

# GRP LIMITED



Company No.197701449C

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## **Full Year Financial Statement And Dividend Announcement for the Financial Year ended 30 June 2016**

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# GRP LIMITED

## Full Year Financial Statement And Dividend Announcement for the period ended 30/06/2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

**1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	GROUP		
	\$'000		% Increase/ (decrease)
	12 months ended 30/06/2016	12 months ended 30/06/2015	
Revenue	27,065	24,456	10.7
Cost of sales	(19,400)	(15,185)	27.8
<b>Gross profit</b>	<b>7,665</b>	<b>9,271</b>	<b>(17.3)</b>
Other income	14,764	-	100.0
Other operating income	727	438	66.0
Finance expenses	(184)	(33)	NM
Selling and Distribution expenses	(2,044)	(1,892)	8.0
Administrative expenses	(6,280)	(6,456)	(2.7)
<b>Profit before income tax expense</b>	<b>14,648</b>	<b>1,328</b>	<b>NM</b>
Income tax expense	(1,931)	(369)	NM
<b>Profit for the year</b>	<b>12,717</b>	<b>959</b>	<b>NM</b>
<b>Other comprehensive (expense)/income, net of tax:</b>			
<i>Items that will not be reclassified subsequently to profit or loss -</i>			
(Loss)/Gain on revaluation of property	71	(65)	NM
Deferred tax arising from the revaluation of property	(16)	15	NM
<i>Items that may be reclassified subsequently to profit or loss -</i>			
Fair value gain on available-for-sale investment	534	-	100.0
Exchange differences arising on translation of foreign operations	(3,677)	(101)	NM
<b>Other comprehensive (expense)/income, net of tax</b>	<b>(3,088)</b>	<b>(151)</b>	<b>NM</b>
<b>Total comprehensive income for the year</b>	<b>9,629</b>	<b>808</b>	<b>NM</b>
<b>Profit/ (loss) attributable to:</b>			
Owners of the company	12,734	842	NM
Non-controlling interests	(17)	117	NM
	<b>12,717</b>	<b>959</b>	<b>NM</b>
<b>Total comprehensive income/(expense) attributable to:</b>			
Owners of the company	9,646	691	NM
Non-controlling interests	(17)	117	NM
	<b>9,629</b>	<b>808</b>	<b>NM</b>

\* NM - not meaningful

Notes to the Statement of Comprehensive Income  
Others disclosure items included in the above statement

	GROUP	
	\$'000	
	12 months ended 30/06/2016	12 months ended 30/06/2015
Depreciation and amortisation	851	973
Allowance for inventories	310	-
Write back of allowance for inventories	-	(38)
Allowance for doubtful trade receivables	45	-
Write back of allowance for doubtful trade receivables	(45)	(19)
Write back of doubtful non-trade receivables	(62)	-
Allowance for doubtful non-trade receivables	-	1,189
Net foreign currency exchange adjustment loss	207	8
Impairment loss on available-for-sale investment	-	211
Impairment loss on properties held for sale	6,451	-
Impairment loss on development properties	443	-
Premium arising from acquisition	(22,990)	-
Interest expenses	142	-
Tax expenses		
- current period	1,914	497
- Adjustment for (under) over provision of tax in respect of prior years	17	(128)
Interest income	(320)	(193)
Loss/(Gain) on disposal of property, plant and equipment	(40)	7
Rental and services income	(194)	(208)
Other income	-213	-37

