GRP LIMITED

ANNUAL REPORT 2016

BUILDING ON OUR STRENGTHS

CONTENTS

MISSION

GRP IS COMMITTED TO ENHANCING GROUP PERFORMANCE AND DELIVERING SHAREHOLDER VALUE.

MOVING FORWARD, WE WILL LEVERAGE ON OUR STRENGTHS TO SHARPEN OUR COMPETITIVE EDGE, REINFORCE OUR PRESENCE IN EXISTING MARKETS, EXTEND OUR REACH TO PENETRATE NEW MARKETS AND TO DEVELOP AND GROW THE PROPERTY DEVELOPMENT BUSINESS.

CORPORATE PROFILE

HEADQUARTERED IN SINGAPORE AND LISTED ON THE MAINBOARD OF THE SINGAPORE EXCHANGE, GRP LIMITED COMPRISES A RANGE OF BUSINESSES, THE MAIN ACTIVITIES OF WHICH ARE PRIMARILY CATEGORISED AS:

1. Hose and Marine;
2. Measuring Instruments / Metrology; and
3. Property Development

Hose and Marine

Operating from the Penjuru factory in Singapore, the Hose and Marine business has been serving the onshore, offshore, marine, pharmaceutical and petrochemical markets for over 30 years. From the trading of industrial rubber hoses and other marine-related products in the early days, this business has evolved and expanded to include engineering works and hose management services such as the design and manufacture of hose fittings and couplings. The in-house engineering setup is able to provide a complete suite of engineering services including customization of fittings and couplings, assembly, testing and certification as well as hose repair.

In addition, another competitive edge is the comprehensive range of hoses and fittings stocked that enables GRP to cater to the diverse and immediate needs of customers within a very short turnaround time. GRP is the master distributor for major brands like Dunlop, Goodyear, Elaflex, Todo-matic Dry-Break coupling, and other quality products that are widely used by major offshore exploration, pharmaceutical and petrochemical companies.

CORPORATE PROFILE

Over the years, GRP has diversified into oilfield supplies in order to expand the market share for the hose business as well as to cater to the growing needs of its customers.

Measuring Instruments / Metrology

The Measuring Instruments and Metrology division, trading under Region Suppliers, has an established track record in the trading and distribution of precision measuring instruments and equipment. Based in Singapore and Malaysia (with four branch offices), it maintains a cost effective network and has been distributing several internationally renowned brands within the precision measuring sector for over 30 years.

To further enhance support for the distribution channel, the Technical Support Department (TSD) was also setup to provide value added services to the customers.

Leveraging on the extensive range of measuring products carried, the business is able to market measuring products to a wide range of industries including machine makers, biomedical, oil and gas, institutional, laboratory as well as electronic OEM.

Property Development

In October 2013, the Group obtained shareholders' approval to expand its core business to include property development business. The property division is to undertake property development activities, such as to acquire and hold property related assets and to trade in properties. The Group intends to embark on acquisition and/or development of properties in Myanmar, Malaysia and China.

During the latest financial year ended 30 June 2016 ("FY2016"), the Group acquired 99.56% of the issued and paid-up ordinary shares in the share capital of Starland Holdings Limited ("Starland Group"). Starland Group is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. It engages principally in the development of quality integrated residential and commercial properties in the People's Republic of China ("PRC"). Starland Group had completed two property development projects in Chongqing PRC, with total GFA of 148,634 square meters.

During FY2016, the Group also successfully tendered for a piece of industrial land, with an area of 165 mu (equivalent to approximately 110,000 square metres) in Tangshan City, PRC.

KEY EVENTS

2016

Starland Holdings Limited ("Starland Group"), a Property Group listed on SGX-Catalist, was acquired as a subsidiary of GRP group.

Starland Group engages principally in the development of quality integrated residential and commercial properties in the People's Republic of China.

The Group successfully tendered a piece of 165mu industrial land in Tangshan City PRC.

2015

Signing of agreement between the Group and the People's Government of Kaiping District, Tangshan City, PRC, which gives the Group first right of refusal to participate in an integrated mixed development project along Xinghua Dong Dao of Tangshan City.

2014

The Group did a Placement and Rights cum Warrants issue where $35.9 million was raised. An additional $9 million was raised from the exercise of warrants. These were used to fund our activity in the property development business.

Shareholders' approval for diversification into the property business obtained.

2012

The disposal by GRP (China) Pte Ltd of its 75% equity interest in Suzhou Xinghai Plastic Products Co., Ltd and its 25% equity interest in Shanghai Xinda Building Material Co., Ltd was completed.

2007

The disposal of our 16,000 square metres industry office facility in Bukit Batok, Singapore under a sale-and-lease back arrangement was completed.

2005

Divestment by GRP (China) Pte Ltd of its 75% equity interest in Shanghai Xinda Building Material Co., Ltd and its 25% equity interest in Suzhou Xinghai Plastic Products Co., Ltd was completed.

1996

Construction of an 16,000 square metres industrial office facility in Bukit Batok, Singapore was initiated. It was completed in 1997.

1993

Region Suppliers, an international supplier of precision measuring instruments, was acquired as a wholly-owned subsidiary of the GRP group. In the same year, GRP (China) Pte Ltd was formed to take advantage of the opportunities being presented in China, particularly uPVC pipe manufacturing for the local construction industry.

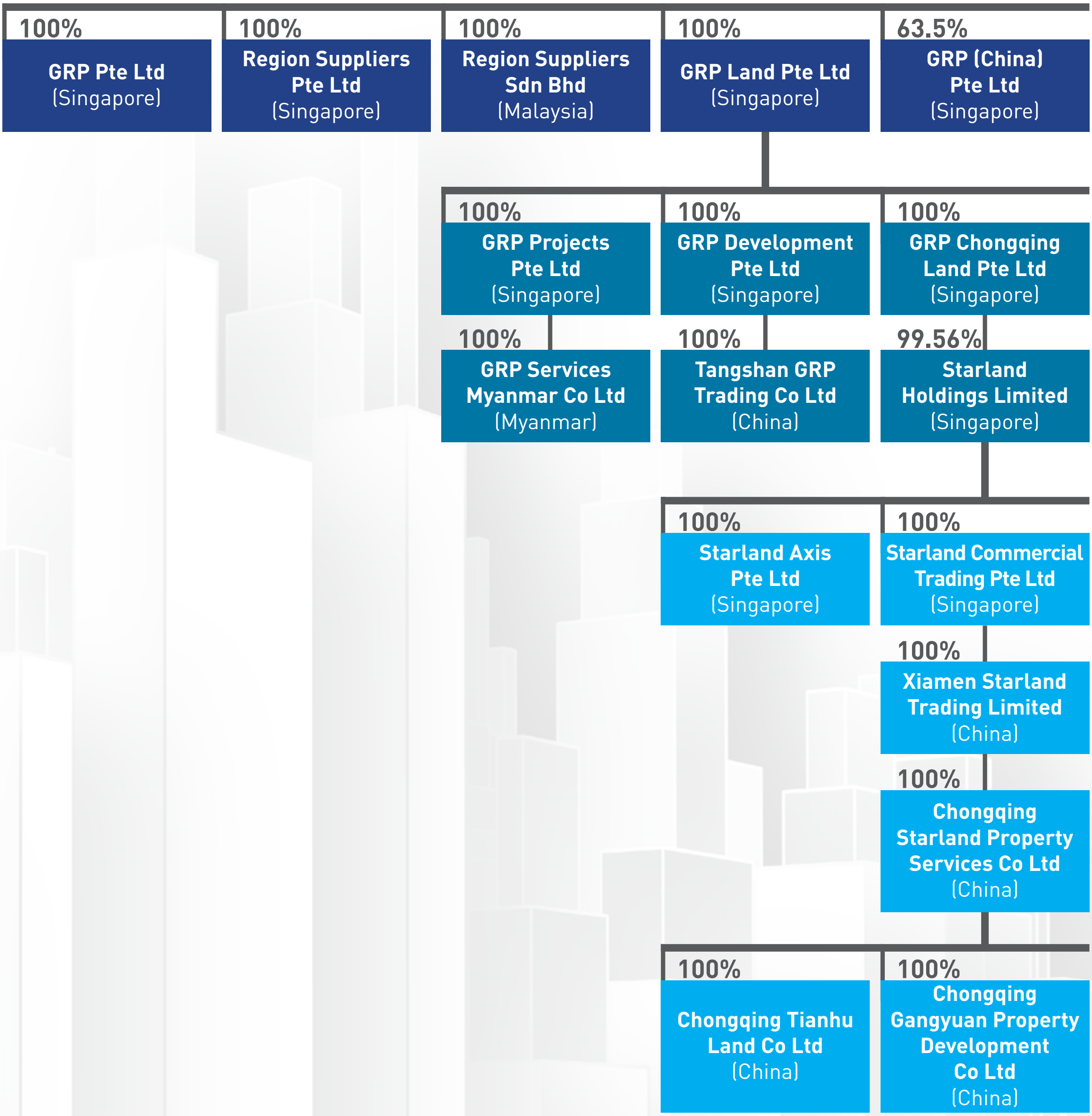
1990

An office and production facility at Tanjong Penjuru Crescent, Singapore was acquired for the purpose of machining, fabricating and warehousing hose and fittings close to our customers.

1977

The Hose and Marine business was established in 1977 as a supplier/manufacturer of high quality hose and fittings for the marine, oil and industrial sectors.

CORPORATE STRUCTURE



MESSAGE TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors of GRP Limited (the "Group"), I am pleased to present to you the Annual Report of the Group for the financial year ended 30 June 2016 ("FY2016").

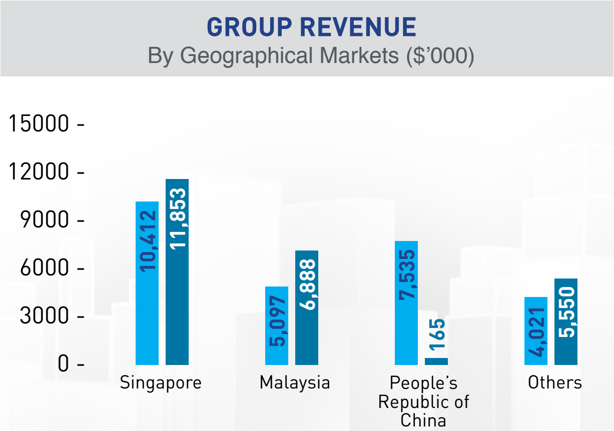
The Group took a major step in its expansion into the property development business during the year under review. The Group acquired Starland Holdings Limited ("Starland") on 15 January 2016. Starland is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. It engages principally in the development of quality integrated residential and commercial properties in the People's Republic of China ("PRC"). As at 30 June 2016, the Group holds 99.56% interest in Starland.

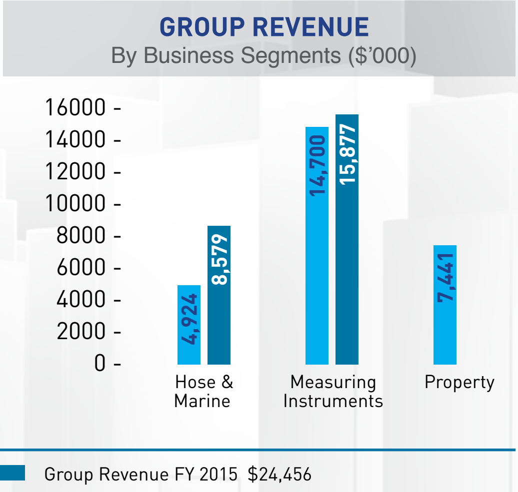
The takeover of Starland has allowed us to acquire inventory (from completed units of its Singapore Garden development) and build up local expertise in PRC. This acquisition is in line with our strategy to grow our property division not just organically but through mergers and acquisitions (M&A) as well.

On 18 March 2016, the Group announced that it had successfully tendered for a portion of the industrial Lands with an area of 165 mu (equivalent to approximately 110,000 square metres), in relation to the integrated mixed development project ("Project") in Tangshan City, PRC. This piece of land forms part of the land site of 1,195.98 mu available for the Project.

For the year under review, revenue was $27.1 million which is 10.7% higher than the revenue of $24.5 million for the previous corresponding year ended 30 June 2015 ("FY2015"). The improvement is mainly due to contributions by the newly acquired Property business, partially offset by the weaker demand in the Hose and Marine and Measuring Instrument divisions.

With the acquisition of Starland, the Group has three business segments, with Measuring Instrument being the biggest revenue generating segment, followed by Property and then Hose and Marine business in FY2016. Below is the table showing the sales mix of the three business segments in FY2016 and FY2015.





MESSAGE TO SHAREHOLDERS

Local Singapore revenue in FY2016 was $10.4 million, (38% of total revenue) a decrease over FY2015 at $11.9 million (48% of total revenue). With the acquisition of Starland, revenue from PRC increased from $0.2 million (1% of total revenue) in FY2015 to $7.5 million (28% of total revenue) in FY2016.

In FY2016 the Group achieved a net profit of $12.7 million, an improvement of $11.8 million as compared to FY2015. The improvement was mainly due to a $23 million premium arising from acquisition of Starland, partially offset by impairment provision of $6.5 million on properties held for sale, $0.4 million on development properties and a $1.3 million additional buyer's stamp duty paid for a Singapore development property.

As at 30 June 2016, the Group had net cash and bank balances, after deducting bank loans, of $17.5 million, properties held for sale amounting to $52.4 million and total development properties of $24.4 million. The properties held for sale are commercial, residential units and car park space available for sale in Chongqing, PRC. Development properties pertained to 3 pieces of development properties in Chongqing PRC, Tangshan PRC and Singapore.

The Group's earnings per share for FY2016 was 9.27 cents compared with 0.66 cents for FY2015. Our net asset value per share for FY2016 was 55.23 cents (FY2015: 48.7 cents). The increase is due mainly to the improved net profit, and a smaller share capital base resulting from share consolidation.

Review of Operations

Our Hose and Marine segment reported revenue of $4.9 million in FY2016 compared to $8.6 million in FY2015. The 42.6% decrease in revenue is mainly due to weaker demand in FY2016, attributed to the falling oil prices and weaker outlook for the global economies.

Sales for Measuring Instrument business decreased by 7.4% from $15.9 million in FY2015 to $14.7 million in FY2016. This is also a result of the weak global market condition. The newly acquired property business generated revenue of $7.4 million in FY2016.

Looking Ahead

The Group will continue to grow its property development business. As this is a capital intensive industry, the Group will be undertaking a renounceable non-underwritten rights cum warrants issue of up to 69,760,022 new ordinary shares in the capital of the Company, at an exercise price of $0.25 for each rights share with up to 69,760,022 free detachable warrants ("Warrants"), each Warrant carrying the right to subscribe for one new ordinary share in the capital of the Company, on the basis of one Rights Share for every two existing ordinary shares in the capital of the Company held by the shareholders of the Company as at a date and time to be determined.

Starland had announced on 20 June 2016 that it had entered into a conditional sale and purchase agreement ("Agreement") with the holders of equity interest in ayondo Holding AG ("ayondo") to acquire their equity interest in ayondo. The acquisition, if undertaken and completed, is expected to result in a "Reverse Take-over" of Starland. Under the Agreement, Starland shall enter into a binding sale and purchase agreement to dispose all its assets to the Company at such price to be agreed between them. In addition, under the Agreement, Starland shall carry out a placement of such number of new shares ("Placement Share") at an issue price of $0.1408 per Placement Share to raise total gross placement proceeds of $19 million; of this the Company will be subscribing for shares of value of $12 million. The subscribers of the Placement Shares shall be entitled to an option to subscribe for up to 101,225,359 new shares at an exercise price of $0.1877 for each new share, and expiring on the date falling two years from the date on which they were granted.

MESSAGE TO SHAREHOLDERS

Licensed and regulated by the Financial Conduct Authority (FCA) in the United Kingdom ("UK") and the Federal Financial Supervisory Authority (BaFin) in Germany, ayondo is a financial technology ("FinTech") group that is a global leading provider of social trading services and brokerage services for both business-to-consumer (B2C) and business-to-business (B2B) for Contracts for Differences ("CFDs").

Through its platform, users can trade CFDs (self-directed) and/or engage in social trading. ayondo's Next Generation Social Trading technology allows everyone to "create their own dream team" by replicating the performances of top traders onto their own portfolios automatically and in real time, with a few taps on their electronic devices. Anyone can also become a top trader and earn from trading as well as from having followers. The system is transparent and followers are able to view top traders' track records on the platform (for more information, please visit ayondo's website at http://www.ayondo.com).

In a span of two years, ayondo has grown significantly and has been the recipient of numerous awards. ayondo was awarded the Best Social Trading Platform for two consecutive years in 2015 and 2016 by ADVFN, a leading UK financial market site listed on London's Alternative Investment Market. ayondo was also recognised as the second best CFD brokerage in Germany by BrokerWahl. Most recently, ayondo announced a partnership with KGI Fraser Securities Singapore, thus demonstrating ayondo's status as a trusted provider of CFD services.

Dividend

The Company had announced on 23 September 2016 that up to 23,718,407 ordinary shares in the share capital of Starland ("Starland Shares") held by GRP Chongqing Land Pte Ltd, a wholly-owned indirect subsidiary of the Company, will be distributed by way of a dividend in specie to the shareholders of the Company. Based on the Company's issued and paid-up share capital of 139,520,044 ordinary shares ("Share"), the proposed distribution will be on the basis of 0.17 Starland share for each Share held by the shareholders of the Company as at The Books Closure Date.

In Appreciation

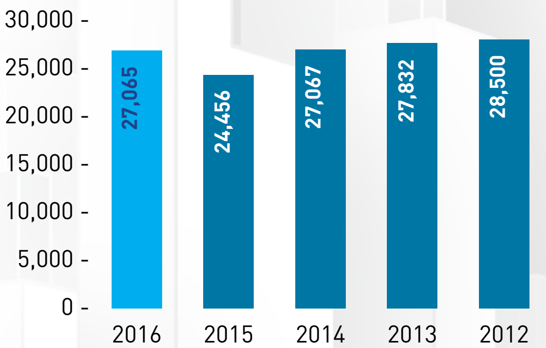
On behalf of the Board of Directors of GRP Limited, I would like to take this opportunity to thank all our customers, suppliers, business associates and shareholders for their continued support. In addition, I wish to acknowledge our appreciation to the management team and all our employees for their hard work and dedication.

