will involve interview(s) or meeting(s) with the candidates. Appropriate background and confidential searches will also be made. Recommendations of the NRC are then put to the Board for consideration. The Board will review the recommendations and approve the appointment as appropriate.

In accordance with Rule 720(5) of the SGX-ST Listing Manual, all directors, including the Chairman of the Board, are required to subject themselves for re-election at least once every three years. Pursuant to Regulation 89 of the Company's Constitution, one-third of the directors shall retire from office by rotation at each AGM. In addition, any newly appointed director is required to submit himself or herself for re-election at the AGM following his or her appointment pursuant to Regulation 88 of the Company's Constitution.

The NRC has recommended the re-appointment of, Er. Dr. Lee Bee Wah who will be retiring by rotation pursuant to Regulation 89 of the Company's Constitution at the forthcoming AGM as well as Mr. Soo Kim Wai and Mr. Shahman Azman who will be retiring in accordance to Regulation 88 of the Constitution. These three retiring directors have offered themselves for re-election as directors of the Company.

After assessing their contributions and performance, the Board has accepted the NRC's recommendations.

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Additional information on directors recommended for re-appointment are as follows:

Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
Date of Appointment	15 May 2013	5 March 2020	5 March 2020
Date of last re-appointment (if applicable)	29 September 2017	N.A.	N.A.
Age	59	59	45
Country of principal residence	Singapore	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Er. Dr. Lee Bee Wah as the Independent and Non-Executive Chairman was recommended by the NRC and the Board has accepted the recommendation, after taking into consideration Er. Dr. Lee Bee Wah's qualifications, expertise, past experiences and overall contribution since she was appointed as the Chairman of the Company.	The re-election of Mr. Soo Kim Wai as the Non-Independent and Non-Executive Director was recommended by the NRC and the Board has accepted the recommendation, after taking into consideration Mr. Soo Kim Wai's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Shahman Azman as the Non-Independent and Non-Executive Director was recommended by the NRC and the Board has accepted the recommendation, after taking into consideration Mr. Shahman Azman's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent and Non-Executive Chairman of the Board Member of Audit Committee	Member of Audit Committee	Member of Nominating and Remuneration Committee

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
Professional qualifications	Honorary Doctorate by the University of Liverpool Master of Science (Engineering) from the University of Liverpool, UK Bachelor of Civil Engineering from Nanyang Technology University Licensed Professional Engineer of the Institution of Engineers Singapore Honorary Fellow of the Institution of Structural Engineers in the United Kingdom	Member of the Malaysian Institute of Certified Public Accountants since 27 July 1985 (Quadruple exam medal winner) Member of the Malaysian Institute of Accountants (Chartered Accountant) since 27 November 1987 Fellow of the Certified Practising Accountant, Australia Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom	Bachelor of Communications, Chapman University, USA
Working experience and occupation(s) during the past 10 years	Er. Dr. Lee is the Group Director of Meinhardt (Singapore) Pte. Ltd.. Prior to this, she was the Principal Partner of LBW Consultants LLP before the acquisition by Meinhardt Group. She served as an elected Member of Parliament from 2006 2011 in Ang Mo Kio GRC and from 2011 to July 2020 in Nee Soon GRC.	Mr. Soo is currently the Group Managing Director of Amcorp Group Berhad ("AmGroup"). He joined AmGroup in 1989 as Senior Manager, Finance and has since held various positions before he was promoted to his current appointment. He was appointed as a Director of AmGroup on 13 March 1996. Before joining AmGroup, he was in the accounting profession for 5 years with Deloitte KassimChan from 1980 to 1985 with Plantation Agencies Sdn Bhd from 1985 to 1989.	After graduating from Chapman University, U.S.A. with a Bachelor of Communications, Mr. Shahman joined Amcorp Group Berhad ("AmGroup") in 1996. He was subsequently promoted to General Manager spearheading the Corporate Planning and Strategy portfolio. In 2001, he joined MCM Technologies Berhad, a former listed subsidiary of AmGroup, as General Manager of Corporate Planning and Strategy. His last held position in MCM Technologies Berhad was Chief Investment Officer.

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
			Mr. Shahman later joined RCE Capital Berhad as Director of Corporate Affairs on 1 April 2004 and was promoted to Director of Strategic Business Unit on 1 January 2006. He is currently the Non-Executive Chairman of RCE Capital Berhad and Deputy Group Chief Executive Officer of Amcorp Properties Berhad.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None	Mr. Shahman Azman is the son of Tan Sri Azman Hashim, who is the controlling shareholder of Clear Goal Sdn. Bhd.
Conflict of interest (including any competing business)	None	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer (Yes/No)	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)	Group Director of Meinhardt (Singapore) Pte. Ltd.	Group Managing Director of Amcorp Group Berhad	Non-Executive Chairman of RCE Capital Berhad Deputy Group Chief Executive Officer of Amcorp Properties Berhad

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
Past (for the last 5 years)	Served as an elected Member of Parliament from 2006 2011 in Ang Mo Kio GRC and from 2011 to July 2020 in Nee Soon GRC.	1. ECM Libra Financial Group Berhad 2. Amcorp Auto Sdn Bhd 3. British Malaysian Chamber of Commerce Berhad 4. Mezzanine Equity Fund Limited	1. Amcorp Properties Berhad (Listed on Bursa Malaysia) 2. RCE Equity Sdn Bhd 3. RCE Sales Sdn Bhd 4. Effusion.Com Sdn Bhd 5. RCE Commerce Sdn Bhd 6. RCE Trading Sdn Bhd 7. RCE Factoring Sdn Bhd 8. RCE Advance Sdn Bhd 9. Distrepark Global Limited
Present	1. Group Director of Meinhardt (Singapore) Pte. Ltd 2. Director of Koh Brothers Group Limited	Please refer to the SGX-ST announcement dated 5 March 2020 for the full list of present directorships held by Mr. Soo Kim Wai.	Please refer to the SGX-ST announcement dated 5 March 2020 for the full list of present directorships held by Mr. Shahman Azman.
The general statutory disclosures of the Directors are as follows:			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

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Name of Director	Er. Dr. Lee Bee Wah	Mr. Soo Kim Wai	Mr. Shahman Azman
Disclosure applicable to the appointment of Directors only.			
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This relates to the re-appointment of Director.	Nil. The Company has arranged for Mr. Soo Kim Wai to attend the prescribed training conducted by Singapore Institute of Directors ("SID"). He has so far attended the LED 1 – Listed Entity Director Essentials on 13 May 2020 and have enrolled for the remaining trainings during the coming financial year. It is also noted that Mr. Soo have past experience as directors of listed companies listed on Bursa Malaysia which are of similar size and/or industry.	Nil. The The Company has arranged for Mr. Shahman Azman to attend the prescribed training conducted by Singapore Institute of Directors ("SID"). He has so far attended the LED 1 – Listed Entity Director Essentials on 13 May 2020 and have enrolled for the remaining trainings during the coming financial year. It is also noted that Mr. Shahman have past experience as directors of listed companies listed on Bursa Malaysia which are of similar size and/or industry.

Commitments of Directors [Provision 4.5]

The maximum number of Board representations as determined by the NRC and concurred by the Board for each director should not exceed six (6) public-listed companies. With increasing demands on a director's role, this limit has been imposed to ensure that each director allocates sufficient time and attention to perform his/her role adequately as a director of the Company. Any additional directorship beyond the recommended number shall be reviewed by the NRC to determine if that director is able to and has been carrying out his/her duties adequately as a director of the Company.

Based on the review by the NRC, the Board is of the view that the Board and its Board Committees operate effectively, with each director contributing to the overall effectiveness of the Board. Despite the multiple directorships of few directors, the NRC was satisfied that such directors spent adequate time on the Company's affairs and have carried out their responsibilities and duties as a director of the Company.

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Key information on the directors, with regards to academic and professional qualifications, Board Committees served on (as a member or chairman), date of first appointment as a director, date of last re-appointment as a director, directorships or chairmanships both present and those held over the preceding three years in other listed companies, and other principal commitments, can be found in the Board of Directors section of the annual report and the table below:

Name of Director	Appointment	Date of Initial Appointment	Date of Last Appointment	Past & Present Directorships in the Last Three (3) Years in Other Listed Companies
Er. Dr. Lee Bee Wah	Independent and Non-Executive Chairman	15 May 2013	29 September 2017	Present • Koh Brothers Group Limited
Dr. Tan Khee Giap	Independent and Non-Executive Director	15 May 2013	25 September 2018	Present • Boustead Singapore Limited • Lian Beng Group Limited Past • Breadtalk Group Limited • Chengdu Rural Commercial Bank Co. Ltd. • Boustead Projects Limited • Artivision Technologies Limited • Forterra Real Estate Pte. Ltd. (Trustee-Manager for Forterra Trust)
Mr. Chin Sek Peng	Independent and Non-Executive Director	15 May 2013	30 September 2019	Present • Sunpower Group Ltd • Cortina Holdings Limited • Sitra Holdings (International) Limited
Mr. Soo Kim Wai	Non-Independent and Non-Executive Director	5 March 2020	N.A.	Present • Amcorp Properties Berhad • AMMB Holdings Berhad • RCE Capital Berhad • AmFirst Real Estate Investment Trust
Mr. Shahman Azman	Non-Independent and Non-Executive Director	5 March 2020	N.A.	Present • RCE Capital Berhad Past • Amcorp Properties Berhad

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Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Criteria for Performance Evaluation [Provision 5.1]

Objective and stringent performance evaluation criteria and evaluation procedures for evaluating and assessing the effectiveness and performance of the Board and Board Committees have been agreed upon by the NRC and approved by the Board. The evaluation criteria include comparisons with industry peers and ensuring the Board stays focused on enhancing long-term shareholders' value. Review for a change in the criteria occur only when circumstances deem it necessary and are subject to the approval of the Board.

Process for Accessing Board Performance [Provision 5.2]

Formal processes for assessing the Board's effectiveness as a whole and contribution from each of the respective Board Committees, namely the NRC and AC, have been agreed upon by the Board. Collective assessment of the members of the Board and Board Committees occurs annually.

Performance evaluations for the Board and respective Board Committees were carried out for FP2020 in the most recently held NRC meeting in July 2020, in which a questionnaire was used to facilitate the performance evaluation exercise. In evaluating the effectiveness of the Board, the NRC has considered factors relating to individual directors such as the principal commitment of the directors including the number of public-listed company board representations that each of them has, the attendance to-date at Board and Board Committee meetings, as well as the professional experience and expertise of the directors. The performance evaluation questionnaire once completed will be returned to the Company Secretary who will collate the results and present the results and recommendations to the Board. No external facilitator was engaged by the Board for FP2020. The NRC has discussed the results and observations of this exercise and shared the findings with the Board.

The NRC has determined that given the background, expertise, level of participation and contribution made by respective Directors, it would not be necessary for Directors to conduct the assessment on individual directors for the time being. In addition, the effectiveness of the Board as a whole is attributed to the collective contributions of all directors.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration Structure of Executive Director and Key Management Personnel [Provision 7.1, 8.1 and 8.3]

The remuneration framework that is adopted by the Group is based on the performance of the Group, business units, and individual employees, taking into account prevailing market conditions. The NRC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate. In designing the compensation structure, the NRC strikes a balance between short term versus long term compensation and between cash versus equity incentive compensation. The complete remuneration mix available comprises three main components – annual fixed cash, annual performance-related variable component and an equity component comprising the Employee Share Option Scheme ("ESOS") and Performance Share Plan ("PSP").

The ESOS and PSP are administered by the NRC as the long-term incentive component of the remuneration structure. These equity-related components of remuneration link rewards to the Group's performance. Thus far, no ESOS or PSP has been granted to any employees.

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Remuneration of Non-Executive Directors [Provision 7.2, 7.3 and 8.3]

A fixed fee has been recommended by the Board for the effort, time spent and responsibilities for each of the independent directors and non-executive directors. With higher level of responsibility, the respective chairmen of the Board and its Board Committees are remunerated with higher directors' fees. The Board believes that the current remuneration of the independent directors is at a level that will not compromise the independence of the directors. No director was involved in the fixing of his or her own remuneration. Mr. Soo Kim Wai and Mr. Shahman Azman have declined to receive any directors' fees for FP2020 and financial year 2021 in light of the recent performance of the Group.

Similar to the previous year, the Company will seek shareholders' approval at the AGM to pay the directors' fees on a current year basis. On this basis, the Company will pay directors' fees on a quarterly basis in arrears. The NRC had recommended to the Board an amount of S$180,000/- as directors' fees for the financial year 2021 and the Board will table this recommendation at the forthcoming AGM for shareholders' approval.

Directors based overseas are reimbursed for out-of-pocket travelling and accommodation expenses in Singapore.

In the most recently held NRC meeting in July 2020, the NRC met to discuss the remuneration matters and recorded its decision by way of minutes. Discretion and independent judgement were exercised in ensuring that the compensation structure aligns with shareholders' interests and promotes long-term success of the Group while discouraging behaviours contrary to the Group's risk profile. The Board is also of the view that the current remuneration structure of the Group is appropriate to attract, retain and motivate directors to provide good stewardship to the Group and management to successfully manage the Group's businesses for the long term.

Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

Directors and CEO's Remuneration [Provision 8.1]

While the Code recommends that companies fully disclose the amount and breakdown of remuneration for each individual director and the CEO on a named basis, the Board has reviewed and decided not to fully disclose the remuneration of the Company's directors and CEO due to the competitive labour market and sensitive nature of such information. The Board has deviated from complying with Provision 8.1 of the Code and has instead disclosed the remuneration in bands as follows:

Remuneration Bands and Name of Director of the Company	Directors' Fees [1] %	Attendance Fees %	Salaries [2] %	Bonuses [2] %
S$250,000 to below S$500,000				
Mr. Phua Cher Chew [3]	2.6%	2.1%	81.9%	13.4%
Below S$100,000				
Er. Dr. Lee Bee Wah	91.8%	8.2%	–	–
Dr. Tan Khee Giap	89.1%	10.9%	–	–
Mr. Chin Sek Peng	90.3%	9.7%	–	–
Dato Paduka Timothy Ong Teck Mong [4]	88.4%	11.6%	–	–
Mr. Neo Weng Meng, Edwin [5]	87.3%	12.7%	–	–
Mr. Soo Kim Wai [6]	–	–	–	–
Mr. Shahman Azman [7]	–	–	–	–
Mr. Lim Teck Chai, Danny [8]	84.0%	16.0%	–	–

CORPORATE GOVERNANCE REPORT

1 The directors' fees for FP2020.

2 The salaries and bonuses shown are inclusive of Singapore Central Provident Fund contributions.

3 Mr. Phua Cher Chew has resigned as an Executive Director of the Company on 5 March 2020 and as CEO of the Company on 3 August 2020.

4 Dato Paduka Timothy Ong Teck Mong resigned as a Non-Executive Director of the Company on 5 March 2020.

5 Mr. Neo Weng Meng, Edwin resigned as a Non-Executive Director of the Company on 5 March 2020.

6 Mr. Soo Kim Wai was appointed as a Non-Executive Director on 5 March 2020.

7 Mr. Shahman Azman was appointed as Non-Executive Director on 5 March 2020.

8 Mr. Lim Teck Chai, Danny resigned as an Independent and Non-Executive Director on 23 August 2019.

The total directors' fees for FP2020, which was approved at the AGM held on 30 September 2019, amounted to S$342,000 while the actual payout was S$204,000.

Remuneration of Key Management Personnel [Provision 8.1]

The level and mix of remuneration of the key management personnel (who are not directors or CEO) for FP2020 are set out in the table below.

Remuneration Band	Salaries [1] %	Bonuses [1] %
S$100,000 to below S$250,000		
3 Key Management Personnel	92.7%	7.3%
Total Remuneration	S$479,130	

1 The salaries (including attendance fees at Board and/or Board Committees' meetings) and bonuses shown are inclusive of Singapore Central Provident Fund Contributions.

Taking into consideration the highly competitive business environment, the nature of the industry, and the confidentiality of the Group's remuneration policies, the Board is of the view that providing full disclosure of the remuneration of each key management personnel is not in the best interests of the Group and may adversely affect talent attraction and retention. During FP2020, the Group had only three (3) key management personnel other than the CEO, namely Mr. Ng Tah Wee, David, Mr. Toh Leng Poh, Lawrence and Mr. Wong Chee Meng, Raymond.

While the practice is a variation from Provision 8.1 of the Code, the Board is of the view that such non-disclosure will not be prejudicial to the interests of shareholders and is consistent with Principle 8 of the Code as the information provided regarding the remuneration policies of directors and key management personnel is sufficient to enable shareholders to understand the link between remuneration paid to the directors and three key management personnel (who are not also directors or CEO) and their performance.

Remuneration of Employees Related to Directors or Substantial Shareholders [Provision 8.2]

No employee of the Company and its subsidiaries was a substantial shareholder of the Company, or immediate family members of a director or a substantial shareholder and whose remuneration exceeded S$100,000/- during FP2020. Immediate family member refers to the spouse, child, adopted child, step-child, brother, sister and parent.

CORPORATE GOVERNANCE REPORT

Forms of Remuneration and Other Payments and Benefits Paid to Directors and Key Management Personnel [Provision 8.3]

The remuneration structure for the executive director/CEO and key management personnel consists of the following components:

Fixed Component

Fixed pay comprises of base salary which is determined based on the individual's responsibilities, competencies and experience.

Variable Component

Variable component refers to the performance bonus which closely links rewards to the achievement of organizational and individual targets. The performance bonus is structured to support the Group's business strategy and shareholder value creation through the delivery of corporate targets, namely, financial outcomes, business initiatives, operational efficiency and leadership.

Employee Share Schemes

Employee share schemes are in place to reward the contributions and continued dedication of our employees and non-executive directors. The PSP is a share-based incentive which complements the ESOS to form an integral part of our incentive compensation programme. These two complementary programmes provide greater flexibility in structuring market competitive compensation packages of eligible participants and additional incentive for motivating and retaining employees.

While the ESOS grants options, the PSP is designed to reward employees with fully-paid shares, or the equivalent in cash or a combination of both, at the sole discretion of the Company. Awards granted under the PSP will only vest upon the fulfilment of prescribed service conditions, as may be decided by the Company at the relevant point in time and/or according to the extent to which employees achieve their performance targets over specific performance periods, as determined by the NRC which administers the programme. Performance targets are set based on medium-term corporate objectives encompassing market competitiveness, quality of returns, business growth and productivity growth.

The PSP primarily targets executives in key positions who are able to drive the growth of the Group through their creativity and innovation, and perform above expectations. During the PSP awards selection process, the NRC will take into account the compensation and/or benefits to be given to the participants under any concurrent share scheme implemented by the Company. The number of new shares to be issued under the PSP and ESOS programmes is capped at the existing maximum limit of 15% of the Company's total issued share capital (excluding treasury shares).

The ESOS, if awarded, will provide eligible employees with an opportunity to participate in the equity of our Company that serves to motivate better staff performance through increased dedication and loyalty.

As of 31 March 2020, no option has been granted under the ESOS and no shares have been awarded under the PSP.

Central Provident Fund

This component refers of statutory contributions to the Singapore Central Provident Fund, in line with local legislative requirements. It is not directly linked to performance.

CORPORATE GOVERNANCE REPORT

Benefits

Benefits provided are comparable with market practice and these include medical, flexible benefits, car allowance, handphone allowance and group insurances. Eligibility for these benefits is dependent on individual job grade and scheme of service.

The employment contracts of the CEO and key management personnel do not contain any special or exceptional clauses providing for additional compensation payments in the event of termination. During FP2020, Mr. Phua Cher Chew, the CEO, has resigned as executive director on 5 March 2020 and as the CEO of the Company on 3 August 2020. No termination, retirement and post-employment benefits have been granted to the CEO.

ACCOUNTABILTY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures the Management maintains a sound system of risk management and internal controls to safeguard the interests of the Company and its shareholders.

Enterprise Risk Management [Provision 9.1]

The Group has in place an Enterprise Risk Management ("ERM") Framework, which was established since FY2014, to facilitate the Board's assessment on the adequacy and effectiveness of the Group's risk management and internal controls systems. The framework sets out the governing policies, processes and systems pertaining to each key risk area of the Group. The adequacy and effectiveness of the Group's risk management and internal controls systems in managing these key risk areas are assessed on a regular basis to take into account the ever-changing business and operating environments as well as evolving corporate governance requirements.

Identified risks affecting the attainment of business objectives and financial performance of the Group over the short to medium term are summarised in the Group Risks Register and rated in accordance with their likelihood and consequential impact to the Group. These identified risks are managed and mitigated through counter measures.

The ERM Framework expands on existing internal controls, resulting in a stronger and more extensive focus on the broad spectrum of enterprise risk management. The ERM Framework incorporates the internal control systems within it. This enables us to leverage on the ERM Framework to satisfy internal control needs and to move towards a more comprehensive risk management process.

The ERM system is an integral part of the Group's business and operations management process. At least once a year, the Board receives reports from the management for review pertaining to the Group's risk profile, evaluated results and counter measures to mitigate or transfer identified potential risks so as to assure that the process is operating effectively as desired. Such review exercises ensure the continued relevancy of the ERM and internal control systems in place.

Taking into account the Group's business operations as well as ERM Framework and existing internal controls system, the Board is of the view that a separate Board risk committee is currently not necessary. Instead, the oversight of the ERM Framework and policies is incorporated as part of the functions of the AC.

CORPORATE GOVERNANCE REPORT

The Group's material risks can be broadly classified as follows:

Business/Operational Risks

These relate mainly to changes in market trends and economic conditions, the impact of which is amplified by the current outbreak of COVID-19 pandemic that has severely disrupted global economic activities due to lockdowns restricting movements and travel which resulted in temporary closure of businesses. The COVID-19 pandemic has affected the demand and supply dynamics for sale and/or leasing of the Group's Singapore residential and commercial properties, as well as the progress of construction activities due to supply chain constraints surrounding the supply of materials and workers due to closure of international borders and safe management measures imposed by the authorities, respectively. In overcoming these risks, our appointed marketing agencies have turned to online platforms to engage with prospective buyers on the sale of our projects during the "circuit breaker" ("CB") period, until recently when viewings at showflats are permitted on appointment basis. For construction, the project team has kept the consultants and contractors engaged focusing on restarting construction as the CB requirements are gradually eased. The restart of construction activities is expected to pick up gradually as the market is experiencing shortage of workers and materials supply.

The business activities of the Group's Larmont hotel located in Sydney, Australia, is also adversely affected by COVID-19. During this period, management works closely with the local team to curtail operating costs, defer all non-essential capital expenditures and have a lean essential workforce in place to minimise cost which can be scaled up when occupancy improves. Focus now is on ensuring that the hotel engages with and recapture potential corporate and individual clients once inter-state flights pick up and international travel is allowed.

For Malaysia, we are continuing to work on selling any remaining inventory of the completed Third Avenue project's residential and shop units as well as the entire office tower block. A drop in pricing is evident as demand continues to be weak due to the oversupply situation. Similarly, a lack of tenants and low rentals have affected the selling price of commercial properties. Whereas for New Zealand, operations are generally not affected and we have completed the divestment of the Workotel assets as announced in the SGX-ST's SGXNet broadcast network ("SGXNet") on 28 May 2020 and 13 July 2020.