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

	GROUP		COMPANY	
	\$'000		\$'000	
	30/6/2016	30/6/2015	30/6/2016	30/6/2015
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	24,684	57,182	2,260	44,964
Trade receivables	2,888	3,077	1	-
Other receivables & prepayments	1,640	431	342	99
Available-for-sale investment	782	248	782	248
Amount due from subsidiaries	-	-	58,904	13,466
Inventories	5,355	6,040	-	-
Properties held for sale	52,360	-	-	-
Development properties	24,418	-	-	-
<b>Total current assets</b>	<b>112,127</b>	<b>66,978</b>	<b>62,289</b>	<b>58,777</b>
<b>Non-current assets</b>				
Other receivables	5,788	-	-	-
Investment in subsidiaries	-	-	7,051	6,485
Intangible asset	25	25	25	25
Property, plant and equipment	1,272	1,666	446	844
<b>Total non-current assets</b>	<b>7,085</b>	<b>1,691</b>	<b>7,522</b>	<b>7,354</b>
<b>Total assets</b>	<b>119,212</b>	<b>68,669</b>	<b>69,811</b>	<b>66,131</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank loans	7,176	-	-	-
Trade payables	1,368	1,759	496	437
Other payables	6,724	1,665	906	998
Income tax payable	13,776	379	34	24
<b>Total current liabilities</b>	<b>29,044</b>	<b>3,803</b>	<b>1,436</b>	<b>1,459</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	13,049	76	-	82
<b>Total non-current liabilities</b>	<b>13,049</b>	<b>76</b>	<b>-</b>	<b>82</b>
<b>Capital and reserves</b>				
Share capital	59,250	56,804	59,250	56,804
Asset revaluation reserve	3,411	2,822	3,061	2,527
Statutory reserve	52	-	-	-
Currency translation reserve	(4,567)	(890)	-	-
Accumulated profits	18,910	6,228	6,064	5,259
<b>Equity attributable to owners of the company</b>	<b>77,056</b>	<b>64,964</b>	<b>68,375</b>	<b>64,590</b>
Non-controlling interests	63	(174)	-	-
<b>Total equity</b>	<b>77,119</b>	<b>64,790</b>	<b>68,375</b>	<b>64,590</b>
<b>Total liabilities and equity</b>	<b>119,212</b>	<b>68,669</b>	<b>69,811</b>	<b>66,131</b>

# 1(b)(ii) Aggregate amount of group's borrowings and debt securities

## Amount repayable in one year or less, or on demand

Group			
As at 30/06/2016 S\$'000		As at 30/06/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
7,176	-	-	-

## Amount repayable after one year

Group			
As at 30/06/2016 S\$'000		As at 30/06/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

## Details of any collateral

### Land and Construction Loan

The Group has a property development financing facility ("Facility") of \$7,698,000 obtained for property development project in Singapore. The Facility comprises of a land loan and a construction loan. As at 30 June 2016, the Group has an outstanding land loan of \$5,376,000.

The Facility is secured and guaranteed by the following:

- First legal mortgage over the acquired property in Singapore and the proposed development to be erected thereon;
- Fixed deposit of \$773,000 pledged with the bank;
- Existing legal assignment of all rights, title and interests in the construction contract, insurance policies performance bonds (if any), tenancy agreements and sales and purchase agreements in respect of the proposed development;
- A personal guarantee for \$8,991,000 by an ex-director of Starland Holdings Limited, a subsidiary. The Bank is in process of discharging this personal guarantee; and
- A corporate guarantee for \$8,991,000 by Starland Holdings Limited, a subsidiary.

### Revolving Credit Facility

The Group has a revolving credit facility ("RCF") of \$3,050,000 from Bank of China for general working capital purposes. The Group has no outstanding balance as at 30 June 2016.

### Money Market Loan

The Group has a Money Market Loan ("MML") of \$1,800,000 from United Overseas Bank for general working capital purposes. The Group has an outstanding balance of \$1,800,000 as at 30 June 2016.

The MML is secured and guaranteed by the following:

- Standby Letter of Credit for not less than RMB10 million (approximately \$2,030,800) issued by United Overseas Bank (China) Limited, Chengdu Branch;
- A personal guarantee of \$1,800,000 by an ex-director of Starland Holdings Limited, a subsidiary. The Bank is in process of discharging this personal guarantee;
- A corporate guarantee of \$1,800,000 by Starland Holdings Limited, a subsidiary; and
- Fixed deposits of RMB10,000,000 (approximately \$2,030,800) pledged with the Bank.