Mr Daniel Teo Tong How
Chairman

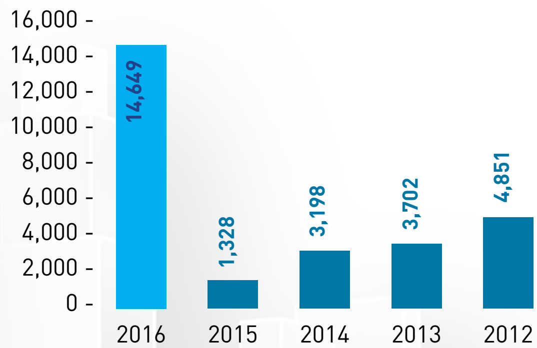
GROUP FINANCIAL HIGHLIGHTS

Financial Year ended 30 June $'000	2016	2015	2014
FOR THE YEAR			
Revenue	27,065	24,456	27,067
Profit Before Tax	14,649	1,328	3,198
Profit After Tax	12,718	959	2,710
AT YEAR END			
Total Tangible Assets	119,330	68,643	65,440
Total Cash and Bank	24,684	57,181	51,302
Shareholders' Funds	77,058	64,965	61,059
Total Loans and Borrowings	7,175	-	-

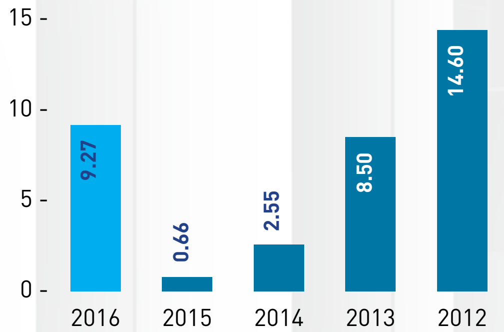
TURNOVER
($'000)



PROFIT BEFORE TAX
($'000)

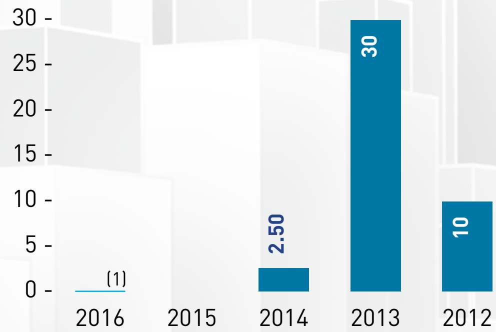


EARNINGS PER SHARE*
(Cents)



* Adjust for share consolidation of 5:1

DIVIDENDS PER SHARE*
(Cents)



(1) 0.17 Starland share for each share held by the shareholders of the Company.

BOARD OF DIRECTORS

Mr Daniel Teo Tong How, 73

was appointed as an Independent Director on 4 July 2014. Mr Teo is the Chairman of the Board of Directors.

Mr Teo is the Managing Director of Hong How Group of Companies and Director of Tong Eng Brothers Group. The businesses of these companies range from property development and investment holding in sectors such as commercial, residential, industrial and hospitality in Singapore, Malaysia, Australia, US, UK, Spain and Sweden.

Mr Teo graduated from University of Melbourne, Australia with a Bachelor of Architecture (Hons) Degree. From 1998 to 1999, he was the President of the Real Estate Developers Association of Singapore. From 2000 to 2001, he was the World President (Singapore) of the International Real Estate Federation (FIABCI). As an renowned figure in the real estate industry, he brings to the Board a wealth of experience.

Mr Kwan Chee Seng, 58

was appointed as an Executive Director on 1 March 2013 and is responsible for the Group's business development. Mr Kwan is a member of the Nominating Committee.

Mr Kwan has extensive experience in management and investment, particularly in the area of Mergers and Acquisitions (M&A). Besides being the Chairman of Van der Horst Holdings Pte Ltd, his investment holding company, Mr Kwan has been a Non-Executive Director and substantial shareholder of ASX-listed Variscan Mines Ltd since 2008. Mr Kwan is also a Non-Executive Director of Starland Holdings Limited, a 99.56% indirect-owned subsidiary of GRP Limited.

In 2009, Mr Kwan began his fund management business with Luminor Capital Pte Ltd, a manager of private equity funds, as a founding director. Thus, he brings to the Board a unique set of skills with an M&A angle.

BOARD OF DIRECTORS

Mr Goh Lik Kok, 54

was appointed as an Independent Director on 6 November 2012. Mr Goh is the Chairman of the Audit Committee and is a member of the Nominating, Remuneration and Risk Committee.

Mr Goh has over 20 years of experience in engineering services and had held various senior management positions in Singapore Technologies Engineering Group. Mr Goh had also served in various engineering academic advisory and skill qualification technical committee.

Mr Goh holds a degree in Bachelor of Mechanical Engineering (Hons) from National University of Singapore and a pioneer Post-Graduate Diploma in Automation, sponsored by Singapore Economic Development Board.

Mr Mahtani Bhagwandas, 49

was appointed as an Independent Director on 1 June 2013. Mr Bhagwandas is the Chairman of the Nominating and Risk Committee and a member of the Audit and Remuneration Committee.

Mr Bhagwandas has been practicing as an advocate and solicitor of the Supreme Court of Singapore since 1993 and is currently a Partner of Legal Standard LLP, a law firm in Singapore. He is also currently the Independent Director of SBI Offshore Limited and Alliance Mineral Assets Limited.

Mr Bhagwandas graduated from National University of Singapore with a Bachelor of Laws (Hons) degree in 1992.

Mr Peter Moe, 62

was appointed as an Independent Director on 1 September 2013. Mr Moe is the Chairman of the Remuneration Committee and a member of the Audit, Nominating and Risk Committee.

Mr Moe has been a practicing lawyer in Singapore since 1983 and is currently a Director of Optimus Chambers LLC. He is also the Independent Director of Swee Hong Limited.

Mr Moe graduated from University of Kent, Canterbury, United Kingdom with a Bachelor of Laws degree in 1976.

KEY MANAGEMENT

Mr Kantilal Champaklal
was appointed as Chief Financial Officer of GRP Limited in 2013. Mr Champaklal has more than 30 years of experience in Financial Management and Business evaluation. His previous employer was the Van der Horst group, whom he joined in March 2002.

Mr Champaklal graduated from the University of Singapore with a Bachelor degree in Accountancy and is a member of the Institute of Singapore Chartered Accountants.

He has held senior finance and management positions with large US and European MNCs, active in engineering and offshore construction. His former employers include a Big-4 audit firm, and he has had various assignments in Indonesia and Philippines.

A former national sportsman, he was from 2005 to 2012, an Executive Committee member of the Singapore Cricket Association, a national sports body.

Ms Iris Sim Yeow Tiang
was appointed as the General Manager of GRP Pte Ltd. Ms Sim's responsibilities include the management of the Group's Hose and Marine business, particularly in the areas of sales and marketing. Ms Sim has been with the Group since 1980. Having held senior marketing positions in several multinational corporations prior to joining GRP, Ms Sim has amassed over 30 years of experience in the sales and marketing of industrial products catering to the oil and marine industry.

Ms Sim holds a Diploma in Administrative Management.

Ms Lim Siok Lin
was appointed as General Manager of Region Suppliers Pte Ltd. Ms Lim has more than 25 years of experience in accounting and previously served as the Finance Manager of GRP Limited. She subsequently joined Sun Mircrosystems Pte Ltd, as a Finance Analyst but returned to the Group in 2004 as General Manager of Region Suppliers Pte Ltd.

Ms Lim holds a Diploma in Finance and Management from Productivity and Standards Board, Singapore.

Mr Kelvin Kwan Chee Hong
was appointed as General Manager of Starland Holdings Limited in 2016. Prior to this, Mr Kwan was the General Manager of the Property Division of GRP Limited since 2014. Mr Kwan was the Investment Director of Van der Horst Holding Pte Ltd before joining GRP Limited.

Mr Kwan was the Assistant General Manager of GKE International Ltd from 2008 to 2012. He has more than 30 years of manufacturing and sales experiences.

Mr Kwan holds a Full Technology Certificate in Electricity from City & Guild of London Institute and a Masters degree in Business Administration from Henley Brunel University.

Ms Peng Peck Yen
was appointed as Financial Controller of GRP Limited in 2013. She has more than 20 years of experience in accounts and finance.

Ms Peng holds a degree in Bachelor of Accountancy (Hons) from Nanyang Technological University of Singapore and is a member of the Institute of Singapore Chartered Accountants.

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") of GRP Limited ("**GRP**") aspires to achieve the highest standards of corporate governance and places importance on continuous improvement of its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This corporate governance report ("**Report**") outlines the Company's corporate governance structures and practices that were in place during the financial year ended 30 June 2016 ("**FY2016**"), with specific reference made to the principles of the Code of Corporate Governance 2012 (the "**Code**") and the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2016 (the "**Guide**").

The Board is pleased to confirm that for the financial year ended 30 June 2016, the Group has adhered to the principles and guidelines as set out in the Code. Where there are deviations from the Code, appropriate explanations are provided within the Report below.

GRP's Board

ROLE OF THE BOARD

The Board is entrusted to lead and oversee GRP and commits to always act in the best interests of GRP. The principle functions of the Board are:

- To review, consider and approve strategic, operational and financial objectives of the Company and monitor the performance of the Management;
- To oversee the processes for evaluating the adequacy of internal controls, financial reporting and compliance;
- To ensure that high quality corporate governance is practised by the Group and to safeguard shareholders' interests and the company's assets; and
- To manage overall the business and affairs of the Group including reviewing of the operational plans, approving capital expenditure budget developed by the management team and performance against those plans.

Matters that require the Board's approval include, amongst others, the following:

- Approval of the Group's strategic objectives;
- Changes relating to the Group's capital structure including reduction of capital, share issues and share buy backs;
- Major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals;
- Approval of the half yearly/full year's results announcements and release of annual reports
- Approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend;
- Approval of material investments, divestments or capital expenditure;
- Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting including approval of all circulars, prospectuses, etc
- Approval of matters which involve a conflict of interest for a controlling shareholder or director; and
- Any decision likely to have a material impact on the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION

Our Board members have accumulated a wealth of experience across a broad range of industries, with the Chairman being a veteran in the property sector, the sector in which GRP operates in.

Currently, the Board has five directors, of which four are Non-Executive Independent Directors. The Executive Director is the only non-Independent Director. The Board believes there is a strong element of independence in the Board as the Independent Directors constitute more than half of the Board, and no individual or small group of individuals dominates the Board's decision making process. This exceeds the requirements in the Code. Given the current size of GRP's operations, GRP believes that the size and composition of the Board is appropriate and provide sufficient diversity without interfering with efficient decision making. The Board is made up of the following individuals:

Name of Director	Designation
Mr. Daniel Teo Tong How	Chairman, Independent Non-Executive Director
Mr. Kwan Chee Seng	Executive Director
Mr. Goh Lik Kok	Independent Non-Executive Director
Mr. Mahtani Bhagwandas	Independent Non-Executive Director
Mr. Peter Moe	Independent Non-Executive Director

The Company does not have any alternate directors.

All directors commit to exercising due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.

ROLE OF THE CHAIRMAN AND EXECUTIVE DIRECTOR

The Board recognises the Code's recommendation that the Chairman and the Chief Executive Officer ("**CEO**") should be separate persons to ensure that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Independent Non-Executive Chairman of GRP is Mr. Daniel Teo Tong How and he bears the responsibility for the effective conduct of the Board.

Though GRP does not have a CEO in place, the responsibilities of the Group's business are undertaken by the Executive Director, Mr. Kwan Chee Seng and the management of GRP.

Mr. Daniel Teo Tong How is not related to the Mr. Kwan and the management of GRP.

Mr. Kwan, together with management, oversees the execution of GRP's strategy. Mr. Teo maintains open lines of communication with Mr. Kwan and management, and guides and advises them on key matters.

Mr. Teo schedules Board meetings as and when required and sets the agenda for the Board meetings. He sets guidelines and ensures quality, quantity, complete, adequate, and timeliness of information flow between the Board and management of GRP.

In addition, the Chairman also builds constructive relations within the Board and between the Board and management, and facilitates the effective participation of Non-Executive Directors by promoting a culture of openness and debate at the Board. The Chairman further ensures effective communication with shareholders and promotes high standards of corporate governance.

BOARD ACCESS TO INFORMATION

The Board, particularly the Independent Directors, which are Non-Executive Directors, are kept well informed of the Group's business and are knowledgeable about the industry the Group operates in. To ensure that the Independent Directors are well supported by accurate, complete and timely information, they have unrestricted access to Management, and have sufficient time and resources to discharge their functions effectively.

The Independent Directors do discuss and/or meet on a need-basis without the presence of the management to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning as well as leadership development and the remuneration of the Executive Director.

The Independent Directors have met at least once without the presence of management in FY2016.

Types of information provided by key management personnel to Independent Directors		
	Information	**Frequency**
1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Half-yearly
2.	Updates to the Group's operations and the markets in which the Group operates in	As and when relevant
3.	Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and External Auditors' report(s)	Half-yearly
4.	Reports on on-going or planned corporate actions	As and when relevant
5.	Internal auditors' reports	Half-yearly
6.	Shareholding statistics	Yearly

Key management personnel will also provide any additional material or information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

ACCOUNTABILITY TO SHAREHOLDERS

The Board is accountable to shareholders and ensures that all material information is fully disclosed in a timely manner to shareholders in compliance with statutory and regulatory requirements. The Board strives to provide its shareholders a balanced and understandable assessment of the Group's performance, position and prospects.

The Board takes steps to ensure compliance with legislative and regulatory requirements, where appropriate.

The Independent Directors in consultation with management will request for management's consideration for the establishment of written policies for any particular matter that is deemed to be essential to form part of management control.

Management provides appropriately detailed management accounts of the Group's performance on a half yearly basis to the Board to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. As and when circumstances arise, the Board can request management to provide any necessary explanation and/or information on the management accounts of the Group.

INTERNAL RISK CONTROLS

The Board oversees management in the area of risk management and internal control system. The Board regularly reviews and improves the Company's business and operational activities to identify areas of significant risks as well as take appropriate measures to control and mitigate these risks.

Management highlights and discusses (if any) salient risk management matters to the Board on half-yearly basis. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks and internal controls. Internal audit is outsourced to a third party professional firm.

COMPANY SECRETARY

The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:

- To assist the Chairman and the Chairman of each Board Committee in the development of the agendas for the various Board and Board Committee meetings;
- To administer and attend all Board and Board Committees meetings of the Company and prepare minutes of meetings;
- To ensure that Board procedures are observed and that applicable rules are complied with; and
- To advise the Board on implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value, as well as to assist the Chairman in ensuring good information flows within the Board and its board committees.

The appointment and the removal of the Company Secretary are subject to the approval of the Board.

Where the directors, whether individually or collectively, require independent professional advice in furtherance of their duties, the Company Secretary may assist in appointing a professional advisor to render the advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.

Board Committees

Board committees, namely the Audit Committee ("**AC**"), the Remuneration Committee ("**RC**"), the Nominating Committee ("**NC**") and Risk Committee ("**RMC**") (collectively the "**Board Committees**") have been constituted to assist the Board in the discharge of its responsibilities. The duties, authorities and responsibilities of each committee are set out in their respective terms of reference. The terms of references are reviewed on a regular basis to ensure its continued relevance.

Board Committee	AC	NC	RC	RMC
Chairman	Mr. Goh Lik Kok	Mr. Mahtani Bhagwandas	Mr. Peter Moe	Mr. Mahtani Bhagwandas
Members	• Mr. Mahtani Bhagwandas • Mr. Peter Moe	• Mr. Goh Lik Kok • Mr. Kwan Chee Seng • Mr. Peter Moe	• Mr. Goh Lik Kok • Mr. Mahtani Bhagwandas	• Mr. Goh Lik Kok • Mr. Peter Moe
Composition	Three members – All Non-Executive Independent Directors (INED)	Four members – Three INEDs, one Executive Director (ED)	Three members – All INEDs	Three members – All INEDs

NOMINATING COMMITTEE

The NC is chaired by Mr. Mahtani Bhagwandas and its members are Mr. Goh Lik Kok, Mr. Kwan Chee Seng and Mr. Peter Moe.

The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, and is satisfied that all Directors have discharged their duties adequately for FY2016.

Key Responsibilities

The NC holds at least one (1) meeting in each financial year.

The NC is guided by key terms of reference as follows:

- Make recommendations to the Board on all Board appointments;
- Develop a process to assess the effectiveness of the Board and contribution by each Director;
- On an annual basis, determine whether a Director is independent;
- Formulate guidelines to ensure that a Director with multiple board representations has sufficient time and attention devoted to the affairs of the Company; and
- Recommend re-nomination and re-election of Directors.

Selection Criteria & Nomination Process

The NC has established a transparent process for the selection and appointment of new directors, as well as for the re-election of incumbent directors as set out in the tables below.

The considerations in assessing the capacity of Directors include the following:

- Expected time commitments of Directors;
- Geographical location of Directors;
- Size and composition of the Board; and
- Nature and scope of the Group's operations and size.

The Board has also determined that no Director may serve on the Board of more than six public listed companies.

Process for the Selection and Appointment of New Directors		
1.	Determination of selection criteria	The NC, in consultation with the Board, should first identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board.
2.	Search for suitable candidates	With the criteria in mind, the NC may consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.
3.	Assessment of shortlisted candidates	Upon short-listing, the NC is to meet and interview the shortlisted candidates to assess their suitability.
4.	Appointment of director	Following the steps above, the NC will recommend the selected candidate to the Board for consideration and approval.

Process for the Re-electing Incumbent Directors		
1.	Assessment of director	The NC will assess the contributions and performance of the Director in accordance with the performance criteria set by the Board; and The NC will also review the range of expertise, skills and attributes of current Board members and consider the current needs of the Board.
2.	Re-appointment of director	Subject to the NC's satisfactory assessment, the NC will recommend the proposed re-appointment of the Director to the Board for its consideration and approval.