Operating strategies will be refined as and when market situation changes.

Compliance Risks

Compliance with local laws and government policies or regulations in various geographical locations and markets are monitored on a continual basis by the management, and reported to the EXCO and/or Board if material and warrants their attention. The Board is also responsible for ensuring compliance with legislative and regulatory requirements, including requirements under the SGX-ST Listing Manual. In line with the SGX-ST Listing Rules, the Board provides a negative assurance statement to the shareholders in its half year results announcements confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect. In addition, the Company completes and submits compliance checklists to SGX-ST (if applicable and when required) to ensure that all announcements, annual report, appendixes, circulars or letters to shareholders comply with the requirements set out in the SGX-ST Listing Manual. The Group also adheres to the safe management measures or the like imposed by the authorities of the host countries in which the Group has operations.

Management presents to the Board the Group's half year and full year results, prospects and any other ad-hoc material matters (as and when requested) to enable the Board to discharge its duties and responsibilities. When there are major developments in the Group's businesses, Board members may arrange to visit the subsidiaries' offices and project sites to obtain updates and to gain a better understanding of the Group's latest business developments and operating situations. In this respect, the management provides the Board with a balanced and understandable assessment of the Group's performance, position and prospects on a regular basis.

CORPORATE GOVERNANCE REPORT

Financial Risks

Some of the financial risks such as liquidity risks, credit risks, foreign exchange risks, and interest rate risks are set out in the notes to the financial statements and are monitored by the management on a continual basis. The Group is also mindful not to breach bank covenants. Generally, the Group is conservative in its financial dealings and does not engage in speculative instruments or investments that would expose the Group to unnecessary financial risks.

At the back of the current COVID-19 pandemic situation, the Group actively reviews the operational strategies and finances for each of its businesses with a focus on liquidity (working capital) and costs, and tap on available government support programmes. The Group has two development projects under construction which are fully funded. We have received strong support from our financiers who have continued to make available or extend their credit lines for our projects. In view of the current economic conditions, weak sentiments and incoming supply of properties, we have adopted a cautious and careful approach towards any potential new investments.

Assurance from CEO and Financial Controller/Key Management Personnel [Provision 9.2]

The Board has received assurance from the CEO and Financial Controller ("FC") that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances. The Board also received assurance from the CEO and key management personnel that the Group's risk management and internal controls systems are adequate and operating effectively.

Based on the ERM Framework and the internal controls established and maintained by the Company, work performed by the internal and external auditors, reviews performed by the management, various Board Committees and the Board, and the above assurance from the CEO, FC and key management personnel, the Board, with the concurrence of the AC, is of the opinion that Company's risk management and internal controls systems are adequate and effective in addressing the key financial, operational, compliance and information technology risks during FP2020.

AUDIT COMMITTEE

Principle 10: Audit Committee

The Board has an Audit Committee which discharges its duties objectively.

Audit Committee Composition [Provision 10.2, 10.3]

The Board has established an Audit Committee to assist the Board in discharging its corporate governance responsibilities. The Audit Committee currently comprises four non-executive directors, namely:

Independent and Non-Executive Director

Mr. Chin Sek Peng (Chairman)
Er. Dr. Lee Bee Wah (Member)
Dr. Tan Khee Giap (Member)

Non-Independent and Non-Executive Director

Mr. Soo Kim Wai (Member)

All of the AC members are non-executive and the majority of whom (i.e. three out of four), including the AC Chairman are independent.

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Both Mr. Chin Sek Peng and Mr. Soo Kim Wai are members of national accounting bodies such as the Institute of Singapore Chartered Accountants and Malaysian Institute of Accountants, respectively, and have the necessary financial management and accounting knowledge and experience. Additionally, Mr. Chin is also a practising Singapore Chartered Accountant and a Public Accountant. Er. Dr. Lee Bee Wah and Dr. Tan Khee Giap have practical experience and knowledge on issues concerning the committee from serving on the audit committee of other public-listed companies listed on the SGX-ST. Thus, at least two members including the Chairman of the AC have sufficient accounting and related financial management expertise. The Board is of the view that all the AC members are suitably qualified to discharge the AC's responsibilities.

The AC does not comprise former partners or directors of the Company's existing auditing firm or audit corporation (i.e. Baker Tilly TFW LLP): (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation, and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Terms of Reference of Audit Committee [Provision 10.1, Provision 10.5]

During FP2020, the AC has carried out its duties within its terms of reference.

The terms of reference of the AC is guided by, inter alia, the following:

(1) Review significant financial reporting issues and judgements to ensure integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;

(2) Review with the internal and external auditors on their audit plans, their evaluation of the system of internal controls, their audit reports and their management letters and management's responses;

(3) Review and report to the Board at least annually the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and information technology controls;

(4) Review at least annually the adequacy, effectiveness, independence, scope and results of the Group's external audit and internal audit function, including ensuring it is staffed with persons with the relevant qualifications and experience;

(5) Make recommendations to the Board on proposals to shareholders on the appointment, re-appointment, resignation and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors, as well as reviewing their independence and objectivity;

(6) Review interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;

(7) Review the assurance from the CEO and the Chief Financial Officer/Financial Controller on the financial records and financial statements; and

(8) Review the policy and arrangements by which staff of the Group and any other persons may in confidence and safely raise concerns about possible improprieties in financial reporting or any other matters, and conduct an independent investigation of such matters for appropriate follow-up action pursuant to the Group's whistle-blowing programme.

During FP2020, the AC held periodic meetings to review the integrity of financial information including the relevance and consistency of the accounting principles adopted, after which the financial results and corresponding SGXNet announcements are recommended to the Board for approval. The AC also met with the external and internal auditors separately without the presence of the management, at least annually.

CORPORATE GOVERNANCE REPORT

The AC also reviews the adequacy and effectiveness of Group's internal controls system – including financial, operational, compliance and information technology controls and risk management policies - and regulatory compliance through discussions with management and the auditors.

The AC has full access to, and the cooperation of, management and full discretion to invite any director or officer to attend meetings. The AC has adequate resources, including access to external consultants and auditors, to enable it to discharge its responsibilities properly. In addition, the AC reviews the adequacy and effectiveness of the Group's internal audit function, which includes ensuring it is staffed with persons with the relevant qualifications and experience at least annually.

In the review of the financial statements for FP2020, the AC held discussions with management and external auditors on the accounting principles that were applied and their judgement of items that may affect the integrity of the financial statements. Recommendation for the release of the full-year financial statements was made to the Board following the AC's review and discussions.

The AC also reviews the scope of work of the internal and external auditors to ensure that they are adequate in addressing the key risks of the Group. All audit findings and recommendations from the internal and external auditors are provided to the AC for discussion at AC meetings. The cost effectiveness of the audit, as well as the independence and objectivity of the external auditors are being reviewed too. The nature, extent and costs of non-audit services provided by the external auditors are taken into account to strike a balance in maintaining the objectivity of the external auditors.

Interested person transactions ("IPTs") are reported by the management to the AC periodically in accordance with the Group's review guidelines on IPT.

The AC also recommends to the Board on matters relating to the external auditors, covering appointment, re-appointment, removal, remuneration and terms of engagement. The re-appointment of the external auditors is subject to shareholders' approval at the Company's AGM.

CORPORATE GOVERNANCE REPORT

For FP2020, the external auditors have included in their auditors' report three key audit matters ("KAM") which they considered as significant to be mentioned in their report including the audit procedures that they have carried out to address these KAMs. The AC noted that these three KAM were raised in prior financial year and were considered important matters by the external auditors as significant management judgement and estimates are involved. The AC sets out below its responses to the KAM in the table below.

Key Audit Matters Involving Significant Judgement and Estimate	Matters Considered	Comments by the AC
Recognition of revenue from sales of development properties	The Group is in the business of constructing and developing residential and commercial properties. As disclosed in Note 4 to the financial statements, revenue from sales of development properties amounted to approximately $46 million, which represented around 86% of the Group's revenue for the financial period from 1 June 2019 to 31 March 2020. As disclosed in Notes 2(b) and 3 to the financial statements, the Group recognises revenue either at a point in time or over time, depending on the contractual terms. Revenue from sales of development properties is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations. The determination of the estimated total construction and other costs to be incurred require significant management judgement and estimates, which may have an impact on the amounts of revenue and profits recognised during the financial period.	The AC is satisfied with the amount of revenue recognised from sale of development properties using the input method based on the following work performed: i. Reviewed the audit procedures carried out by the external auditors; ii. Raised questions and discussed with the external auditors on any significant matters noted in its audit; and iii. Discussed with management on areas of judgement and estimates in making reasonable determination of the stage of completion of the contract using the input method to recognise revenue from sale of development properties.

CORPORATE GOVERNANCE REPORT

Key Audit Matters Involving Significant Judgement and Estimate	Matters Considered	Comments by the AC
Valuation of development properties and completed properties and land held for sale	As at 31 March 2020, the Group has a portfolio of development properties comprising residential properties in Singapore, with a net carrying value of approximately $132 million. The Group also has completed properties in Singapore and Malaysia and freehold land held for sale in Vietnam with a total net carrying value of around $54 million, net of write-down of about $9 million as at 31 March 2020. As disclosed in Notes 3, 15 and 16 to the financial statements, the development properties and completed properties and land held for sale (collectively "properties") are stated at the lower of cost and net realisable value. The determination of the net realisable values of these properties are dependent upon the management's estimates of future demand and selling prices of these properties. Management performs cost analysis for each property, taking into account the costs incurred to date, the development status, estimated costs to complete each property, the prevailing property market conditions, estimated future demand and selling prices of completed properties and land held for sale. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties. At the reporting date, management compares the carrying amounts of the properties to the estimated net realisable values to determine whether a write-down is required for those properties with slower-than-expected sales or with low or negative margins. Changes to these estimates can have a significant impact to the financial statements.	The AC is satisfied that development projects are stated at the lower of cost and net realisable value in accordance with the requirements of the Singapore Financial Reporting Standards (International) based on the following work performed: i. Reviewed audit procedures performed by the external auditors; ii. Made enquiries of and discussed with the external auditors on any significant issues arising from its work that should be communicated to the AC; iii. Discussed with management; and iv. Reviewed the valuers' reports including the valuation methods used, and key assumptions made, as well as the competency, capability and objectivity of the valuers, where available.

CORPORATE GOVERNANCE REPORT

Key Audit Matters Involving Significant Judgement and Estimate	Matters Considered	Comments by the AC
	The COVID-19 pandemic has resulted in significant economic uncertainty in the current and future economic environment and there is heightened uncertainty inherent in estimating the impact of the pandemic on future selling prices of the properties. Due to this pandemic, selling prices may drop and thus may impact the net realisable values of these properties.	
Impairment review of hotel property and valuation of investment properties	As at 31 March 2020, the Group has (i) a hotel property in Australia with a carrying value of about $35 million which is recorded in property, plant and equipment (Note 20) and (ii) investment properties comprising freehold properties in New Zealand and Thailand, with a total carrying value of approximately $8 million (Note 21). As disclosed in Notes 2(g), 2(i) and 3 to the financial statements, the Group's property, plant and equipment comprises a hotel property which is carried at cost less accumulated depreciation and is subject to an annual review to assess whether or not there is any indication that those assets have suffered an impairment loss. Arising from the drop in occupancy rate caused by COVID-19 pandemic, management has carried out an independent valuation of the hotel property to assess if there is any impairment loss. Based on the valuation, no impairment loss was recognised during the financial period.	The AC is satisfied that (1) there is no impairment loss required to be recognised for the hotel property during the financial period ended 31 March 2020 and (2) the investment properties have been properly accounted for using the fair value model based on the following work performed: i. Reviewed audit procedures performed by the external auditors; ii. Made enquiries of and discussed with the external auditors on any significant issues arising from its work that should be communicated to the AC; iii. Discussed with management; and iv. Reviewed the valuers' reports including the valuation methods used, and key assumptions made, as well as the competency, capability and objectivity of the valuers.

CORPORATE GOVERNANCE REPORT

Key Audit Matters Involving Significant Judgement and Estimate	Matters Considered	Comments by the AC
	As disclosed in Notes 2(h), 3 and 21 to the financial statements, the investment properties are stated at fair values, determined based on valuations carried out by valuers. In determining the fair values of the investment properties, the valuers have used valuation techniques which involves assumptions and significant unobservable inputs which are disclosed in Note 21 to the financial statements. The fair value loss on investment properties recognised during the financial period amounted to approximately $1.6 million (Note 6). The valuers have indicated in their valuation reports that the real estate market is being impacted by the uncertainty that the COVID-19 pandemic has caused, that the values assessed may change significantly and unexpectedly over a relatively short period of time, including as a result of general market movements or factors specific to the particular property. These uncertainties may affect the fair values after the reporting period. We consider these disclosures as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.	

Whistle-Blowing Policy

The Company has a whistle-blowing policy that allows the public to report any wrongdoings in the workplace. All information received will be kept confidential to protect the identity and interest of any whistle-blower.

The whistle-blower reports will be investigated by independent receiving officer(s) and the findings will be reported to the AC.

CORPORATE GOVERNANCE REPORT

This policy provides a confidential channel for reporting concerns about possible improprieties to the AC in good faith and confidence. Processes are clearly defined to ensure independent investigation of such matters and appropriate follow-up actions taken to prevent a similar situation from arising. Any reprisal againsts the whistle-blower protected is strictly prohibited.

New employees are briefed on the policy when they join the Company's orientation programme.

The whistle-blowing policy is available at Amcorp Global's website at www.amcorpglobal.com.

For FP2020, there have been no reported whistle blowing incidences.

Independence and Objectivity of External Auditors

The AC considered the adequacy of resources and experience of the external auditors, the audit engagement partner assigned to the audit, other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. Based on these considerations, the AC is of the opinion that the appointment of auditing firm Baker Tilly TFW LLP is appropriate in meeting the Group's audit obligations. Baker Tilly TFW LLP has confirmed that it is registered with the Accounting and Corporate Regulatory Authority.

In addition, the AC reviewed the independence and objectivity of the external auditors through discussions with them as well as a review of the volume and nature of non-audit services provided by the external auditors during the financial year under review. The AC concluded that it is satisfied with the independence of the external auditors that has not been compromised by the provision of such non-audit services.

With regards to the Group's significant foreign incorporated subsidiaries, member firms of Baker Tilly International, of which Baker Tilly TFW LLP is also a member, have been engaged as the external auditors. Upon review of the appointments of these audit firms, the Board and AC are of the opinion that these appointments do not compromise the standard and effectiveness of the audit of the Company.

Therefore, the Group is compliant with Rule 712, 715 and 716 of the SGX-ST Listing Manual. Accordingly, the AC has recommended the re-appointment of Baker Tilly TFW LLP as the Company's external auditors at the forthcoming AGM.

The details of the fees of the auditors of the Company during FP2020 are set out as follows:

Fees on Audit Services Paid to Independent Auditors:	**S$'000**
– Company's Independent Auditors	114
– Other Independent Auditors	66
Total	180

Fees on Non-Audit Services Paid to Independent Auditors:	
– Company's Independent Auditors	40
– Other Independent Auditors	27
Total	67

CORPORATE GOVERNANCE REPORT

Internal Audit [Provision 10.4]

The internal audit function is currently outsourced to Protiviti Pte Ltd ("Protiviti"), a professional service firm that is part a global consulting firm headquartered in Menlo Park, California providing consulting solutions in internal audit, risk and compliance, technology, business processes, data analytics and finance. The internal audit team of Protiviti is led by the Solution Leader for the Internal Audit and Financial Advisory services of Protiviti, who is a Certified Internal Auditor under the Institute of Internal Auditors (the "IIA") and has more than 17 years of working experience in risk management, internal control and compliance.

On an annual basis, the internal auditors prepare and execute a risk-based internal audit plan to review the adequacy and effectiveness of the system of internal controls of the Group that address financial, operational, compliance and technology risks. The internal auditors have access to all necessary company documents, records, and personnel, including access to the AC.

During FP2020, the AC reviewed reports submitted by the internal and external auditors relating to the effectiveness of Company's internal controls covering the adequacy and effectiveness of internal controls that address key financial, operational, compliance risks and information technology risks. The internal audit reports are also made available to external auditors for their review.

All audit findings and recommendations made by the internal auditors are reported to the AC. Significant issues, if any, are discussed during AC meetings. Internal auditors follow up on their findings and recommendations as appropriate, in subsequent visits to ensure management has implemented them in a timely and appropriate manner, and report the results to the AC accordingly.

The internal audit function is reviewed annually by the AC and is independent of the external audit. In line with Rule 1207(10C) of the SGX-ST Manual, the AC is of the opinion that the internal auditors, Protiviti is adequately resourced with professionals possessing relevant qualifications and experience, independent and have performed its functions effectively and adequately in accordance with the standards set by nationally and internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing by the IIA.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholder Rights [Provision 11.1]

Amcorp Global's corporate governance practices promote fair and impartial treatment to all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is comprehensively and accurately disclosed in a timely manner via SGXNet. Recognising the importance of good corporate governance, the timely disclosure of relevant and adequate information enables shareholders to make informed decisions related to their investments in the Company.

CORPORATE GOVERNANCE REPORT

With effect from 7 February 2020, the SGX-ST has adopted a risk-based approach to quarterly reporting. Pursuant to the new rules, the Company will not be required to release its financial statements on a quarterly basis and will release its financial results on a half yearly basis. The Company will comply with its continuing disclosure obligations to keep shareholders updated as and when appropriate, should there be any material developments relating to the Group.

All shareholders are entitled to attend the general meetings and are provided the opportunity to participate effectively and vote at the general meetings. The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote on behalf of the shareholder at the general meetings. Shareholders are also kept informed of the rules that govern general meetings of shareholders.

Conduct of General Meetings [Provision 11.2, 11.4]

Shareholders are given prior notice of shareholders' meetings through published notices and reports or circulars sent to all shareholders. The procedures of general meetings provide opportunities for shareholders to enquire about each resolution tabled for approval. Opportunities will be given to shareholders to participate, engage, and openly communicate their views on matters relating to Amcorp Global to the directors.

As the authentication of shareholder identity information and other related security issues are still concerns that remain, the Company has decided for the time being to not implement voting in the absentia by mail, email or fax. The Company is of the view that this practice is consistent with Principle 11 of the Code as shareholders have opportunities to communicate their views on matters affecting Amcorp Global even when they are not in attendance at general meetings. Shareholders may appoint proxies to attend, speak and vote on their behalf, at general meetings.

Amcorp Global tables separate resolutions at general meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. If the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting.

Attendance of the Directors at the General Meetings [Provision 11.3]

The Board Chairman presides over the AGM and will be accompanied by fellow Board members, the Chairmen of the AC and NRC as well as the Company Secretaries. The Company's external auditors, Baker Tilly TFW LLP, will also be present to address any shareholders' queries about the conduct of audit and the preparation and the content of the auditors' report. All directors attended the general meetings held in FP2020.

Attendance records of general meetings held since the last financial year are as follows:

Director	Annual General Meeting held on 30 September 2019	Extraordinary General Meeting held on 9 April 2020
Er. Dr. Lee Bee Wah	Attended	Attended
Dr. Tan Khee Giap	Attended	Attended
Mr. Chin Sek Peng	Attended	Attended
Mr. Phua Cher Chew [1]	Attended	N.A.
Dato Paduka Timothy Ong Teck Mong [2]	Attended	N.A.
Mr. Neo Weng Meng, Edwin [3]	Attended	N.A.
Mr. Soo Kim Wai [4]	N.A.	Attended
Mr. Shahman Azman [5]	N.A.	Attended
Mr. Lim Teck Chai, Danny [6]	N.A.	N.A.

CORPORATE GOVERNANCE REPORT

[1] Mr. Phua Cher Chew resigned as an Executive Director of the Company and as the CEO of the Company on 3 August 2020.

[2] Dato Paduka Timothy Ong Teck Mong resigned as a Non-Executive Director of the Company on 5 March 2020.

[3] Mr. Neo Weng Meng, Edwin resigned as a Non-Executive Director of the Company on 5 March 2020.

[4] Mr. Soo Kim Wai was appointed as a Non-Executive Director on 5 March 2020.

[5] Mr. Shahman Azman was appointed as Non-Executive Director on 5 March 2020.

[6] Mr. Lim Teck Chai, Danny resigned as an Independent and Non-Executive Director on 23 August 2019.

Minutes of the General Meetings [Provision 11.5]

The joint Company Secretaries have prepared the annual general meeting minutes held on 30 September 2019, which include substantial comments or queries from shareholders and responses from the Board members, management, external auditors and/or any other parties concerned. These minutes are available to shareholders for viewing upon their written request.

On 9 April 2020, an extraordinary general meeting was held and the minutes of this general meeting, which have incorporated comments or queries from the shareholders and the corresponding responses from the Board and management, had been published on the SGXNet and is available on Amcorp Global's corporate website at www.amcorpglobal.com.

Dividend Policy [Provision 11.6]

The Company does not have a fixed policy on the payment of dividends to shareholders primarily due to the performance in recent years and this has deviated from Provision 11.6 of the Code. The Board will consider such policy when the Group's performance has improved and has available retained earnings for dividends to be declared or recommended. The Board and management review the decision pertaining to dividend payment during the review meetings of its half yearly and full year results. In compliance with Rule 704(24) of the SGX-ST Listing Manual, the Board would disclose the reasons if the company decides not to declare or recommend a dividend.

Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their view on various matters affecting the company.

Communication with Shareholders (Provision 12.1)

Amcorp Global is committed to timely, fair and transparent disclosure of material and comprehensive information to its shareholders, which is usually done through SGXNet. The channels which the Company communicates its major developments in its businesses and operations include press releases, annual reports, shareholder circulars, shareholders' meetings, announcements via SGXNet and through its corporate website at www.amcorpglobal.com. For the shareholders, they can reach out to the Company via email and telephone, details of which are in our corporate website.

To encourage greater shareholders' participation at AGMs or other general meetings and enable the Board and management to engage shareholders, the Company holds its AGMs and other general meetings at venues that are accessible via public transport.

CORPORATE GOVERNANCE REPORT

In view of the current COVID-19 situation, the forthcoming AGM to be held in respect of FP2020 will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to attendance at the AGM via electronic means i.e. live audio-visual webcast or live audio-only stream, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM (if any) and appointing the Chairman of the Meeting as the proxy at the AGM, will be put in place.

Investors Relations Policy [Provision 12.2 and 12.3]

The Company maintains a corporate website at www.amcorpglobal.com which serves as the key communication channel for the Group to connect with its shareholders and general public. The Company's website provides information on the Group's businesses, corporate information and latest developments announced released via SGXNet, and serves as a platform for the shareholders and general public to contact the Company.

The Board encourages and values dialogues with its investors and other stakeholders as it believes that an effective investor and stakeholders relationships enhance value for its shareholders. Briefings for the media and analysts are held where appropriate to keep them updated, which in turn enables wider dissemination of the Group's updates to the masses and investment community.

Any communication to us can be directed to the following:

Tel : (65) 6899 1428

Email : ir.amcorpglobal@amcorpgroup.co

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that best interests of the company are served.