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

	The Group	
	\$'000	
	12 months ended 30/06/2016	12 months ended 30/06/2015
<b>Operating activities:</b>		
Profit before income tax	14,648	1,328
<b>Adjustments for:</b>		
Depreciation and amortisation	851	973
Impairment loss on available-for-sale investment	-	211
Interest income	(320)	(193)
Interest expenses	142	-
Loss/(gain) on disposal of property, plant and equipment	(40)	7
Allowance for inventories	310	-
Write back of allowance for inventories	-	(38)
Allowance for doubtful trade receivables	45	-
Write back of allowance for doubtful trade receivables	(45)	(19)
Allowance for doubtful non-trade receivables	-	1,189
Write back of doubtful non-trade receivables	(62)	-
Bad debts written off	-	-
Impairment loss on properties held for sale	6,451	-
Impairment loss on development properties	443	-
Premium arising from acquisition	(22,990)	-
<b>Operating cash flows before movements in working capital</b>	<b>(567)</b>	<b>3,458</b>
Trade receivables	193	537
Other receivables & prepayments	(6,413)	(1,421)
Inventories	391	1,133
Properties held for sale	8,555	-
Development properties	(11,611)	-
Trade payables	(471)	(344)
Other payables	428	(98)
<b>Cash (used in) generated from operating activities</b>	<b>(9,495)</b>	<b>3,265</b>
Income taxes paid	(610)	(717)
<b>Net cash (used in) from operating activities</b>	<b>(10,105)</b>	<b>2,548</b>
<b>Investing activities:</b>		
Proceeds from disposal of property, plant and equipment	84	79
Purchase of property, plant and equipment	(287)	(76)
Acquisition of subsidiaries	(24,113)	-
Interest received	320	193
<b>Net cash (used in) from investing activities</b>	<b>(23,996)</b>	<b>196</b>
<b>Financing activities:</b>		
Net proceeds from issue of shares	2,446	6,498
Interest paid	(142)	-
Dividends paid	-	(3,285)
Repayment of bank loans	(3,050)	-
<b>Net cash (used in) from financing activities</b>	<b>(746)</b>	<b>3,213</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(34,847)</b>	<b>5,957</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>57,182</b>	<b>51,302</b>
<b>Effect of foreign exchange rate changes on the balance of cash held in foreign currencies</b>	<b>(471)</b>	<b>(77)</b>
<b>Cash and cash equivalents at end of year (Note 1)</b>	<b>21,864</b>	<b>57,182</b>

Note 1 - Cash and cash equivalents is derived from:

	The Group	
	\$'000	
	12 months ended 30/06/2016	12 months ended 30/06/2015
Cash and bank balances	24,684	57,182
Less: Pledged cash placed with bank	(2,820)	-
	21,864	57,182

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

Group	Share capital	Asset revaluation reserve	Statutory reserve	Currency translation reserve	Accumulated profits	Attributable to equity holders of the company	Non-controlling interests	Total
\$'000								
<b>Latest Period</b>								
<b>Balance at 30/06/2015</b>	56,804	2,822	-	(890)	6,228	64,964	(174)	64,790
<i>Total comprehensive income for the year</i>								
- Profit for the year	-	-	-	-	12,734	12,734	(17)	12,717
- Other comprehensive income/(loss) for the year	-	589	52	(3,677)	(52)	(3,088)	-	(3,088)
<i>Transactions with owner, recognised directly in equity</i>								
- Issue of shares	2,446	-	-	-	-	2,446	-	2,446
Non-controlling interests arising from acquisition of subsidiaries							254	254
<b>Balance at 30/06/2016</b>	<b>59,250</b>	<b>3,411</b>	<b>52</b>	<b>(4,567)</b>	<b>18,910</b>	<b>77,056</b>	<b>63</b>	<b>77,119</b>
<b>Previous Corresponding Period</b>								
<b>Balance at 30/06/2014</b>	50,306	2,872	-	(789)	8,671	61,060	(291)	60,769
<i>Total comprehensive income for the year</i>								
- Profit for the year	-	-	-	-	842	842	117	959
- Other comprehensive income/(loss) for the year	-	(50)	-	(101)	-	(151)	-	(151)
<i>Transactions with owner, recognised directly in equity</i>								
- Issue of shares	6,498	-	-	-	-	6,498	-	6,498
- Dividends paid	-	-	-	-	(3,285)	(3,285)	-	(3,285)
<b>Balance at 30/06/2015</b>	<b>56,804</b>	<b>2,822</b>	<b>-</b>	<b>(890)</b>	<b>6,228</b>	<b>64,964</b>	<b>(174)</b>	<b>64,790</b>

