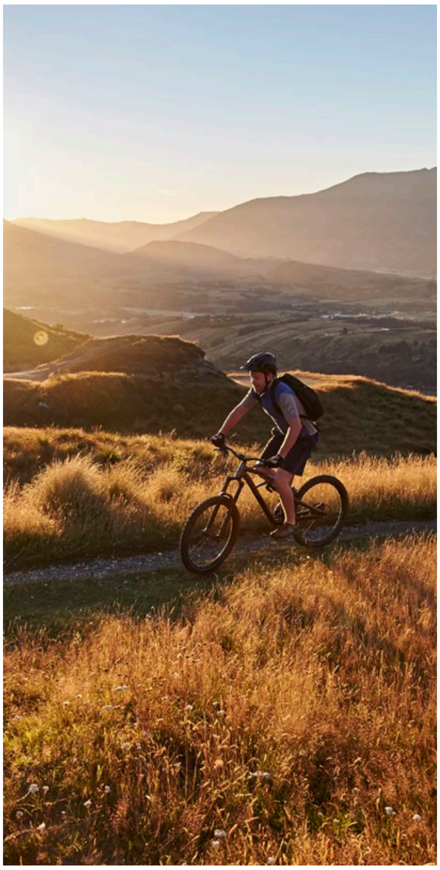
GYP PROPERTIES LIMITED **2021**

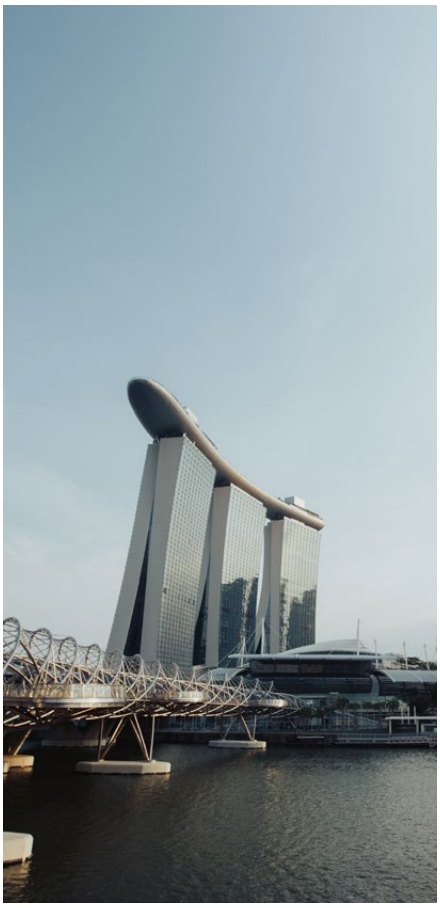
ANNUAL REPORT

OVERVIEW



OUR BUSINESS

CORPORATE GOVERNANCE



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CORPORATE PROFILE

Listed on the Singapore Exchange in 2004, GYP Properties Limited ("GYPP") is a real estate company with assets under management of S$163.8 million as at 30 June 2021. Headquartered in Singapore, the Group has offices in Singapore and New Zealand. With our vision of being an industry leader that delivers projects that owners and users value, the Group focuses on driving financial performance and sustained growth for our stakeholders, by embracing long-term value creation.

Following property sales in FY2021, the Group has a portfolio of 296,250 sqm of land, comprising commercial, retail and residential assets. GYPP leverages Singapore's innovative development experience by combining expertise in multi-layered hubs and community living, with New Zealand's strong consideration for materials and the environment. Our residential projects in New Zealand include Remarkables Residences in Queenstown and Bellfield Estate in Auckland. The Group also has two managed properties – Pakuranga Plaza in Auckland and Braddell House in Singapore – in addition to a mixed-use development site in Pakuranga, Auckland.

Recognising that contributing to sustainable development is critical for business viability, the Group is a member of the Singapore Green Building Council and a signatory of the United Nations Global Compact's Ten Principles. Since FY2019, GYPP has achieved climate neutrality for Scopes 1 and 2 operating emissions, and has achieved 100% green energy sourcing for our Singapore property since FY2020. As a real estate developer, we are passionate about building inclusive and safe communities and in 2019, we launched "Gift of Home", a social impact programme with a focus on addressing homelessness.