Identification and Engagement with Stakeholders [Provision 13.1, 13.2, 13.3]

Amcorp Global aims to maintain a transparent and fair communication with its key stakeholders to understand their views, areas of concern, and objectives as we work towards a more sustainable performance for the Group. We continually engage with our key stakeholder groups as we strive for continual value creation for all stakeholders.

We adopt a consistent and balanced process for the identification of key stakeholders who are material to our operations, businesses and management with the support of an external consultant. Our key stakeholder groups include customers, employees, government and regulators, shareholders and contractors and suppliers. During FP2020, we held internal discussions and reviewed our areas of focus in order to prioritise and be more focused on key areas in light of the Group's operations and size.

The sustainability report published together with this Annual Report provides more details on our approach and key areas of focus in relation to the management of stakeholder relationships.

The Company maintains a corporate website at www.amcorpglobal.com which facilitates communications and engagements with our stakeholders.

CORPORATE GOVERNANCE REPORT

DEALING IN SECURITIES

In line with Rule 1207(19) of the SGX-ST Listing Manual, the Company has adopted its own internal securities trading policy (compliance code), with regards to dealing in the Company's securities. Directors, management and officers of the Group who have access to price-sensitive, financial or confidential information are prohibited from dealing in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's results for each of the first three quarters of its financial year and one month before the announcement of the Company's full year results and ending on the day of the announcement, or when they are in possession of unpublished price-sensitive information on the Group.

Since the cessation of quarterly reporting of results as announced on 18 February 2020 by the Company via SGXNet, the directors, directors, management and officers of the Group who have access to price-sensitive, financial or confidential information are prohibited from dealing in the Company's securities during the period commencing one (1) month before the announcement of the Company's half year and full year results, and ending on the day of the announcement, or when they are in possession of unpublished price-sensitive information on the Group.

They are also advised to observe insider-trading laws at all times even when dealing in securities within the permitted trading period. In addition, they are discouraged from dealing in the Company's securities on short-term considerations.

When the Company is involved in any major corporate exercise such as investment or divestment that could be price-sensitive in relation to the Company's securities, directors, management and officers of the Group involved are advised not to deal in the Company's securities.

The directors and key management personnel are required to notify their dealings of the Company's securities to the Company Secretary within two business days.

The guidelines on share buyback under the Share Buyback Mandate, to be renewed at the Company's forthcoming AGM also provides that the Company will not effect any purchases of shares on the SGX-ST during the period of one month immediately preceding the announcement of the Company's half year and full year results.

The Company has adhered to its policy for securities transactions for FP2020.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect to any transactions with interested persons and has set out procedures for review and approval of the Group's IPT. All IPT are recorded in an IPT Register and subject to regular review by the AC in FP2020.

Detail of IPT for FP2020 are as follow:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
TEE International Limited ("TEE International") and its subsidiaries Note: TEE International ceased be a majority shareholder with effect from 3 February 2020.	Rental income - $813,000 Management fees expense - $199,000	–

MATERIAL CONTRACTS

Other than as disclosed under Interested Person Transactions, pursuant to Rule 1207(8) of the SGX-ST Listing Manual, there were no material contracts involving the interests of the CEO, director or controlling shareholder that have been entered into by the Company or its subsidiaries since the end of the previous financial year and no such contracts subsisted at the end of the financial period under review.

UTILISATION OF PROCEEDS

There have been no proceeds raised in FP2020 under review and no outstanding proceeds from previous fund raising.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Amcorp Global Limited (formerly known as TEE Land Limited) (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial period from 1 June 2019 to 31 March 2020.

In the opinion of the directors:

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 76 to 158 are properly drawn up so as to give a true and fair view of the financial positions of the Group and the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial period from 1 June 2019 to 31 March 2020, in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International); and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office during the financial period and at the date of this statement are:

Er. Dr. Lee Bee Wah	
Dr. Tan Khee Giap	
Mr. Chin Sek Peng	
Mr. Soo Kim Wai	(Appointed on 5 March 2020)
Mr. Shahman Azman	(Appointed on 5 March 2020)
Mr. Lim Teck Chai, Danny	(Resigned on 23 August 2019)
Mr. Phua Cher Chew	(Resigned on 5 March 2020)
Dato Paduka Timothy Ong Teck Mong	(Resigned on 5 March 2020)
Mr. Neo Weng Meng, Edwin	(Resigned on 5 March 2020)

Arrangements to enable directors to acquire benefits

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial period had interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act as shown below:

	Number of ordinary shares/ share options					
	Holdings registered in their own names			Holdings in which a director is deemed to have an interest		
Name of directors and companies in which interests are held	**At 1.6.2019/ date of appointment if later**	**At 31.3.2020**	**At 21.4.2020**	**At 1.6.2019/ date of appointment if later**	**At 31.3.2020**	**At 21.4.2020**
The Company						
Amcorp Global Limited						
(Formerly known as TEE Land Limited)						
Ordinary shares						
Er. Dr. Lee Bee Wah	2,097,233	–	–	–	–	–
Mr. Chin Sek Peng	260,000	–	–	100,000	–	–
Related companies						
Amcorp Properties Berhad						
Ordinary shares						
Mr. Shahman Azman	886,700	886,700	886,700	–	–	–
Share options						
Mr. Shahman Azman	2,256,000	3,072,000	3,072,000	–	–	–
RCE Capital Berhad						
Ordinary shares						
Mr. Shahman Azman	300,000	300,000	300,000	–	–	–

Share options

No option to take up unissued shares of the Company or its subsidiary corporations was granted during the financial period.

There were no shares issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations whether granted before or during the financial period.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial period.

DIRECTORS' STATEMENT

Audit Committee

The members of the Audit Committee during the financial period and at the date of this statement are:

Mr. Chin Sek Peng
Er. Dr. Lee Bee Wah
Dr. Tan Khee Giap
Mr. Soo Kim Wai (Appointed on 5 March 2020)

The Audit Committee carried out its functions specified in Section 201B(5) of the Companies Act. Their functions are detailed in the Report on Corporate Governance.

The Audit Committee is satisfied with the independence and objectivity of the independent auditor and has nominated Baker Tilly TFW LLP for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Soo Kim Wai
Director

Shahman Azman
Director

14 August 2020

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Amcorp Global Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 76 to 158, which comprise the statements of financial position of the Group and the Company as at 31 March 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial period from 1 June 2019 to 31 March 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial period from 1 June 2019 to 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Recognition of revenue from sales of development properties

Description of key audit matter

The Group is in the business of constructing and developing residential and commercial properties. As disclosed in Note 4 to the financial statements, revenue from sales of development properties amounted to $45,808,000, which represented approximately 86% of the Group's revenue for the financial period from 1 June 2019 to 31 March 2020.

As disclosed in Notes 2(b) and 3 to the financial statements, the Group recognises revenue either at a point in time or over time, depending on the contractual terms. Revenue from sales of development properties is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations.

The determination of the estimated total construction and other costs to be incurred require significant management judgement and estimates, which may have an impact on the amounts of revenue and profits recognised during the financial period.

Our audit procedures to address the key audit matter

Our audit procedures in relation to revenue from sales of development properties, among others, included:

- We obtained an understanding of relevant internal controls over revenue business cycle processes and tested the design and implementation of the Group's relevant key controls;

- We obtained an understanding of the terms and conditions of the contracts with customers and reviewed management's assessment on the identification of the performance obligations and the timing of revenue recognition;

- For revenue recognised over time, we reviewed management's estimated total construction and other related costs to be incurred for each of the properties, and assessed the reasonableness of the assumptions and estimates applied by management which include key elements such as development construction costs, variation works, other property expenses, and taking into consideration any effects of significant or unusual events that occurred during the financial period;

- For sold residential units, we have reviewed the sales and purchases agreement with the buyer and verified the sales values used in allocation of contract costs to sold development properties;

- We discussed with management regarding the progress of the construction of development properties and compared the work performed to-date to the estimated total construction and other related costs and tested arithmetic computation of the revenue recognised based on the input method calculation;

- We evaluated the sufficiency and appropriateness of the audit work performed and evidence obtained by the component auditor; and

- We also reviewed the adequacy of disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Valuation of development properties and completed properties and land held for sale

Description of key audit matter

As at 31 March 2020, the Group has a portfolio of development properties comprising residential properties in Singapore, with a net carrying value of $132,174,000. The Group also has completed properties in Singapore and Malaysia and freehold land held for sale in Vietnam with a total net carrying value of $53,586,000, net of write-down of $8,862,000 as at 31 March 2020.

As disclosed in Notes 3, 15 and 16 to the financial statements, the development properties and completed properties and land held for sale (collectively "properties") are stated at the lower of cost and net realisable value. The determination of the net realisable values of these properties are dependent upon the management's estimates of future demand and selling prices of these properties. Management performs cost analysis for each property, taking into account the costs incurred to date, the development status, estimated costs to complete each property, the prevailing property market conditions, estimated future demand and selling prices of completed properties and land held for sale. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties. At the reporting date, management compares the carrying amounts of the properties to the estimated net realisable values to determine whether a write-down is required for those properties with slower-than-expected sales or with low or negative margins. Changes to these estimates can have a significant impact to the financial statements.

The COVID-19 pandemic has resulted in significant economic uncertainty in the current and future economic environment and there is heightened uncertainty inherent in estimating the impact of the pandemic on future selling prices of the properties. Due to this pandemic, selling prices may drop and thus may impact the net realisable values of these properties.

Our audit procedures to address the key audit matter

Our audit procedures in relation to valuation of properties, among others, included:

- We assessed the Group's estimated sale values of the properties by comparing estimated sale values to recent transacted prices and/or prices of comparable properties located in the same vicinity as the properties as well as the selling prices of completed properties subsequent to reporting date;

- We focused our work on properties with slower-than-expected sales or with low or negative margins. For projects which are expected to sell below their respective costs, we have reviewed management's assessment of realisable values of the properties and checked the computations of the write-down, if any, and considered the adequacy of the disclosures in respect of the write-down;

- We reviewed the budgeted development construction costs by making enquiries with management including their assessment of the impact of COVID-19 on the construction costs;

- We have enquired with management on the estimates of the selling prices of the properties, taking into consideration the recent selling prices for comparable properties and prevailing property conditions, including the impact of COVID-19;

- We also performed substantive test including test of details of transactions on the accuracy and completeness of the total contract costs including test of major costs components of the contract costs to source documents; and

- We also reviewed the adequacy of disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Impairment review of hotel property and valuation of investment properties

Description of key audit matter

As at 31 March 2020, the Group has a hotel property in Australia with a carrying value of $35,469,000 which is recorded in property, plant and equipment (Note 20) and the investment properties comprising freehold properties in New Zealand and Thailand, with a total carrying value of $8,114,000 (Note 21).

As disclosed in Notes 2(g), 2(i) and 3 to the financial statements, the Group's property, plant and equipment comprises a hotel property which is carried at cost less accumulated depreciation and is subject to an annual review to assess whether or not there is any indication that those assets have suffered an impairment loss. Arising from the drop in occupancy rate caused by COVID-19 pandemic, management has carried out an independent valuation of the hotel property to assess if there is any impairment loss. Based on the valuation, no impairment loss was recognised during the financial period.

As disclosed in Notes 2(h), 3 and 21 to the financial statements, the investment properties are stated at fair values, determined based on valuations carried out by valuers. In determining the fair values of the investment properties, the valuers have used valuation techniques which involves assumptions and significant unobservable inputs which are disclosed in Note 21 to the financial statements. The fair value loss on investment properties recognised during the financial period amounted to $1,555,000 (Note 6).

The valuers have indicated in their valuation reports that the real estate market is being impacted by the uncertainty that the COVID-19 pandemic has caused, that the values assessed may change significantly and unexpectedly over a relatively short period of time, including as a result of general market movements or factors specific to the particular property. These uncertainties may affect the fair values after the reporting period. We consider these disclosures as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.

Our audit procedures to address the key audit matter

Our audit procedures in relation to impairment review of hotel property and valuation of investment properties, among others, included:

- We assessed management's processes for the selection of valuers, the determination of the scope of work of the valuers, and the review and acceptance of the external valuation reports;

- We evaluated the professional qualifications and competence of the valuers;

- We read the terms and scope of engagement of the valuers to determine whether there were any matters that might have affected their objectivity or limited the scope of their work;

- We considered the valuation methodologies and reviewed the key assumptions used by reference to externally published market data and comparable property transactions, where available, and we also considered whether these assumptions are consistent with the current market environment, including the market uncertainty caused by the COVID-19 pandemic; and

- We also reviewed the adequacy of disclosures in the financial statements, including disclosures relating to the uncertainty that the COVID-19 pandemic has caused on the valuation of the properties.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements (cont'd)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2020, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

to the Members of Amcorp Global Limited

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Khor Boon Hong.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

14 August 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial period from 1 June 2019 to 31 March 2020

	Note	Group 1.6.2019 to 31.3.2020 $'000	Group 1.6.2018 to 31.5.2019 $'000
Revenue	4	**53,337**	100,520
Cost of sales		**(42,770)**	(90,079)
Gross profit		**10,567**	10,441
Other operating income	5	**1,241**	1,353
Selling and distribution costs		**(4,231)**	(6,903)
Administrative expenses		**(8,066)**	(12,858)
Other operating expenses	6	**(17,453)**	(9,358)
Finance costs	7	**(5,759)**	(8,037)
Share of results of associates	18	**(2,066)**	(792)
Loss before tax	8	**(25,767)**	(26,154)
Tax (expense)/credit	9	**(3,034)**	331
Loss for the financial period/year		**(28,801)**	(25,823)
Other comprehensive loss			
Items that are or may be reclassified subsequently to profit or loss			
Currency translation differences arising on consolidation		**(731)**	(932)
Items that will not be classified subsequently to profit or loss			
Currency translation differences arising on consolidation		**(576)**	(581)
Total comprehensive loss for the financial period/year		**(30,108)**	(27,336)
Loss attributable to:			
Equity holders of the Company		**(27,725)**	(23,840)
Non-controlling interests		**(1,076)**	(1,983)
		(28,801)	(25,823)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(28,456)**	(24,772)
Non-controlling interests		**(1,652)**	(2,564)
		(30,108)	(27,336)
Loss per share for loss attributable to equity holders of the Company			
Basic (cents)	10	**(6.20)**	(5.33)
Diluted (cents)	10	**(6.20)**	(5.33)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2020

	Note	Group 31.3.2020 $'000	Group 31.5.2019 $'000	Company 31.3.2020 $'000	Company 31.5.2019 $'000
ASSETS					
Current assets					
Cash and cash equivalents	11	**26,797**	25,021	**1,638**	459
Trade receivables	12	**8,340**	17,725	**–**	–
Other receivables	13	**8,280**	9,397	**77,334**	110,877
Inventories		**40**	46	**–**	–
Loans receivable from associates	14	**–**	10,839	**–**	–
Development properties	15	**132,174**	175,883	**–**	–
Contract assets	4	**24,198**	34,682	**–**	–
Completed properties and land held for sale	16	**53,586**	42,974	**–**	–
		253,415	316,567	**78,972**	111,336
Non-current assets and assets of disposal group classified as held for sale	17	**26,833**	–	**–**	–
Total current assets		**280,248**	316,567	**78,972**	111,336
Non-current assets					
Other receivables	13	**–**	–	**11,738**	13,229
Investment in associates	18	**8,748**	5,409	**–**	–
Investment in subsidiaries	19	**–**	–	**18,976**	32,446
Property, plant and equipment	20	**35,530**	40,320	**–**	–
Investment properties	21	**8,114**	31,442	**–**	–
Deferred tax assets	22	**1,443**	3,861	**–**	–
Total non-current assets		**53,835**	81,032	**30,714**	45,675
Total assets		**334,083**	397,599	**109,686**	157,011
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	23	**69,372**	89,430	**–**	495
Trade payables	24	**13,179**	17,781	**–**	–
Other payables	25	**15,470**	14,456	**12,521**	13,269
Contract liabilities	4	**8,490**	5,387	**–**	–
Other current liabilities	26	**146**	143	**540**	646
Income tax payables		**207**	37	**87**	8
		106,864	127,234	**13,148**	14,418
Liabilities of a disposal group classified as held for sale	17	**17,857**	–	**–**	–
Total current liabilities		**124,721**	127,234	**13,148**	14,418

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2020

	Note	Group		Company	
		31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
		$'000	$'000	**$'000**	$'000
Non-current liabilities					
Deferred tax liabilities	22	**772**	386	**–**	–
Other non-current liabilities	26	**2**	118	**135**	459
Long-term borrowings	27	**100,645**	130,201	**–**	–
Loans from non-controlling interests	28	**8,127**	9,736	**–**	–
Total non-current liabilities		**109,546**	140,441	**135**	459
Equity					
Share capital	29	**142,238**	142,238	**142,238**	142,238
Currency translation reserve	30	**(1,092)**	(361)	**–**	–
Merger reserve	31	**(5,969)**	(5,969)	**–**	–
Capital reserve	32	**–**	(6)	**–**	–
Accumulated losses		**(42,341)**	(14,610)	**(45,835)**	(104)
Equity attributable to equity holders of the company		**92,836**	121,292	**96,403**	142,134
Non-controlling interests	33	**6,980**	8,632	**–**	–
Total equity		**99,816**	129,924	**96,403**	142,134
Total liabilities and equity		**334,083**	397,599	**109,686**	157,011

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 June 2019 to 31 March 2020

	Share capital $'000	Currency translation reserve $'000	Merger reserve $'000	Capital reserve $'000	Accumulated losses $'000	Equity attributable to equity holders of the Company $'000	Non-controlling interests $'000	Total equity $'000
Group								
At 1 June 2019	142,238	(361)	(5,969)	(6)	(14,610)	121,292	8,632	129,924
Loss for the financial period	–	–	–	–	(27,725)	(27,725)	(1,076)	(28,801)
Other comprehensive loss for the financial period								
- currency translation difference arising on consolidation	–	(731)	–	–	–	(731)	(576)	(1,307)
Total comprehensive loss for the financial period	–	(731)	–	–	(27,725)	(28,456)	(1,652)	(30,108)
Transfer from capital reserve to accumulated losses	–	–	–	6	(6)	–	–	–
At 31 March 2020	**142,238**	**(1,092)**	**(5,969)**	**–**	**(42,341)**	**92,836**	**6,980**	**99,816**
At 1 June 2018	142,238	571	(5,969)	(6)	9,900	146,734	11,196	157,930
Loss for the financial year	–	–	–	–	(23,840)	(23,840)	(1,983)	(25,823)
Other comprehensive loss for the financial year								
- currency translation difference arising on consolidation	–	(932)	–	–	–	(932)	(581)	(1,513)
Total comprehensive loss for the financial year	–	(932)	–	–	(23,840)	(24,772)	(2,564)	(27,336)
Dividends (Note 34)	–	–	–	–	(670)	(670)	–	(670)
At 31 May 2019	142,238	(361)	(5,969)	(6)	(14,610)	121,292	8,632	129,924

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 June 2019 to 31 March 2020

	Share capital $'000	Accumulated (losses)/profits $'000	Total equity $'000
Company			
Balance at 1 June 2019	142,238	(104)	142,134
Loss for the financial period, representing total comprehensive loss for the financial period	–	(45,731)	(45,731)
Balance at 31 March 2020	**142,238**	**(45,835)**	**96,403**
Balance at 1 June 2018	142,238	2,411	144,649
Loss for the financial year, representing total comprehensive loss for the financial year	–	(1,845)	(1,845)
Dividends (Note 34)	–	(670)	(670)
Balance at 31 May 2019	142,238	(104)	142,134

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 June 2019 to 31 March 2020

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Operating activities		
Loss before tax	**(25,767)**	(26,154)
Adjustments for:		
Share of results of associates	**2,066**	792
Completed properties and land held for sale written down	**6,927**	542
Fair value loss on investment properties	**1,555**	2,191
Impairment loss on investment in associates	**476**	3,600
Impairment loss on trade receivables	**576**	5
Impairment loss on other receivables	**–**	181
Impairment loss on loan receivables from associates	**3,142**	665
Property, plant and equipment written off	**8**	–
Other receivables written off	**9**	–
Amortisation of capitalised contract costs	**1,598**	3,800
Amortisation of show flat expenses	**1,493**	433
Depreciation of property, plant and equipment	**1,476**	2,135
Remeasurement adjustment of non-current asset held for sale	**–**	2,872
Amortisation of financial guarantee liabilities	**(139)**	(186)
Gain on disposal of property, plant and equipment	**–**	(30)
Interest income	**(227)**	(349)
Interest expenses	**5,759**	8,037
Operating cash flows before movements in working capital	**(1,048)**	(1,466)
Trade receivables	**5,925**	(9,562)
Other receivables	**(2,073)**	(4,107)
Inventories	**2**	8
Contract assets	**10,509**	6,549
Development properties	**16,278**	(5,725)
Completed properties and land held for sale	**10,043**	31,032
Trade payables	**(4,601)**	(13,418)
Other payables	**1,037**	(3,422)
Contract liabilities	**3,091**	874
Currency translation adjustments	**86**	744
Cash generated from operations	**39,249**	1,507
Income tax paid	**(386)**	(432)
Income tax refunded	**128**	56
Net cash from operating activities	**38,991**	1,131

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 June 2019 to 31 March 2020

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Investing activities		
Sale proceeds from disposal of property, plant and equipment	**–**	286
Proceeds from disposal of investment in associate	**–**	8,421
Purchase of property, plant and equipment (Note 20)	**(24)**	(257)
Addition to investment property (Note 21)	**–**	(46)
Dividend received from associates	**1,035**	2,777
Capital reduction from associates	**520**	–
Repayment of loans receivable from associates	**315**	3,221
Loans receivable from associates	**(18)**	(347)
Interest received	**182**	482
Net cash from investing activities	**2,010**	14,537
Financing activities		
Interest paid	**(5,403)**	(7,819)
Drawdown of bank loans	**–**	495
Repayment of bank loans	**(1,994)**	(5,000)
Drawdown of long-term borrowings	**4,500**	34,935
Repayment of long-term borrowings	**(34,615)**	(42,255)
Drawdown of short-term advances by related companies	**–**	(5,400)
Repayment of short-term advances by related companies	**–**	5,400
Repayment of finance lease payables	**–**	(12)
Repayment of lease liabilities	**(39)**	–
Loans from non-controlling interests	**596**	1,680
Repayment of loans from non-controlling interests	**(2,205)**	–
Dividends paid	**–**	(1,787)
Net cash used in financing activities	**(39,160)**	(19,763)
Net increase/(decrease) in cash and cash equivalents	**1,841**	(4,095)
Cash and cash equivalents at beginning of the financial period/year	**25,021**	28,997
Effect of foreign exchange rate changes of cash and cash equivalents	**30**	119
Cash and cash equivalents at end of the financial period/year (Note 11)	**26,892**	25,021

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 June 2019 to 31 March 2020

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bank loans (Note 23) $'000	Finance lease (Note 26) $'000	Lease liabilities (Note 26) $'000	Long-term borrowings (Note 27) $'000	Loans from non-controlling interests (Note 28) $'000	Total $'000
Balance at 1 June 2018	6,499	40	–	226,657	8,056	241,252
Changes from financing cash flows:						
- Proceeds	495	–	–	34,935	1,680	37,110
- Repayment	(5,000)	(12)	–	(42,255)	–	(47,267)
Non-cash changes						
Effect of changes in foreign exchange rate	–	(2)	–	(1,700)	–	(1,702)
Balance at 31 May 2019	1,994	26	–	217,637	9,736	229,393
Adoption of SFRS(I) 16	–	–	1,913	–	–	1,913
Reclassification from finance lease liabilities	–	(26)	26	–	–	–
Transferred to disposal group held for sale (Note 17)	–	–	(1,885)	(15,514)	–	(17,399)
Changes from financing cash flows:						
- Proceeds	–	–	–	4,500	596	5,096
- Repayment	(1,994)	–	(39)	(34,615)	(2,205)	(38,853)
Non-cash changes						
Effect of changes in foreign exchange rate	–	–	–	(1,991)	–	(1,991)
Balance at 31 March 2020	**–**	**–**	**15**	**170,017**	**8,127**	**178,159**

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

The Company (Registration No. 201230851R) is a limited liability company domiciled and incorporated in Singapore, and is listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST").