Board Performance

The Board is pleased to share that it has met its performance objectives for FY2016.

The table below sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director to the effectiveness of the Board:

Performance Criteria	Board and Board Committees	Individual Directors
Qualitative	1. Size and composition 2. Access to information 3. Board processes and accountability 4. Strategic planning 5. Risk management and Internal Control 6. Succession Planning	1. Commitment of time 2. Participation 3. Knowledge and abilities 4. Independence 5. Disclosure of Interested Person Transactions ("IPT")
Quantitative	1. Measuring and monitoring performance 2. Financial Reporting	1. Attendance at Board and Board Committee meetings

The NC will implement annual assessment (completed by each Director) to evaluate the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the Chairman and each individual Director.

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board and each individual Director. Where relevant and when the need arises, the NC will consider such an engagement.

Board Attendance

The Board meets at least half-yearly and as warranted by circumstances. The Company's Articles of Association allow the Directors to participate in a meeting of the Directors by means of conference telephone or other similar communications equipment whereby all persons participating in the meeting can hear one another contemporaneously, without a Director having to be in the physical presence of another Director or Directors, and participation in a meeting shall constitute presence in person at such meeting.

In FY2016, the number of the Board and Board Committee meetings held and the attendance of each Board member are shown below:

Name	Scheduled Board Meetings	Ad-Hoc Board Meetings	AC	NC	RC	RMC
Number of meetings held	2	5	2	1	1	1
Directors	**Number of Meetings Attended**					
Mr. Daniel Teo Tong How	2	5	NA	NA	NA	NA
Mr. Kwan Chee Seng	2	5	NA	1	NA	NA
Mr. Goh Lik Kok	2	5	2	1	1	1
Mr. Mahtani Bhagwandas	2	5	2	1	1	1
Mr. Peter Moe	2	5	2	1	1	1

Annual Review of Directors' Independence

The independence of each director is assessed and reviewed annually by the NC.

The Independent Directors, Mr. Daniel Teo Tong How, Mr. Goh Lik Kok, Mr. Mahtani Bhagwandas and Mr. Peter Moe have confirmed their independence for FY2016 on their appointment.

The NC confirms that the Independent Directors do not have any relationship as stated in the Code that would otherwise deem him not to be independent.

Induction for New Directors

A formal letter of appointment is provided to every new Director, setting out his duties and obligations and other relevant matters.

Upon appointment to the Board, the Director will be given guidance and a comprehensive orientation programme including onsite visits. The new Director will be introduced to GRP's senior management and will be familiarised with the Group's businesses, organisation structure, corporate strategies and policies and corporate governance practices and ensure the effective discharge of their duties.

Incoming Directors, especially those who do not have prior experience as a Director of a public listed company in Singapore, are encouraged to attend professional development courses organised by the Singapore Institute of Directors or other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

Continuous Development for All Directors

All Directors are updated regularly on any new developments in regulatory, legal and accounting frameworks that are of relevance to GRP through participation in training courses, seminars and workshops, at the Company's expense. The Directors are also briefed by the Group's External Auditors on changes and amendments to the Singapore Financial Reporting Standards during Board Meetings.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are circulated to the Board by management regularly.

In addition, the Company Secretary informs the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. The Company has an on-going budget for all Directors to attend appropriate courses, conferences and seminars conducted by external professionals for them to stay abreast of relevant business developments and outlook.

Board Diversity

The Board's policy in identifying Director nominees is primarily to have an appropriate mix of members with core competencies such as accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management.

	Number of Directors	Proportion of Board (%)
Core Competencies		
– Accounting or finance	2	40
– Business management	5	100
– Legal or corporate governance	2	40
– Relevant industry knowledge or experience	2	40
– Strategic planning experience	2	20
– Customer based experience or knowledge	2	40
Gender		
– Male	5	100
– Female	–	–

The Board will take the following steps to maintain or enhance its balance and diversity:
- Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

Terms of Appointment of Directors

The key information of the Directors, including their appointment dates and directorships held in the past 3 years, are set out as below:

Name of Director	Appointment	Date of initial appointment	Date of last re-election/re-appointment	Directorships in other listed companies	
				Current	Past 3 Years
Mr. Daniel Teo Tong How	Independent Non-Executive Director and Chairman	4 July 2014	27 October 2015	NA	NA
Mr. Kwan Chee Seng	Executive Director	1 March 2013	27 October 2014	Starland Holdings Limited Variscan Mines Limited	NA
Mr. Goh Lik Kok	Independent Non-Executive Director	6 November 2012	27 October 2014	NA	NA
Mr. Mahtani Bhagwandas	Independent Non-Executive Director	1 June 2013	27 October 2015	Alliance Mineral Assets Limited SBI Offshore Limited	GKE Corporation Limited
Mr. Peter Moe	Independent Non-Executive Director	1 September 2013	27 October 2015	Swee Hong Limited	NA

The shareholdings of the individual directors of the Company are set out on page 32 to 33. None of the directors hold shares in the subsidiaries of the Company. None of the directors serve on the Board beyond nine years from the date of his first appointment.

Directors who are seeking re-appointment at the forthcoming AGM to be held on 27 October 2016 are stated in the Notice of AGM set out on pages 114 to 116 of this Annual Report.

Rotation & Re-Election

The Company's Constitution requires one-third of the Directors to retire from office and subject themselves to re-election by shareholders at every Annual General Meeting ("AGM").

The NC recommended that Mr. Kwan Chee Seng, Mr. Goh Lik Kok and Mr. Daniel Teo Tong How be re-elected at the forthcoming AGM.

In making the recommendations, the NC had considered the Directors' overall contribution and performance.

Mr. Kwan Chee Seng will, upon re-election as a Director, remain as the Executive Director of the Company. Mr. Goh Lik Kok will, upon re-election as a Director, remain as Chairman of AC and member of NC, RC and RMC. Mr. Daniel Teo Tong Hong will, upon re-election as a Director, remain as Chairman of the Board.

REMUNERATION COMMITTEE

The RC is chaired by Mr. Peter Moe and its members are Mr. Goh Lik Kok and Mr. Mahtani Baghwandas.

Key Terms of Reference

The RC is guided by key terms of reference as follows:
- Review and recommend to the Board a framework of remuneration for each Executive Director and Executive Officer and determine specific remuneration packages for each Executive Director and Executive Officer;
- Review annually the remuneration packages of the employees who are related to any of the Directors or any substantial shareholder of the Company;
- Review all aspect of remuneration of the Board and Executive Officers, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind;
- Review the design of all long term and short term incentive plans including option plans, stock plans and /or other equity based plans that the Group proposes to implement and oversee the administration of GRP Performance Share Plan ("**GRP PSP**");
- Review the Company's obligations arising in the event of termination of the Executive Director and Executive Officers contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;

Directors' Remuneration

The Board concurred with the RC that the proposed Directors' fees for the year ended 30 June 2016 is appropriate and that the Independent Directors receive Directors' fees in accordance with their level of contributions, taking into account factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors. The Company recognises the need to pay competitive fees to attract, motivate and retain Directors without being excessive to the extent that their independence might be compromised.

Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company. Having reviewed and considered the variable components of the Executive Director and the key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss.

In addition, the Executive Director owes a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties.

Name	Salary (%)	Bonus (%)	Other Benefits (%)	Directors Fees (%)	Total (%)
$250,000 to below $500,000					
Mr. Kwan Chee Seng	71	23	6	–	100
Below $250,000					
Mr. Daniel Teo Tong How	–	–	–	100	100
Mr. Goh Lik Kok	–	–	–	100	100
Mr. Mahtani Bhagwandas	–	–	–	100	100
Mr. Peter Moe	–	–	–	100	100

Performance Assessment of Executive Directors and Key Management

In determining the level of remuneration, the RC shall:

- give due consideration to the Code's principles and guidance notes on the level and mix of remuneration so as to ensure that the level of remuneration is appropriate to attract, retain and motivate the Directors to run the Company successfully;
- ensure that a proportion of the remuneration is linked to corporate and individual's performance; and
- design remuneration packages in such manner as to align interest of Executive Director and key management personnel with those of shareholders.

Annual review is carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel commensurate with the Company's and their performances, giving due regard to the financial and commercial health and business needs of the Group.

The Board has not engaged any external remuneration consultant to advice on remuneration matters.

GRP's Performance Share Plan

The Company's remuneration policy is one that seeks to attract, retain and motivate employees to achieve the Company's long-term growth and prosperity and to create value for our shareholders. The Company believes in aligning its level and structure of remuneration with the interest of shareholders to promote the long-term success of the Company. To initiate this, GRP PSP has been adopted to link rewards to eligible employees and Directors, especially key executives based on corporate and individual performance and align their interests with those of shareholders.

GRP has adopted the Performance Share Plan known as the GRP PSP which has been approved at the extraordinary general meeting held on 4 July 2014. The details of the Plan can be found in the offer document of the Company dated 12 June 2014.

The GRP PSP serves to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance. The GRP PSP will provide eligible participants with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. The GRP PSP forms an integral component of our compensation plan and is designed to primarily reward and retain Directors and employees whose services are vital to the growth and performance of our Company.

The GRP PSP is administered by the RC comprising 3 directors, Mr. Peter Moe, Mr. Goh Lik Kok and Mr. Mahtani Bhagwandas. The Chairman of the Remuneration Committee is Mr. Peter Moe.

Since the commencement of the GRP PSP up to the date of this report, no shares were awarded under the GRP PSP.

Remuneration of Key Management Personnel

The remuneration received by the Executive Director and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2016. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Director and key management personnel to work in alignment with the goals of all stakeholders:

Performance Conditions	**Short-term Incentives** (such as performance bonus)	**Long-term Incentives** (such as the GRP PSP)
Qualitative	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices	1. Commitment 2. Current market and industry practices
Quantitative	• Relative financial performance of the Group to its industry peers.	• Relative financial performance of the Group to its industry peers.

The RC has reviewed and is satisfied that the performance conditions were met in FY2016.

The breakdown of remuneration of the Company's key executive officers (who are not Directors) for FY2016 are as follows:

Name	**Position**	**Salary (%)**	**Bonus (%)**	**Other Benefits (%)**	**Total (%)**
$250,000 to below $500,000					
Ms. Iris Sim Yeow Tiang	General Manager ("GM") (Hose & Marine)	56	33	11	100
Ms. Lim Siok Lin	GM (Measuring Instruments)	35	51	14	100
Mr. Kantilal Champaklal	Chief Financial Officer	63	21	16	100
$100,00 to below $250,000					
Ms. Peng Peck Yen	Financial Controller	64	21	15	100
Mr. Kelvin Kwan Chee Hong	GM (Property)	61	19	20	100

For competitive reasons and in view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact remuneration of Directors and key management personnel. The total remuneration paid to the Directors and key management personnel are set out on page 73.

Immediate family member of a Director whose remuneration exceeds $50,000

Save for the individuals listed below, there was no other employee of the Group who was an immediate family member of a Director or the CEO whose remuneration exceeds $50,000.

Name	**Position**	**Salary (%)**	**Bonus (%)**	**Other Benefits (%)**	**Total (%)**
Mr. Kelvin Kwan Chee Hong[1]	GM (Property)	61	19	20	100

[1] Mr. Kelvin Kwan is the General Manager of Starland Holdings Limited, a subsidiary of the Company with effect from 18 February 2016. Prior to this, he was the General Manager of the Property Division of the Company. Mr. Kelvin Kwan is the brother of Mr. Kwan Chee Seng, who is the Executive Director and substantial shareholder of the Company.

Additional note: Ms. Kwan Yu Wen joined the Company on 14 September 2015 as a Management Associate. Ms. Kwan is the daughter of Mr. Kwan Chee Seng, who is the Executive Director and substantial shareholder of the Company.

AUDIT COMMITTEE

The AC is chaired by Mr. Goh Lik Kok and its members include Mr. Mahtani Bhagwandas and Mr. Peter Moe.

The Board considers that Mr. Goh Lik Kok, who has extensive and practical financial management knowledge and experience, is well qualified to chair the AC.

The members of the AC, collectively, have expertise or experience in accounting and related financial management and are qualified to discharge the AC's responsibilities.

No former partner or director of the Company's existing auditing firm or audit corporation is a member of the AC.

Key Terms of Reference

The AC is continuously briefed and updated by the External Auditors ("EA") on the changes or amendments to the accounting standards which have a direct impact on the financial statements.

The duties and roles of the AC is guided by the following key terms of reference:
- Assist the Board in discharge of its responsibilities on financial reporting matters;
- Review with the EA and Internal Auditors ("IA") the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and our management's response, and results of our audit compiled by the EA and IA;
- Review the annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as any other statutory/regulatory requirements;
- Review the effectiveness and adequacy of the Company's internal control and procedures, addressing financial, operational and compliance risks and ensure co-ordination between IA and EA, and management, review the assistance given by management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);
- Review the scope and results of the external audit, and the independence and objectivity of the EA;
- Review and discuss with any professional, including EA and IA any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and management's response;
- Make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the EA, and approving the remuneration and terms of engagement of the EA; and
- Review interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's (SGX-ST") Listing Manual.

Internal Controls

The AC evaluates the findings of the EA and IA on the Group's internal controls annually.

Although the Board acknowledges that it is responsible for the overall internal control framework, it also recognises that no cost effective internal control system will preclude all errors and irregularities. A system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

Based on the internal control policies and procedures established and maintained by the Group, and the continuous effort at enhancing such controls and procedures, and the regular audits, monitoring and reviews performed by the EA and IA, the Board, with the concurrence of the AC, is of the opinion that the Group has a robust and effective internal control system addressing financial, operations, compliance and information technology controls and risk management system that is adequate to meet the needs of the Group in its current business development.

The Board has relied on IA's reports issued to the Company for FY2016 as assurance that the Company's risk management and internal control systems are effective.

The Board has also received assurance from the Executive Director and Chief Financial Officer that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the Company's risk management and internal control systems including financial, operational, compliance and information technology controls, and risk management systems are effective.

As such, the Board is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2016.

The basis for the Board's view are as follows:

1. Assurance has been received from the Executive Director, Chief Financial Officer and Internal Auditors ("IA")
2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed;
3. Key management personnel regularly evaluates, monitors and reports to the AC on material risks; and
4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns.

External Auditors

GRP's external auditors are Deloitte & Touche LLP. GRP confirms its compliance to Rules 712, 715 and 716 of the SGX-ST Listing Manual in the appointment of its auditors.

Independence of External Auditors

The AC has reviewed the independence of the EA annually. The AC has conducted an annual review of the volume of non-audit services provided by the EA to satisfy the AC that the nature and extent of such services will not prejudice the independence of the EA. The AC is satisfied with the EA confirmation of their independence.

The AC has reviewed the non-audit services provided by the EA and is satisfied that the nature and extent of such services would not prejudice the independence of the EA, and has recommended the re-appointment of the EA at the forthcoming AGM.

Fees Paid/Payable to the EA, Deloitte & Touche LLP for FY2016		
	$	**% of total**
Audit fees	147,000	85
Non-audit fees – Tax compliance	26,000	15
Total	173,000	100

Whistle Blowing Policy

The Company has in place a whistle-blowing policy. The Company's staff may and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the AC Chairman.

The AC has ensured that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. The details of the policy have been disseminated and made available to all parties concerned in the Company's code of conduct.

Internal Audit

The Company's internal audit function is outsourced to One e-Risk Services Pte Ltd, a certified public accounting firm, that reports directly to the AC on audit matters. The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The AC is satisfied that One e-Risk Services Pte Ltd is adequately qualified (given, inter alia, its adherence to standards set by nationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively.

The AC has reviewed the internal audit reports and the evaluation of the system of internal controls, the audit findings and the management's response to those findings for FY2016. The AC is satisfied that the internal audit functions have been adequately carried out.

RISK MANAGEMENT COMMITTEE

The RMC is chaired by Mr. Mahtani Bhagwandas and its members include Mr. Goh Lik Kok and Mr. Peter Moe.

Key Terms of Reference

The AC is assisted by the RMC, which was formed in FY2014 as part of GRP's efforts to strengthen its risk management processes and framework, in overseeing the formulation, update and maintenance of an adequate and effective risk management and internal control systems.

The RMC is guided by key terms of reference as follows:

- Review and recommend to the Board, the type and level of business risks that the Group undertakes on an integrated basis, to achieve its business objectives;
- Review and recommend the appropriate framework and policies for managing risks that are consistent with the Group's risk appetitie;
- Review reports on any material breaches of risk limits and the adequacy of proposed action; and
- Consistently review the effectiveness of the Group's internal controls and risk management systems.

SHAREHOLDERS' RIGHTS & RESPONSIBILITIES

The Company's corporate governance practices promote the fair and equitable treatment to all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET, especially information pertaining to the Company's business development and financial performance which could have a material impact on the price or value of its shares, so as to enable shareholders to make informed decisions in respect of their investments in the Company.

Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the Business Times and posted onto the SGXNET.

In order to provide ample time for the shareholders to review, the notice of AGM, together with the Annual Report 2016, is despatched to all shareholders at least 14 days before the scheduled AGM date. Shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be debated and decided upon.

Voting by Electronic Poll and Proxy

All shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducted electronic poll voting for all resolutions tabled at the general meetings. The rules, including the voting process, were explained by the scrutineers at such general meetings.

Currently, the Constitution of the Company allows all shareholders (members) to appoint up to two proxies to attend general meeting and vote on their behalf.

On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "relevant intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.

The Company does not practice selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST Listing Manual and the Companies Act, the Board's policy is that all shareholders should be equally and timely informed of all major developments that impact the Group.

Information will first be disseminated through SGXNET and where relevant, followed by news release and the Company's website. The Company will also make announcements from time to time to update investors and shareholders on developments that are of interest to them. The Company strives to supply shareholders with reliable and timely information so as to strengthen the relationship with its shareholders based on trust and accessibility.

The Company's investor relations function is led by the Executive Director, who has the strategic management responsibility to integrate finance, accounting, corporate communication to enable effective communication between the Company and all shareholders, stakeholders, analysts and media.

Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website. The Company has procedures in place for responding to investors' queries.

Conduct of Shareholders' Meetings

The Company's Constitution allows all shareholders to appoint up to two proxies to attend general meeting and vote on their behalf.

The Company requires all Directors (including the respective Chairman of the Board Committees) to be present at all general meetings of shareholders, unless of exigencies. The external auditors is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.

All resolutions are put to vote by poll, and their detailed results will be announced via SGXNET after the conclusion of the general meeting.

All minutes of general meetings will made available to shareholders at their request.

GRP's Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, projected capital requirements for business growth and other relevant factors as the Board may deem appropriate.

Other Matters

Dealing in Securities

The Group has adopted the best practices stipulated in Listing Rules 1207(19)(b) and 1207(19)(c) of the SGX-ST Listing Manual with respect to the dealings in securities for the guidance of Directors and officers. In line with the guidelines, Directors and executive officers of the Group are not permitted to deal in the Company's shares on short-term considerations and during the period commencing one month before the announcement of the Company's financial results and ending on the date of the announcement of such financial results whilst they are in possession of unpublished material price sensitive information. In addition, the Directors and employees of the Group are discouraged from dealing in the Company's shares on short-term considerations. This has been made known to Directors, officers and staff of the Company and the Group. They are also reminded to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

Material Contracts

- On 14 October 2015, GRP Chongqing Land Pte Ltd ("**GRP CHQ**"), a wholly-owned subsidiary of GRP Land Pte Ltd, which is in turn a wholly-owned subsidiary of GRP Limited, entered into a conditional Sale and Purchase Agreement with Super Vantage Investment Limited, Able Lead International Limited, Billion Light Investment Limited, Zhongli Investment Limited (collectively the "**Vendors**") and their respective shareholders, namely Tan Hoe San, Fan Yi Ru, Chen Hui Bin and Zhong Jia Feng (collectively the "**Beneficial Owners**") in respect of the proposed acquisition by GRP CHQ from the Vendors of an aggregate of 120,000,000 ordinary shares (the "**Sale Shares**"), representing 82.91% of the issued and paid-up share capital of Starland Holdings Limited ("**Starland**"), for an aggregate purchase consideration of S$28,320,000. The acquisition of the shares was completed on 15 January 2016 and Starland became a 82.91%-owned indirect subsidiary of GRP Limited.

- On 20 June 2016, Starland, a 99.56%-owned indirect subsidiary of GRP Limited, entered into a Sale and Purchase Agreement ("**SPA**") with ayondo Holding AG ("**ayondo**") to acquire the entire equity interest in ayondo ("**Proposed Acquisition**"). For more details, please refer to the announcement posted on SGXNET.

- The conditional sale and purchase agreement dated 23 September 2016 entered into between the Company and Starland in respect of the acquisition by the Company of the entire issued and paid up share capital of Starland's wholly-owned subsidiaries, Starland Axis Pte. Ltd. and Starland Commercial Trading Pte. Ltd., for an aggregate purchase consideration of RMB179,389,000.

- The subscription agreement dated 23 September 2016 entered into by the Company with Starland and other subscribers in respect of the placement of 134,943,181 new ordinary shares in the share capital of Starland at a subscription price of S$0.1408 for each new share and 101,225,359 share options conferring the right to subscribe for 101,225,359 new ordinary shares in the share capital of Starland at an exercise price of S$0.1877 for each new share.

Interested Person Transactions (IPTs)

The Company has established a procedure for recording and reporting IPT. The provisions of the Listing Manual have been complied with and these IPT have also been reviewed by the AC.

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.

In relation to the Proposed Acquisition contract entered with ayondo, for a purchase consideration of $157.5 million, as mentioned above, the Proposed Acquisition will be an IPT as Mr. Kwan Chee Seng, Executive Director and substantial shareholder of the Company, is also a shareholder and convertible bond holder of ayondo. As such, Mr. Kwan has and will abstain on all voting and decision making pertaining to this Proposed Acquisition.

Use of Proceeds from Rights Issue and Exercise of Warrants

As at 26 September 2016, the status of the use of net proceeds from the rights shares and exercise of warrants is as below.

Use of Net Proceeds	Allocation of Net Proceeds $'000	Net Proceeds utilised as at 26 September 2016	Balance of Net Proceeds as at 26 September 2016
Proceeds from rights issue: – Proposed new business – General working capital	 28,000 5,000	 (28,000) (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 Professional fees General administrative expenses		 (34) (100) (121)	
Total		(255)	

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of GRP Limited (the "company") and its subsidiaries (collectively, the "group") and the statement of financial position and statement of changes in equity of the company for the financial year ended June 30, 2016.

In the opinion of the directors, 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 38 to 111 are drawn up so as to give a true and fair view of the financial position of the group and of the company as at June 30, 2016, and the financial performance, changes in equity and cash flows of the group and changes in equity of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the company in office at the date of this statement are:

Daniel Teo Tong How
Kwan Chee Seng
Goh Lik Kok
Mahtani Bhagwandas
Peter Moe

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital 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 Singapore Companies Act except as follows:

Name of directors and company in which interests are held	**Shareholdings registered in the name of directors**	
	At beginning of year*	**At end of year**
The company	**Ordinary shares**	
Daniel Teo Tong How	5,356,800	5,356,800
Kwan Chee Seng	39,395,960	40,715,960
Mahtani Bhagwandas	96,000	168,000

* Adjusted for share consolidation of 5:1.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

Name of directors and company in which interests are held	Shareholdings registered in the name of directors	
	At beginning of year	At end of year
	Warrants to subscribe for new ordinary shares	
Daniel Teo Tong How	2,788,000	–
Kwan Chee Seng	94,518,000	–
Mahtani Bhagwandas	360,000	–

By virtue of Section 7 of the Singapore Companies Act, Mr Kwan Chee Seng is deemed to have an interest in all the related corporations of the company.

The directors' interests in the shares of the company as at July 21, 2016 were the same as at June 30, 2016.

4 SHARE OPTIONS

a) All options granted to the employees under the GRP Limited Employees' Share Option Scheme (the "Scheme") have either been exercised or cancelled/lapsed since the end of the financial year ended June 30, 2007. No options were granted during the year under the Scheme and there is no option outstanding as at the beginning and end of the financial year.

The Scheme, which had been approved by the shareholders of the company, is administered by the Remuneration Committee. As at June 30, 2016, the members are:

Peter Moe (Chairman)
Goh Lik Kok
Mahtani Bhagwandas

b) In an Extraordinary General Meeting held on July 4, 2014, the shareholders approved the GRP Performance Share Plan (the "Share Plan"), under which awards of fully paid-up ordinary shares in the capital of the company, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees of the company and/or its subsidiaries, including the directors of the company, and other selected participants.

The directors of the company are authorised to grant awards in accordance with the provisions of the Share Plan and to allot and issue from time to time such number of fully paid-up shares as may be required to be allotted and issued pursuant to the vesting of awards under the Share Plan, provided the aggregate number of shares to be allocated and issued pursuant to the Share Plan shall not exceed 15% of the total issued capital from time to time.

4 SHARE OPTIONS (cont'd)

The Share Plan is administered by the Remuneration Committee and there were no shares issued under the Share Plan during the financial year.

c) During the financial year, no option to take up unissued shares of the subsidiary corporations has been granted and no shares of the subsidiary corporations have been issued by virtue of the exercise of an option to take up unissued shares.

d) There were no unissued shares of the subsidiary corporations under option at the end of the financial year.

5 WARRANTS

On November 29, 2013, the company allotted 418,221,600 rights shares with 418,221,600 warrants at an issue price of $0.08 for each rights issue, on the basis of three rights shares with three warrants for each existing share. Each warrant entitles the warrant holder to subscribe for one new ordinary share of the company at an exercise price of $0.08 per share. The exercise period for the warrants expired on November 27, 2015.

During the year ended June 30, 2016, 30,565,419 (2015 : 81,227,748) new ordinary shares were issued from the exercise of warrants. As at June 30, 2016, the outstanding number of warrants was Nil (2015 : 336,614,806).

6 AUDIT COMMITTEE

As at June 30, 2016, the Audit Committee consisted of three non-executive and independent directors:

Goh Lik Kok (Chairman)
Mahtani Bhagwandas
Peter Moe

The financial statements, accounting policies and system of internal accounting controls are the responsibility of the Board of Directors and is guided by recommendations made by the Audit Committee.

During the financial year, the company conducted two Audit Committee meetings. The Audit Committee met as necessary and performed the functions specified in the Singapore Companies Act. In performing its functions, the Audit Committee reviewed the overall scope of the internal and external audits. The Audit Committee met with the company's internal and external auditors to discuss the results of their respective audits. The Audit Committee reviewed the assistance given by the company's officers to the internal and external auditors. The Audit Committee has full access to and has the co-operation of management and has been given the resources required for it to discharge its function properly. The Audit Committee also considered the announcement of the company's and the group's half year and full year results prior to their release. The Audit Committee reviewed interested person transactions and potential conflicts of interest, if any. The Audit Committee also reviewed the statement of financial position and statement of changes in equity of the company and the consolidated financial statements of the group for the year ended June 30, 2016 as well as the auditors' report thereon prior to their submission to the Board of Directors for adoption.

DIRECTORS' STATEMENT

6 AUDIT COMMITTEE (cont'd)

The Audit Committee recommended to the Board of Directors the nomination of Deloitte & Touche LLP as external auditors at the forthcoming annual general meeting of the company.

7 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

....
Daniel Teo Tong How

....
Kwan Chee Seng

September 22, 2016

INDEPENDENT AUDITORS' REPORT

To the Members of GRP Limited

Report on the Financial Statements

We have audited the accompanying financial statements of GRP Limited (the "company") and its subsidiaries (the "group") which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at June 30, 2016, 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 year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 38 to 111.

Management's Responsibility 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 Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

To the Members of GRP Limited

Opinion

In our opinion, the 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 Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the group and of the company as at June 30, 2016 and the financial performance, changes in equity and cash flows of the group and changes in equity of the company for the year ended on that date.

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.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

September 22, 2016

STATEMENTS OF FINANCIAL POSITION

June 30, 2016

	Note	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
ASSETS					
Current assets					
Cash and bank balances	7	24,684	57,181	2,258	44,964
Trade receivables	8	2,888	3,077	1	–
Other receivables and prepayments	10	1,640	431	342	99
Amount due from subsidiaries	11	–	–	58,905	13,466
Available-for-sale investment	15	782	248	782	248
Properties held for sale	13	52,360	–	–	–
Development properties	14	24,418	–	–	–
Inventories	12	5,355	6,040	–	–
Total current assets		112,127	66,977	62,288	58,777
Non-current assets					
Other receivables	10	5,788	–	–	–
Property, plant and equipment	19	1,272	1,666	446	844
Intangible asset	17	25	25	25	25
Subsidiaries	16	–	–	7,051	6,485
Deferred tax assets	18	143	–	–	–
Total non-current assets		7,228	1,691	7,522	7,354
Total assets		119,355	68,668	69,810	66,131
LIABILITIES AND EQUITY					
Current liabilities					
Loans and borrowings	22	7,175	–	–	–
Trade payables	20	1,368	1,759	496	437
Other payables	21	6,724	1,665	905	998
Income tax payable		13,776	379	34	24
Total current liabilities		29,043	3,803	1,435	1,459
Non-current liabilities					
Deferred tax liabilities	18	13,192	75	–	82

STATEMENTS OF FINANCIAL POSITION
June 30, 2016

		Group		Company	
	Note	2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Capital, reserves and non-controlling interests					
Share capital	23	59,250	56,805	59,250	56,805
Asset revaluation reserve		3,411	2,821	3,061	2,527
Currency translation reserve		(4,567)	(890)	–	–
Statutory reserve	24	52	–	–	–
Accumulated profits		18,912	6,229	6,064	5,258
Equity attributable to owners of the company		77,058	64,965	68,375	64,590
Non-controlling interests		62	(175)	–	–
Total equity		77,120	64,790	68,375	64,590
Total liabilities and equity		119,355	68,668	69,810	66,131

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended June 30, 2016

	Note	Group 2016 $'000	Group 2015 $'000
Revenue	25	27,065	24,456
Cost of sales		(19,400)	(15,185)
Gross profit		7,665	9,271
Other gains and losses	26	14,764	(211)
Other operating income	27	727	438
Distribution costs		(2,044)	(1,892)
Administrative expenses		(6,280)	(6,245)
Finance costs		(183)	(33)
Profit before income tax		14,649	1,328
Income tax expense	28	(1,931)	(369)
Profit for the year	29	12,718	959
Other comprehensive loss (net of tax):			
Items that will not be reclassified to profit or loss:			
Gain (Loss) on revaluation of properties	19	71	(65)
Deferred tax arising from the revaluation of properties	18	(15)	15
		56	(50)
Items that may be reclassified subsequently to profit or loss:			
Fair value gain on available-for-sale investment	15	534	–
Exchange differences on translation of foreign operations		(3,677)	(101)
Other comprehensive loss for the year, net of tax		(3,087)	(151)
Total comprehensive income for the year		9,631	808

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended June 30, 2016

	Note	Group 2016 $'000	Group 2015 $'000
Profit (Loss) attributable to:			
Owners of the company		12,735	842
Non-controlling interests		(17)	117
		12,718	959
Total comprehensive income (loss) attributable to:			
Owners of the company		9,648	691
Non-controlling interests		(17)	117
		9,631	808
Earnings per ordinary share (cents):			**(Restated)**
– Basic	31	9.27	0.66
– Fully diluted	31	9.27	0.61

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended June 30, 2016

	Note	Share capital $'000	Asset revaluation reserve $'000	Currency translation reserve $'000	Statutory reserve $'000	Accumulated profits $'000	Attributable owners of of company $'000	Non-controlling interests $'000	Total $'000
Group									
Balance at July 1, 2014		50,307	2,871	(789)	–	8,672	61,061	(292)	60,769
Total comprehensive income (loss) for the year									
Profit for the year		–	–	–	–	842	842	117	959
Other comprehensive loss for the year			(50)	(101)	–	–	(151)	–	(151)
Transactions with owners, recognised directly in equity									
Issues of shares	23	6,498	–	–	–	–	6,498	–	6,498
Dividends	30	–	–	–	–	(3,285)	(3,285)	–	(3,285)
Balance at June 30, 2015		56,805	2,821	(890)	–	6,229	64,965	(175)	64,790

STATEMENTS OF CHANGES IN EQUITY

Year ended June 30, 2016

	Note	Share capital $'000	Asset revaluation reserve $'000	Currency translation reserve $'000	Statutory reserve $'000	Accumulated profits $'000	Attributable owners of of company $'000	Non-controlling interests $'000	Total $'000
Group (cont'd)									
Balance at June 30, 2015		56,805	2,821	(890)	–	6,229	64,965	(175)	64,790
Total comprehensive income (loss) for the year									
Profit for the year		–	–	–	–	12,735	12,735	(17)	12,718
Other comprehensive loss for the year		–	590	(3,677)	–	–	(3,087)	–	(3,087)
Transactions with owners, recognised directly in equity									
Issues of shares	23	2,445	–	–	–	–	2,445	–	2,445
Acquisition of subsidiary	32	–	–	–	–	–	–	254	254
Transfer to statutory reserve	24	–	–	–	52	(52)	–	–	–
Balance at June 30, 2016		59,250	3,411	(4,567)	52	18,912	77,058	62	77,120

STATEMENTS OF CHANGES IN EQUITY

Year ended June 30, 2016

Company	Note	Share capital $'000	Asset revaluation reserve $'000	Accumulated profits $'000	Total $'000
Balance at July 1, 2014		50,307	2,605	6,293	59,205
Total comprehensive income for the year					
Profit for the year		–	–	2,250	2,250
Other comprehensive income for the year:					
Gain on revaluation of property	19	–	(94)	–	(94)
Deferred tax arising from the revaluation of property	18	–	16	–	16
Transactions with owners, recognised directly in equity					
Issues of shares	23	6,498	–	–	6,498
Dividends	30	–	–	(3,285)	(3,285)
Balance at June 30, 2015		56,805	2,527	5,258	64,590
Total comprehensive income for the year					
Profit for the year		–	–	806	806
Other comprehensive income for the year:					
Fair value gain on available-for-sale investment	15	–	534	–	534
Transactions with owners, recognised directly in equity					
Issues of shares	23	2,445	–	–	2,445
Balance at June 30, 2016		59,250	3,061	6,064	68,375

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended June 30, 2016

	Group	
	2016	2015
	$'000	$'000
Operating activities		
Profit before income tax	14,649	1,328
Adjustments for:		
Depreciation and amortisation	854	973
Impairment loss on available-for-sale investment	–	211
Interest income	(320)	(193)
Interest expenses	142	–
(Gain) Loss on disposal of property, plant and equipment	(40)	7
Writeback of trade receivables	(1)	(19)
Allowance (Writeback of) for inventories	310	(38)
(Writeback of) Allowance for doubtful non-trade receivables	(62)	1,189
Impairment loss on properties held for sale	6,451	–
Impairment loss on development property	443	–
Unrealised foreign exchange loss	1,150	–
Premium arising from acquisition	(22,990)	–
Operating cash flows before movements in working capital	586	3,458
Trade receivables	192	537
Other receivables and prepayments	(6,413)	(1,421)
Inventories	391	1,133
Properties held for sale	4,235	–
Development properties	(11,611)	–
Trade payables	(471)	(342)
Other payables	428	(100)
Cash (used in) generated from operations	(12,663)	3,265
Income tax paid	(610)	(717)
Net cash (used in) from operating activities	(13,273)	2,548
Investing activities		
Proceeds from disposal of property, plant and equipment	84	79
Purchase of property, plant and equipment	(287)	(76)
Acquisition of subsidiary (Note 32)	(24,113)	–
Interest received	320	193
Net cash (used in) from investing activities	(23,996)	196

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended June 30, 2016

	Group	
	2016	2015
	$'000	$'000
Financing activities		
Net proceeds from issue of shares	2,445	6,498
Interest paid	(142)	–
Repayment of bank loans	(3,050)	–
Decrease in pledged deposit	3,401	–
Dividends paid (Note 30)	–	(3,285)
Net cash from financing activities	2,654	3,213
Net (decrease) increase in cash and cash equivalents	(34,615)	5,957
Cash and cash equivalents at beginning of year	57,181	51,302
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(702)	(78)
Cash and cash equivalents at end of year (Note 7)	21,864	57,181

See accompanying notes to financial statements.