The Company	Share capital	Asset revaluation reserve	Accumulated profits	Total
\$'000				
<b>Latest Period</b>				
<b>Balance at 30/06/2015</b>	56,804	2,527	5,259	64,590
<i>Total comprehensive income for the year</i>				
- Profit for the year	-	-	805	805
- Other comprehensive income/(loss) for the year	-	534	-	534
<i>Transactions with owner, recognised directly in equity</i>				
- Issue of shares	2,446	-	-	2,446
<b>Balance at 30/06/2016</b>	<b>59,250</b>	<b>3,061</b>	<b>6,064</b>	<b>68,375</b>
<b>Previous Corresponding Period</b>				
<b>Balance at 30/06/2014</b>	50,306	2,605	6,294	59,205
<i>Total comprehensive income for the year</i>				
- Profit for the year	-	-	2,250	2,250
- Other comprehensive income/(loss) for the year	-	(78)	-	(78)
<i>Transactions with owner, recognised directly in equity</i>				
- Issue of shares	6,498	-	-	6,498
- Dividends paid	-	-	(3,285)	(3,285)
<b>Balance at 30/06/2015</b>	<b>56,804</b>	<b>2,527</b>	<b>5,259</b>	<b>64,590</b>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

	12 months ended 30/06/2016	12 months ended 30/06/2015		12 months ended 30/06/2016	12 months ended 30/06/2015
Share Capital	No of ordinary shares			S\$	S\$
Issued and paid up:					
At 1 July	667,035,594	585,807,846		56,804,550	50,306,330
Exercise of warrants	30,565,419	81,227,748		2,445,234	6,498,220
Balance before Share Consolidation	697,601,013	667,035,594		59,249,784	56,804,550
Share Consolidation	(558,080,969)	-		-	-
At 30 June	139,520,044	667,035,594		59,249,784	56,804,550

Warrants	12 months ended 30/06/2016	12 months ended 30/06/2015
	No of warrants	
At 1 July	336,614,806	417,842,554
Exercise of warrants	(30,565,419)	(81,227,748)
Unexercised warrants expired on 27 November 2015	(306,049,387)	-
At 30 June	-	336,614,806

During financial year ended 30 June 2016, the Company undertook a share consolidation of every five (5) existing shares in the share capital of the Company into one (1) consolidated share, which was approved by the shareholders at the Extraordinary General Meeting of the Company held on 27 October 2015 ("Share Consolidation")

Following the completion of the Share Consolidation, which became effective on 7 December 2015, the total number of issued shares of the Company was 139,520,044 after disregarding any fractions of a consolidated share arising from the Share Consolidation.

The warrants had an exercise period of 2 years, which expired on 27 November 2015. During the full year ended 30 June 2016, 30,565,419 new ordinary shares were issued from the exercise of warrants. The remaining unexercised warrants of 306,049,387 expired on 27 November 2015.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

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

During the current financial year, the Group and the Company have adopted all the new and revised Financial Reporting Standards ("FRS"s) and interpretation of FRSs ("INT FRS"s) that are relevant to its operation and effective for the year beginning on or after July 1, 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

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

Not applicable.

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

	12 months ended 30/06/2016	12 months ended 30/06/2015 (Restated)*
Earnings per ordinary share attributable to the owners of the company for the year		
(i) Based on weighted average number of ordinary share in issue (Cents)	9.27	0.66
(ii) On a fully diluted basis (Cents)	9.27	0.61
Computed based on the following weighted average number of shares		
(i) Basic	137,325,426	127,376,739
(ii) Diluted	137,325,426	138,190,243

\* For comparison, the earnings per share for corresponding year ended 30 June 2015 were recomputed to take into account the effect of Share Consolidation.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	30/06/2016	30/06/2015 (Restated)*
	Cents	
The Group	55.23	48.70
The Company	49.01	48.42

Net asset value per share attribute to the owners of the company is calculated based on 139,520,044 (30 June 2015: 133,407,118) ordinary shares issued at the end of the current year under review and of the immediately preceding financial year.

\* For comparison, the net asset value per share for corresponding year ended 30 June 2015 were recomputed to take into account the effect of Share Consolidation.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

The Group revenue of \$27.1 mil for year ended 30 June 2016 ("FY2016"), is 10.7% higher than the \$24.5 mil revenue for previous corresponding year ended 30 June 2015 ("FY2015"). Revenue for Hose and Marine segment declined by \$3.7 mil and Measuring Instrument segment dropped by \$1.2 mil. These declines are offset by a \$7.4 mil revenue generated by the newly acquired Property business, Starland Holdings Limited ("Starland Group").