With effect from 9 April 2020, the Company's name was changed from TEE Land Limited to Amcorp Global Limited.

The principal place of business and registered office of the Company is at 25 Bukit Batok Street 22, Singapore 659591.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 19.

The Company's immediate holding company is Amcorp Supreme Pte. Ltd., a company incorporated in Singapore. The Company's ultimate and penultimate holding companies are Clear Goal Sdn Bhd and Amcorp Group Berhad respectively, both of which are incorporated in Malaysia. Related companies refer to companies controlled by the ultimate holding company.

During the current financial period, the Group changed its financial year end from 31 May to 31 March so as to be coterminous with the year end of its ultimate holding company.

2 Summary of significant accounting policies

a) Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar ("$") which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ($'000) except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, loan receivable from associates, bank loans, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards

In the current financial period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company except as follows:

SFRS(I) 16 Leases

When the Group is the lessee:

SFRS(I) 16 replaces the existing SFRS(I) 1-17 *Leases* for financial periods beginning 1 January 2019. It reforms lessee accounting by introducing a single lessee accounting model. Lessees are required to recognise all leases on their statements of financial position to reflect their rights to use leased assets (a "right-of-use" asset) and the associated obligations for lease payments (a lease liability), with limited exemptions for short term leases (less than 12 months) and leases of low value items. In addition, the nature of expenses related to those leases will change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge of right-of-use asset and interest expense on lease liability.

On adoption of SFRS(I) 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "Operating Leases" under SFRS(I) 1-17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as at 1 June 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 June 2019 was 3.33%.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards (cont'd)

SFRS(I) 16 Leases (cont'd)

When the Group is the lessee (cont'd):

	Group 1.6.2019 $'000
Operating lease commitments disclosed as at 31 May 2019 (Note 36(b))	3,177
Discounted using the lessee's incremental borrowing rate	(1,264)
Add: Finance lease recognised as at 1 June 2019	26
Lease liabilities recognised as at 1 June 2019	1,939

As permitted by the transition provision of SFRS(I) 16, the Group has elected to apply modified retrospective approach and has measured the right-of-use assets at the amount equal to the lease liability on adoption.

For leases that were classified as finance leases under SFRS(I) 1-17 *Leases*, the carrying amounts of the right-of-use assets and the lease liabilities at 1 June 2019 were determined to be the same as the carrying amounts of the lease assets and lease liability under SFRS(I) 1-17 immediately before that day.

Arising from the adoption of SFRS(I) 16, rights-of-use assets and lease liabilities of $1,913,000 and $1,939,000 were recognised on the statements of financial position on 1 June 2019.

In applying SFRS(I) 16 for the first time, the Group has used the practical expedient such as exclude initial direct costs for the measurement of the right-of-use asset at the date of initial application which is permitted by the standard.

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial period ended 31 March 2020 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group.

b) Revenue

Sales of development properties

The Group is in the business of constructing and developing residential and commercial properties. The Group recognises revenue either at a point in time or over time, depending on the contractual terms. For development properties where the Group is restricted contractually from directing the properties for another use and has enforceable right to payment for performance completed to-date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations.

2 Summary of significant accounting policies (cont'd)

b) Revenue (cont'd)

Sales of development properties (cont'd)

For development properties where the Group does not have enforceable right to payment which commensurates with performance completed to date, revenue is recognised when the customer obtains control of the asset, usually upon transfer of legal title.

Progress billings to customer are based on a payment schedule in the contract and are based upon achievement of specified construction milestones. Payment is typically due within two weeks. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payment from the customer. Contract assets are transferred to receivables when the right to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

The Group receive payments from customers for the sales of development properties. Under the payment schemes, the time when payments are made by the customer and the transfer of control of the property to the customer does not coincide and where the difference between the timing of receipts of the payments and the transfer of control of the property is 12 months or more, there exists a significant financing component arising from payments from customers. For such payment arrangements, the Group adjusts the promised amount of consideration for the effect of a financing component, if significant.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred. The Group has elected to recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods that have not been recognised as expenses.

The sales and purchase agreements provide for payment of liquidated damages to buyers on delays in contractual handover of units. In addition, under certain sales and purchase agreements, the Group provides the customers guaranteed rental over a period of 3 years. Such payments for liquidated damages and rental guarantee give rise to variable considerations under SFRS(I) 15. The variable considerations are estimated and are constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty is subsequently resolved.

Estimates of revenue, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by the management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

b) Revenue (cont'd)

Revenue from hotel operations

Revenue from hotel operations, comprising primarily the rental of rooms, food and beverage sales and other services, is recognised over the period in which the accommodation and related services are provided, except for revenue from the sale of food and beverages, which is recognised at a point in time when the food and beverage are delivered.

Rental income

Rental income from investment properties is recognised on a straight-line basis over the lease term.

Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investment in subsidiaries are accounted for at cost less accumulated impairment losses, if any. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at the end of the reporting period. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

2 Summary of significant accounting policies (cont'd)

d) Basis of consolidation (cont'd)

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary company. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary company attributable to the interests which are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary company, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary company that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When a change in the Company's ownership interest in subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill, non-controlling interest and other components of equity related to the subsidiary company are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to accumulated profits if required by a specific FRS.

Any retained equity interest in the previous subsidiary company is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

e) Associates

An associate is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in associates are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsequent to initial recognition, the Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from associates are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as income in the Group's profit or loss.

For financial statements of the associate which are prepared as of the same reporting date of the Group, the most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the date of the audited financial statements used is not co-terminous with that of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the financial year.

In the Company's financial statements, investment in associates are carried at cost less accumulated impairment loss. On disposal of investment in associates, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

f) Non-current assets and disposal group held for sale

Non-current assets and disposal group held for sale are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss. The assets are not depreciated or amortised while they are classified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

g) Property, plant and equipment

Land and buildings are initially recorded at cost. Freehold land is subsequently stated at cost less any impairment in value.

Other property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The cost of replacing a component of an item property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation

No depreciation is provided on freehold land.

Depreciation is calculated on a straight-line basis to write off the cost of property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	Years
Building on freehold land	25 to 40
Computers	3
Renovation	5
Motor vehicles	3 to 5
Machinery and tools	3 to 5
Furniture, fittings and equipment	2 to 25

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

h) Investment properties

Investment properties are those properties that are held to earn rental income and/or for capital appreciation and those properties held by the lessee as a right-of-use asset that are held to earn rental income, for long-term capital appreciation or for a currently intermediate use.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers (the "valuers") on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

i) Impairment of non-financial assets

At the end of each reporting period, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

j) Development properties/ completed properties and land held for sale

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are stated at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity. Net realisable value represents the estimated selling price less cost to complete and costs to be incurred in selling the property.

Development properties are classified as current when they are expected to be realised in, or are intended for sale in, the Group's normal operating cycle.

Completed properties and land held for sale but remained unsold at year end are stated at lower of cost and net realisable value. Cost is determined by apportionment of the total land cost, development costs and borrowing costs capitalised (in the case of commercial property) attributable to unsold properties. Net realisable value takes into account the price ultimately expected to be realised, less costs to be incurred in marketing and selling, and the anticipated costs to completion, where appropriate.

k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using first-in, first-out method. Cost comprises purchase cost and other incidental cost in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

l) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

The Group classifies all its financial assets at amortised cost. The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

l) Financial assets (cont'd)

Classification and measurement (cont'd)

Financial assets include cash and cash equivalents, loans receivable from associates, trade receivables, other receivables (excluding prepayments, deferred show flat costs, capitalised contract costs). The Group's financial assets are measured at amortised costs.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables and contract assets that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group considers significant increase in risk of default on a financial guarantee contract when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Group in full, without considering recourse by the Group to actions such as realising security (if any is held).

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

2 Summary of significant accounting policies (cont'd)

l) Financial assets (cont'd)

Offset

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

m) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and excludes pledged fixed deposits and bank balance.

n) Financial liabilities

Financial liabilities include trade payables, other payables (excluding provision for unutilised annual leave, advance received from customers and rental and security deposits), borrowings, long-term borrowings, other current and non-current liabilities.

Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

o) Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs. Financial guarantees are classified as financial liabilities.

Subsequent to initial measurement, the financial guarantees are stated at higher of the initial fair value less cumulative amortisation and the expected loss computed using the impairment methodology under SFRS(I) 9 *Financial Instruments*. Financial guarantee contracts are amortised in profit or loss over the period of the guarantee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

p) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage time is recognised as a finance cost in profit or loss.

q) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

r) Leases

The accounting policy for leases before 1 June 2019 are as follows:

When Group entity is the lessee:

Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between reduction of the outstanding liability and finance charges. The corresponding leases liabilities, net of finance charges, are included in finance leases. The finance charge is taken to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under finance leases are depreciated over the shorter of the useful life of the assets or the lease term.

Operating leases

Leases where a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss on a straight-line basis over the period of the lease. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2 Summary of significant accounting policies (cont'd)

r) Leases (cont'd)

The accounting policy for leases before 1 June 2019 are as follows (cont'd):

When Group entity is the lessor:

Operating leases

Leases where the Group entity retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Rental income (net of any incentives given to leases) is recognised on a straight-line basis over the lease term.

Contingent rents are recognised as revenue in the period in which they are earned.

The accounting policy for leases after 1 June 2019 are as follows:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Group entity is the lessee:

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented within "other current liabilities" and "other non-current liabilities" in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

r) Leases (cont'd)

The accounting policy for leases after 1 June 2019 are as follows (cont'd):

When the Group entity is the lessee (cont'd):

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of use assets are presented within "Property, plant and equipment" in the statements of financial position. Right-of-use assets which meet the definition of investment properties are presented within "Investment Properties" and accounted in accordance with Note 2(h). The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(i).

When the Group entity is the lessor:

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

s) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

t) Employee benefits

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

u) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in profit or loss using the effective interest method.

v) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

2 Summary of significant accounting policies (cont'd)

v) Income taxes (cont'd)

Deferred income tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the end of the reporting period.

Deferred income tax is measured based on the tax consequence that will follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

w) Dividends

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

x) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer ("CEO") or equivalent, who is the Group's chief operating decision maker. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about allocating resources and assessing performance of the operating segments.

y) Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar, which is the Company's functional currency.

2 Summary of significant accounting policies (cont'd)

y) Foreign currencies (cont'd)

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are recognised in other comprehensive income and accumulated in the currency translation reserve within equity in the consolidated financial statements. The currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The financial performance and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the end of the reporting period;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in the currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On disposal of a foreign group/entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

3 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Revenue from sales of development properties

As disclosed in Notes 2(b), the Group recognises revenue either at a point in time or over time, depending on the contractual terms. Revenue from sales of residential and mixed-use properties is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations.

The determination of the estimated total construction and other costs to be incurred require significant management judgement and estimates, which may have an impact on the amounts of revenue and profits recognised during the period.

The estimated total construction and other costs to be incurred are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the professionals/project managers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration professionals' input and the historical trends of the amounts incurred in the Group's other similar construction contracts for the past 3 to 5 years. Any changes to the estimated total construction and other costs to be incurred can have a significant impact to the amount of contract costs allocated to the development properties sold.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Any future change in variable consideration can have a significant impact to the amount of contract revenue recorded in current financial period.

Development properties/completed properties and land held for sale

Development properties, completed properties and land held for sale are stated at lower of cost and estimated net realisable value, assessed on an individual property basis.

The determination of the net realisable values of these properties are dependent upon the management's estimates of future demand and selling prices of these properties. Management performs cost analysis for each property, taking into account the costs incurred to date, the development status, estimated costs to complete each property, the prevailing property market conditions, estimated future demand and selling price of completed properties and land held for sale. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

At the reporting date, management compares the carrying amounts of the properties to the estimated net realisable values to determine whether a write-down is required for those properties with slower-than-expected sales or with low or negative margins.

3 Key sources of estimation uncertainty (cont'd)

Development properties/completed properties and land held for sale (cont'd)

The process of evaluating the net realisable value of each property is subject to management judgement and the effect of assumptions in respect of the development plan, timing of sales, current market prices of the properties involved or of comparable properties and the prevailing property market conditions.

The COVID-19 pandemic has resulted in significant economic uncertainty in the current and future economic environment and there is heightened uncertainty inherent in estimating the impact of the pandemic on future selling prices of these properties. Due to this pandemic, selling prices may drop and thus may impact the net realisable values of these properties.

The carrying amounts of the Group's development properties and completed properties and land held for sale are disclosed in Notes 15 and 16 respectively.

Valuation of investment properties

Investment properties are stated at fair value based on an independent professional valuation. In determining the fair value, the valuers have used valuation techniques which involve certain estimates and significant unobservable inputs which are disclosed in Note 21. The key assumptions used to determine the fair value include market-corroborated capitalisation yield, terminal yield and discount rate.

The valuers have considered valuation techniques (including income capitalisation method, discounted cash flow method and direct comparison method) in arriving at the open market value as at the end of the reporting period. Income capitalisation method involves assessment of the income earning capacity and capitalised it at the adopted capitalisation rate to derive a core value. Discounted cash flow method recognises the time value of money by estimating the net present value of future cash flows. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the investment properties.

The valuers have indicated in their valuation reports that the real estate market is being impacted by the uncertainty that the COVID-19 pandemic has caused, that the values assessed may change significantly and unexpectedly over a relatively short period of time, including as a result of general market movements or factors specific to the particular property. These uncertainties may affect the fair values after the reporting period.

In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuers have appropriate recognised professional qualifications and their estimates are reflective of current market conditions at the end of the reporting period.

The carrying amount of investment properties are disclosed in Note 21.

Impairment review of hotel property

The Group assesses whether there are any indicators of impairment for the property, plant and equipment at each reporting date. Property, plant and equipment are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

3 Key sources of estimation uncertainty (cont'd)

Impairment review of hotel property (cont'd)

Arising from the drop in occupancy rate caused by COVID-19 pandemic, management has carried out an independent valuation of the hotel property to assess if there is any impairment loss. The recoverable amount of hotel property was estimated using the fair value less costs of disposal approach based on the income capitalisation method as adopted by an external independent professional valuer engaged by the Group. Based on the assessment, no impairment loss was recognised during the financial period. The valuer has indicated in its valuation report that the real estate market is being impacted by the uncertainty that the COVID-19 pandemic has caused, that the valuation was current at the date of valuation only and that the value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property).

The carrying value of the Group's hotel property is disclosed in Note 20.

Impairment of investment in associates and subsidiaries

Management exercises their judgement in estimating recoverable amounts of its investment in associates of the Group and subsidiaries of the Company.

The carrying amounts of the investments are reviewed at the end of each reporting period to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing value in use, management needs to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows.

The carrying amounts of the Group's investment in associates and the Company's investment in subsidiaries are disclosed in Notes 18 and 19 respectively.

Calculation of allowance for impairment loss for financial assets at amortised cost and financial guarantee contracts

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on financial assets at amortised costs and financial guarantee contracts is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of financial assets at amortised costs and financial guarantee contracts. Details of ECL measurement and carrying values of financial assets are amortised costs and financial guarantees at the reporting date are disclosed in Note 38(b).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

4 Revenue

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Revenue from sales of development properties	**45,808**	90,808
Revenue from hotel operations	**5,575**	7,310
Rental income	**1,954**	2,402
	53,337	100,520

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical market, major product or service lines and timing of revenue recognition.

	Sales of development properties		Hotel operations		Rental income		Total	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019	**1.6.2019 to 31.3.2020**	1.6.2018 to 31.5.2019	**1.6.2019 to 31.3.2020**	1.6.2018 to 31.5.2019	**1.6.2019 to 31.3.2020**	1.6.2018 to 31.5.2019
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Primary geographical markets								
Singapore	**43,386**	77,879	**–**	–	**1,003**	1,204	**44,389**	79,083
Malaysia	**1,713**	12,493	**–**	–	**–**	–	**1,713**	12,493
Australia	**–**	–	**5,575**	7,310	**–**	–	**5,575**	7,310
New Zealand	**–**	–	**–**	–	**951**	1,198	**951**	1,198
Vietnam	**709**	436	**–**	–	**–**	–	**709**	436
	45,808	90,808	**5,575**	7,310	**1,954**	2,402	**53,337**	100,520
Major product or service line								
Sales of residential and mixed-use properties	**45,099**	90,372	**–**	–	**–**	–	**45,099**	90,372
Sales of land held for sale	**709**	436	**–**	–	**–**	–	**709**	436
Hotel operation income	**–**	–	**5,575**	7,310	**–**	–	**5,575**	7,310
Rental income	**–**	–	**–**	–	**1,954**	2,402	**1,954**	2,402
	45,808	90,808	**5,575**	7,310	**1,954**	2,402	**53,337**	100,520
Timing of revenue recognition								
At a point in time	**709**	436	**144**	331	**–**	–	**853**	767
Over time	**45,099**	90,372	**5,431**	6,979	**1,954**	2,402	**52,484**	99,753
	45,808	90,808	**5,575**	7,310	**1,954**	2,402	**53,337**	100,520

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

4 Revenue (cont'd)

Transaction price allocated to remaining performance obligation

Revenue recognised during the period ended 31 March 2020 that was included in the contract liabilities balance at the beginning of the period was $977,000 (31.5.2019: $1,428,000).

Performance obligations for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if:

– The performance obligation is part of a contract that has an original expected duration for one year or less, or

– The Group recognises revenue to which the Group has a right to invoice customers in amounts that correspond directly with the value to the customer of the Group's performance completed to date. As permitted under SFRS(I) 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Contract assets and contract liabilities

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date for development property units sold. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for sale of development property units. The advances from customers are based on the billing schedule as established in the contracts. Contract liabilities are recognised as revenue as the Group performs under the contract.

Information relating to contract balances arising from contracts with customers is disclosed as follows:

	Group		
	31.3.2020	31.5.2019	1.6.2018
	$'000	$'000	$'000
Trade receivables	**8,340**	17,725	8,258
Contract assets	**24,198**	34,682	41,232
Contract liabilities	**(8,490)**	(5,387)	(4,513)

The significant changes in contract assets is due to higher billings issued as per agreed payment schedule.

Significant changes in the contract liabilities balances during the financial period is due to increases in advances received, excluding amounts recognised as revenue during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

5 Other operating income

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Amortisation of financial guarantee liabilities (Note 26)	**139**	186
Deposits forfeited for aborted sales of completed properties	**595**	316
Gain on disposal of property, plant and equipment	**–**	30
Interest income	**227**	349
Management fee income	**30**	88
Others	**250**	384
	1,241	1,353

6 Other operating expenses

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Additional buyer's stamp duty	**4,680**	728
Completed properties and land held for sale written down	**6,927**	542
Fair value loss on investment properties (Note 21)	**1,555**	2,191
Foreign currency exchange loss	**80**	1,026
Impairment loss on investment in associates (Note 18)	**476**	3,600
Impairment loss on trade receivables (Note 38(b))	**576**	5
Impairment loss on other receivables (Note 38(b))	**–**	181
Impairment loss on loans receivable from associates (Note 38(b))	**3,142**	665
Property, plant and equipment written off (Note 20)	**8**	–
Option fee forfeited for aborted purchase of land	**–**	420
Other receivables written off	**9**	–
	17,453	9,358

7 Finance costs

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Interest on borrowings	**5,705**	8,036
Interest on finance lease	**–**	1
Interest on lease liabilities	**54**	–
	5,759	8,037

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

8 Loss before tax

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Loss before tax is arrived at after charging/(crediting):		
Audit fees paid to:		
- auditor of the Company	**114**	114
- other auditors*	**66**	81
- (over)/under provision in respect of prior year		
- auditor of the Company	**–**	24
- other auditors	**(1)**	(29)
Non-audit fees:		
- auditor of the Company	**40**	41
- other auditors*	**27**	51
- under/(over) provision in respect of prior year	**2**	(3)
Amortisation of capitalised contract costs (Note 13)	**1,598**	3,800
Amortisation of show flat expenses	**1,493**	433
Costs of defined contribution plans included in employee benefits expense	**108**	165
Depreciation of property, plant and equipment	**1,476**	2,135
Directors' fee	**204**	294
Directors' remuneration:		
- directors of the Company	**82**	148
- directors of the subsidiaries	**192**	266
Employee benefits expense (including directors' remuneration)	**3,048**	4,405
Rental expenses	**75**	187
Remeasurement adjustment of non-current asset held for sale (Note 20)	**–**	2,872

* Other auditors include independent member firms of Baker Tilly International network.

9 Tax expense/(credit)

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Income tax		
- Current period/year	**83**	109
- Under/(over) provision in prior years	**18**	(268)
Deferred income tax		
- Current period/year (Note 22)	**2,793**	(576)
- Under provision in prior year	**–**	374
Withholding tax expenses	**140**	30
	3,034	(331)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

9 Tax expense/(credit) (cont'd)

The income tax expense/(credit) on the results of the financial period/year differs from the amount of income tax determined by applying the Singapore statutory rate of income tax due to the following factors:

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
	$'000	$'000
Loss before tax	**(25,767)**	(26,154)
Share of results of associates	**2,066**	792
Loss before tax exclude share of results of associates	**(23,701)**	(25,362)
Tax at the domestic income tax rate of 17% (31.5.2019: 17%)	**(4,029)**	(4,312)
Expense not deductible for tax purpose	**2,398**	1,837
Income not subject to tax	**(283)**	(152)
Deferred tax assets not recognised	**2,073**	1,553
Reversal of previously recognised deferred tax assets	**2,980**	1,092
Singapore statutory stepped income exemption	**(17)**	(26)
Withholding tax expenses	**140**	30
Effect of different tax rates in other countries	**(158)**	(477)
Under provision in prior years	**18**	106
Others	**(88)**	18
	3,034	(331)

10 Loss per share

The calculation of the basic and diluted loss per share attributable to the equity holders of the Company is based on the following data:

	Group	
	1.6.2019 to 31.3.2020	1.6.2018 to 31.5.2019
Net loss attributable to the equity holders of the Company ($'000)	**(27,725)**	(23,840)
Number of ordinary shares outstanding for basic and diluted loss per share ('000)	**446,876**	446,876
Basic and diluted loss per share (cents per share)	**(6.20)**	(5.33)

There are no dilutive ordinary shares for financial period/year ended 31 March 2020 and 31 May 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

11 Cash and cash equivalents

	31.3.2020	31.5.2019
	$'000	$'000
Group		
Cash at banks	**6,371**	3,709
Cash on hand	**2**	2
Fixed deposits	**3,062**	2,944
Project accounts		
- Cash at banks	**17,457**	18,366
	26,892	25,021
Transferred to disposal group held for sale (Note 17)	**(95)**	–
	26,797	25,021
Company		
Cash at banks	**1,638**	457
Fixed deposits	**–**	2
	1,638	459

Fixed deposits bear interest rate ranging from 1.10% to 6.80% (31.5.2019: 0.50% to 6.70%) per annum and mature within 12 months (31.5.2019: 6 months) from the end of the reporting period.