1 GENERAL

The company (Registration No. 197701449C) is incorporated in the Republic of Singapore with its principal place of business and registered office at 11 Tanjong Penjuru Crescent, Singapore 608974. The company is listed on the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore dollars.

The principal activities of the company is that of investment holding and rental of property.

The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The consolidated financial statements of the group and statement of financial position and statement of changes in equity of the company for the year ended June 30, 2016 were authorised for issue by the Board of Directors on September 22, 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - On July 1, 2015, the group adopted all the new and revised FRSs and Interpretations of FRS ("INT FRSs") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs did not result in changes to the group's and the company's accounting policies and has no material effect on the amounts reported for the current or prior years.

NEW/REVISED STANDARDS AND IMPROVEMENTS TO THE STANDARDS ISSUED BUT NOT YET EFFECTIVE - At the date of authorisation of these financial statements, the following FRSs and amendments/improvements to FRS that are relevant to the group and the company were issued but not effective:

- FRS 109 *Financial Instruments* [1]
- FRS 115 *Revenue from Contracts with Customers* [1]
- FRS 116 Leases [2]
- Amendments to FRS 115 *Clarifications to FRS 115 Revenue from Contracts with Customers*[1]
- Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative* [3]
- Amendments to FRS 7 *Statement of Cash Flows: Disclosure Initiative*[4]
- Improvements to Financial Reporting Standards (November 2014) [3]

[1] Applies to annual periods beginning on or after January 1, 2018, with early application permitted.
[2] Applies to annual periods beginning on or after January 1, 2019, with early application permitted for entities that apply FRS 115 at or before the date of initial application of FRS 116.
[3] Applies to annual periods beginning on or after January 1, 2016, with early application permitted.
[4] Applies prospectively to annual periods beginning on or after January 1, 2017, with early application permitted.

Management anticipates that the adoption of the above FRSs and amendments/improvements to FRS issued but only effective in future periods will not have a material impact on the financial statements of the group and of the company in the period of their initial adoption except for the following:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FRS 109 *Financial Instruments*

FRS 109 was issued in December 2014 to replace FRS 39 *Financial Instruments: Recognition and Measurement* and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities (ii) general hedge accounting (iii) impairment requirements for financial assets.

Key requirements of FRS 109:

All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value through profit or loss (FVTPL). Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (FVTOCI). All other debt investments and equity investments are measured at FVTPL at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.

With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of such financial liability that is attributable to changes in the credit risk be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to the financial liability's credit risk are not subsequently reclassified to profit or loss.

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The group is evaluating the impact of the changes in the period of initial adoption. It is currently impracticable to disclose any further information on the known or reasonable estimated impact to the group's financial statements in the period of initial application as management has yet to complete its detailed assessment. Management does not plan to early adopt FRS 109.

FRS 115 *Revenue from Contracts with Customers*

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

In June 2016, amendments to FRS 115 was issued to provide clarifications on (i) identifying performance obligations (ii) principal versus agent considerations and (iii) licensing application guidance. The amendments also included two additional transition reliefs on contract modifications and completed contracts.

The group is evaluating the impact of the changes in the period of initial adoption. It is currently impracticable to disclose any further information on the known or reasonable estimated impact to the group's financial statements in the period of initial application as management has yet to complete its detailed assessment. Management does not plan to early adopt FRS 115.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FRS 116 *Leases*

FRS 116 was issued in June 2016 and will supersede FRS 17 *Leases* and its associated interpretative guidance.

The Standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the predecessor FRS 17.

The group is evaluating the impact of the changes in the period of initial adoption. It is currently impracticable to disclose any further information on the known or reasonable estimated impact to the group's financial statements in the period of initial application as management has yet to complete its detailed assessment. Management does not plan to early adopt FRS 116.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the company and entities (including structured entities) controlled by the company and its subsidiaries. Control is achieved when the company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- The size of the company's holding of voting rights relative to the size and dispersion of holdings of other vote holders;

- Potential voting rights held by the company, other vote holders or other parties;

- Rights arising from other contractual arrangements; and

- Any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the company gains control until the date when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the group's accounting policies.

Changes in the group's ownership interests in existing subsidiaries

Changes in the group's ownership interests in subsidiaries that do not result in the group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the company.

When the group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable FRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS - Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the group to the former owners of the acquiree, and equity interests issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*, or FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to the replacement by the group of an acquiree's share-based payment awards are measured in accordance with FRS 102 *Share-based Payment*; and

- assets (or disposal groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The measurement period is the period from the date of acquisition to the date the group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

The policy described above is applied to all business combinations that take place on or after January 1, 2010.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the group's statement of financial position when the group becomes a party to the contractual provisions of the instrument.

<u>Effective interest method</u>

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense are recognised on an effective interest basis for debt instruments.

Financial assets

<u>Cash and cash equivalents</u>

Cash and cash equivalents comprise cash on hand and demand deposits, less pledged cash placed with a bank, and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

<u>Receivables</u>

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Available-for-sale investments

Certain shares held by the group are classified as being available-for-sale and are stated at fair value. Fair value is determined in the manner described in Note 4. Gains and losses arising from changes in fair value are recognised in other comprehensive income with the exception of impairment losses and foreign exchange gains and losses on monetary assets which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in revaluation reserve is reclassified to profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the group's right to receive payments is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the receivables have been impacted.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The carrying amount of the financial asset is directly reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount of the receivables is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income and accumulated under the heading of asset revaluation reserve.

<u>Derecognition of financial assets</u>

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

<u>Classification as debt or equity</u>

Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

<u>Equity instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the group's accounting policy for borrowing costs.

Derecognition of financial liabilities

The group derecognises financial liabilities, when, and only when, the group's obligations are discharged, cancelled or they expire.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The group as lessee

Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the term of the relevant lease.

The group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs 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.

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

PROPERTIES HELD FOR SALE – Completed properties held for sale 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 to the unsold properties with such apportionment based on floor area.

Net realisable value is determined by reference to sale proceeds of properties sold in the ordinary course of business less all estimated selling expenses; or estimated by management in the absence of comparable transactions taking into consideration prevailing market conditions.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

DEVELOPMENT PROPERTIES – 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 held as inventories and are measured at the lower of cost and net realisable value.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion. Cost of development properties comprises land cost, development costs and borrowing costs capitalised during the development period. When completed, the units held for sale are classified as completed properties held for sale.

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

PROPERTY, PLANT AND EQUIPMENT - Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged to profit or loss. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds any past revaluation gains of the same asset held in the asset revaluation reserve.

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Freehold building	–	50 years
Leasehold building	–	over term of lease of 30 and 50 years
Leasehold improvements	–	5 years
Furniture, fittings and office equipment	–	3 to 10 years
Plant and machinery	–	6 to 10 years
Motor vehicles	–	3 to 10 years
Fenders	–	3 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

No depreciation is provided on freehold land.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to accumulated profits. No transfer is made from the asset revaluation reserve to accumulated profits except when an asset is derecognised.

Fully depreciated assets still in use are retained in the financial statements.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as premium arising from acquisition.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

INTANGIBLE ASSET - Intangible asset comprises corporate club membership held on a long-term basis, and is stated at purchase cost less any accumulated impairment loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS - At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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 for which the estimates of future cash flows have not been adjusted.

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 the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

PROVISIONS - Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entities; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of development properties

Revenue from properties developed for sale is recognised when the risks and rewards of ownership of units have been transferred to the buyer either upon the issue of completion certificate or handing over of keys to the buyers, whichever is later. Payments received from buyers prior to this stage are recorded as advances from customers for sales of properties.

Rendering of services

Property management fee income and service income are recognised over the period when services are rendered.

Rental income

Rental income arising from properties held for sale is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Pursuant to the relevant regulations of the PRC government, the PRC Subsidiaries of the group ("PRC Subsidiaries") have participated in central pension schemes ("the Schemes") operated by local municipal governments whereby the PRC Subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the PRC Subsidiaries. The only obligation of the PRC Subsidiaries with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged as an expense when incurred.

FINANCIAL GUARANTEE – 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 in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

BORROWING COSTS - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the company and its subsidiaries operate by the end of the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary difference associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its 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 dollars, which is the functional currency of the company, and the presentation currency for the consolidated financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised as other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity (currency translation reserve).

On the disposal of a foreign operation (i.e. a disposal of the group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

Critical judgements in applying the entity's accounting policies

In the process of applying the group's accounting policies, management is of the opinion that there are no instances of application of judgements or the use of estimation techniques which may have a significant effect on the amounts recognised in the financial statements other than those involving the use of accounting estimates.

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:

Acquisition of subsidiaries

As disclosed in Note 32 to the financial statements, the net assets acquired in relation to the acquisition of subsidiaries are stated at fair value based on the valuations performed by 2 independent professional valuers. The independent professional valuers determined the fair values based on a method of valuation which involves the use of certain estimates. Management is of the view that the estimates used by the professional valuers and the fair values are reasonable.

Estimation of net realisable value of properties held for sale and development properties

Properties held for sale and development properties in the course of development are stated at lower of cost and estimated net realisable value, assessed on an individual property basis. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value of each property is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each property, taking into account the costs incurred to date, the development status and costs to complete each development property. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Estimation of net realisable value of properties held for sale and development properties (cont'd)

During the year, an allowance for impairment in value of $6,451,000 (2015: $Nil) was made on properties held for sale based on management's best estimate on net realisable value of the properties, taking into consideration its current status and reference to past sales. In addition, an allowance for impairment in value of $443,000 (2015: $Nil) was made on a Singapore development property, taking into account with comparable properties, location and market conditions.

The carrying amount of properties held for sale and development properties are disclosed in Note 13 and 14 respectively. Allowance for impairment is recognised as "other gains and losses" in profit or loss and disclosed in Note 26 to the financial statements.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded. The group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective group company's domicile.

Deferred tax assets are recognised for all unused tax losses and land appreciation tax to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

The carrying amount of income tax payable and deferred tax are disclosed on the statements of financial position.

Allowance for doubtful receivables

Allowance for doubtful receivables is based on an evaluation of the collectability of receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, past collection history of each customer, ongoing dealings with them and the value of collateral obtained, if any. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The carrying amounts of the group's and the company's receivables and further information are disclosed in Notes 8 to 10 to the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Recoverability of amounts due from subsidiaries and investments in subsidiaries in the company's financial statements

Amounts due from subsidiaries and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. Based on the assessment, management is of view that no additional impairment is necessary as at the end of the reporting period.

The carrying amounts of amounts due from subsidiaries and investments in subsidiaries are disclosed in Notes 11 and 16 to the financial statements respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Financial assets				
Receivables:				
Cash and bank balances	24,684	57,181	2,258	44,964
Trade receivables	2,834	2,913	1	–
Amount due from subsidiaries	–	–	58,905	13,466
Other receivables	1,057	146	296	85
Available-for-sale investment	782	248	782	248
Total	29,357	60,488	62,242	58,763

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(a) *Categories of financial instruments* (cont'd)

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Financial liabilities				
Amortised cost:				
Trade payables	1,338	1,714	466	399
Other payables	5,265	1,665	905	998
Loans and borrowings	7,175	–	–	–
Total	13,778	3,379	1,371	1,397

(b) *Financial risk management policies and objectives*

The group's overall financial risk management policies seek to minimise potential adverse effects of financial performance of the group arising from market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. Such policies are reviewed regularly by the management to ensure that they remain pertinent to the group's operations.

There has been no change to the group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The Group operates primarily in Singapore, the People's Republic of China ("PRC") and Malaysia and as a result, is exposed to foreign exchange risk from transactions denominated in foreign currencies, arising from its normal business activities.

The currencies giving rise to this risk are primarily Japanese Yen and United States Dollars. Exposures to foreign currency risks are managed as far as possible by natural hedges of matching assets and liabilities.

The group does not enter into derivative foreign exchange contracts and foreign currency borrowings to hedge against foreign currency risk.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) *Financial risk management policies and objectives* (cont'd)

(i) Foreign exchange risk management (cont'd)

At the end of reporting period, the material carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group				Company			
	Liabilities		Assets		Liabilities		Assets	
	2016	2015	2016	2015	2016	2015	2016	2015
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Japanese yen	715	993	470	647	–	–	–	–
United States dollars	59	30	491	1,620	–	–	149	425

The company has a number of investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. The group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

Foreign currency sensitivity

The following table details the sensitivity to a 5% change in the above foreign currencies against the functional currencies of each group entity. 5% is the sensitivity rate used when assessing foreign currency risk exposures and represents management's assessment of the possible change in foreign exchange rates.

The sensitivity analysis includes only significant outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

If the relevant foreign currency weakens by 5% against the functional currency of the relevant group entity as at the year end, profit before income tax for the year will increase (decrease) by:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Japanese yen	12	17	–	–
United States dollars	(22)	(79)	(7)	(21)

The profit before income tax will change by the same quantum above and in the opposite direction if the relevant foreign currency strengthens by 5% against the functional currency of the relevant group entity at the end of the financial year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) *Financial risk management policies and objectives* (cont'd)

(ii) Interest rate risk management

Summary quantitative data of the group's interest-bearing financial instruments can be found in Section (iv) of this Note.

Management has assessed that the group's and the company's profit or loss will not be significantly affected by possible changes in interest rates.

(iii) Credit risk management

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in financial loss to the group. The group has adopted a policy of only dealing with creditworthy counterparties. The group's exposure and the creditworthiness of its counterparties are continuously monitored. Credit exposure is controlled by the counterparty limits that are reviewed and approved by management at least annually.

The group and the company do not have any significant concentration of credit risk exposure in any single counterparty or any group of counterparties having similar characteristics except the trade receivables of the company are from its subsidiaries.

The group's policy is to maintain cash equivalents with reputable financial institutions that have strong financial ratings.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the group's maximum exposure to credit risk. Management has considered the credit quality of the loans and receivables and determined that the amounts are considered recoverable except as disclosed in Notes 8 and 10 to the financial statements.

Further details of credit risks on trade receivables, other receivables and amounts due from subsidiaries are disclosed in Notes 8 to 11 to the financial statements.

(iv) Liquidity risk management

The group maintains sufficient cash and cash equivalents to finance its activities as well as to provide resources for any business expansion into real estate activities.

Liquidity and interest risk analyses

Financial assets

The following table details the expected maturity for 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 approximates future interest included in the maturity analysis which are not included in the carrying amount of the financial asset on the statement of financial position.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iv) Liquidity risk management (cont'd)

	Weighted average effective interest rate %	On demand or within 1 year $'000	Adjustment $'000	Total $'000
Group				
2016				
Non-interest bearing	–	26,537	–	26,537
Fixed interest rate instruments	4.13	2,936	(116)	2,820
		29,473	(116)	29,357
2015				
Non-interest bearing	–	18,554	–	18,554
Fixed interest rate instruments	0.61	42,188	(254)	41,934
		60,742	(254)	60,488
Company				
2016				
Non-interest bearing	–	62,242	–	62,242
2015				
Non-interest bearing	–	20,947	–	20,947
Fixed interest rate instruments	0.61	38,045	(229)	37,816
		58,992	(229)	58,763

Financial liabilities

The following table details the expected maturity for financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities of the financial liabilities 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 approximates future interest included in the maturity analysis which are not included in the carrying amount of the financial liabilities on the statements of financial position.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iv) Liquidity risk management (cont'd)

Financial liabilities (cont'd)

	Weighted average effective interest rate %	On demand or within 1 year $'000	Adjustment $'000	Total $'000
Group				
2016				
Non-interest bearing	–	6,603	–	6,603
Variable interest rate instruments	2.05	7,322	(147)	7,175
		13,925	(147)	13,778
2015				
Non-interest bearing	–	1,371	–	1,371

Company

All categories of financial liabilities listed in Note 4(a) do not bear interest and are repayable on demand or within one year.

(v) Fair values of financial assets and financial liabilities

The carrying amounts of all categories of financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of the available-for-sale investment is disclosed in Note 15 to the financial statements.

As disclosed in Note 2, the group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy adopted in fair value measurements of the group's and the company's available-for-sale investment (Note 15) is Level 1 as the fair value is based on quoted market price.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the year ended June 30, 2016.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(vi) Capital management policies and objectives

The capital structure of the group comprises issued capital, asset revaluation reserve, statutory reserve, currency translation reserve and accumulated profits.

Management reviews the capital structure to ensure that the group will be able to continue as a going concern and to further its business plans.

The group's overall strategy remains unchanged from the preceding year.

5 RELATED COMPANY TRANSACTIONS

Related companies in these financial statements refer to subsidiaries of the company. Some of the company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

6 OTHER RELATED PARTY TRANSACTIONS

Some of the group's and the company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand.

	Group	
	2016	**2015**
	$'000	**$'000**
Rental expenses paid to a related party in which a director has interests	98	131
Rental expenses recovered from a related party in which a director has interests	(75)	–

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	Group	
	2016	**2015**
	$'000	**$'000**
Short-term benefits	1,519	1,701
Directors' fees	249	152
	1,768	1,853

6 OTHER RELATED PARTY TRANSACTIONS (cont'd)

The remuneration of the directors and key management is determined by the Remuneration Committee having regard to the performance of individuals and market trend.

7 CASH AND CASH EQUIVALENTS

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Cash at bank	24,684	15,247	2,258	7,148
Fixed deposits	–	41,934	–	37,816
Cash and bank balances	24,684	57,181	2,258	44,964
Less: Deposits pledged	(2,820)	–	–	–
Cash and cash equivalents	21,864	57,181	2,258	44,964

As at June 30, 2015, fixed deposits earned interest at rates ranging from 0.22% to 0.88% per annum. The tenure of fixed deposits at year end range from 7 days to a year.

As at June 30, 2016, fixed deposits of $2,806,000 is pledged with the banks to secure bank loans as disclosed in Note 22 to the financial statements.