The lower revenue in Hose and Marine as well as Measuring Instrument segment is largely due to weak demand in FY2016, attributed to the weak global economic condition and falling oil prices.

The Group's gross profit decreased by 17.3% from \$9.3 mil in FY2015 to \$7.7 mil in FY2016. Gross profit for Hose and Marine and Measuring Instrument segment decreased by \$2.4 mil from \$9.3 mil in FY2015 to \$6.8 mil in FY2016, as a result of the lower revenue in FY2016. Gross Profit for the newly acquired property segment is \$0.8 mil.

Other income pertained to premium arising from acquisition of Starland Group amounting to \$23 mil, partially offset by impairment provision of \$6.5 mil on properties held for sale, \$0.4 mil on development properties and a \$1.3 mil additional buyer's stamp duty paid for a Singapore development property.

Other operating income improved by 66% in FY2016 as compared to FY2015. This is mainly due to higher interest income and government grants received in FY2016.

Finance expenses increased by \$0.2 mil in FY2016 as compared to FY2015. This is mainly due to interest expenses incurred by the newly acquired Starland Group.

Selling and distribution expenses increased by 8% on a year-on-year comparison. The increase is mainly due to the newly acquired Starland Group in FY2016.

Administrative expenses decreased by 2.7% from \$6.5 mil in FY2015 to \$6.3 mil in FY2016. The decrease is largely due to the non-recurring of a \$1.2 mil allowance for doubtful non-trade receivables and a \$0.2 mil impairment loss on available-for-sale investment provided in FY2015 as well as a \$0.2 mil reduction in administrative expenses of the Hose and Marine and Measuring Instrument segment, partially offset by \$1.4 mil administrative expenses of the newly acquired Starland Group in FY2016. The allowance for doubtful non-trade receivables is related to deposit paid in accordance to the Framework Structure Agreement as per announcements made on 30 July 2014 and 15 August 2014.

Consequently, profit before tax increased by \$13.3 mil from \$1.3 mil in FY2015 to \$14.6 mil in FY2016.

#### **Statement of financial position and Statement of cashflows**

##### **Group**

The Group's financial position remains healthy with current ratio of around 3.9 times at the end of June 2016 ("FY2016") as compared to 17.6 times at the end of June 2015 ("FY2015"). As at 30 June 2016, the Group had cash and bank balances amounting to \$24.7 mil. This is \$32.5 mil lower than the balances as at 30 June 2015. The decrease is largely due to a net payment of \$24.1 mil for the acquisition of Starland Group and a \$11.6 mil used to acquire the development property in Tangshan, People's Republic of China ("PRC"), during the year under review.

Other receivables & prepayments increased by \$1.2 mil from \$0.4 mil on 30 June 2015 to \$1.6 mil on 30 June 2016. This is mainly due to a \$1 mil other receivables & prepayments attributable to the newly acquired Starland Group.

Inventories decreased by 11.3% from \$6 mil in FY2015 to \$5.4 mil in FY2016. This is in response to the weaker demand, resulting from the weak global economic condition.

Properties held for sale pertained to 2 property projects of Starland Group, which are in Chongqing, PRC.

Development properties related to 3 pieces of land to be developed and they are situated in Chongqing, PRC, Tangshan, PRC, and Singapore.

Non-current assets increased by \$5.4 mil from \$1.7 mil in FY2015 to \$7.1 mil in FY2016. The increase is mainly due to a disbursement of \$5.8 mil as an advance paid in relation to Tangshan City Integrated Mixed Development Project per announcements made on 6 February 2015 , 4 January 2016 and 18 May 2016.

Current liabilities increased by \$25.2 mil from \$3.8 mil in FY2015 to \$29 mil in FY2016, as a result of an increase in bank loans, other payables and income tax payable arising from the acquisition of Starland Group.

Non-current liabilities increased by \$13 mil from FY2015 to FY2016, mainly due to the acquisition of Starland Group.

#### Company

Amount due from subsidiaries increased by \$45.4 mil from \$13.5 mil on 30 June 2015 to \$58.9 mil on 30 June 2016. The increase is largely due to advances given to GRP Chongqing Land Pte Ltd for the acquisition of Starland Group and Tangshan GRP Trading Co Ltd for the purchase of development property in Tangshan, PRC. Both GRP Chongqing Land Pte Ltd and Tangshan GRP Trading Co Ltd are wholly-owned indirect subsidiaries of GRP Limited.