Project accounts are subject to restrictions under the Housing Developers (Project Account) Rules (1997 Ed) in Singapore and Section 7A of the Housing Development (Control and Licensing) Amendments Act, 2002 in Malaysia. Withdrawals from these project accounts are restricted to payments for project expenditure incurred until the completion of the project.

12 Trade receivables

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Third parties	**8,925**	15,543
Former related companies	**–**	2,193
Less: Impairment loss on trade receivables (Note 38(b))	**(585)**	(11)
	8,340	17,725

The average credit period given to customers is 14 to 30 days (31.5.2019: 14 to 30 days). No interest is charged on the outstanding trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

13 Other receivables

	31.3.2020	31.5.2019
	$'000	$'000
Group		
Former holding company	–	204
Former related companies	–	58
Associates	1,905	1,861
Related parties	1,113	1,113
Third parties	4,359	5,006
Deposits	204	739
Prepayments	560	803
Deferred show flat costs	605	2,109
Capitalised contract costs	3,270	1,240
	12,016	13,133
Less: Impairment loss on other receivables (Note 38(b))	(3,736)	(3,736)
	8,280	9,397
Company		
Current		
Subsidiaries	109,862	111,389
Third parties	–	140
Prepayments	21	15
	109,883	111,544
Less: Impairment loss on amount due from subsidiaries (Note 38(b))	(32,549)	(667)
	77,334	110,877
Non-current		
Subsidiaries	11,738	13,229
	89,072	124,106

Capitalised contract costs relate to the deferred sales commission. These costs are amortised to profit or loss under selling and distribution expenses on a basis consistent with the pattern of the recognition of the revenue.

Movements in capitalised contract costs relating to development properties are as follows:

	31.3.2020	31.5.2019
	$'000	$'000
At beginning of financial period/year	1,240	2,827
Additions	3,628	2,213
Amortisation	(1,598)	(3,800)
At end of financial period/year	3,270	1,240

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

13 Other receivables (cont'd)

The amounts due from former holding company, former related companies, associates and related parties are non-trade in nature, unsecured, interest-free and repayable on demand. Former holding company refers to TEE International Limited. Related parties refer to the non-controlling interests.

Included in amount due from third parties is an option money of $3,374,000 (31.5.2019: $3,374,000) paid for an option to acquire 26 plots of land located in Mukim Klang, Daerah Klang Negeri Selangor, Malaysia from a third party (the "Seller"). The Group has terminated the acquisition as a result of non-compliance of conditions precedent by the Seller and determined that the option money may not be collectible. Accordingly, impairment loss on other receivable has been provided for this option money amount since the financial year ended 31 May 2015.

The Company's current receivables from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

The Company's non-current receivables from subsidiaries are non-trade in nature, unsecured, bear interest rate at 5.00% (31.5.2019: 5.00%) per annum and not expected to be repaid within the next 12 months.

The carrying amounts of non-current other receivables approximate its fair value as the interest rate approximates the market interest rates prevailing at the end of the reporting period. The fair value measurement is categorised within level 3 of the fair value hierarchy.

14 Loans receivable from associates

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Loans receivable from associates	–	11,504
Less: Impairment loss on loans receivable from associates (Note 38(b))	–	(665)
	–	10,839

At the end of the financial period, the Group has assessed that the settlement of the loans receivable from associates of $7,400,000 is neither planned nor likely to occur in the foreseeable future due to significant uncertainty in recovering the amounts within the next 12 months from the end of the reporting period. As a result, management considers the loans to be in substance part of the Group's net investment in the associates and reclassified the amount of $7,400,000 from loans receivable to investment in associates.

In the previous financial year, loans receivable from associates were unsecured, interest-free and expected to be repaid upon completion of the development project undertaken by the associates except for amounts of $1,231,000 which bore interest rate at 5.00% per annum. The fair values of the Group's loans receivable from associates approximate their carrying amounts at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

15 Development properties

Property under development, units for which revenue is recognised over time

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Land and land related costs	**128,114**	167,420
Development costs	**4,060**	8,463
	132,174	175,883

Details of the Group's development properties as at 31 March 2020 are as follows:

Name of property/Location	Description	Tenure	Estimated percentage of completion	Year to be completed/ Expected completion	Land area (sq m)	Gross floor area (sq m)	Group's interest in property (%)
Rezi 35 Geylang Lorong 35, Singapore	44 units of residential apartments	Freehold	94%	May 2020	1,115	3,121	51
Lattice One 1 Seraya Crescent, Singapore	48 units of residential apartments	Freehold	15%	2022	2,477	3,468	100
35 Gilstead 35 Gilstead Road, Singapore	70 units of residential apartments	Freehold	12%	2022	3,538	4,953	60

Development properties have operating cycles longer than one year and are intended for sale in the Group's normal operating cycle. Accordingly, the development properties are classified as current assets.

Development properties are pledged to banks to secure the long-term borrowings granted to the Group as disclosed in Note 27.

Development properties recognised as "cost of sales" amounted to $27,931,000 (31.5.2019: $44,522,000) during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

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16 Completed properties and land held for sale

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Balance at beginning of the financial period/year	**47,026**	54,618
Additions	**108**	534
Transferred from development properties	**27,431**	26,416
Recognised as an expense in the cost of sales	**(12,293)**	(34,333)
Exchange differences	**176**	(209)
	62,448	47,026
Less: Written down	**(8,862)**	(4,052)
Balance at end of the financial period/year	**53,586**	42,974

Details of the Group's completed properties and land held for sale as at 31 March 2020 are as follow:

Name of Property/location	Description	Tenure	Gross floor area/land area (sq m)	Group's interest in property (%)
The Peak @ Cairnhill I 51 Cairnhill Circle, Singapore	1 unit of residential apartment	Freehold	86	100
183 Longhaus 183 Upper Thomson Road, Singapore	10 commercial units	Freehold	1,049	100
Third Avenue Jalan Teknokrat 3 Cyberjaya, Selangor, Malaysia	8 units of residential apartments, 2 commercial units and 1 office block	Freehold	20,725	100
Peach Garden Phu Huu Residential District 9, Ho Chi Minh City, Vietnam	23 plots of lands	Freehold	3,934	65

The Group writes down its properties to estimated net realisable value, taking into account estimated net realisable values of the properties by reference to comparable properties, location and property market conditions. During the financial period, the Group has written down an amount of $6,927,000 (31.5.2019: $542,000) on certain properties.

The completed properties and land held for sale of $27,431,000 (31.5.2019: $11,417,000) are pledged to banks to secure the long-term borrowings granted to the Group as disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

17 Non-current assets and assets of disposal group classified as held for sale/Liabilities of a disposal group classified as held for sale

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Non-current assets held for sale	**241**	–
Assets of disposal group classified as held for sale	**26,592**	–
	26,833	–
Liabilities of a disposal group classified as held for sale	**17,857**	–

Non-current assets held for sale

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Balance at beginning of the financial period/year	**–**	47,617
Reclassified from/(to) property, plant and equipment	**241**	(47,617)
Balance at end of the financial period/year	**241**	–

i) *An office unit*

During the financial period, the Group entered into an agreement on 20 February 2020 with a purchaser to sell an office unit at Larmont Hotel. Accordingly, the office unit was reclassified as "non-current asset held for sale" in the statements of financial position. The transaction was completed on 27 April 2020.

ii) *Australian hotels*

In the previous financial year, following the approval of the Group's Board on 26 July 2016 to sell the two hotels in Australia, the freehold land and building on freehold land were classified as "non-current assets held for sale" in the statements of financial position.

One of the hotels was sold in financial year 2017, but the sale of Larmont Hotel did not materialise. Since the Larmont Hotel no longer meets the classification as non-current asset held for sale, and in compliance with SFRS(I) 5 *Non-current assets held for sale and discontinued operations*, the Group has reclassified Larmont Hotel from non-current asset held for sale back to the property, plant and equipment (Note 20) in the previous financial year. A remeasurement adjustment of $2,872,000 (Note 20) for depreciation that would have been recognised if the assets had not been classified as held for sale have been included in the "administrative expenses" in the Group's profit or loss for the previous financial year ended 31 May 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

17 Non-current assets and assets of disposal group classified as held for sale/Liabilities of a disposal group classified as held for sale (cont'd)

Disposal group

Following the approval of the Group's Board during the financial period to sell entire issued share capital of TEE Industrial Pte. Ltd (the "disposal group") to TEE International Limited, the assets and liabilities related to the disposal group have been presented as a disposal group held for sale. This transaction is expected to be completed within the next financial year.

The assets and liabilities of the disposal group, which is included as part of investment properties segment of the Group, are as follows:

	31.3.2020 $'000
Assets	
Property, plant and equipment	**7**
Investment property *	**23,385**
Trade and other receivables	**3,105**
Bank balances	**95**
Assets of the disposal group	**26,592**
Liabilities	
Trade and other payables	**361**
Lease liabilities	**1,885**
Long term borrowings	**15,514**
Income tax payable	**97**
Liabilities of the disposal group	**17,857**
Net assets of the disposal group	**8,735**

* The carrying amount of investment properties included right-of-use assets relating to land lease of $1,885,000 (31.5.2019: $Nil).

18 Investment in associates

	Group	
	31.3.2020 $'000	31.5.2019 $'000
Unquoted equity shares, at cost	**1,203**	1,724
Share of post-acquisition (loss)/profit, net of dividend received	**(301)**	2,800
	902	4,524
Loans receivable from associates	**11,207**	–
Less: Impairment loss on loans receivable from associates (Note 38(b))	**(3,807)**	–
	7,400	–
Group's share of associates' net assets	**8,302**	4,524
Deemed cost of investment	**4,793**	4,756
Less: Impairment loss on investment in associates	**(4,347)**	(3,871)
	446	885
	8,748	5,409

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For the financial period from 1 June 2019 to 31 March 2020

18 Investment in associates (cont'd)

Deemed cost of investment is the fair value of financial guarantee on initial recognition provided by the Group to secure banking facilities of the associates.

Loan receivables from associates

As disclosed in Note 14, management considers the loans receivable from associates to be in substance part of the Group's net investment in the associates.

Details of the Group's associates at 31 March 2020 are as follow:

Name of associate/ Place of incorporation and operation	Principal activity	Proportion of ownership interest and voting power held	
		31.3.2020	31.5.2019
		%	%
Unique Development Pte. Ltd. [1] Singapore	Development of real estate	**20.0**	20.0
Unique Realty Pte. Ltd. [1] Singapore	Development of real estate	**20.0**	20.0
Residenza Pte. Ltd. [1] Singapore	Development of real estate	**32.0**	32.0
Unique Consortium Pte. Ltd. [1] Singapore	Investment holding company	**20.0**	20.0
Development 26 Pte. Ltd. [1] Singapore	Development of real estate	**45.0**	45.0
Unique Capital Pte. Ltd. [1] Singapore	Investment holding company	**20.0**	20.0
Development 32 Pte. Ltd. [1] Singapore	Development of real estate	**45.0**	45.0
Unique Commercial Pte. Ltd. [2] Singapore	Development of real estate	**35.0**	35.0
Wealth Development Pte. Ltd. [1] Singapore	Development of real estate	**30.0**	30.0

(1) Audited by Ernst & Young LLP, Singapore

(2) Audited by Baker Tilly TFW LLP, Singapore

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For the financial period from 1 June 2019 to 31 March 2020

18 Investment in associates (cont'd)

In accordance with the requirements of Rules 715 and 716 of the SGX-ST Listing Manual, the directors of the Company and the Audit Committee, having reviewed the appointment of different auditors for the Group's associates, are satisfied that these appointments would not compromise the standard and effectiveness of the audit of the Group.

Movement in allowance for impairment loss on investment in associates is as follows:

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Balance at beginning of the financial period/year	**3,871**	271
Allowance made	**476**	3,600
Balance at end of the financial period/year	**4,347**	3,871

At the end of the financial period, management performed an impairment assessment on the investment in associates. An impairment loss of $476,000 (31.5.2019: $3,600,000) was recognised to write down the investments in certain associates to their recoverable amounts of $350,000 (31.5.2019: $1,570,000). The recoverable amounts were determined based on the adjusted net assets value taking into account the fair value of underlying assets and liabilities of these associates. This fair value measurement is measured based on the fair value less cost to sell and categorised within Level 3 of the fair value hierarchy.

Summarised financial information in respect of the Group's associates is set out below:

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Total assets	**112,299**	135,722
Total liabilities	**(119,153)**	(118,285)
Net assets	**(6,854)**	17,437
Group's share of associates' net assets	**8,302**	4,524
Revenue	**–**	5,290
Loss for the financial period/year	**(18,714)**	(3,883)
Group's share of associates' results for the financial period/year	**(2,066)**	(792)
Dividend income	**1,035**	2,131

The Group has not recognised its share of losses amounting to $Nil (31.5.2019: $476,000) in profit or loss during the financial period. The accumulated losses not recognised at the date of reporting period were $Nil (31.5.2019: $476,000).

18 Investment in associates (cont'd)

The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with financial reporting standards and includes adjustments by the Group to align with the Group's accounting policy for equity accounting purposes. Summarised and reconciliation of the financial information in respect of each of the Group's material associates is set out below:

	Unique Development Pte. Ltd. $'000	Unique Realty Pte. Ltd. $'000	Residenza Pte. Ltd. $'000	Unique Consortium Pte. Ltd. $'000	Unique Capital Pte. Ltd. $'000	Development 26 Pte. Ltd. $'000	Development 32 Pte. Ltd. $'000	Wealth Development Pte. Ltd. $'000	Unique Commercial Pte. Ltd. $'000
31.3.2020									
Summarised statement of financial position									
Proportion of the Group's effective ownership interest	20.0%	20.0%	32.0%	20.0%	20.0%	45.0%	45.0%	30.0%	35.0%
Current assets	2,372	1,326	988	22,941	17	419	1,809	29,987	44,812
Non-current assets	943	–	–	700	5,985	–	–	–	–
Current liabilities	(709)	(122)	(836)	(21,419)	(5,926)	(526)	(592)	(9,363)	(18,862)
Non-current liabilities	–	–	–	–	(1,571)	–	–	(22,000)	(37,227)
Net assets/(liabilities)	2,606	1,204	152	2,222	(1,495)	(107)	1,217	(1,376)	(11,277)
Group's share of net assets/ (liabilities)	521	241	49	444	(299)	(48)	548	(413)	(3,947)
Loans receivable from associates	122	–	–	3,426	812	189	–	2,733	3,924
Deemed cost of investment	1,054	610	201	707	707	300	305	463	446
Impairment loss	(1,054)	(610)	(201)	(707)	(707)	(300)	(305)	(463)	–
Carrying amount of the Group's interest in associates	643	241	49	3,870	513	141	548	2,320	423
Summarised statement of profit or loss and total comprehensive income									
Revenue	–	–	–	–	–	–	–	–	–
(Loss)/profit for the financial period and total comprehensive (loss)/income for the financial period	(724)	240	(147)	(821)	(9,140)	145	(93)	(483)	(7,691)

18 Investment in associates (cont'd)

	Unique Development Pte. Ltd. $'000	Unique Realty Pte. Ltd. $'000	Residenza Pte. Ltd. $'000	Unique Consortium Pte. Ltd. $'000	Unique Capital Pte. Ltd. $'000	Development 26 Pte. Ltd. $'000	Development 32 Pte. Ltd. $'000	Wealth Development Pte. Ltd. $'000	Unique Commercial Pte. Ltd. $'000
31.5.2019									
Summarised statement of financial position									
Proportion of the Group's effective ownership interest	20.0%	20.0%	32.0%	20.0%	20.0%	45.0%	45.0%	30.0%	35.0%
Current assets	3,075	2,449	2,124	23,792	21	276	5,474	30,562	51,973
Non-current assets	943	–	–	1,723	13,159	–	–	–	151
Current liabilities	(687)	(391)	(825)	(5,335)	(8)	(109)	(1,203)	(9,454)	(6,027)
Non-current liabilities	–	(93)	–	(17,136)	(5,527)	(420)	(661)	(22,000)	(48,409)
Net assets/(liabilities)	3,331	1,965	1,299	3,044	7,645	(253)	3,610	(892)	(2,312)
Group's share of net assets/(liabilities)	666	393	416	609	1,529	–	1,624	(267)	(446)
Deemed cost of investment	1,054	610	201	694	707	300	305	439	446
Impairment loss	(1,054)	(610)	(201)	(694)	(707)	(300)	(305)	–	–
Carrying amount of the Group's interest in associates	666	393	416	609	1,529	–	1,624	172	–
Summarised statement of profit or loss and total comprehensive income									
Revenue	–	2,550	–	–	–	–	–	–	2,740
Profit/(loss) for the financial year and total comprehensive income/(loss) for the financial year	52	(388)	(218)	(89)	(205)	(317)	(170)	(741)	(1,807)

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For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries

	Company	
	31.3.2020	31.5.2019
	$'000	$'000
Unquoted equity shares, at cost	**30,178**	30,178
Deemed cost of investment	**4,841**	4,385
Less: Impairment loss	**(16,043)**	(2,117)
	18,976	32,446

Deemed cost of investment is the fair value of financial guarantees on initial recognition provided by the Company to secure banking facilities of certain subsidiaries (Note 27). The full amount of the financial guarantee fee is deemed to be additional investment in subsidiaries.

Movement in the allowance for impairment loss is as follows:

	Company	
	31.3.2020	31.5.2019
	$'000	$'000
Balances at beginning of the financial period/year	**2,117**	1,253
Allowance made	**13,926**	864
Balance at end of the financial period/year	**16,043**	2,117

At the end of the financial period, management performed an impairment assessment on the Company's investment in subsidiaries. An impairment loss of $13,926,000 (31.5.2019: $864,000) was recognised to write down the investments in certain subsidiaries to their recoverable amounts of $967,000 (31.5.2019: $1,183,000). The recoverable amounts were determined based on the adjusted net assets value taking into account the fair value of underlying assets and liabilities of these subsidiaries. This fair value measurement is determined based on the fair value less cost to sell and is categorised within Level 3 of the fair value hierarchy.

Details of the Company's subsidiaries at 31 March 2020 are as follows:

Name of subsidiary/ Place of incorporation and operation	**Principal activity**	**Proportion of ownership interest and voting power held**	
		31.3.2020	31.5.2019
		%	%
Amcorp Equity Pte. Ltd. [(1)] *(formerly known as TEE Realty Pte. Ltd.)* Singapore	Development of real estate	**100**	100
Development 83 Pte. Ltd. [(1)] Singapore	Development of real estate	**100**	100
Amcorp East Asia Pte. Ltd. [(1)] *(formerly known as TEE Property Pte. Ltd.)* Singapore	Development of real estate and investment holding	**100**	100
Amcorp Homes Pte. Ltd. [(1)] *(formerly known as TEE Homes Pte. Ltd.)* Singapore	Development of real estate	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries (cont'd)

Details of the Company's subsidiaries at 31 March 2020 are as follows (cont'd):

Name of subsidiary/ Place of incorporation and operation	Principal activity	Proportion of ownership interest and voting power held 31.3.2020 %	31.5.2019 %
Amcorp Development Pte. Ltd. [(1)] *(formerly known as TEE Development Pte. Ltd.)* Singapore	Development of real estate	**100**	100
Development 72 Pte. Ltd. [(1)] Singapore	Development of real estate	**100**	100
TEE Industrial Pte. Ltd. [(1)] Singapore	Real estate activities with owned property	**100**	100
Development 16 Pte. Ltd. [(1)] Singapore	Development of real estate and investment holding	**100**	100
Amcorp Uptown Pte. Ltd. [(1)] *(formerly known as TEE Ventures Pte. Ltd.)* Singapore	Development of real estate	**100**	100
Amcorp Hospitality Pte. Ltd. [(1)] *(formerly known as TEE Hospitality Pte. Ltd.)* Singapore	Development of real estate and investment holding	**100**	100
Amcorp Vista Pte. Ltd. [(1)] *(formerly known as TEE Vista Pte. Ltd.)* Singapore	Development of real estate	**100**	100
Amcorp Forward Pte. Ltd. [(1)] *(formerly known as TEE Forward Pte. Ltd.)* Singapore	Development of real estate	**60**	60
Development 35 Pte. Ltd. [(1)] Singapore	Development of real estate	**51**	51
Held by Amcorp East Asia Pte. Ltd.			
TEE Resources Sdn. Bhd. [(3)] Malaysia	Development of real estate	**100**	100
Viet-TEE Company Limited [(2)] Vietnam	Development of real estate	**65**	65
Klang City Development Pte. Ltd. [(1)] Singapore	Development of real estate and investment holding	**60**	60
Held by Klang City Development Pte. Ltd.			
Menara Jutamas Sdn. Bhd. [(6)] Malaysia	Development of real estate	**60**	60

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For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries (cont'd)

Details of the Company's subsidiaries at 31 March 2020 are as follows (cont'd):

Name of subsidiary/ Place of incorporation and operation	Principal activity	Proportion of ownership interest and voting power held 31.3.2020 %	 31.5.2019 %
Held by Amcorp Hospitality Pte. Ltd.			
Amcorp Oceania Pte Limited [(4)] *(formerly known as TEE Oceania Pte. Ltd.)* New Zealand	Investment holding	**100**	100
JPJ Properties Pty Ltd [#] Australia	Hotel operations	**–**	55
Potts Point Hospitality Pty Ltd [(5)] Australia	Hotel ownership	**55**	55
Teematic Private Limited [(4)] New Zealand	Investment holding	**75.1**	75.1
Held by Teematic Private Limited			
Workotel Limited [(4)] New Zealand	Rental accommodation operations	**75.1**	75.1
Held by Potts Point Pty Ltd			
LPP Hospitality Pty Ltd [(5)] New Zealand	Hotel operations	**55**	55

(1) Audited by Baker Tilly TFW LLP, Singapore

(2) Audited by Baker Tilly A&C, Vietnam

(3) Audited by Baker Tilly Monteiro Heng, Malaysia

(4) Audited by Baker Tilly Staples Rodway, New Zealand

(5) Audited by Baker Tilly Pitcher Partners, Australia

(6) Audited by Tee & Partners, Malaysia

JPJ Properties Pty Ltd had been deregistered on 7 August 2019

In accordance with the requirements of Rules 715 and 716 the SGX-ST Listing Manual, the directors of the Company and the Audit Committee, having reviewed the appointment of different auditors for the Group's subsidiaries, are satisfied that these appointments would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries (cont'd)

The table below shows the details of subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by non-controlling interests	
		31.3.2020	31.5.2019
		%	%
Amcorp Oceania Pte Limited and its subsidiaries	New Zealand	**24.9**	24.9
JPJ Properties Pty Ltd	Australia	**–**	45.0
Potts Point Hospitality Pty Ltd	Australia	**45.0**	45.0
Development 35 Pte. Ltd.	Singapore	**49.0**	49.0
Amcorp Forward Pte Ltd	Singapore	**40.0**	40.0

Name of subsidiary	(Loss)/profit allocated to non-controlling interests		Accumulated non-controlling interests	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
	$'000	$'000	**$'000**	$'000
Amcorp Oceania Pte Limited and its subsidiaries	**(205)**	(144)	**(292)**	(99)
JPJ Properties Pty Ltd	**–**	156	**–**	–
Potts Point Hospitality Pty Ltd	**(838)**	(1,146)	**7,294**	8,773
Development 35 Pte. Ltd.	**1,263**	476	**1,825**	632
Amcorp Forward Pte Ltd	**(1,264)**	(1,387)	**(2,012)**	(748)
Others *	**(32)**	62	**165**	74
Total	**(1,076)**	(1,983)	**6,980**	8,632

* Individually immaterial subsidiaries with non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries (cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amount before intragroup eliminations.