As at June 30, 2016, deposits of $14,000 is pledged with a bank in the PRC to secure bank guarantees.

8 TRADE RECEIVABLES

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Outside parties	2,884	2,967	6	5
Less: Allowance for doubtful receivables	(50)	(54)	(5)	(5)
	2,834	2,913	1	–
Advance payment - trade	–	127	–	–
Net GST receivables	54	37	–	–
	2,888	3,077	1	–

The credit period on sale of goods/rendering of services is between 7 to 90 days (2015 : 7 to 90 days). No interest is charged on overdue trade receivables.

Additional information on trade receivables are provided in Note 9 to the financial statements.

8 TRADE RECEIVABLES (cont'd)

Movements in the allowance for doubtful receivables are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Balance at beginning of the year	54	80	5	5
Amounts written off during the year	–	(3)	–	–
Decrease in allowance recognised in profit or loss	(1)	(19)	–	–
Exchange differences	(3)	(4)	–	–
Balance at end of the year	50	54	5	5

The allowance for doubtful receivables of $50,000 (2015 : $54,000) relate to trade receivables which are past due for more than 120 days and have not responded satisfactorily to repayment demands.

9 ANALYSIS OF RECEIVABLES

The table below is an analysis of amounts receivable from outside parties (Note 8), other receivables (Note 10) and amount due from subsidiaries (Notes 11 and 16) as at the respective reporting period.

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Not past due and not impaired (i)	3,593	2,455	1,291	6,648
Past due but not impaired (i) & (ii)	935	1,053	57,956	6,917
Impaired receivables	1,182	1,243	5,248	5,261
Less: Allowance for impairment	(1,182)	(1,243)	(5,248)	(5,261)
	4,528	3,508	59,247	13,565

(i) The group and the company have not recognised an allowance for doubtful receivables for these balances as there has not been a significant change in credit quality and the amounts are still considered recoverable.

(ii) Aging of receivables that are past due but not impaired:

9 ANALYSIS OF RECEIVABLES (cont'd)

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
<3 months	898	1,040	1,787	6,270
3 months to 6 months	37	9	9,475	480
6 months to 12 months	–	4	46,694	167
	935	1,053	57,956	6,917

Before accepting any new customer, the group assesses the potential customer's credit quality. The group's trade receivables that are neither past due nor impaired are due from creditworthy counterparties with good track record of credit history.

In determining the recoverability of a receivable, the group considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date.

10 OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Deposits for property projects	1,132	1,189	1,127	1,189
Prepayments	503	285	46	14
Other deposits	344	58	83	5
Advance to suppliers	80	–	–	–
Sundry receivables	713	88	213	80
	2,772	1,620	1,469	1,288
Less: Allowance for impairment (i)	(1,132)	(1,189)	(1,127)	(1,189)
Current	1,640	431	342	99
Advance payment (non-current) (ii)	5,788	–	–	–
Total	7,428	431	342	99

(i) In 2015, an allowance for impairment of $1,189,000 was recognised in profit or loss relating to the deposits for property projects. A reversal of $62,000 is made resulting from payment received under instalment arrangement during 2016.

(ii) Amount relates to part of advance payment in accordance with agreement entered with the People's Government of Kaiping District as disclosed in Note 33.

11 AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2016	2015
	$'000	$'000
Amount due from subsidiaries (Notes 5 and 16):		
Trade	2,542	966
Non-trade	56,363	12,500
	58,905	13,466

The credit period on rendering of services is 7 to 30 days (2015 : 7 to 30 days). No interest is charged on the overdue receivables.

12 INVENTORIES

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Finished goods	5,355	6,040	–	–

Inventories are stated net of allowance of $2,364,000 (2015 : $2,070,000) to state inventories at the lower of cost and estimated net realisable values.

Movements in allowance for inventories

	Group	
	2016	2015
	$'000	$'000
Balance at beginning of year	2,070	2,138
Increase (Decrease) in allowance recognised in profit or loss	310	(38)
Exchange realignment	(16)	(30)
Balance at end of year	2,364	2,070

During the year ended June 30, 2015, the reversal of allowance for inventories was due to lower allowance was required and improved sales value over the estimated net realisable value.

13 PROPERTIES HELD FOR SALE

	Group 2016 $'000	Group 2015 $'000
Cost	52,360	–

Properties held for sale during the year are as follows:

Location (Chongqing, PRC)	Description	Gross floor area (sq. meters)	Group's effective interest
89 Julong Avenue, Lidu, Fuling District (University Town)	Commercial units and carpark units	6,068	99.56%
8 Wubao Road, Fuling District (Singapore Garden)	Residential units, commercial units and carpark units	28,812	99.56%

Properties held for sale are stated net of allowance of $6,451,000 (2015: Nil) to state the properties at the lower of cost and estimated net realisable values.

14 DEVELOPMENT PROPERTIES

	Group 2016 $'000	Group 2015 $'000
Land costs	24,612	–
Development cost	445	–
Impairment of a development property	(443)	–
Currency realignment	(196)	–
	24,418	–

14 DEVELOPMENT PROPERTIES (cont'd)

Development properties during the year are as follows:

Location	Carrying amount ($'000)	Gross floor area (sq. meters)	Group's effective interest
Dianyi Residential Committee Fuling District, Chongqing PRC	6,994	25,560	99.56%
8 Jalan Nipah, Singapore [1]	5,800	700	99.56%
Xin Hua Dong Dao, Tangshan Shi, Hebei Sheng, PRC [2]	11,624	110,000	100.00%

[1] Property is mortgaged to a bank as security for borrowings as disclosed in Note 22.

[2] As at June 30, 2016, the group had successfully tendered for a portion of the lands with an area of 110,000 sqm. The price paid by the group for the tender is RMB57.17 million (equivalent to $11.6 million). In addition, the group had advanced RMB28.5 million (equivalent to $5.8 million) as compensation to the farmers of the land use rights. This sum of RMB28.5 million is applied against the RMB85 million advance that the company is required to pay to the Kaiping Government in accordance with the agreement as disclosed in Note 33.

Development properties are stated net of allowance of $443,000 (2015: Nil) to state the development properties at the lower of cost and estimated net realisable value.

15 AVAILABLE-FOR-SALE INVESTMENT

	Group and Company	
	2016 $'000	2015 $'000
Quoted equity shares, at fair value	782	248

The investment was in the quoted equity shares of an Australian gold mining company listed on the Australian Securities Exchange. The fair value of the securities is based on the quoted closing market price on the last trading day of the financial year. The investment is stated net of impairment loss amounting to $2,017,000 (2015: $2,017,000) as previously recognised to profit or loss in prior years.

16 SUBSIDIARIES

	Company 2016 $'000	Company 2015 $'000
Unquoted equity shares, at cost	12,640	12,074
Impairment loss	(5,589)	(5,589)
	7,051	6,485
Non-trade, non-current receivables from a subsidiary (Note 5)	4,116	4,068
Less: Allowances for doubtful receivables	(4,116)	(4,068)
	–	–
Total balance	7,051	6,485

Movement in the allowance for doubtful receivables:

	2016 $'000	2015 $'000
Balance at beginning and end of the year	4,068	4,068
Increase in allowance recognised in profit or loss	48	–
Balance at end of the year	4,116	–

Details of the company's subsidiaries are as follows:

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest 2016 %	Proportion of ownership interest 2015 %	Proportion of voting power held 2016 %	Proportion of voting power held 2015 %	Principal activities
Held by the company						
GRP Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Supply and servicing of industrial/marine hoses, fittings and related products
Region Suppliers Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Trading of measuring instruments and scientific apparatus
Region Suppliers Sdn Bhd [(1)]	Malaysia	100.0	100.0	100.0	100.0	Trading of measuring instruments and scientific apparatus

16 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2016 %	2015 %	2016 %	2015 %	
Held by the company (cont'd)						
GRP Land Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
GRP (China) Pte Ltd	Singapore	63.5	63.5	63.5	63.5	Dormant
Held by GRP Land Pte Ltd						
GRP Development Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
GRP Projects Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
GRP Chongqing Land Pte Ltd (2)	Singapore	100.0	–	100.0	–	Investment holding
Held by GRP Projects Pte Ltd						
GRP Services Myanmar Co., Ltd(3)	Myanmar	100.0	100.0	100.0	100.0	Management of property projects
Held by GRP Development Pte Ltd						
Tangshan GRP Trading Co Ltd (4)	PRC	100.0	100.0	100.0	100.0	Trading activities
Held by GRP Chongqing Land Pte Ltd						
Starland Holdings Ltd(5)#	Singapore	99.56	–	99.56	–	Investment holding

16 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2016 %	2015 %	2016 %	2015 %	
Held by Starland Holdings Ltd						
Starland Axis Pte. Ltd.[5]	Singapore	99.56	–	99.56	–	Property development
Starland Commercial Trading Pte Ltd. [5]	Singapore	99.56	–	99.56	–	Investment holding
Held by Starland Commercial Trading Pte. Ltd.						
Xiamen Starland Trading Limited [6]	PRC	99.56	–	99.56	–	Wholesale, import and export of chemical product, office furniture and clothing; consultancy on the enterprise management and business information
Held by Xiamen Starland Trading Limited						
Chongqing Starland Property Service Co., Ltd. [7]	PRC	99.56	–	99.56	–	Property management service
Held by Chongqing Starland Property Service Co., Ltd.						
Chongqing Gangyuan Property Development Co., Ltd. [7]	PRC	99.56	–	99.56	–	Property development, marketing planning of property; sales of construction material, decoration material and low voltage electronic apparatus

16 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2016 %	2015 %	2016 %	2015 %	
Held by Chongqing Starland Property Service Co., Ltd. (cont'd)						
Chongqing Tianhu Land Co., Ltd. [7]	PRC	99.56	–	99.56	–	Property development, marketing planning of property; sales of construction material, decoration material and low voltage electronic apparatus

All entities in the group are audited by Deloitte & Touche LLP, Singapore except for subsidiaries that are indicated as follows:

[1] Audited by overseas practice of Deloitte Touche Tohmatsu Limited.
[2] Incorporated during the current financial year
[3] Not audited as the subsidiaries are considered to be insignificant for the purpose of consolidation.
[4] Audited by Deloitte & Touche LLP, Singapore for group consolidation purposes.
[5] Audited by Ernst & Young LLP, Singapore.
[6] No audit is required by the law of its country of incorporation.
[7] Audited by member firm of Ernst & Young Global in China for group consolidation purposes.
During the financial year, Starland Holdings Ltd and its subsidiaries were acquired pursuant to a conditional cash offer (Note 32).

<u>Wholly-owned subsidiaries</u>

Information about the composition of wholly-owned subsidiaries of the group as at June 30, 2016 is as follows:

Principal activity	Country of incorporsation and operation	Number of wholly-owned subsidiaries 2016	2015
Investment holdings	Singapore	4	3
Supply and servicing of industrial/ marine hoses, fittings and related products	Singapore	1	1
Trading of measuring instruments and scientific apparatus and other trading activities	Singapore, Malaysia and PRC	3	3
Management of property projects	Myanmar	1	1

16 SUBSIDIARIES (cont'd)

Non-wholly owned subsidiaries

Information about the composition of non-wholly owned subsidiaries of the Group as at June 30, 2016 is as follows:

Principal activity	Country of incorporsation and operation	Number of non-wholly owned subsidiaries 2016	2015
Investment holdings/Dormant	Singapore and PRC	3	1
Property development and management service, marketing planning of property	Singapore and PRC	4	-
Wholesale, import and export of chemical product, office furniture and clothing	PRC	1	-

The above non-wholly owned subsidiaries have no material non-controlling interests to the Group.

17 INTANGIBLE ASSET

	Club membership $'000
Group and Company	
Cost and carrying amount:	
At July 1, 2014, June 30, 2015 and 2016	25

18 DEFERRED TAX ASSETS (LIABILITIES)

Certain deferred tax assets and liabilities have been offset in accordance with the group and the company's accounting policy. The following is the analysis of the deferred tax balances (after offset) for statement of financial position purposes:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Deferred tax liabilities	13,192	75	–	82
Deferred tax assets	(143)	–	–	–
	13,049	75	–	82

The movements for the year were as follows:

	Revaluation gains on properties	Accelerated tax over book depreciation	Provisions	Undistributed retained profits	Pre-levied land appreciation tax ("LAT")	Tax losses	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
At July 1, 2014	(215)	(49)	70	–	–	–	(194)
Exchange differences	(4)	–	–	–	–	–	(4)
Adjustment on revaluation of properties charged to other comprehensive income	15	–	–	–	–	–	15
Credited to profit or loss for the year (Note 28)	108	–	–	–	–	–	108
At June 30, 2015	(96)	(49)	70	–	–	–	(75)
Exchange differences	3,222	–	–	78	1	(24)	3,277
Adjustment on revaluation of properties charged to other comprehensive income	(15)	–	–	–	–	–	(15)
Debited to profit or loss for the year (Note 28)	468	–	234	(1,349)	(14)	(54)	(715)
Arising from acquisition of subsidiaries	(14,698)	–	–	(704)	(340)	221	(15,521)
At June 30, 2016	(11,119)	(49)	304	(1,975)	(353)	143	(13,049)

18 DEFERRED TAX ASSETS (LIABILITIES) (cont'd)

Temporary differences relating to investment in subsidiaries

In accordance with the PRC tax circular (Guoshuihan [2008] 112) effective from January 1, 2008, PRC withholding income tax at the rate of 10% is applicable to dividends payable by the PRC subsidiaries based on the profits generated from January 1, 2008 onwards to its "non-resident" investors who do not have an establishment or place of business in the PRC.

Temporary differences relating to pre-levied LAT

In the PRC, LAT is pre-levied based on certain percentage of pre-sale proceeds, which is stipulated by the local taxation bureau. According to "Notice on Adjustment of Pre-levying Rate of LAT" issued by local tax bureau, LAT pre-levying rate for ordinary residential properties is 2% while non-ordinary residential properties is 3.5%.

Tax losses

The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Pursuant to PRC tax regulations, for the years on which the tax losses are incurred, tax losses may be carried forward for 5 years subject to the conditions imposed by law including the retention of majority shareholders as defined.

	Revaluation gains on properties $'000
Company	
At July 1, 2014	196
Adjustment on revaluation of property charged to other comprehensive income	(16)
Credited to profit or loss for the year	(98)
At June 30, 2015	82
Credited to profit or loss for the year	(82)
At June 30, 2016	–

19 PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building $'000	Leasehold building $'000	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Fenders $'000	Total $'000
Group								
Cost or valuation:								
At July 1, 2014	604	1,600	427	1,015	1,033	338	362	5,379
Exchange differences	(59)	–	(6)	(23)	(8)	2	–	(94)
Additions	–	–	–	75	–	1	–	76
Disposals	–	–	(2)	(50)	(64)	(38)	(26)	(180)
Adjustment on revaluation of property [Note (i)]	25	(780)	–	–	–	–	–	(755)
At June 30, 2015	570	820	419	1,017	961	303	336	4,426
Exchange differences	(43)	–	(3)	(13)	(1)	9	–	(51)
Additions	–	–	180	73	–	–	34	287
Disposals	–	–	–	(22)	–	–	(84)	(106)
Adjustment on revaluation of property [Note (i)]	76	–	–	–	–	–	–	76
Acquisition of subsidiaries	–	–	–	94	–	313	–	407
At June 30, 2016	603	820	596	1,149	960	625	286	5,039

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building $'000	Leasehold building $'000	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Fenders $'000	Total $'000
Group								
Comprising:								
At cost	–	–	419	1,017	961	303	336	3,036
At valuation	570	820	–	–	–	–	–	1,390
At June 30, 2015	570	820	419	1,017	961	303	336	4,426
At cost	–	–	596	1,149	960	625	286	3,616
At valuation	603	820	–	–	–	–	–	1,423
At June 30, 2016	603	820	596	1,149	960	625	286	5,039

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building $'000	Leasehold building $'000	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Fenders $'000	Total $'000
Group								
Accumulated depreciation:								
At July 1, 2014	–	–	401	852	935	223	181	2,592
Exchange differences	–	–	(2)	(15)	(2)	(1)	–	(20)
Depreciation	5	686	3	94	31	38	116	973
Disposals	–	–	(1)	(48)	(24)	(4)	(17)	(94)
Reversal on revaluation of property [Note (i)]	(5)	(686)	–	–	–	–	–	(691)
At June 30, 2015	–	–	401	883	940	256	280	2,760
Exchange differences	–	–	(2)	(9)	(1)	(1)	–	(13)
Depreciation	5	615	11	48	6	85	55	825
Disposals	–	–	–	(13)	–	–	(49)	(62)
Reversal on revaluation of property [Note (i)]	(5)	–	–	–	–	–	–	(5)
Acquisition of subsidiaries	–	–	–	78	–	184	–	262
At June 30, 2016	–	615	410	987	945	524	286	3,767

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building $'000	Leasehold building $'000	Leasehold Improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Fenders $'000	Total $'000
Group								
Carrying amount:								
At June 30, 2015	570	820	18	134	21	47	56	1,666
At June 30, 2016	603	205	186	162	15	101	–	1,272
Carrying amount of assets that would have been included in the financial statements had the assets been carried at cost less depreciation :								
At June 30, 2015	409	170	18	134	21	47	56	855
At June 30, 2016	395	–	186	162	15	101	–	859

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Fair value measurement of the group's land and buildings

The freehold land and building (a three-storey shop house) in Malaysia was acquired by a subsidiary at RM1,200,000 in prior years. The property was revalued at RM1,800,000 (2015 : RM1,600,000) as of June 30, 2016 based on a valuation report dated June 30, 2016 (2015 : July 10, 2015) by an independent valuer who has appropriate qualifications and experience in the fair value measurement of properties in Malaysia. The fair value of the building was determined using the direct comparison method (2015 : direct comparison method).