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

No forecast or prospect statement has been issued previously.

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

The Group continues to anticipate significant head winds in the Hose and Marine as well as Measuring Instrument segment. The prolonged low oil prices environment has caused reduction in the capital and operational spending by the various industries served by our Hose and Marine and Measuring Instrument businesses.

As for the property business, the market remains challenging. However, with the further introduction of incentives by the PRC government, to encourage home ownership, such as lower interest rates and lower down-payment for first timer buyers, management expects the sale of the residential properties in Chongqing, PRC to improve.

On 20 June 2016, the Company announced that Starland Holdings Limited, a 99.56%-owned indirect subsidiary of the Company has on 20 June 2016 entered into a conditional sale and purchase agreement with the holders of equity interest of Ayondo Holding AG ("Ayondo") to acquire their equity interest in Ayondo, a Fintech company.

**11. Dividend**

**(a) Current Financial Period Reported on**

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Interim one-tier tax exempt
Dividend Type	Dividend in Specie
Dividend Rate	To be advised

Any dividend paid for the current financial period reported on? No

Dividend in Specie

The shareholders of the Company (the "Shareholders") had approved at an Extraordinary General Meeting held on 13 January 2016, a distribution of such amount of ordinary shares in Starland Holdings Limited ("Starland Shares") held by GRP Chongqing Land Pte Ltd, a wholly-owned indirect subsidiary of the Company, by way of a dividend in specie to the Shareholders and on such basis to be determined by the Directors for each ordinary share in the Company held by Shareholders as at a books closure date to be determined by the Directors for the purposes of determining the entitlement of Shareholders to Starland Shares. As at the date of this announcement, the dividend in specie has not been effected.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend	NA
Dividend Type	NA
Dividend Rate	NA

**(c) Date payable**

To be advised

**(d) Books closure date**

To be advised

**12. If no dividend has been declared/recommended, a statement to that effect**

Not Applicable

**13. Interested person transactions**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the year ended 30 June 2016 is as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Luminor Capital Pte Ltd ("Luminor")		
- Rental expenses paid to Luminor *	-98,424	-
- Rental expenses recovered from Luminor**	74,574	-

\* The amount is for a period of 9 months from July 2015 to March 2016.

\*\* The amount is for a period of about 4 months from March 2016 to June 2016.

**14. Use of proceeds from rights issue and exercise of warrants**

As at the date of this announcement, the status of the use of net proceeds from the rights shares is as below.

Use of Net Proceeds	Allocation of Net Proceeds \$'000	Net Proceeds utilised as at the date of this announcement \$'000	Balance of Net Proceeds as at the date of this announcement \$'000
Proceeds from rights issue:			
- Proposed new business	28,000	(28,000)	-
- General working capital	5,000	(255)	4,745
	33,000	(28,255)	4,745
Proceeds from exercise of warrants:			
- Proposed new business	8,974	(8,974)	-
Total	41,974	(37,229)	4,745
Breakdown of general working capital is as follows:			
Rental expenses		(34)	
Professional fees		(100)	
General administrative expenses		(121)	
Total		(255)	

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

(I) Business Segments

	Hoses & Marine		Measuring instrument		PVC fittings		Property		Inter-segment elimination		Group	
S\$'000	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>Revenue</b>												
External sales	4,924	8,579	14,700	15,877	-	-	7,441	-	-	-	27,065	24,456
Inter-segment sales	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>4,924</b>	<b>8,579</b>	<b>14,700</b>	<b>15,877</b>	<b>-</b>	<b>-</b>	<b>7,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,065</b>	<b>24,456</b>
<b>Result</b>												
Segment gross contribution	2,067	4,003	4,758	5,268	-	-	840	-	-	-	7,665	9,271
Other income	-	-	-	-	-	-	14,764	-	-	-	14,764	-
Other operating income	387	210	39	31	-	-	301	197	-	-	727	438
Direct expenses	(1,858)	(1,958)	(2,351)	(2,194)	(15)	(9)	(1,746)	(1,516)	-	-	(5,970)	(5,677)
<b>Segment net contribution</b>	<b>596</b>	<b>2,255</b>	<b>2,446</b>	<b>3,105</b>	<b>(15)</b>	<b>(9)</b>	<b>14,159</b>	<b>(1,319)</b>	<b>-</b>	<b>-</b>	<b>17,186</b>	<b>4,032</b>
Direct expenses - Corporate											(2,538)	(2,704)
<b>Profit before income tax</b>											<b>14,648</b>	<b>1,328</b>
Income tax expense											(1,931)	(369)
<b>Profit for the year</b>											<b>12,717</b>	<b>959</b>