	Amcorp Oceania Pte Limited and its subsidiaries $'000	Potts Point Hospitality Pty Ltd $'000	Development 35 Pte. Ltd. $'000	Amcorp Forward Pte. Ltd. $'000
Summarised statements of financial position				
31.3.2020				
Current assets	4,088	1,961	23,591	97,133
Non-current assets	6,018	35,468	–	1,443
Current liabilities	(8,187)	(1,148)	(17,337)	(8,600)
Non-current liabilities	(3,671)	(20,071)	(2,530)	(95,007)
Net (liabilities)/assets	**(1,752)**	**16,210**	**3,724**	**(5,031)**
Non-controlling interests	**(292)**	**7,294**	**1,825**	**(2,012)**
Summarised income statement				
31.3.2020				
Revenue for the financial period	1,307	5,575	22,984	4,566
Expenses	(2,171)	(7,437)	(20,406)	(7,727)
(Loss)/profit for the financial period	(864)	(1,862)	2,578	(3,161)
(Loss)/profit attributable to:				
Equity holder of the Company	(659)	(1,024)	1,315	(1,897)
Non-controlling interests	(205)	(838)	1,263	(1,264)
(Loss)/profit for the financial period	(864)	(1,862)	2,578	(3,161)
Total comprehensive income/(loss) attributable to:				
Equity holder of the Company	62	(784)	–	–
Non-controlling interests	11	(641)	–	–
Other comprehensive (loss)/income for the financial period	73	(1,425)	–	–
Total comprehensive income/(loss) attributable to:				
Equity holder of the Company	(597)	(1,808)	1,315	(1,897)
Non-controlling interests	(194)	(1,479)	1,263	(1,264)
Total comprehensive income for the financial period	(791)	(3,287)	2,578	(3,161)
Summarised statement of cash flows				
31.3.2020				
Net cash generated from operating activities	59	1,058	4,566	3,710
Net cash used in investing activities	–	(30)	–	–
Net cash used in financing activities	(111)	(342)	(8,170)	(797)
Net cash (decrease)/increase in cash and cash equivalents	**(52)**	**686**	**(3,604)**	**2,913**

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For the financial period from 1 June 2019 to 31 March 2020

19 Investment in subsidiaries (cont'd)

	Amcorp Oceania Pte Limited and its subsidiaries $'000	JPJ Properties Pty Ltd $'000	Potts Point Hospitality Pty Ltd $'000	Development 35 Pte. Ltd. $'000	Amcorp Forward Pte. Ltd. $'000
Summarised statements of financial position					
31.5.2019					
Current assets	4,240	–	1,242	29,536	95,066
Non-current assets	7,294	–	41,503	–	792
Current liabilities	(8,004)	–	(23,246)	(22,075)	(3,721)
Non-current liabilities	(4,494)	–	–	(6,171)	(94,007)
Net (liabilities)/assets	(964)	–	19,499	1,290	(1,870)
Non-controlling interests	(99)	–	8,773	632	(748)
Summarised income statement					
31.5.2019					
Revenue for the financial year	1,641	–	7,310	17,023	183
Expenses	(2,415)	347	(9,857)	(16,051)	(3,651)
(Loss)/profit for the financial year	(774)	347	(2,547)	972	(3,468)
(Loss)/profit attributable to:					
Equity holder of the Company	(630)	191	(1,401)	496	(2,081)
Non-controlling interests	(144)	156	(1,146)	476	(1,387)
(Loss)/profit for the financial year	(774)	347	(2,547)	972	(3,468)
Other comprehensive income/(loss) attributable to:					
Equity holder of the Company	26	(97)	(673)	–	–
Non-controlling interests	2	(79)	(550)	–	–
Other comprehensive income/(loss) for the financial year	28	(176)	(1,223)	–	–
Total comprehensive (loss)/income attributable to:					
Equity holder of the Company	(604)	235	(2,074)	496	(2,081)
Non-controlling interests	(142)	185	(1,696)	476	(1,387)
Total comprehensive (loss)/income for the financial year	(746)	420	(3,770)	972	(3,468)
Summarised statement of cash flows					
31.5.2019					
Net cash generated from/(used in) operating activities	130	932	899	4,672	(17,743)
Net cash (used in)/generated from investing activities	(5)	–	91	–	–
Net cash (used in)/generated from financing activities	(120)	(1,299)	(850)	–	18,139
Net cash increase/(decrease) in cash and cash equivalents	5	(367)	140	4,672	396

20 Property, plant and equipment

	Freehold land $'000	Buildings on freehold land $'000	Computers $'000	Renovation $'000	Motor vehicle $'000	Machinery and tools $'000	Furniture fittings and equipment $'000	Total $'000
Group								
Cost								
At 1 June 2018	–	–	130	1,278	107	22	511	2,048
Reclassification (Note 17)	4,545	36,227	–	–	–	–	8,413	49,185
Exchange differences	(268)	(2,128)	(2)	(28)	(3)	(1)	(504)	(2,934)
Additions	–	–	4	46	6	1	200	257
Disposal	–	(274)	(16)	–	–	–	–	(290)
At 31 May 2019	4,277	33,825	116	1,296	110	22	8,620	48,266
Reclassification (Note 17)	–	(268)	–	–	–	–	(223)	(491)
Exchange differences	(339)	(2,678)	–	8	–	(1)	(639)	(3,649)
Additions	–	–	4	–	–	–	20	24
Written off	–	–	(2)	–	–	–	(42)	(44)
At 31 March 2020	**3,938**	**30,879**	**118**	**1,304**	**110**	**21**	**7,736**	**44,106**
Accumulated depreciation								
At 1 June 2018	–	–	116	1,129	88	12	333	1,678
Reclassification (Note 17)	–	871	–	–	–	–	697	1,568
Remeasurement (Note 17)	–	1,506	–	–	–	–	1,366	2,872
Exchange differences	–	(120)	(1)	(27)	(2)	(1)	(122)	(273)
Depreciation	–	1,015	11	153	17	4	935	2,135
Disposal	–	(18)	(16)	–	–	–	–	(34)
At 31 May 2019	–	3,254	110	1,255	103	15	3,209	7,946
Reclassification (Note 17)	–	(27)	–	–	–	–	(216)	(243)
Exchange differences	–	(309)	–	8	–	(1)	(265)	(567)
Depreciation	–	804	4	8	2	2	656	1,476
Written off	–	–	(2)	–	–	–	(34)	(36)
At 31 March 2020	**–**	**3,722**	**112**	**1,271**	**105**	**16**	**3,350**	**8,576**
Net carrying amount								
At 31 March 2020	**3,938**	**27,157**	**6**	**33**	**5**	**5**	**4,386**	**35,530**
At 31 May 2019	4,277	30,571	6	41	7	7	5,411	40,320

Included in property, plant and equipment are right-of-use assets with carrying amount of $Nil (31.5.2019: $Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

20 Property, plant and equipment (cont'd)

As disclosed in Note 17, the Group has reclassified Larmont Hotel from non-current asset held for sale back to property, plant and equipment in previous financial year.

The net carrying amounts of property, plant and equipment relating to the Larmont Hotel (Note 17) are as follows:

	31.3.2020	31.5.2019
	$'000	$'000
Freehold land	**3,938**	4,277
Buildings on freehold land	**27,157**	30,571
Furnitures, fittings and equipment	**4,374**	5,320
	35,469	40,168

At the end of the reporting period, the above carrying amount of property, plant and equipment of the Group has been pledged to banks to secure the long-term borrowings (Note 27).

At 31 May 2019, the net carrying amount of the Group's motor vehicle acquired under finance lease agreements (classified as finance lease under FRS 17 Leases) amounted to $Nil (Note 26).

21 Investment properties

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
At fair value:		
At beginning of financial period/year	**31,442**	33,905
Additions	**–**	46
Recognition of right-of-use asset on initial application of SFRS(I) 16	**1,913**	–
Fair value loss on investment properties (Note 6)	**(1,555)**	(2,191)
Reclassified to disposal group held for sale (Note 17)	**(23,385)**	–
Exchange differences	**(301)**	(318)
At end of financial period/year	**8,114**	31,442

The fair value of the Group's investment properties at 31 March 2020 have been determined based on valuations carried out by independent valuers with appropriate recognised professional qualifications and experience.

In determining the market value of the investment properties, the valuers have considered valuation techniques (including income capitalisation method, discounted cash flow method and direct comparison method) in arriving at the open market value as at the end of the reporting period. Income capitalisation method involves assessment of the income earning capacity and capitalised it at the adopted capitalisation rate to derive a core value. Discounted cash flow method recognises the time value of money by estimating the net present value of future cash flows. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the investment properties.

21 Investment properties (cont'd)

The COVID-19 pandemic has created significant uncertainty in the real estate market which could impact the valuation. The valuers have taken into consideration the impact of COVID-19 in the valuation based on currently available market data and conditions at the reporting date.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. As at 31 March 2020, the fair value measurements of the Group's investment properties are classified within Level 3 of the fair value hierarchy.

The investment properties held by the Group as at 31 March 2020 are as follow:

Name of property/Location	Tenure	Description
Workotel 19 Main South Road , Upper Riccarton, Christchurch, New Zealand	Freehold	104 units and 4 houses for providing rental accommodation
Thistle Guesthouse 21 Main North Road, Upper Riccarton, Christchurch, New Zealand	Freehold	10 rooms with 1 ground floor apartment and an attached sleep-out for providing rental accommodation
Chewathai Ratchaprarop Condominium, No. 11, Ratchaprarop Road, Makkasan Sub-district, Ratchathewi District, Bangkok, Thailand	Freehold	3 condominium apartment units for providing rental accommodation
TEE Building * 25 Bukit Batok Street 22, Singapore	Leasehold from 1 May 1992 to 30 April 2052	Industrial space for providing rental

* This property has been reclassified to disposal group held for sale.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

21 Investment properties (cont'd)

The following table shows the significant unobservable inputs used in the valuation model:

Location	Fair value		Valuation methodology	Significant unobservable inputs (Level 3)	Range	
	31.3. 2020 $'000	31.5. 2019 $'000			**2020**	2019
New Zealand	**5,998**	7,188	Discounted cash flow method	Discount rate [2]	**11.0%**	10.00%
			Direct comparison method	Price per square meter of gross floor area[1]	**$300 - $900**	$250 - $500
Thailand	**2,116**	2,254	Direct comparison method	Price per square meter of gross floor area[1]	**$4,200 - $7,500**	$3,600 - $8,000
			Income capitalisation method	Occupancy turnover[1]	**95.00%**	97.00%
				Turnover[1]	**$2,600/ week**	$2,700/ week
				Operating income[1]	**$2,400/ Week**	$2,500/ week
				Net operating income margin[1]	**91.00%**	91.00%
				Capitalisation rate[2]	**6.00%**	6.00%
Singapore	**21,500** [3]	22,000	Direct comparison method	Price per square meter of gross floor area[1]	**$2,200 - $2,500**	$1,500 - $4,900

[1] Any significant isolated increase/(decrease) in these inputs would result in a significantly higher/(lower) fair value measurement.

[2] Any significant isolated decrease/(increase) in this input would result in a significantly (higher)/lower fair value measurement.

[3] This amount has been reclassified to disposal group held for sale.

The Group has pledged the investment properties except for freehold condominium apartment units in Bangkok, Thailand to banks to secure long-term borrowings granted to the Group (Note 27).

The property rental income from the Group's investment properties amounted to $1,954,000 (31.5.2019: $2,402,000). Direct operating expenses (including repairs and maintenance) arising from the rental-generating investment properties amounted to $609,000 (31.5.2019: $698,000). Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income amounted to $16,000 (31.5.2019: $5,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

22 Deferred tax liabilities/(assets)

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting periods:

	Recognition of profits from properties under development $'000	Tax losses $'000	Total $'000
Group			
At 1 June 2018	1,025	(4,343)	(3,318)
(Credit)/charge to profit or loss for the financial year (Note 9)	(620)	418	(202)
Exchange differences	(19)	64	45
At 31 May 2019	386	(3,861)	(3,475)
Charge to profit or loss for the financial period (Note 9)	401	2,392	2,793
Exchange differences	(15)	26	11
At 31 March 2020	**772**	**(1,443)**	**(671)**

The following is the analysis of deferred tax balances for statements of financial position purposes:

	Group	
	31.3.2020 $'000	31.5.2019 $'000
Deferred tax liabilities	**772**	386
Deferred tax assets	**(1,443)**	(3,861)
	(671)	(3,475)

Revenue from sale of development properties will only be taxable upon completion of the project.

Subject to the agreement by the tax authorities, the Group has unutilised tax losses of approximately $41,387,000 (31.5.2019: $36,131,000) which is available for offset against future taxable income of the Group. Deferred tax asset has been recognised in respect of $8,490,000 (31.5.2019: $19,156,000) of such tax losses. No deferred tax assets have been recognised in respect of the remaining unutilised tax losses of approximately $32,897,000 (31.5.2019: $16,975,000) due to unpredictability of future profit streams.

No deferred tax liability has been recognised in respect of undistributed earnings of subsidiaries which would be subject to withholding tax if transferred out of the country. The Group is in a position to control the timing of the transfer of these accumulated profits and do not expect the accumulated profits to be remitted such as to attract withholding tax in the foreseeable future. Temporary differences arising in connection with interests in associates is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

23 Borrowings

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Bank loans	**–**	1,994
Current portion of long term borrowings (Note 27)	**69,372**	87,436
	69,372	89,430

In the previous financial year, the bank loans of a subsidiary of $1,499,000 bore interest rates ranging from 5.30% to 5.45% per annum and secured by the corporate guarantee of the Company. This has been fully repaid during the financial period.

In the previous financial year, the Company's bank loan of $495,000 bore interest rate ranging from 5.30% to 5.45% per annum, unsecured and repayable on demand. This has been fully repaid during the financial period.

24 Trade payables

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Third parties	**9,389**	13,276
Former related company	**–**	1,238
Retention payables	**3,790**	3,267
	13,179	17,781

The credit period granted by contractors is 30 days (31.5.2019: 30 to 60 days). No interest is charged on the outstanding balance.

Retention payables are classified as current as they are expected to be repaid within the Group's normal operating cycle.

The amount payable to a former related company was unsecured, interest-free and repayable on demand.

25 Other payables

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Former holding company	**–**	157
Former related companies	**–**	153
Associates	**2,867**	3,387
Related parties	**2,156**	2,218
Other payables	**1,656**	2,060
Accrued expenses	**3,251**	5,523
Option money received from customers	**1,160**	958
Additional buyer's stamp duty payable	**4,380**	–
	15,470	14,456

NOTES TO THE FINANCIAL STATEMENTS
For the financial period from 1 June 2019 to 31 March 2020

25 Other payables (cont'd)

	Company	
	31.3.2020	31.5.2019
	$'000	$'000
Subsidiaries	**11,876**	12,637
Other payables	**157**	27
Accrued expenses	**488**	605
	12,521	13,269

The amounts payable to former holding company, former related companies, subsidiaries, associates and related parties are non-trade in nature, unsecured, interest-free and repayable on demand.

26 Other current and non-current liabilities

	Group		Company	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
	$'000	$'000	**$'000**	$'000
Finance lease	**–**	26	**–**	–
Lease liabilities	**15**	–	**–**	–
Financial guarantee liabilities	**133**	235	**675**	1,105
	148	261	**675**	1,105
Representing:				
Non-current	**2**	118	**135**	459
Current	**146**	143	**540**	646
	148	261	**675**	1,105

Finance lease

On 1 June 2019, the Group adopted SFRS(I) 16 and reclassified finance lease to lease liabilities as disclosed in Note 2(a).

As at 31 May 2019, the future minimum finance lease payment are as follows:

	Group	
	Minimum lease payments	**Present value**
	$'000	**$'000**
Not later than one financial year	14	13
Later than one financial year but not later than five financial years	13	13
Total minimum lease payments	27	26
Less: Future finance charges	(1)	–
Present value of finance lease liabilities	26	26
Representing finance lease liabilities:		
- Non-current	13	
- Current	13	
	26	

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

26 Other current and non-current liabilities (cont'd)

Finance lease (cont'd)

The lease term was 7 years and the effective interest rate was 2.32% per annum.

The Group's obligations under finance lease are secured by the lessor's title to the Group's motor vehicle (Note 20).

The fair value of the finance lease at the end of the previous reporting period approximated its carrying amount as there were no significant changes in the interest rate available to the Group at the end of the reporting period. This fair value measurement was categorised within Level 3 of the fair value hierarchy.

Lease liabilities

The Group as a lessee:

Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

i) The Group leases various motor vehicles from non-related parties. The leases have an average tenure of seven years.

ii) In addition, the Group leases various accommodations with contractual terms of one year. These leases are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liabilities is disclosed in Note 38(b).

Financial guarantee liabilities

Movements in the financial guarantee liabilities are as follows:

	Group		Company	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
	$'000	$'000	**$'000**	$'000
At beginning of financial period/year	**2,467**	2,467	**8,392**	7,900
Addition	**37**	–	**596**	492
At end of financial period/year	**2,504**	2,467	**8,988**	8,392
Less: Amortisation				
At beginning of financial period/year	**2,232**	2,046	**7,287**	5,966
Amortisation (Note 5)	**139**	186	**1,026**	1,321
At end of financial period/year	**2,371**	2,232	**8,313**	7,287
	133	235	**675**	1,105

Financial guarantee liabilities are the fair value of corporate guarantee on initial recognition provided by the Group and the Company to secure banking facilities of associate and subsidiaries respectively. The Group and the Company recorded a deemed financial guarantee income in accordance with SFRS(I) 9 *Financial Instruments*. The deemed financial guarantee income is amortised over the financial guarantees period.

27 Long-term borrowings

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Total borrowings	**170,017**	217,637
Amounts due within 12 months (Note 23)	**(69,372)**	(87,436)
Amounts due after 12 months	**100,645**	130,201

The Group's long-term borrowings bear interest rates ranging from 2.50% to 4.55% (31.5.2019: 2.80% to 4.95%) per annum.

The Group's long-term borrowings are secured against the Group's development properties (Note 15), completed properties and land held for sale (Note 16), non-current asset held for sale (Note 17), freehold land and buildings on freehold land (Note 20), investment properties (Note 21) and corporate guarantees by the Company (Note 36) and other corporate shareholders of certain subsidiaries.

The Group's non-current portion of long-term borrowings are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period. Accordingly, the fair value of these borrowings, determined from discounted cash flow analysis using a discount rate of 2.99% (31.5.2019: 3.26%) which are the market lending rate that the directors expect would be available to the Group at the end of the reporting period, would approximate their carrying amounts at the end of the reporting period. This fair value measurement for disclosure purpose is categorised in Level 3 of the fair values hierarchy.

28 Loans from non-controlling interests

The non-current shareholders' loans from non-controlling interests are for development projects "Rezi 35" and "35 Gilstead" (Note 15), which bear interest at rate of 5.00% (31.5.2019: 5.00%) per annum and repayable after 12 months from the end of the reporting period.

The fair value of the non-current loans from non-controlling interests at the end of the reporting period approximates their carrying amount as there are no significant changes in the interest rate available to the Group at the end of the reporting period. This fair value measurement is categorised within Level 3 of the fair value hierarchy.

29 Share capital

	Group and Company			
	Number of ordinary shares		$'000	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
Issued and paid up				
At beginning and end of financial period/year	**446,876,000**	446,876,000	**142,238**	142,238

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

30 Currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign operations into Singapore dollar are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of currency translation reserve.

31 Merger reserve

Merger reserve represents the difference between the amount of the share capital of the subsidiaries at the date on which they are acquired by the Company and the nominal amount of the share capital issued as consideration for the acquisition using the principles of merger accounting applicable to business combination under common control.

32 Capital reserve

The capital reserve represented the effects of changes in ownership in subsidiaries when there were no changes in control. This has been transferred to accumulated losses during the financial period.

33 Non-controlling interests

Included in non-controlling interests is an amount of $10,929,000 (31.5.2019: $11,471,000) of loan due to non-controlling interests which has been classified as equity as the loan is repayable at the discretion of a subsidiary of the Group.

34 Dividends

	Group and Company	
	31.3.2020	31.5.2019
	$'000	$'000
Final tax exempt (one-tier) dividend of 0.15 cent per ordinary share in respect of the financial year ended 31 May 2018	**–**	670

35 Significant related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and its related parties, who are not members of the Group during the financial period on terms agreed by the parties concerned:

a) Former holding company and its subsidiaries

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Management fees paid to former holding company	**199**	295
Rental income received from former holding company	**(423)**	(626)
Rental income received from related companies	**(390)**	(578)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

35 Significant related party transactions (cont'd)

b) Associates

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Dividend income	**(1,035)**	(2,131)
Interest income	**(44)**	(115)
Financial guarantee income	**(139)**	(186)
Management fee income	**(30)**	(86)

c) Professional fees paid to directors of the Company.

In previous financial year, an independent non-executive director of the Company was a partner of a firm which provided professional services to the Group amounted to $26,000.

d) Compensation of directors and key management personnel

The remuneration of directors and other members of key management personnel during the period was as follows:

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Director's fee	**204**	294
Short-term benefits	**734**	1,094
Post-employment benefits	**34**	63
	972	1,451

36 Operating lease commitments and contingent liabilities

a) Operating lease commitments - the Group as lessor

The Group leased out its commercial premises space (31.5.2019: industrial/commercial premises space) to third parties (31.5.2019: former holding company, related parties and third parties) for monthly lease payments. The lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follow:

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Not later than one financial year	**245**	551
Later than one financial year but not later than five financial years	**425**	670
	670	1,221

Rental income is disclosed in Note 4.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

36 Operating lease commitments and contingent liabilities (cont'd)

b) Operating lease commitments - the Group as lessee

The Group leases land from a non-related party under a non-cancellable operating lease agreement. The lease has a tenure of 30 years and can be renewed for another 30 years subject to approval by lessor.