Leasehold building held by the group and the company refers to a property located at 11 Tanjong Penjuru Crescent, Singapore 608974 with an unexpired leasehold tenure of approximately 4 months (2015 : 1 year). The property has previously revalued at June 30, 2015 to amount of $820,000 based on a valuation report dated June 30, 2015 provided by an independent valuer who has appropriate qualifications and experience in the fair value measurement of the properties in Singapore. The fair value was determined by income capitalisation method. At June 30, 2016, the leasehold building has been carried at last valuation amount of $820,000 less depreciation of $615,000 recognised in profit or loss representing management's estimate of the fair value considering the expiring of the lease term.

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. All fair valuations of properties fall within Level 3 of the fair value hierarchy.

	Valuation techniques	Significant unobservable input(s)	Sensitivity
Freehold land and building in Malaysia	Direct comparison approach (2015 : Direct comparison approach)	Price per square feet using a range of RM856 to RM7,217 (equivalent to $287 to $2,417) [2015 : RM856 to RM7,217 (equivalent to $305 to $2,828)]	An isolated increase in the price per square feet used would result in an increase in fair value, and vice versa.
Leasehold building in Singapore	2015 : Income capitalisation approach	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 8.5% to 9.0% Monthly market rent, taking into account the differences in location, and individual factors, such as frontage and size, between the comparables and the property, at a range of $1.50 to $1.90 per square foot per month	An isolated increase in the price per square feet used would result in an increase in fair value, and vice versa.

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold building $'000	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Total $'000
Company						
Cost or valuation:						
At July 1, 2014	1,600	252	467	766	75	3,160
Additions	–	–	17	–	–	17
Adjustment on revaluation of property [Note (i)]	(780)	–	–	–	–	(780)
At June 30, 2015	820	252	484	766	75	2,397
Additions	–	180	56	–	–	236
At June 30, 2016	820	432	540	766	75	2,633
Comprising:						
At cost	–	252	484	766	75	1,577
At valuation	820	–	–	–	–	820
At June 30, 2015	820	252	484	766	75	2,397
At cost	–	432	540	766	75	1,813
At valuation	820	–	–	–	–	820
At June 30, 2016	820	432	540	766	75	2,633

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold building $'000	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Plant and machinery $'000	Motor vehicles $'000	Total $'000
Company						
Accumulated depreciation:						
At July 1, 2014	–	252	417	766	75	1,510
Depreciation	686	–	43	–	–	729
Reversal on revaluation of property [Note (i)]	(686)	–	–	–	–	(686)
At June 30, 2015	–	252	460	766	75	1,553
Depreciation	615	8	11	–	–	634
At June 30, 2016	615	260	471	766	75	2,187
Carrying amount:						
At June 30, 2015	820	–	24	–	–	844
At June 30, 2016	205	172	69	–	–	446
Carrying amount of assets that would have been included in the financial statements had the assets been carried at cost less depreciation :						
At June 30, 2015	170	–	24	–	–	194
At June 30, 2016	205	172	69	–	–	446

19 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Note (i): Adjustment on revaluation of properties:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
(Debited) Credited to other comprehensive income	71	(65)	–	(94)

20 TRADE PAYABLES

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Outside parties	1,307	1,683	74	8
Net GST payable	30	45	30	38
Deposits from:				
Outside parties	31	31	31	30
Subsidiaries (Notes 5 and 16)	–	–	361	361
	1,368	1,759	496	437

The credit period on purchases of goods range from 30 to 90 days (2015 : 30 to 90 days).

21 OTHER PAYABLES

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Relating to:				
Employee benefits	1,137	1,239	662	777
Operating expenses	734	411	243	221
Trade deposits from contractors	1,438	–	–	–
Rental deposits	175	–	–	–
Advance receipts from the sale of properties	1,459	–	–	–
Other current liabilities	1,730	–	–	–
Others	51	15	–	–
	6,724	1,665	905	998

22 LOANS AND BORROWINGS

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Bank loan				
– financing facility	5,375	–	–	–
– money market loan	1,800	–	–	–
	7,175	–	–	–

<u>Financing Facility</u>

The group has a property development financing facility (the "facility") for a property development project in Singapore. The facility comprises a land loan, and a construction loan.

Interest is charged at 2.50% per annum over the bank's cost of funds or 2.50% per annum over the applicable SWAP Offer Rate as determined by the bank on the day of transaction, whichever is the higher or at such other rate at the sole discretion of the bank for an interest period of 3 months.

The loan shall be fully repaid in one lump sum within 6 months after the issuance of the Temporary Occupation Permit or on December 31, 2016, whichever is the earliest.

The facility is secured and guaranteed by the following:

a) First legal mortgage over the acquired property in Singapore and the proposed development to be erected thereon;

b) Fixed deposit of $776,000 (approximately RMB3,817,900) pledged with the bank;

c) Existing legal assignment of all rights, title and interests in the construction contract, insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreements in respect of the proposed development;

d) Personal guarantee for $8,991,000 (approximately RMB44,269,000) by an ex-director of Starland Holdings Limited. The bank is in the process of discharging this personal guarantee; and

e) Corporate guarantee for $8,991,000 (approximately RMB44,269,000) by Starland Holdings Limited.

<u>Money Market Loan</u>

The group has also obtained a Money Market Loan (the "MML") for general working capital purposes. The group has drawn down $1,800,000 (approximately RMB8,863,000) as at June 30, 2016.

22 LOANS AND BORROWINGS (cont'd)

Interest is charged at 0.70% per annum over the Singapore Inter Bank Offer Rate ("SIBOR") prevailing as determined by the bank on the date of transaction, or at such other rate at the sole discretion of the bank. The tenure for the drawdown ranges from 1 to 6 months.

The MML is secured and guaranteed by the following:

a) Standby Letter of Credit ("SBLC") for not less than RMB10,000,000 issued by another bank;

b) Fixed deposit of RMB10,000,000 (approximately S$2,030,000) pledged with the bank;

c) A personal guarantee of $1,800,000 (approximately RMB8,863,000) by an ex-director of Starland Holdings Limited. The bank is in the process of discharging this personal guarantee; and

d) A corporate guarantee for $1,800,000 (approximately RMB8,863,000) by Starland Holdings Limited.

23 SHARE CAPITAL

Group and Company

	2016	2015	2016	2015
	Number of ordinary shares		$'000	$'000
Issued and paid up capital:				
At beginning of the year	667,035,594	585,807,846	56,805	50,307
Exercise of warrants	30,565,419	81,227,748	2,445	6,498
Share consolidation	(558,080,969)	–	–	–
At the end of the year	139,520,044	667,035,594	59,250	56,805

Fully paid ordinary shares, carry one vote per share and a fixed right to dividends as and when declared by the company.

On November 29, 2013, the company allotted 418,221,600 rights shares with 418,221,600 warrants at an issue price of $0.08 for each rights issue, on the basis of three rights shares with three warrants for each existing share. Each warrant entitles the warrant holder to subscribe for one new ordinary share of the company at an exercise price of $0.08 per share. The exercise period for the warrants expired on November 27, 2015. During the year ended June 30, 2016, 30,565,419 (2015 : 81,227,748) new ordinary shares were issued from the exercise of warrants. As at June 30, 2016, the outstanding number of warrants was NIL (2015: 336,614,806).

During the year ended June 30, 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 October 27, 2015 ("Share Consolidation")

Following the completion of the Share Consolidation, which became effective on December 7, 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.

24 STATUTORY RESERVE

In accordance with the Foreign Enterprise Law applicable to the subsidiaries in the PRC, the subsidiary is required to make appropriation to a Statutory Reserve Fund (SRF). At least 10% of the statutory profits after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the subsidiary's registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the subsidiary. The SRF is not available for dividend distribution to shareholders.

25 REVENUE

	Group	
	2016	2015
	$'000	$'000
Sale of goods	19,440	24,295
Rental of fenders	183	161
Income from sale of properties	7,442	–
	27,065	24,456

26 OTHER GAINS AND LOSSES

	Group	
	2016	2015
	$'000	$'000
Premium arising from acquisition (Note 32)	22,990	–
Impairment loss on properties held for sale	(6,451)	–
Impairment loss on development properties	(443)	–
Additional stamp duty fee on development properties	(1,332)	–
Impairment loss on available-for-sale investment (Note 15)	–	(211)
	14,764	(211)

27 OTHER OPERATING INCOME

	Group	
	2016	2015
	$'000	$'000
Rental and related service income	193	208
Interest income	320	193
Others	214	37
	727	438

28 INCOME TAX EXPENSE

		Group	
		2016	2015
		$'000	$'000
Current	– Singapore	127	323
	– Foreign	1,072	282
Deferred	– Singapore	(234)	(107)
	– Foreign	949	(1)
Under(Over) provision in prior years			
– Current		17	(128)
		1,931	369

Singapore income tax is calculated at 17% (2015: 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

On March 16, 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax ("New Law") by Order No.63 of the President of the PRC, with an effective date of January 1, 2008. On December 28, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. Due to the New Law and Implementation Regulations, the PRC subsidiaries will be subject to 25% Enterprise Income Tax, commencing January 1, 2008. Accordingly, taxation arising in the PRC is calculated at the prevailing rate of 25% (2015: 25%) for subsidiaries in the PRC.

The Group is subject to land appreciation tax ("LAT") in the PRC which has been included in the income tax expense of the Group. The PRC LAT is levied at progressive rates ranging on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including sales charges, borrowing costs and all property development expenditures in accordance with the PRC tax laws and regulations.

28 INCOME TAX EXPENSE (cont'd)

The income tax varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2015 : 17%) to profit before income tax as a result of the following differences:

	Group	
	2016	**2015**
	$'000	**$'000**
Profit before income tax	14,649	1,328
Tax at the domestic income tax rate of 17% (2015 : 17%)	2,490	226
Effects of non-taxable (incomes)expenses	(1,553)	406
Under(Over) provision in prior years	17	(128)
Exempt income	(26)	(78)
Unrecognised deferred tax benefits	3	21
Tax concessions	(20)	(58)
Effect of land appreciation tax	184	–
Withholding tax on undistributed profits	1,349	–
Deferred tax utilised	(631)	–
Effect of revaluation of assets for tax	–	(108)
Effect of different tax rates of foreign operations	118	88
	1,931	369

29 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	Group	
	2016	**2015**
	$'000	**$'000**
Employee benefits expense (inclusive of directors' remuneration)	4,888	4,337
Cost of defined contribution plans included in employee benefits expense	429	274
Audit fees paid/payable to auditors:		
– Auditors of the company	147	120
– Other auditors	158	10
Non-audit fees paid to auditors:		
– Auditors of the company	26	29
– Other auditors	37	4
Directors' remuneration of the company	595	533
Directors' fees:		
– Provision for the year	249	152
Cost of completed properties for sale included in cost of sales	6,601	–
Cost of inventories included in cost of sales	12,434	15,106
Allowance (Writeback of) for inventories	310	(38)
Depreciation and amortisation	854	973
Writeback of doubtful trade receivables	(1)	(19)
Net foreign currency exchange adjustment loss	207	8
(Writeback of) Allowance for doubtful non-trade receivables	(62)	1,189
Impairment loss on available-for-sale investment	–	211

30 DIVIDENDS

During the financial year, the company paid dividends as follows:

	Group and Company	
	2016	2015
	$'000	$'000
Final dividend in respect of the previous financial year:		
– $Nil (2015 : $0.005) per ordinary share (one-tier tax exempt)	–	3,285

Dividend in specie

The shareholders of the company (the "Shareholders") had approved at an Extraordinary General Meeting held on January 13, 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 these financial statements, the dividend in specie has not been effected.

31 EARNINGS PER ORDINARY SHARE

The calculation of the basic and diluted earnings per ordinary share attributable to the ordinary owners of the company is based on the following data:

	Group	
	2016	2015
	$'000	$'000
Net profit attributable to owners of the company	12,735	842

	2016	2015
	Number of shares	
		(Restated)
Weighted average number of ordinary shares for purpose of basic earnings per share	137,325,426	127,376,739
Effect of dilutive potential ordinary shares assuming full exercise of warrants (Note 23)	–	10,813,504
Weighted average number of ordinary shares for purpose of diluted earnings per share	137,325,426	138,190,243

32 ACQUISITION OF SUBSIDIARY

On January 15, 2016, the group acquired 82.91% of the issued share capital of Starland Holdings Limited ("Starland") for cash consideration of $34.0 million. This transaction has been accounted by the acquisition method of accounting. As at June 30, 2016, the group owned 99.56% interest in Starland.

Starland was incorporated in Singapore on October 20, 2011 and is listed on the Catalist board of the SGX-ST. Starland is primarily involved in property development in PRC and engaged in developing integrated residential and commercial properties in Chongqing, PRC. It has a vertically integrated business model and operations with expertise to carry out various key aspects of property development and management.

The acquisition presents an opportunity for the group to accelerate its strategy to grow and gain a firm foothold into the vast PRC property market. While the group is making its first foray into the PRC property market with the securing of development rights from the People's Government of Kaiping District to undertake an integrated mixed development, Starland has established a presence in the property market in Chongqing, PRC, having launched two residential cum commercial properties in Chongqing (namely University Town and Singapore Garden). With the acquisition, the group will be able to immediately extend its property development business to the PRC which will augment and deepen its reach to property development business. The acquisition will also enable the group to expand its property portfolio as Starland completed its Singapore Garden project in September 2015.

Assets acquired and liabilities assumed at the date of acquisition (at acquisition date fair value)

	Group 2016 $'000
Cash and bank balances	10,460
Pledged deposits	6,669
Other deposits and receivables	523
Properties held for sales	71,250
Development properties	14,794
Equipment (Note 19)	145
Deferred tax assets (Note 18)	221
Total assets	104,062
Trade payables	80
Other payables	4,631
Income tax payables	15,773
Loans and borrowings	10,226
Deferred tax liabilities (Note 18)	15,742
Total liabilities	46,452
Net assets acquired and liabilities assumed	57,610

32 ACQUISITION OF SUBSIDIARY (cont'd)

Non-controlling interest

The non-controlling interest (0.44%) in Starland recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to $254,000. This fair value was estimated by net equity of Starland at date of acquisition.

Premium arising on acquisition (Note 26)

	Group 2016 $'000
Cash consideration transferred	34,006
Less: Fair value of identifiable net assets acquired	(57,610)
Add: Acquisition related cost	567
Add: Non-controlling interest	254
Exchange difference	(207)
	(22,990)

Premium arising on acquisition mainly because Starland's shares are substantially held by 4 shareholders which are thinly traded and the share price was not reflective of the net worth of Starland.

Net cash outflow on acquisition of subsidiary

	Group 2016 $'000
Consideration paid in cash	34,006
Less: Cash and cash equivalent balances acquired	(10,460)
Add: Other acquisition cost	567
	24,113

Impact of acquisition on the results of the group:

Included in the profit for the year is a loss of $3,996,000 attributable to the additional business generated by Starland. Revenue for the year from Starland amounted to $7,441,000.

Had the acquisition been completed on the first day of the financial year, the group's revenue and profit after tax would have been $98,994,000 and $27,076,000 respectively.

The management of the group considers these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on an annualised basis.

32 ACQUISITION OF SUBSIDIARY (cont'd)

In determining the 'pro-forma' revenue and profit of the group had Starland been acquired at the beginning of the current reporting period, the management has:

- Calculated actual revenue and profit of Starland for the period from July 1, 2016 to December 31, 2016, which excluded all inter-company transactions during the period; and
- Combined the actual revenue and profit of Starland for the period with the final results as at year end.

33 COMMITMENTS

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Performance guarantees given to a bank for credit facilities given to a subsidiary (unsecured)	–	–	1,000	1,000
Capital contribution for investment in a subsidiary	–	–	5,735	5,715

The group entered an agreement with the People's Government of Kaiping District ("Kaiping Government"), Tangshan City, PRC, which gives the group first right of refusal to participate in an integrated mixed development project along Xinghua Dong Dao of Tangshan City ("Land") and render the necessary assistance to the group in connection thereto should it become a successful tenderer of the Land. Pursuant to the agreement and subject to further negotiation of terms and conditions, the group will advance a sum of RMB85 million, approximately $18.4 million ("Advance") to Kaiping Government to facilitate land clearance and other incidental processes in order to enable the Land to be ready for public tender.

As at June 30, 2016, the group had disbursed RMB28.5 million (approximately S$5.8 million) as part of the RMB85 million advance.

34 OPERATING LEASE EXPENSE AND COMMITMENTS

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Minimum lease payments under operating leases included in profit or loss	357	301	200	131

34 OPERATING LEASE EXPENSE AND COMMITMENTS (cont'd)

At the end of the reporting period, the commitments in respect of non-cancellable operating leases were as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Future minimum lease payments payable:				
Within one year	385	353	283	250
In the second to fifth year inclusive	542	195	297	47
Total	927	548	580	297

Operating lease payments represent rentals payable by the group and the company for office premises and warehouses. Leases are for terms ranging from 3 to 16 years and rentals are fixed for periods ranging from 1 to 3 years.

The group and the company rent out part of its premises under operating leases. Property rental and service income earned during the year was $193,000 (2015 : $208,000) (Note 27). The properties are managed by the company.

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Future minimum lease payments receivable:				
Within one year	65	152	546	1,595

Leases are negotiated for terms of 1 year and rentals are fixed for the duration of the leases.

35 SEGMENT INFORMATION

Management organises the group into three major operating divisions - hose and marine, measuring instruments/metrology and property. These segments, focusing on the category of goods and services provided by the group, reflect how information is reported to the group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The hose and marine division supplies and services industrial/marine hoses, fittings, marine safety equipment and related products. The production facilities are located in Singapore while the products are mainly distributed to markets mainly in Singapore and Indonesia.

The activities of the property division include acquisition, holding of property-related assets and trading in properties.

The measuring instruments/metrology division deals in measuring instruments and scientific apparatus and the products are mainly distributed to Singapore and Malaysia.

(a) Analysis By Segments

The accounting policies of the reportable segments are the same as the group's accounting policies described in Note 2. Segment profit represents the profit earned by each segment without allocation of corporate expenses and directors' fees. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment revenue and expense: Segment revenue and expense are the operating revenue and expense reported in the group's profit or loss that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of the carrying amount of operating receivables, inventories and property, plant and equipment. Capital expenditure include the total cost incurred to acquire property, plant and equipment directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of trade payable and accrued expenses.