(I) Business Segments

	Hoses & Marine		Measuring instrument		PVC fittings		Property		Inter-segment elimination		Group	
\$'000	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>Other information</b>												
Segment Assets	4,984	6,110	8,858	10,035	11	10	102,004	7,185	-	-	115,857	23,340
Inter-segment assets	361	361	-	-	-	-	-	-	(361)	(361)	-	-
Unallocated corporate assets											3,355	45,329
<b>Consolidated total assets</b>											<b>119,212</b>	<b>68,669</b>
Segment liabilities	268	845	1,650	1,896	27	24	39,104	46	-	-	41,049	2,811
Inter-segment liabilities	3,074	2,419	2,474	3,541	4,013	4,000	53,458	7,273	(63,019)	(17,233)	-	-
Unallocated corporate liabilities											1,044	1,068
<b>Consolidated total liabilities</b>											<b>42,093</b>	<b>3,879</b>
Capital expenditure	34	-	11	57	-	-	242	19	-	-	287	76
Depreciation and amortisation	708	896	53	74	-	-	90	3	-	-	851	973
Impairment loss on properties held for sale	-	-	-	-	-	-	6,451	-	-	-	6,451	-
Impairment loss on development properties	-	-	-	-	-	-	443	-	-	-	443	-
Premium arising from acquisition	-	-	-	-	-	-	(22,990)	-	-	-	(22,990)	-
Impairment loss on unallocated corporate assets	-	-	-	-	-	-	-	-	-	-	-	211
Allowance for doubtful non-trade receivables	-	-	-	-	-	-	-	1,189	-	-	-	1,189



## (II) Geographical segments by location of customers

S\$'000	Revenue		Total non-current assets	
	2016	2015	2016	2015
Singapore	10,412	11,853	528	1,030
Malaysia	5,097	6,888	678	660
Myanmar	16	54	-	1
Indonesia	1,937	1,950	-	-
Other ASEAN countries	167	296	-	-
Other Asia countries	1,433	2,362	-	-
Middle Eastern countries	88	569	-	-
People's Republic of China	7,535	165	5,879	-
Others	380	319	-	-
<b>Total revenue</b>	<b>27,065</b>	<b>24,456</b>	<b>7,085</b>	<b>1,691</b>

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

Explained in paragraph 8.

**17. A breakdown of sales**

	GROUP		
	S\$'000		% increase/ (decrease)
	12 months ended 30/06/2016	12 months ended 30/06/2015	
1. Sales reported for the first half year	9,797	13,088	-25.15
2. (Loss)/Profit after income tax before deducting dividend for the first half year	-62	903	NM
3. Sales reported for the second half year	17,268	11,368	51.90
4. Profit after income tax before deducting dividend for the second half year	12,779	56	NM

Note:

NM - Not meaningful.

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

Total Annual Dividend

	Latest Full Year	Previous Full Year
Ordinary	-	3,284,695
Preference	-	-
<b>Total:</b>	<b>-</b>	<b>3,284,695</b>

**19. Persons occupying managerial positions who are related to the Directors, Chief Executive Officer or substantial shareholders**

Name	Age	Family relationship with the CEO, any director, and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Kelvin Kwan Chee Hong	63	Brother of Mr Kwan Chee Seng, Executive Director/ Substantial Shareholder of GRP Limited	General Manager of Starland Holdings Limited  Date of appointment: 18 Feb 2016	Kelvin Kwan is appointed as General Manager of Starland Holdings Limited with effect from 18 Feb 2016. Prior to this appointment, Kelvin was the General Manager of Property Division, GRP Limited since 1 Jan 2014.

Besides Kelvin Kwan Chee Hong, Kwan Yu Wen, daughter of Mr Kwan Chee Seng, Executive Director/Substantial Shareholder of GRP Limited, has joined GRP Limited as Management Trainee with effect from 14 Sept 2015.

**20. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD  
Kwan Chee Seng  
Executive Director  
25 August 2016