	Group 31.5.2019 $'000
Within one year	97
In the second to fifth year inclusive	386
Later than fifth year	2,694
Total	3,177

As disclosed in Note 2(a), the Group has adopted SFRS(I) 16 on 1 June 2019. These lease payments have been recognised as right-of-use asset and lease liability on the statements of financial position as at 1 June 2019.

c) Contingent liabilities

Corporate guarantees

The Company has provided corporate guarantee to banks for borrowings taken by its subsidiaries and associates.

Details and estimates of maximum amounts of contingent liabilities are as follows:

	31.3.2020 $'000	31.5.2019 $'000
Subsidiaries	**146,119**	180,569
Associates	**22,240**	22,397
	168,359	202,966

The earliest period that the guarantee could be called is within 1 year (31.5.2019: 1 year) from the end of the reporting period. Based on the expectations at the end of the reporting period, the Group and the Company consider that it is more likely than not that no amount will be payable under the arrangement.

37 Segment information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments - property development, hotel operations and investment properties. The accounting policies of these reportable segments are the same as the Group's accounting policies described in Note 2.

The property development segment involves in the development and sale of development properties. The hotel operations segment involves hotel operations in Sydney, Australia. The investment properties segment involves providing rental of accommodation and industrial space.

37 Segment information (cont'd)

Segment revenue represents revenue generated from external and internal customers. Segment profit represents the profit earned by each segment after allocation of central administrative costs and finance costs. Eliminations represent intercompany transactions and dividends which was eliminated in the consolidated financial statements. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Management monitors the operating results of each of its business unit for the purpose of making decisions on resource allocation and performance assessment. Segment assets and liabilities are presented net of inter-segment balances.

Information regarding each of the Group's reportable segments is presented below.

	Corporate and others		Property development		Hotel operations		Investment properties		Inter-segment eliminations		Group	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019	**31.3.2020**	31.5.2019	**31.3.2020**	31.5.2019	**31.3.2020**	31.5.2019	**31.3.2020**	31.5.2019
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Segment revenue												
External sales	**–**	–	**45,808**	90,808	**5,575**	7,310	**1,954**	2,402	**–**	–	**53,337**	100,520
Intercompany sales	**–**	–	**–**	–	**–**	–	**756**	923	**(756)**	(923)	**–**	–
Total revenue	**–**	–	**45,808**	90,808	**5,575**	7,310	**2,710**	3,325	**(756)**	(923)	**53,337**	100,520
Segment results												
Segment results	**(1,313)**	(1,237)	**(16,647)**	(11,170)	**149**	(1,949)	**(195)**	(727)	**64**	(2,242)	**(17,942)**	(17,325)
Share of results of associates	**–**	–	**(2,066)**	(792)	**–**	–	**–**	–	**–**	–	**(2,066)**	(792)
Finance costs	**(8)**	(615)	**(4,930)**	(6,548)	**(698)**	(1,307)	**(607)**	(681)	**484**	1,114	**(5,759)**	(8,037)
(Loss)/profit before tax	**(1,321)**	(1,852)	**(23,643)**	(18,510)	**(549)**	(3,256)	**(802)**	(1,408)	**548**	(1,128)	**(25,767)**	(26,154)
Tax (expense)/credit	**(74)**	7	**(1,566)**	(428)	**(1,313)**	1,055	**(81)**	(303)	**–**	–	**(3,034)**	331
(Loss)/profit for the financial period/year	**(1,395)**	(1,845)	**(25,209)**	(18,938)	**(1,862)**	(2,201)	**(883)**	(1,711)	**548**	(1,128)	**(28,801)**	(25,823)
(Loss)/profit attributable to:												
Equity holder of the Company	**(1,395)**	(1,845)	**(24,932)**	(18,089)	**(1,268)**	(1,211)	**(678)**	(1,567)	**548**	(1,128)	**(27,725)**	(23,840)
Non-controlling interests	**–**	–	**(277)**	(849)	**(594)**	(990)	**(205)**	(144)	**–**	–	**(1,076)**	(1,983)
(Loss)/profit for the financial period/year	**(1,395)**	(1,845)	**(25,209)**	(18,938)	**(1,862)**	(2,201)	**(883)**	(1,711)	**548**	(1,128)	**(28,801)**	(25,823)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

37 Segment information (cont'd)

	Corporate and others $'000	Property development $'000	Hotel operations $'000	Investment properties $'000	Group $'000
31.3.2020					
Segment assets					
Segment assets	1,659	249,799	37,430	35,004	323,892
Investment in associates	–	8,748	–	–	8,748
Deferred tax assets	–	1,443	–	–	1,443
Total assets	**1,659**	**259,990**	**37,430**	**35,004**	**334,083**
Segment liabilities					
Segment liabilities	(776)	(42,891)	(737)	(3,256)	(47,660)
Loans and borrowings	–	(145,527)	(20,482)	(19,522)	(185,531)
Current and deferred tax liabilities	(87)	(643)	–	(346)	(1,076)
Total liabilities	**(863)**	**(189,061)**	**(21,219)**	**(23,124)**	**(234,267)**
Net assets	**796**	**70,929**	**16,211**	**11,880**	**99,816**
Other segment items					
Completed properties and land held for sale written down	–	6,927	–	–	6,927
Fair value loss on investment properties	–	–	–	1,555	1,555
Impairment loss on investment in associates	–	476	–	–	476
Impairment loss on trade receivables	–	294	282	–	576
Impairment loss on loans receivable from associates	–	3,142	–	–	3,142
Property, plant and equipment written off	–	8	–	–	8
Other receivables written off	–	9	–	–	9
Amortisation of capitalised contract costs	–	1,598	–	–	1,598
Amortisation of show flat expenses	–	1,493	–	–	1,493
Depreciation of property, plant and equipment	–	22	1,397	57	1,476
Amortisation of financial guarantee liabilities	–	(139)	–	–	(139)
Purchase of property, plant and equipment	–	(4)	(20)	–	(24)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

37 Segment information (cont'd)

	Corporate and others $'000	Property development $'000	Hotel operations $'000	Investment properties $'000	Group $'000
31.5.2019					
Segment assets					
Segment assets	614	311,811	41,410	34,494	388,329
Investment in associates	–	5,409	–	–	5,409
Deferred tax assets	–	2,460	1,335	66	3,861
Total assets	614	319,680	42,745	34,560	397,599
Segment liabilities					
Segment liabilities	(868)	(44,733)	(605)	(1,415)	(47,621)
Loans and borrowings	(495)	(175,983)	(22,615)	(20,538)	(219,631)
Current and deferred tax liabilities	(8)	26	–	(441)	(423)
Total liabilities	(1,371)	(220,690)	(23,220)	(22,394)	(267,675)
Net (liabilities)/assets	(757)	98,990	19,525	12,166	129,924
Other segment items					
Completed properties and land held for sale written down	–	542	–	–	542
Fair value loss on investment properties	–	–	–	2,191	2,191
Impairment on investment in associates	–	3,600	–	–	3,600
Impairment loss on trade receivables	–	–	5	–	5
Impairment loss on other receivables	–	181	–	–	181
Impairment loss on loans receivable from associates	–	665	–	–	665
Amortisation of capitalised contract costs	–	3,800	–	–	3,800
Amortisation of show flat expenses	–	433	–	–	433
Depreciation of property, plant and equipment	–	200	1,864	71	2,135
Remeasurement adjustment of non-current asset held for sale	–	–	2,872	–	2,872
Amortisation of financial guarantee liabilities	–	(186)	–	–	(186)
Gain on disposal of property, plant and equipment	–	–	(30)	–	(30)
Purchase of property, plant and equipment	–	(52)	(200)	(5)	(257)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

37 Segment information (cont'd)

Geographical information:

Segment revenue: Segment revenue is analysed based on the location of customers.

Revenue	**31.3.2020**	31.5.2019
	$'000	$'000
Singapore	**44,389**	79,083
New Zealand	**951**	1,198
Australia	**5,575**	7,310
Vietnam	**709**	436
Malaysia	**1,713**	12,493
	53,337	100,520

Segment non-current assets: Segment non-current assets (excluding deferred tax assets, loans receivables from associates and financial assets) are analysed based on the location of those assets.

Non-current assets	**31.3.2020**	31.5.2019
	$'000	$'000
Singapore	**1,356**	27,478
New Zealand	**6,016**	7,227
Australia	**35,469**	40,168
Malaysia	**35**	44
Thailand	**2,116**	2,254
	44,992	77,171

Information about major customers:

The Group does not have any single major customer that contributes 10% or more to the Group's revenues.

38 Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	Group		**Company**	
	31.3.2020	31.5.2019	**31.3.2020**	31.5.2019
	$'000	$'000	**$'000**	$'000
Financial assets:				
At amortised costs	**49,581**	58,830	**90,689**	124,550
Financial liabilities:				
At amortised costs	**223,471**	260,826	**13,178**	14,852

38 Financial instruments (cont'd)

a) Categories of financial instruments (cont'd)

Financial assets consist of cash and cash equivalents, trade receivables, other receivables (excluding prepayments, deferred show flat costs, options money paid for purchase of properties and capitalised contract costs) and loans receivable from associates.

Financial liabilities consist of borrowings, trade payables, other payables (excluding option money received from customers), finance lease, long-term borrowings, financial guarantee liabilities and loans from non-controlling interests.

b) Financial risk management objectives and policies

The Group and the Company is exposed to a variety of financial risks, such as market risk, including foreign exchange risk, interest rate risk, credit risk, liquidity risk and cash flow risks. The Group's overall risk management strategy seeks to minimise adverse effects from these financial risks on the Group's performance.

The Company does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group and the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

Foreign exchange risk

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than the respective functional currencies of entities in the Group. The Group transacts business in various foreign currencies, including Singapore Dollar ("SGD"), New Zealand Dollar ("NZD") and Thai Baht ("THB") and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the financial assets and financial liabilities denominated in foreign currencies based on the information provided to key management are as follows:

	Foreign currency/functional currency		
	SGD/MYR	**NZD/SGD**	**THB/SGD**
	$'000	**$'000**	**$'000**
Group			
31 March 2020			
Cash and bank balances	**–**	**6**	**–**
Trade and other receivables	**–**	**2,774**	**–**
Trade and other payables	**(20,261)**	**–**	**–**
Net financial (liabilities)/assets denominated in foreign currencies	**(20,261)**	**2,780**	**–**
31 May 2019			
Cash and bank balances	–	6	35
Trade and other receivables	–	2,873	3
Trade and other payables	(21,900)	–	(22)
Net financial (liabilities)/ assets denominated in foreign currencies	(21,900)	2,879	16

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Foreign exchange risk (cont'd)

The Company is not exposed to any significant foreign currency risk as the Company's transactions are mainly denominated in Singapore dollar.

The Group's exposure to currency translation risk arising from its net investment in foreign operation are managed primarily through borrowing denominated in the relevant foreign currency.

Foreign exchange risk sensitivity

A 5% (31.5.2019: 5%) strengthening/(weakening) of the Malaysia Ringgit against the Singapore dollar at the end of the reporting period would (decrease)/increase the Group's (loss)/profit after income tax approximately by $841,000 (31.5.2019: $909,000). This analysis assumes that all other variables remain constant.

A 5% (31.5.2019: 5%) strengthening/(weakening) of the New Zealand dollar against the Singapore dollar at the end of the reporting period would increase/(decrease) the Group's (loss)/profit after income tax approximately by $115,000 (31.5.2019: $119,000). This analysis assumes that all other variables remain constant.

In 2019, a 5% strengthening/(weakening) of the Thai Baht against the Singapore dollar at the end of the reporting period would increase/(decrease) the Group's (loss)/profit after income tax approximately by $1,000. This analysis assumes that all other variables remain constant.

Interest rate risk

The Group has exposure to interest rate risk through the impact of floating interest rate on borrowings. The Group obtained financing through bank borrowings and the details of the Group's interest rate exposure are disclosed in Notes 23 and 27.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's (loss)/profit for the period ended 31 March 2020 would increase/decrease by $928,000 (31.5.2019: $1,098,000). This is mainly attributable to the Group's exposure to interest rates on its floating rates borrowings.

The Company's profit or loss was not affected by changes in interest rates as the Company did not have any borrowings or intercompany loans that are at floating rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk

The Group's principal financial assets are cash and cash equivalents, trade and other receivables and loans receivable from associates.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a mean of mitigating the risk of financial loss from defaults.

The Group's credit risk is primarily attributable to its trade and other receivables and loans receivable from associates. The Group manages these risks by monitoring credit worthiness and limiting the aggregate exposure to any individual counterparty. The Group does not expect to incur material credit losses on its financial instruments. The amounts presented in the statements of financial position are net of allowance for impairment losses. An allowance for impairment loss is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

At the reporting date, the non-trade amounts due from subsidiaries represent a significant portion of the Company's financial assets. Except as disclosed, there is no significant concentration of credit risk for the Company.

The carrying amount of financial assets and contract assets represent the maximum exposure to credit risk, before taking into account any collateral held.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition unless the Group has reasonable and supportable information to indicate that amount is subject to low credit risk	Lifetime ECL - not credit-impaired
Contractual payment is more than 90 days past due or there is evidence of credit impairment and adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operates	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external, if available, or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecasted adverse change in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligation;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Regardless of the evaluation of the above factors, the Group considers that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, based on the Group's historical information of payment trends of its receivables.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

At the end of the reporting period, the Group has significant credit risk exposures mainly arising on trade receivables. The Company has significant credit risk exposures arising on non-trade amounts due from subsidiaries.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of each financial assets presented on the statement of financial position of the Group and the Company and the amount of $168,359,000 (31.5.2019: $202,966,000) relating to corporate guarantees given by the Company to banks for the subsidiaries and associates companies' bank borrowings (Note 36(c)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Estimation techniques and significant assumptions (cont'd)

Movements in credit loss allowance of financial assets at amortised cost are as follows:

	Trade receivables (Note 12) $'000	Other receivables (Note 13) $'000	Loans receivables from associates (Note 18/ Note 14) $'000
Group			
Balance at 1 June 2019	11	3,736	665
Receivables written off as uncollectable	(11)	–	–
Loss allowance measured:			
- simplified approach	576	–	–
- significant increase in credit risk	–	–	3,142
Exchange translation	9	–	–
Balance at 31 March 2020	**585**	**3,736**	**3,807**
Balance at 1 June 2018, under FRS 39 and SFRS(I) 9	6	3,555	–
Loss allowance measured:			
Lifetime ECL credit-impaired	5	181	665
Balance at 31 May 2019	11	3,736	665

	Amount due from subsidiaries (Note 13) $'000
Company	
Balance at 1 June 2019	667
Loss allowance measured:	
Lifetime ECL credit-impaired	31,882
Balance at 31 March 2020	**32,549**
Balance at 1 June 2018, under FRS 39 and SFRS(I) 9	–
Loss allowance measured:	
Lifetime ECL credit-impaired	667
Balance at 31 May 2019	667

The credit loss for cash and cash equivalents and other receivables is immaterial as at 31 March 2020 and 31 May 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables and contract assets

The Group has applied the simplified approach to provide for impairment for ECLs prescribed by SFRS(I) 9, which permits the use of the lifetime expected credit loss for impairment of all contract assets and trade receivables. To measure the ECLs, contract assets and trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECLs also incorporate forward looking information.

The ECL on trade receivables are estimated by reference to payment history, current financial situation of the debtor and an assessment of the current and future wider economic conditions and outlook for the industry in which the debtor operates at the reporting date.

For sales of development properties, the Group is contractually entitled to forfeit a fixed percentage of the purchase price received from the customer and repossess the sold property for resale. The credit loss risk in respect of contract assets is mitigated by these financial safeguards. Sales to hotel individual customers are settled in cash or using major credit cards. The credit risk relating to balances not past due pending receipt of payment from credit card companies is not deemed to be significant. Credit risk in respect of trade receivables related to property leasing is deemed to be low with security deposits received from tenants.

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

At the reporting date, the maximum exposure to credit risk for trade receivables and contract assets by geographical region was as follows:

	31.3.2020	31.5.2019
	$'000	$'000
Singapore	**28,560**	38,162
New Zealand	**2**	4
Australia	**341**	589
Vietnam	**20**	17
Malaysia	**3,615**	13,635
	32,538	52,407

At the reporting date, the maximum exposure to credit risk for trade receivables and contract assets by business segment was as follows:

	31.3.2020	31.5.2019
	$'000	$'000
Property development	**32,195**	49,621
Hotel operations	**341**	589
Investment properties	**2**	2,197
	32,538	52,407

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor such as when the debtor has been placed under liquidation, has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, including reminders and letters of demand issued for debts due for more than 12 months.

Loans receivable from associates

The Group applies the general approach for expected credit loss model to measure the loss allowance on loans receivable from associates. The Group has taken into account the historical default experience and forward-looking information, as appropriate, for example the Group has considered the financial position, projects undertaken by the associates and cash flow projection, as well as equity interests, undistributed accumulated profits in these associates and expected future earnings that would be distributed by the associates. The economic uncertainty in the current and future economic environment and the heightened uncertainty inherent in estimating the future selling price of the properties. The Group concluded that there has been significant increase in the credit risk. Consequently, the Group has recognised an impairment loss of $3,807,000 at the end of financial period.

Non-trade receivables from subsidiaries

The Company applies the SFRS(I) 9 general approach for measuring expected credit losses for its non-trade receivables from subsidiaries.

The Company has non-trade receivables from its subsidiaries of $87,587,000 (31.5.2019: $122,971,000) for the purpose of satisfying their funding requirements. In respect of an amount of $83,298,000 (31.5.2019: S$8,541,000), the Company has made loss allowance amounting to $31,882,000 (31.5.2019: $667,000) for the period ended 31 March 2020. The Group assessed the financial position of the subsidiaries and the outlook of the real estate market in which the subsidiaries operates in, and concluded that there has been significant increase in the credit risk. Consequently, the Company has recognised an impairment loss of $31,882,000 during the financial period.

For the remaining non-trade receivables from subsidiaries amounting to $38,302,000 (31.5.2019: $116,217,000), The Company assessed the latest performance and financial position of the subsidiaries, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. The assessment reflects a low credit risk exposure. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Other financial assets at amortised cost

Other financial assets at amortised costs include other receivables and cash and cash equivalents.

Loss allowance for other receivables is measured using 12-months ECL. The ECL on other receivables are estimated by reference to track records of the counterparties, the business and financial conditions where information is available and knowledge of any events or circumstances impeding recovery of the amounts.

The table below details the credit quality of the Group's and the Company's financial assets and other item, as well as maximum exposure to credit risk:

Group 31.3.2020	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
Trade receivables	Lifetime - simplified approach	11,836	(585)	11,251
Contract asset	Lifetime ECL	24,198	–	24,198
Loans receivables from associates	Lifetime - significant increase in credit risk	4,925	(3,807)	1,118
	12-month ECL	6,282	–	6,282
Other receivables	12-month ECL	4,038	–	4,038
	Lifetime - credit impaired	3,736	(3,736)	–
Cash and cash equivalents with financial institutions	N.A. Exposure limited	26,892	–	26,892

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Other financial assets at amortised cost (cont'd)

The table below details the credit quality of the Group's and the Company's financial assets and other item, as well as maximum exposure to credit risk (cont'd):

Group 31.5.2019	**12-month or lifetime ECL**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Net carrying amount $'000**
Trade receivables	Lifetime - simplified approach	17,736	(11)	17,725
Contract asset	Lifetime ECL	34,682	–	34,682
Other receivables	12-month ECL	5,245	–	5,245
	Lifetime - credit impaired	3,736	(3,736)	–
Loans receivable from associates	12-month ECL	2,734	–	2,734
	Lifetime - credit impaired	8,770	(665)	8,105
Cash and cash equivalents with financial institutions	N.A. Exposure limited	25,021	–	25,021

Company **31.3.2020**				
Other receivables	12-month ECL	38,302	–	38,302
	Lifetime - credit impaired	83,298	(32,549)	50,749
Cash and cash equivalents with financial institutions	N.A. Exposure limited	1,638	–	1,638

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Other financial assets at amortised cost (cont'd)

The table below details the credit quality of the Group's and the Company's financial assets and other item, as well as maximum exposure to credit risk (cont'd):

Company 31.5.2019	**12-month or lifetime ECL**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Net carrying amount $'000**
Other receivables	12-month ECL	116,217	–	116,217
	Lifetime - credit impaired	8,541	(667)	7,874
Cash and cash equivalents with financial institutions	N.A. Exposure limited	459	–	459

The Group's and the Company's other receivables comprise 1 debtor and 5 debtors (31.5.2019: 1 debtor and 5 debtors) respectively that individually represented more than 10% of the other receivables.

Financial guarantee

The Company issued financial guarantees to banks for borrowings of its subsidiaries and associates. These guarantees are subject to the impairment requirements of SFRS(I) 9. The directors do not expect credit loss exposure arising from these guarantees in view of the financial strength of the subsidiaries and associates and that the borrowings were secured by a first party legal charge over the properties of the subsidiaries and associates.

Liquidity and cash flow risks

The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance their activities. The Group minimises liquidity risk by keeping committed credit lines available.

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Liquidity and cash flow risks (cont'd)

<u>*Non-derivative financial liabilities*</u> *(cont'd)*

	On demand or within 1 year 5 years $'000	Within 2 to 5 years $'000	After 5 years $'000	Total $'000
Group				
31.3.2020				
Non-interest bearing	27,779	–	–	27,779
Lease liability	1,962	2	–	1,964
Fixed interest rate instruments	406	8,399	–	8,805
Variable interest rate instruments	89,240	103,980	–	193,220
Financial guarantee liabilities*	22,240	133	–	22,373
	141,627	**112,514**	**–**	**254,141**
31.3.2019				
Non-interest bearing	31,198	–	–	31,198
Finance lease	13	14	–	27
Fixed interest rate instruments	487	10,282	–	10,769
Variable interest rate instruments	95,129	125,439	16,127	236,695
Financial guarantee liabilities*	22,397	235	–	22,632
	149,224	135,970	16,127	301,321

	On demand or within 1 year 5 years $'000	Within 2 to 5 years $'000	Total $'000
Company			
31.3.2020			
Non-interest bearing	12,503	–	12,503
Financial guarantee liabilities*	168,359	675	169,034
	180,862	**675**	**181,537**
31.5.2019			
Non-interest bearing	13,252	–	13,252
Variable interest rate instruments	495	–	495
Financial guarantee liabilities*	202,966	1,027	203,993
	216,713	1,027	217,740

* At the end of the reporting period, the maximum exposure of the Company in respect of the subsidiaries and associates financial guarantee based on facilities drawn down by the subsidiaries and associates are $146,119,000 (31.5.2019: $180,569,000) and $22,240,000 (31.5.2019: $22,397,000) respectively. The Company does not consider it probable that a claim will be made against the Company under the subsidiaries and associates' financial guarantee.

38 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Liquidity and cash flow risks (cont'd)

Non-derivative financial assets

The following table details the expected maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group and the Company anticipates that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset on the statements of financial position.