35 SEGMENT INFORMATION (cont'd)

(a) Analysis by Segments

	Hose and marine		Measuring instruments/ metrology		Property		Inter segment elimination		Group	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Revenue										
External sales	4,924	8,579	14,700	15,877	7,441	–	–	–	27,065	24,456
Result										
Segment gross contribution	2,067	4,003	4,758	5,268	840	–	–	–	7,665	9,271
Other gains and losses	–	–	–	–	14,764	–	–	–	14,764	–
Other operating income	387	210	39	31	301	197	–	–	727	438
Direct expenses	(1,858)	(1,958)	(2,366)	(2,203)	(1,749)	(1,516)	–	–	(5,973)	(5,677)
Segment net contribution	596	2,255	2,431	3,096	14,156	(1,319)	–	–	17,183	4,032
Corporate expenses									(2,534)	(2,704)
Profit before income tax									14,649	1,328
Income tax expense									(1,931)	(369)
Profit for the year									12,718	959
Other information										
Segment assets	4,984	6,110	8,869	10,044	102,147	7,185	–	–	116,000	23,339
Inter-segment assets	361	361	–	–	–	–	(361)	(361)	–	–
Unallocated corporate assets									3,355	45,329
Consolidated total assets									119,355	68,668
Segment liabilities	268	844	1,677	1,920	39,246	46	–	–	41,191	2,810
Inter-segment liabilities	3,074	2,419	6,487	7,541	53,458	7,273	(63,019)	(17,233)	–	–
Unallocated corporate liabilities									1,044	1,068
Consolidated total liabilities									42,235	3,878

35 SEGMENT INFORMATION (cont'd)

	Hose and marine		Measuring instruments/ metrology		Property		Inter segment elimination		Group	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Capital expenditure	34	–	11	57	242	19	–	–	287	76
Depreciation and amortisation expense	708	896	53	74	93	3	–	–	854	973
(Writeback of) Allowance for doubtful non-trade receivables	–	–	–	–	(62)	1,189	–	–	(62)	1,189
(Writeback of) Allowance for trade receivables	45	(21)	(46)	2	–	–	–	–	(1)	(19)
Allowance for (Writeback of) inventories	263	21	47	(59)	–	–	–	–	310	(38)
Impairment loss on unallocated assets	–	–	–	–	–	–	–	–	–	211
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)	–

35 SEGMENT INFORMATION (cont'd)

(b) Analysis by Geographical Segments

Segment revenue: Segment revenue is analysed based on the location of customers regardless of where the goods are produced.

Segment assets: segment assets (non-current assets) are analysed based on the location of those assets.

	Revenue	
	2016	2015
	$'000	$'000
Singapore	10,412	11,853
Malaysia	5,097	6,888
Myanmar	16	54
Indonesia	1,937	1,950
Other ASEAN countries	167	296
Middle Eastern countries	89	569
People's Republic of China	7,535	165
Other Asia Countries	1,432	2,361
Others	380	320
	27,065	24,456

	Non-current assets	
	2016	2015
	$'000	$'000
Singapore	529	1,030
Malaysia	677	660
Myanmar	–	1
People's Republic of China	6,022	–
	7,228	1,691

(c) Information about major customers

In 2016 and 2015, no single customer contributed to more than 10% of the group's total revenue.

36 EVENTS AFTER THE REPORTING PERIOD

Rights cum warrants issue

On May 24, 2016, the company proposed to undertake a renounceable non-underwritten rights cum warrants issue of up to 69,760,022 new ordinary shares, at an exercise price of $0.25 for each rights share, with up to 69,760,022 free detachable warrants, each warrant carrying the right to subscribe for one new ordinary share in the capital of the company (the "New Share") at an exercise price of $0.25 for each New Share, on the basis of one (1) rights share for every two (2) existing ordinary shares in the capital of the company (the "Shares") held by the shareholders of the company (the "Shareholders") as at a date and time to be determined by the directors for the purpose of determining the Shareholders' entitlement (the "Books Closure Date"), fractional entitlements to be disregarded, with one (1) free warrant for every one (1) Rights Share subscribed by the Shareholders (the "Rights cum Warrants issue").

On August 2, 2016, SGX-ST granted its approval in-principle for the listing of and quotation for the rights shares, the warrants and the New Shares on the official list of the SGX-ST. Specific approval from the Shareholders at an extraordinary general meeting ("EGM") of the company to be convened.

Proposed investment in ayondo Holding AG

On June 20, 2016, Starland entered into a conditional sale and purchase agreement ("SPA") with the holders of equity interest in ayondo Holding AG ("ayondo") to acquire the equity interest in ayondo, a Fintech company. Pursuant to the SPA, the aggregate consideration in respect of the proposed acquisition is S$157,500,000 assuming the sale of 100% of the shares or interest in shares of ayondo and entitlement to shares in ayondo pursuant to conversion of convertible bonds, warrants and options previously issued by ayondo.

The proposed acquisition, if undertaken and completed, is expected to result in a "Reverse Take-over" of Starland as defined under Chapter 10 of Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") and is subject to, inter alia, the approval of shareholders of Starland at an extraordinary general meeting ("EGM") to be convened, the approval of shareholders of GRP Limited, being the ultimate holding company of Starland, at an EGM to be convened (if required) and the approval of the SGX-ST.

Mr Kwan Chee Seng, the executive director and substantial shareholder of the company had declared his interest in ayondo, to the Board of directors.

Mr Kwan is a shareholder and convertible bond holder of ayondo. As at date of declaration on March 3, 2016, Mr Kwan holds:

(i) 2,500 issued shares, representing 0.46% of the total issued shares of ayondo; and
(ii) Convertible bonds with an aggregate principal amount of CHF1,469,113 (equivalent to $2,023,086) convertible into 18,403 issued shares of ayondo; and
(iii) Warrants with an aggregate principal amount of CHF504,563 (equivalent to $694,824) convertible into 5,443 issued shares of ayondo.

36 EVENTS AFTER THE REPORTING PERIOD (cont'd)

Proposed investment in ayondo Holding AG (cont'd)

He is a director of and have a shareholding interest of 66.67% in Luminor Capital Pte. Ltd., the fund manager for Luminor Pacific Fund 1 Ltd ("Luminor Fund 1") and Luminor Pacific Fund 2 Ltd ("Luminor Fund 2"), which are also the convertible bond holders of ayondo. He is also a director of Luminor Fund 1 and Luminor Fund 2. As at the date of declaration on March 3, 2016, Luminor Fund 1 holds convertible bonds and warrants with an aggregate principal amount of CHF8,949,207 (equivalent to $12,323,774) convertible into 98,745 issued shares of ayondo, while Luminor Fund 2 holds convertible bonds and warrants with an aggregate principal amount of CHF5,999,984 (equivalent to $8,262,458) convertible into 72,289 issued shares of ayondo.

Extension of lease period for property at 11, Tanjung Penjuru Crescent

Leasehold building held by the company refers to a property located at 11 Tanjung Penjuru Crescent, Singapore 608974.

The lease with Jurong Town Council ("JTC") will expired on October 23, 2016. The company had requested for 2 years extension with JTC. As at the date of this financial statements, the company is positive in anticipating a reply from JTC for the lease extension.

STATISTICS OF SHAREHOLDINGS

As at September 23, 2016

Issued share capital : S$59,601,724
Number of shares : 139,520,044
Class of shares : Ordinary Shares
Voting rights : one vote per share

Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	Percentage	No. of Shares Held	Percentage
1 – 99	159	5.27%	3,697	0.00%
100 – 1,000	849	28.15%	559,580	0.40%
1,001 – 10,000	1,276	42.31%	5,568,781	3.99%
10,001 – 1,000,000	717	23.77%	46,095,674	33.04%
1,000,001 AND ABOVE	15	0.50%	87,292,312	62.57%
	3,016	100.00%	139,520,044	100.00%

Based on information available to the Company as at 23 September 2016, approximately 65.95% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

Top Twenty Shareholders as at September 23, 2016

No.	Name	No. of Shares	Percentage
1	KWAN CHEE SENG	40,715,960	29.18%
2	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	7,412,485	5.31%
3	CHENG LIM KONG	6,611,700	4.74%
4	KHASSAN MAKHMUD	5,600,000	4.01%
5	OCBC SECURITIES PRIVATE LTD	4,105,500	2.94%
6	ANG CHENG LAM	3,766,560	2.70%
7	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,434,600	2.46%
8	MAYBANK KIM ENG SECURITIES PTE LTD	3,136,660	2.25%
9	HL BANK NOMINEES (SINGAPORE) PTE LTD	2,917,600	2.09%
10	STF INVESTMENTS LTD	2,776,520	1.99%
11	SIM SIEW TIN CAROL (SHEN XIUZHEN CAROL)	2,160,000	1.55%
12	LIM SEE YONG	1,230,800	0.88%
13	TAN KAY TOH OR YU HEA RYEONG	1,181,080	0.85%
14	ONG GIM LOO	1,173,400	0.84%
15	PHILLIP SECURITIES PTE LTD	1,069,447	0.77%
16	CHIK CHOOI WAH	1,000,000	0.72%
17	TEO KAH CHEE RACHEL	1,000,000	0.72%
18	TAN KOOI JIN	901,560	0.65%
19	FIRSTLINK INVESTMENTS CORPORATION LIMITED	836,200	0.60%
20	HONG LEONG FINANCE NOMINEES PTE LTD	820,000	0.59%
		91,850,072	65.83%

STATISTICS OF SHAREHOLDINGS
As at September 23, 2016

Substantial Shareholders

As shown in the Register of Substantial Shareholders

	No of Shares	
Name of Shareholders	**Direct Interest**	**Deemed Interest**
Kwan Chee Seng	40,715,960	–

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of GRP Limited will be held at Lounge 1883, Level 1 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Thursday, 27 October 2016 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2016 together with the Directors' Statement and Auditor's Report thereon. **Resolution 1**

2. To approve the payment of Directors' fees of $150,000.00 for the financial year ended 30 June 2016 (FY2015 : $150,000.00). **Resolution 2**

3. To re-elect the following Directors retiring pursuant to the Company's Constitution:

   (i) Mr Goh Lik Kok (pursuant to Regulation 89) **Resolution 3**
   (ii) Mr Kwan Chee Seng (pursuant to Regulation 89) **Resolution 4**

4. To pass the following resolution pursuant to Section 153(6) of the Companies Act, Cap.50 : -

   "That Mr Daniel Teo Tong How, who will retire pursuant to Section 153(6) of the Companies Act, Chapter 50 which was in force immediately before 3 January 2016, be and is hereby re-appointed as a Director of the Company"
   [See Explanatory Note] **Resolution 5**

5. To re-appoint Messrs Deloitte & Touche LLP, Public Accountants and Chartered Accountants as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

6. 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 (with or without amendments) as Ordinary Resolutions:

7. Authority to allot and issue shares up to 50% of the total number of issued shares

   THAT pursuant to Section 161 of the Companies Act, Cap. 50 and subject to Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to issue shares or convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that: -

   (i) the aggregate number of shares and convertible securities to be issued pursuant to this Resolution does not exceed 50 per cent. (50%) of the total number of issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 20 per cent. (20%) of the total number of issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (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 (i) above, the total number of issued shares shall be based on the total number of issued shares in the capital of the Company at the time this Resolution is passed, after adjusting for: -

a. new shares arising from the conversion or exercise of any convertible securities;

b. new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of SGX-ST; and

c. any subsequent consolidation or subdivision of shares.

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST as amended from time to time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution 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 the earlier.
[See Explanatory Note] **Resolution 7**

8. Authority to allot and issue shares under the GRP Performance Share Plan (the "Share Plan")

THAT authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of fully paid-up shares as may be required to be allotted and issued pursuant to the vesting of awards under the Share Plan, provided that the aggregate number of shares to be allotted and issued pursuant to the Share Plan shall not exceed 15% of the total number of issued shares in the capital of the Company from time to time.
[See Explanatory Note] **Resolution 8**

ON BEHALF OF THE BOARD

TAN CHENG SIEW
SECRETARY

Date: October 11, 2016
SINGAPORE

NOTICE OF ANNUAL GENERAL MEETING

Notes :

(i) A Member is entitled to appoint up to two proxies to attend and vote in his place. A proxy need not be a Member of the Company. Members wishing to vote by proxy at the meeting may use the proxy form enclosed. The completed proxy form must be lodged at the Registered Office of the Company at 11 Tanjong Penjuru Crescent, Singapore 608974 not less than 48 hours before the time fixed for the Meeting.

(ii) Pursuant to Section 181 of the Companies Act, Chapter 50 of Singapore, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the Annual General Meeting. Relevant intermediary 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 license holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or

c. the Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

(iii) The Board of Directors, in consultation with the Nominating Committee, recommends to members the re-election of Mr Goh Lik Kok, Mr Kwan Chee Seng and Mr Daniel Teo Tong How

Mr Gok Lik Kok will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and will be considered independent for the purpose of Rule 704(8) of the SGX-ST Listing Manual.

Mr Daniel Teo Tong How who is over the age of 70 was re-appointed under Section 153(6) of the Companies Act, Chapter 50 (the "Act") at the last Annual General Meeting ("AGM"). Section 153(6) of the Act was repealed when the Companies (Amendment) Act 2014 came into effect on 3 January 2016. Upon him being re-appointed at this AGM, going forward, Mr Daniel Teo Tong How will no longer be subjected to shareholders' approval under Section 153(6) of the Act since it has been repealed. He will then be subjected to retirement by rotation under the Company's Constitution.

(iv) The Ordinary Resolution 7 proposed in item 7, if passed, will empower the Directors of the Company from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue new shares in the Company (whether by way of rights, bonus or otherwise). The number of shares which the Directors may issue under this Resolution shall not exceed 50% of the total number of issued shares in the capital of the Company. For issue of shares other than on a pro-rata basis to all shareholders of the Company, the aggregate number of shares to be issued shall not exceed 20% of the total number of issued shares in the capital of the Company. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated in accordance with Rule 806(3) of the SGX-ST Listing Manual as set-out in sub-paragraph (ii) of this Ordinary Resolution. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

(v) The Ordinary Resolution 8 proposed in item 8, if passed, will empower the Directors of the Company from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue new shares in the Company pursuant to the vesting of awards under the GRP Performance Share Plan. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting 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 proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (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) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

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PROXY FORM

GRP LIMITED

(Incorporated in the Republic of Singapore)

IMPORTANT:-
1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Note 3 for the definition of "relevant intermediary"). 2. For investors who have used their CPF monies to buy GRP LIMITED shares, 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. 3. Please read the notes to the Proxy Form.

I/We ________________________________ of ____

being a member/members of the above-mentioned Company, hereby appoint:-

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
And/or (delete as appropriate)			

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Lounge 1883, Level 1 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Thursday, 27th October 2016 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy to vote for or against the Resolutions to be proposed at the Meeting as hereunder indicated.

Note: The chairman of the meeting will be exercising his right under Regulation 58 (a) of the Constitution of the Company to demand a poll in respect of the resolutions.

No.	Ordinary Resolutions	No of Votes For*	No of Votes Against*
	Ordinary Business		
1.	To adopt the Directors' Statement and Audited Financial Statements.		
2.	To approve the payment of Directors' Fees.		
3.	To re-elect Mr Goh Lik Kok as a Director pursuant to Regulation 89.		
4.	To re-elect Mr Kwan Chee Seng as a Director pursuant to Regulation 89.		
5.	To re-appoint Mr Daniel Teo Tong How as a Director pursuant to Section 153(6) of the Companies Act, Cap. 50.		
6.	To re-appoint Messrs Deloitte & Touche LLP as the Company's Auditors and authorise Directors to fix their remuneration.		
	Special Business		
7.	Authority to allot and issue shares up to fifty percent (50%) of the total number issued shares.		
8.	Authority to allot and issue shares under the GRP Performance Share Plan		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this ____________________ day of ____________________ 2016.

No. of Shares Held

____

Signature(s) of member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes to the Proxy Form:

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 130A of the Companies Act, Chapter 50), 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. A member of the Company who is not a relevant intermediary entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his stead. Where a member appoints two proxies, he shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

3. Pursuant to Section 181 of the Companies Act, Chapter 50 of Singapore, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the meeting. Relevant intermediary 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 license holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or

   c) the Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

4. A proxy need not be a member of the Company.

5. This instrument appointing a proxy or proxies together with the letter of power of attorney, if any, under which it is signed or a duly certified copy thereof, must be deposited at the registered office of the Company at 11 Tanjong Penjuru Crescent, Singapore 608974 at least 48 hours before the time fixed for the Annual General Meeting.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50.

7. Please indicate with a "√" or the number of votes as appropriate in the spaces provided whether you wish your vote(s) to be for or against the Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/ proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting

8. The Company shall be entitled to reject this instrument of proxy if it is incomplete or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of a member whose Ordinary Shares are entered in the Depository Register, the Company shall be entitled to reject this instrument of proxy which has been lodged if such member is not shown to have Ordinary Shares entered his name in the Depository Register as at 72 hours before the time fixed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 October 2016.

CORPORATE INFORMATION

Board of Directors

Mr Daniel Teo Tong How
Independent Non-Executive Director
and Chairman

Mr Kwan Chee Seng
Executive Director

Mr Goh Lik Kok
Independent Non-Executive Director

Mr Mahtani Bhagwandas
Independent Non-Executive Director

Mr Peter Moe
Independent Non-Executive Director

Company Secretary
Ms Tan Cheng Siew

Registered Office
11 Tanjong Penjuru Crescent
Singapore 608974
Tel : 6898 3431
Fax: 6898 1306

Share Registrar
Intertrust Singapore Corporate
Services Pte. Ltd.
77 Robinson Road
#13-00 Robinson 77
Singapore 068896
Tel : 6532 3488
Fax: 6438 6221

Auditors
Deloitte & Touche LLP
6 Shenton Way
OUE Downtown 2
#33-00
Singapore 068809
Tel : 6224 8288
Fax: 6538 6166

Audit Partner
Ms Seah Gek Choo
(Appointed with effect from
the financial year ended
30 June 2015)

Principal Banker
DBS Bank Ltd

GRP LIMITED
(Company Registration No: 197701449C)

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