	On demand or within 1 year 5 years $'000	Within 2 to 5 years $'000	Total $'000
Group			
31.3.2020			
Non-interest bearing	39,119	6,818	45,937
Fixed interest rate instruments	3,160	698	3,858
	42,279	**7,516**	**49,795**
31.5.2019			
Non-interest bearing	54,655	–	54,655
Fixed interest rate instruments	4,216	–	4,216
	58,871	–	58,871

	On demand or within 1 year 5 years $'000	Within 2 to 5 years $'000	Total $'000
Company			
31.3.2020			
Non-interest bearing	78,951	–	78,951
Fixed interest rate instruments	587	12,144	12,731
	79,538	**12,144**	**91,682**
31.5.2019			
Non-interest bearing	107,448	–	107,448
Fixed interest rate instruments	4,730	14,042	18,772
	112,178	14,042	126,220

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

39 Fair value of assets and liabilities

a) Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

b) Fair value measurements of assets and liabilities that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets and liabilities measured at fair value on the statement of financial position at the end of the reporting period:

	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Group				
31.3.2020				
Non-financial assets				
Investment properties	**–**	**–**	**29,614**	**29,614**
31.5.2019				
Non-financial assets				
Investment properties	–	–	31,442	31,442

c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of these financial assets and financial liabilities (excluding lease liabilities) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period and where the effect of discounting is immaterial.

40 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances, and to ensure that all externally imposed capital requirements are complied with.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Notes 23, 26, 27 and 28 and equity attributable to equity holder of the Company, comprising of share capital, reserves and accumulated (losses)/profits. The Group is required to maintain the required gearing in order to comply with covenants in loan agreements with banks and financial institutions.

Management also ensures that the Group maintains certain security ratios of outstanding term loans over the value of the properties in order to comply with the loan covenants imposed by banks and financial institutions.

As at reporting date, the Group has complied with all bank covenants.

The Group monitors capital using debt ratio as follows:

	Group	
	31.3.2020	31.5.2019
	$'000	$'000
Total assets	**334,083**	397,599
Total debt	**195,558**	229,393
Total equity	**92,836**	121,292
Total debt-to-total assets ratio (times)	**0.59**	0.58
Total debt-to-total equity ratio (times)	**2.11**	1.89

The Group's overall strategy including its objective, policies and processes with regards to capital risk management remains unchanged from prior year.

41 Comparative figures

a) The financial statements for 2019 covered the financial year from 1 June 2018 to 31 May 2019 whereas 2020 financial statements cover the financial period from 1 June 2019 to 31 March 2020. As such, the statement of comprehensive income, statement of cash flows, statement of changes in equity and related notes for current and previous financial periods are not comparable.

b) Comparative for the consolidated statement of cash flow has been reclassified in order to disclose the effect of dividend received from associates and balance of proceeds from disposal of investment in associate of $646,000 and $9,067,000 respectively from net cash from operating activities to net cash from investing activities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 June 2019 to 31 March 2020

41 Comparative figures (cont'd)

The items reclassified are as follows:

	As previously reported	Amount reclassified	As reclassified
	$	$	$
Consolidated statement of cash flow for the financial year ended 31 May 2019			
Other receivables	4,960	(9,067)	(4,107)
Net cash from operating activities	10,198	(9,067)	1,131
Proceeds from disposal of investment in associate	–	8,421	8,421
Dividends received from associates	2,131	646	2,777
Net cash from investing activities	5,470	9,067	14,537

The reclassifications did not have any effect on the consolidated income statement and consolidated statement of comprehensive income for the financial year ended 31 May 2019.

42 Subsequent event

On 28 May 2020, the Group announced that one of its subsidiary, Teematic Private Limited has entered into a contract for the sale of Workotel and Thistle Guesthouse in New Zealand for a consideration of NZD8.4 million (equivalent to $7.3 million) to a third party. The divestment was completed on 7 August 2020.

43 Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial period from 1 June 2019 to 31 March 2020 were authorised for issue in accordance with a resolution of the directors dated 14 August 2020.

STATISTICS OF SHAREHOLDINGS

As at 6 August 2020

ISSUED AND FULLY PAID-UP CAPITAL	:	S$ 142,238,075
NO. OF SHARES ISSUED	:	446,876,000
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE
TREASURY SHARES & SUBSIDIARY HOLDINGS	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	177	16.22	4,769	0.00
100 - 1,000	326	29.88	137,743	0.03
1,001 - 10,000	407	37.31	1,863,968	0.42
10,001 - 1,000,000	176	16.13	8,588,072	1.92
1,000,001 & ABOVE	5	0.46	436,281,448	97.63
TOTAL	1,091	100.00	446,876,000	100.00

	LIST OF TWENTY LARGEST SHAREHOLDERS AS AT 6 AUGUST 2020	NO. OF SHARES	%
1	RHB BANK NOMINEES PTE LTD	353,933,268	79.20
2	AMCORP SUPREME PTE LTD	70,620,459	15.80
3	ABN AMRO CLEARING BANK N.V.	9,202,700	2.06
4	TAN SU KIOK OR SIA LI WEI JOLIE (SHE LIWEI JOLIE)	1,297,866	0.29
5	DBS NOMINEES PTE LTD	1,227,155	0.28
6	TJENDRI ANASTASIA	840,000	0.19
7	YAHAYA BIN ISMAIL	531,900	0.12
8	PEH SOON LI	200,000	0.05
9	CHIA KWAI LIN	190,000	0.04
10	UNITED OVERSEAS BANK NOMINEES PTE LTD	162,244	0.04
11	GOH TECK POO	150,000	0.03
12	CITIBANK NOMINEES SINGAPORE PTE LTD	138,458	0.03
13	NG KOK MENG	130,000	0.03
14	DONEE OF LIM SEE HENG	129,000	0.03
15	KO LEE MENG	121,133	0.03
16	TAN KIAN LYE	115,000	0.03
17	RAFFLES NOMINEES (PTE) LIMITED	111,404	0.02
18	CHAN HENG KIAN	110,866	0.02
19	CHIA KIM TOH	100,000	0.02
20	CHIN TIAN LOKE	100,000	0.02
	TOTAL	439,411,453	98.33

STATISTICS OF SHAREHOLDINGS

As at 6 August 2020

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Amcorp Supreme Pte Ltd (1)	424,553,727	95.00	–	–
Amcorp Group Berhad (2)	–	–	424,553,727	95.00
Clear Goal Sdn Bhd (2)	–	–	424,553,727	95.00
Tan Sri Azman Hashim (2)	–	–	424,553,727	95.00

Notes:

(1) 353,933,268 shares owned by Amcorp Supreme Pte Ltd are held under a nominee account with RHB Bank Nominees Pte Ltd.

(2) Amcorp Supreme Pte. Ltd. ("**Amcorp Supreme**") is a wholly-owned subsidiary of Amcorp Group Berhad ("**Amcorp Group**"), which is in turn a wholly-owned subsidiary of Clear Goal Sdn Bhd ("**Clear Goal**"). Tan Sri Azman Hashim has a controlling interest in Clear Goal. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), Amcorp Group, Clear Goal and Tan Sri Azman Hashim are deemed to be interested in the shares in which Amcorp Supreme has a direct interest.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 6 August 2020, approximately 5.0% of the Company's shares are held in the hands of the public. Accordingly, the Company has not complied with Rule 723 of the Listing Manual of SGX-ST, which requires at least 10% of the shares to be held by public shareholders ("**Free Float Requirement**").

The Company announced on 20 March 2020 that trading of the Company's shares would be suspended from 23 March 2020 due to the non-compliance of the Free Float Requirement.

On 29 May 2020, the Company, through its holding company, Amcorp Supreme Pte Ltd, applied to the SGX-ST for an extension of time to meet the Free Float Requirement ("**Extension of Time**"). The SGX-ST informed the Company on 30 June 2020 that it had no objection to an Extension of Time to 20 October 2020, subject to certain conditions ("**Conditions**") being fulfilled. The Company announced on 14 July 2020 that all the Conditions had been satisfied.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Amcorp Global Limited (formerly known as TEE Land Limited) (the "**Company**") will be held by way of electronic means on 10 September 2020 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial period ended 31 March 2020 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring by rotation pursuant to Regulations 88 and 89 and of the Company's Constitution:

   Mr. Soo Kim Wai **(Resolution 2)**
   Mr. Shahman Azman **(Resolution 3)**
   Er. Dr. Lee Bee Wah **(Resolution 4)**

   Er. Dr. Lee Bee Wah will, upon re-election as a Director of the Company, remain as an Independent and Non-Executive Chairman of the Board and member of the Audit Committee and will be considered independent.

3. To approve the payment of Directors' fees of up to S$180,000/- for the financial year ending 31 March 2021, to be paid in arrears (FP2020: S$342,000/-).
   [See Explanatory Note (i)] **(Resolution 5)**

4. To re-appoint Messrs Baker Tilly TFW LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

5. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to issue shares**

   That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

NOTICE OF
ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ii)] **(Resolution 7)**

8. **ATHORITY TO ALLOT AND ISSUE SHARES UNDER THE AMCORP GLOBAL PERFORMANCE SHARE PLAN AND AMCORP GLOBAL EMPLOYEE SHARE OPTION SCHEME**

That authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares in the Company as may be required to be issued pursuant to the vesting of awards under the Amcorp Global Performance Share Plan (the "**Plan**") and/or the exercise of options under the Amcorp Global Employee Share Option Scheme (the "**Scheme**") respectively, provided that the aggregate number of Shares to be issued pursuant to the Plan and Scheme does not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.
[See Explanatory Note (iii)] **(Resolution 8)**

9. **RENEWAL OF THE SHARE BUY-BACK MANDATE**

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the "**Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

NOTICE OF ANNUAL GENERAL MEETING

(i) on-market purchases through the SGX-ST's ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose (the "**On-Market Share Buy-Back**") and/or

(ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual (the "**Off-Market Share Buy-Back**"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally ("**Share Buy-Back Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held or;

(ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or

(iii) the date on the authority contained by the Share Buy-Back Mandate is revoked or varied by the shareholders in a general meeting.

(c) in this resolution:

"**Maximum Limit**" means the number of Shares representing not more than ten per cent (10%) of the total issued ordinary shares of the Company ascertained as at the date of the passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act at any time during the Relevant Period (as defined hereinafter), in which event the total number of Shares shall be taken to be the amount of the total number of Shares as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier, or until it is varied or revoked by the Company in general meeting, after the date of the passing of this resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a On-Market Share Buy-Back, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off-Market Share Buy-Back, 120% of the Average Closing Price,

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where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, preceding the day of the On-Market Share Buy-Back or, as the case may be, the day of the making of the offer pursuant to an Off-Market Share Buy-Back, as deemed to be adjusted for any corporate action that occurs after the relevant five (5) market day period; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.
[See Explanatory Note (iv)] **(Resolution 9)**

By Order of the Board

Ng Tah Wee
Lai Foon Kuen

Company Secretaries
Singapore, 26 August 2020

Explanatory Notes on Resolutions to be passed:

(i) Ordinary Resolution 5, if passed, will empower the Directors of the Company to pay Directors' fees of up to S$180,000, payable in arrears, for the financial year ending 31 March 2021. Mr. Soo Kim Wai and Mr. Shahman Azman will not be receiving any Directors' fees for the financial year ending 31 March 2021 in light of the Company's performance and as representatives of the major shareholder.

(ii) Ordinary Resolution 7, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of shares.

(iii) Ordinary Resolution 8, if passed, will empower the Directors to allot and issue shares in the Company pursuant to the vesting of awards under the Plan and/or the exercise of options under the Scheme, provided that the aggregate number of Shares to be issued pursuant to the Plan and Scheme does not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time. The Plan and Scheme were approved by Shareholders on 11 May 2013.

(iv) Ordinary Resolution 9, if passed, will empower the Directors, from the date of the above Meeting until the next Annual General Meeting is held or is required by law to be held, or until it is varied or revoked by the Company in general meeting, whichever is earlier, to purchase or otherwise acquire issued ordinary Shares of the Company by way of On-Market Share Buy-Back or Off-Market Share Buy-Back of up to the Maximum Limit at the Maximum Price in accordance with the terms and conditions set out in the Appendix A to this Notice of Annual General Meeting, the Act and the Listing Manual of the SGX-ST. Please refer to the Appendix A to this Notice of Annual General Meeting for more details.

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ANNUAL GENERAL MEETING

Notes:

1. In view of the circuit breaker measures and pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time), the Annual General Meeting (the "**Meeting**" or "**AGM**") of the Company will be held by way of electronic means and members of the Company will NOT be allowed to attend the AGM in person. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the SGX website. This annual report is available and can be downloaded at our corporate website at www.amcorpglobal.com. Hard copy of the annual report would only be sent to members upon their written request to ir.amcorpglobal@amcorpgroup.co.

2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the Meeting can be electronically accessed via live audio-visual webcast or live audio-only stream (collectively, "**live webcast**")), submission of questions to the Chairman of the Meeting in advance of the Meeting, addressing of substantial and relevant questions at the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out on pages 166 to 169 entitled "Instructions to Shareholders for AGM 2020".

3. A member will not be able to physically attend the Meeting. The live webcast will not provide for online voting. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting to act as proxy and direct the vote at the Meeting. In appointing the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy ("**Proxy Form**"). If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at *his/her discretion.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. Investors whose shares are held with relevant intermediaries under Section 181(1C) of the Companies Act, Chapter 50, such as CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy, should approach their respective intermediaries such as CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days prior to the date of AGM.

6. The Proxy Form must be submitted through any one of the following means: (a) by depositing a physical copy at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591; or (b) by sending a scanned PDF copy by email to main@zicoholdings.com, in either case, not less than 48 hours before the time appointed for holding the Meeting, and failing which, the Proxy Form will not be treated as valid. **In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.**

7. The Company shall be entitled to, and will, treat any valid instrument appointing the Chairman of the Meeting as proxy which was delivered by a member to the Company before 10.00 a.m. on 8 September 2020 as a valid instrument appointing the Chairman of the Meeting as the member's proxy to vote at the Meeting if: (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and (b) the member has not withdrawn the appointment by 10.00 a.m. on 8 September 2020.

8. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting to vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of Chairman of the Meeting as proxy appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his name) may be recorded by the Company for such purpose.

NOTICE OF ANNUAL GENERAL MEETING

INSTRUCTIONS TO SHAREHOLDERS FOR AGM IN 2020

1. INTRODUCTION

The Board of Directors (the "**Board**") of AMCORP GLOBAL LIMITED (the "**Company**") refers to :

(a) the COVID-19 (Temporary Measures) Act 2020 passed by Parliament on 7 April 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to, inter alia, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;

(b) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**") as amended from time to time (the "**Alternative Arrangements Order**") which sets out the alternative arrangements in respect of, inter alia, general meetings of companies (the "**Alternate Arrangement**"); and.

(c) the joint statement released by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and Singapore Exchange Regulation on 13 April 2020, providing additional guidance on the conduct of general meetings during the period when elevated safe distancing measures are in place.

2. DATE OF ANNUAL GENERAL MEETING ("AGM")

With reference to the Alternative Arrangement, the Board wishes to inform shareholders that the AGM will be held on 10 September 2020 at 10.00 a.m. (Singapore time) by way of electronic means through "live" audio-visual webcast or "live" audio-only stream to transact the businesses set out in the Notice of AGM dated 26 August 2020.

The Company has today uploaded the following documents in connection with the AGM on SGXNET:

(a) the annual report for the financial period from 1 June 2019 to 31 March 2020 ("**2020 AR**");

(b) the notice of the AGM dated 26 August 2020 (the "**Notice of AGM**");

(c) the proxy form; and

(d) Appendix A to the Notice of AGM in relation to the proposed renewal of the share buy-back mandate.

3. NO DESPATCH OF PRINTED COPIES OF DOCUMENTS

In line with the provisions under the Alternative Arrangements Order, no printed copies of the 2020 AR, Notice of AGM, proxy form and Appendix A to the Notice of AGM in relation to the proposed renewal of the share buy-back mandate will be despatched to shareholders.

An electronic copy of each of the Notice of AGM and the proxy form has been made available on SGXNET and the Company's website at www.amcorpglobal.com.

A member will need an internet browser and PDF reader to view these documents on SGXNET and the Company's website.

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ANNUAL GENERAL MEETING

4. **ALTERNATIVE ARRANGEMENTS FOR AGM**

(a) No physical attendance

In view of the circuit breaker measures applicable as of date of this announcement and pursuant to the Alternative Arrangements Order, shareholders will not be allowed to attend the AGM in person.

Alternative arrangements are instead put in place to allow shareholders to participate in the AGM by:

(i) observing and/or listening to the AGM proceedings via live audio-visual webcast or live audio only stream. Shareholders who wish to participate as such will have to pre-register in the manner outlined in paragraph 4(b) below;

(ii) submitting questions in advance of the AGM. Please refer to paragraph 4(c) below for further details; and

(iii) appointing the Chairman of the Meeting of the Company (the "**Chairman of the Meeting**") as proxy to vote on their behalf at the AGM. Please refer to paragraph 4(d) for further details.

(b) "Live" audio-visual webcast and "live" audio-only stream

The AGM proceedings will be conducted via electronic means. Shareholders will be able to (i) observe these proceedings through a "live" audio-visual webcast via their mobile phones, tablets or computers, or (ii) listen to these proceedings through a "live" audio-only stream via telephone. In order to do the above, shareholders will have to follow these steps :

(i) Shareholders who wish to observe or listen to the "live" audio-visual webcast or "live" audio-only stream must pre-register by clicking on the following link and submitting the online registration form (URL http://globalmeeting.bigbangdesign.co/amcorp-global/) ("**Pre-registration Website**"), no later than 10.00 a.m. on 7 September 2020 ('the **Registration Deadline**")

Following authentication of a shareholder's status, such shareholder will receive an email containing the login credentials and the link to access the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings.

(ii) Shareholders who have pre-registered by the Registration Deadline but do not receive the aforementioned email by 10.00 a.m. on 8 September 2020 should contact the Company's share registrar, B.A.C.S. Private Ltd for assistance, at email address: main@zicoholdings.com.

Shareholders MUST NOT forward the unique link to other persons who are not Shareholders and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the "LIVE" webcast and audio-only means.

(c) Submission of questions

Shareholders may also submit questions related to the resolutions to be tabled for approval at the AGM. All questions must be submitted no later than 10.00 a.m. on 7 September 2020 (the "**Submission Deadline**") via the pre-registration website (http://globalmeeting.bigbangdesign.co/amcorp-global/).

NOTICE OF ANNUAL GENERAL MEETING

The Company will endeavour to address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM.

Please note that shareholders will not be able to ask questions at the AGM and accordingly, it is important for shareholders to submit their questions by the Submission Deadline. Minutes of the AGM will be released via SGXNet within one month after the AGM.

d) Voting by proxy

Shareholders will not be able to vote online at the AGM. Instead, if shareholders (whether individuals or corporates) wish to exercise their votes, they must submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf.

Shareholders (whether individuals or corporates) appointing the Chairman of the Meeting as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the proxy form, failing which the appointment and votes will be treated as invalid.

The proxy form must be submitted to the Company no later than 10.00 a.m. on 8 September 2020 through any one of the following means:

(i) by depositing a physical copy at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591; or

(ii) by sending a copy by email to main@zicoholdings.com.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit completed proxy forms by post, Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

Shareholders who hold their shares through relevant intermediaries* (including CPFIS Members or SRS investors) and who wish to exercise their votes by appointing the AGM Chairman as proxy should approach their respective relevant intermediaries (including their respective CPF Agent Banks or SRS Approved Banks) to submit their voting instructions at least seven (7) working days prior to the date of the AGM.

5. REMINDER

(a) As the COVID-19 situation is still evolving, the Company may take further precautionary measures as may be appropriate up to the date of AGM, including any precautionary measures required or recommended by regulatory authorities from time to time in order to curb the spread of COVID-19 infections. Accordingly, the Company may be required to change its AGM arrangements at short notice.

(b) Shareholders are advised to closely monitor announcements made by the Company on SGXNET.

(c) Recording of the AGM proceedings in whatever form is strictly prohibited. The Company seeks members' patience and understanding during the AGM proceedings in the event of any technical disruptions.

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ANNUAL GENERAL MEETING

* A relevant intermediary is:

(a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act (Chapter 289 of Singapore) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36 of Singapore), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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AMCORP GLOBAL LIMITED
(Formerly known as TEE Land Limited)
(Incorporated in Singapore)
(Company Registration No. 201230851R)

PROXY FORM
(PLEASE SEE NOTES OVERLEAF BEFORE COMPLETING THIS FORM)

IMPORTANT:
1. Due to the current COVID-19 situation and the related elevated safe distancing measures in Singapore, the Meeting of the Company will be convened and held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and members of the Company will **NOT** be allowed to attend the Meeting in person.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF investors who wish to vote should contact their CPF Approved Nominees.
3. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of Annual General Meeting.

*I/We, ______________________ (Name) ______________________ (NRIC/Passport No/Registration No)

of ____ (Address)

being a member/members of AMCORP GLOBAL LIMITED (the "**Company**"), hereby appoint the Chairman of the meeting as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be held on **10 September 2020 at 10.00 a.m. by electronic means** (via live webcast and audio-only means) and at any adjournment thereof. *I/We direct the Chairman of the Meeting to vote for, against or abstain the Resolutions to be proposed at the Meeting as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at *his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For", "Against" or "Abstain" with a tick [✓] within the box provided.)

No.	Resolutions relating to:	For	Against	Abstain
1	Directors' Statement and Audited Financial Statements for the financial period ended 31 March 2020			
2	Re-election of Mr Soo Kim Wai as a Director			
3	Re-election of Mr Shahman Azman as a Director			
4	Re-election of Er. Dr. Lee Bee Wah as a Director			
5	Approval of Directors' fees of up to S$180,000/- for the financial year ending 31 March 2021			
6	Re-appointment of Baker Tilly TFW LLP as Auditors			
7	Authority to issue shares			
8	Authority to allot and issue shares under the Amcorp Global Performance Share Plan and Amcorp Global Employee Share Option Scheme			
9	Renewal of Share Buy-back Mandate			

**Delete where inapplicable*

Dated this ____________ day of ________ 2020

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)/
and, Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81 of the Securities and Futures Act, (Cap 289)), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. Due to the current COVID-19 restriction orders in Singapore, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the Chairman of the Meeting will vote or abstain from voting at *his/her discretion. The proxy form may be accessed on the SGX website.

3. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:-

   a. if submitted by post, be lodged at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591; or

   b. if submitted electronically, be submitted via email to main@zicoholdings.com.

   in either case, **by not later than 8 September 2020 10.00 a.m., being at least forty-eight hours before the time appointed for holding the Meeting**, failing which the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

4. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

6. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

7. For any member who acts as an intermediary pursuant to Section 181(6) of the Companies Act, Cap. 50, who is either:

   a. a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   b. a capital markets services licence holder which provides custodial services for securities and holds shares in that capacity; and

   c. Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

   Investors whose shares are held with relevant intermediaries including CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy, should approach their respective intermediaries such as CPF Agent Banks or SRS Operators to submit their voting instructions at least seven (7) working days prior to the date of the AGM.

Amcorp Global Limited

Incorporated in the Republic of Singapore
Company Registration No: 201230851R

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