Our Vision

An industry leader that delivers projects that owners and users value.

CHAIRMAN'S LETTER

Dear Shareholders,

This year marks our second year living and operating in a global pandemic, and it goes without saying that Covid-19 continues to impact the world around us, causing ripple effects throughout all aspects of our lives. It has reiterated the importance of business continuity and planning for resilience; the need to make room for flexibility and trust in our workforce; and last but not least, the reality that our environmental, social and governance ("ESG") factors do matter, notably when it comes to mitigating risk and creating long-term value.

The Group's Annual and Sustainability Reports this year highlight the steps taken to position the Group to achieve a level of stability in these challenging times. Despite the impact of Covid-19, the Group continues to progress the delivery of projects and effectively manage our portfolio properties. I would like to take the opportunity to thank our forward thinking management, committed staff and strong partnerships that have contributed towards the Group's performance. And I thank our previous Chairman for the smooth transition, and the Board and management for their warm welcome this year.

In both Singapore and New Zealand, we've been privileged to have low rates of infection, significant Government intervention and manageable Covid-19 restrictions that have allowed us to continue operating. A study published in the journal Sustainability in July 2021 rated New Zealand one of the best places to survive a global societal collapse, reinforcing our investment strategy of New Zealand as a safe haven and our chosen core market. In the previous financial year, the management team accepted pay cuts ranging from 20-30% as part of cost cutting in the wake of Covid-19; and this year, we were in the financial position to reinstate these pay cuts. Operations for GYPP have adapted to the new norm with staff working from home by default in Singapore as per government regulations, and property management teams in Singapore and New Zealand operating on-site as required. Purchasers have moved into Remarkables Residences Stage One in Queenstown, and sales have been strong at Bellfield Estate with both Stages One and Two now sold.

Overall, GYPP continues to ride through this storm despite the disruptions to construction, retail and office leasing. The Group earned revenue of S$46.9 million, up S$38.3 million from S$8.6 million last year, due mainly to the recognition of completion of sales of Stage One townhouses of Remarkables Residences. Excluding non-cash unrealised fair value loss of S$2.7 million on our investment properties and unrealised foreign exchange gains of S$1.9 million, the Group would have posted an adjusted S$2.8 million net profit for FY2021. Following the close of the financial year, the Group has launched Stage Three of Bellfield Estate. While Covid-19 has caused delays in construction and titles being issued, our strategy remains solid and on track, with impacts to the business not currently significant. The Group's CEO, Stanley Tan, provides more detail in his CEO's Message.

Looking ahead, the pandemic has proven the viability of ESG metrics – with regulators looking to implement enhanced reporting requirements and investors demanding for greater disclosure of ESG information – and we will continue to improve the Group's sustainability performance. More information about our sustainability strategy and commitments is available in our 2021 Sustainability Report and on our website at www.gypproperties.com/sustainability.

On behalf of the Board, thank you for your continued support. We remain optimistic about the future and are working on having a steady pipeline of projects to generate resilient performance into the future.

Best regards,

Andrew Tay
Chairman


205 QUEEN

Our Investment Strategy

Driving financial performance and delivering sustained growth for our stakeholders, by embracing long-term value creation.

CEO'S MESSAGE

New Zealand, as is Singapore, has been one of the few countries that has successfully contained the spread of Covid-19, however, this doesn't come without consequences and the actions have required lockdowns and the restriction of movements.

The 2021 financial year has been a difficult one for us, as it has been for many. Although Covid-19 restrictions have not affected our residential property sales in Auckland due to a strong market and sale of land sections as opposed to completed homes, it has caused development delays. For Queenstown, the shutdown of international tourism affected property sentiments, resulting in the Group pivoting our strategy. Our development project at Bellfield Estate in Papakura faced delays in construction and the issuance of titles. Similarly, our retail centre at Pakuranga Plaza saw operational disruptions and in order to support our retail and office tenants, rebates were provided to assist those affected with their ongoing costs. As mentioned last year, we undertook a cost-cutting exercise to manage the situation, which saw senior management take initial pay cuts and our Board of Directors accepting reduced fees. However, our financial performance was relatively unscathed and the Board supported the reinstatement of staff remuneration.

The pandemic has required many businesses to change their strategies and this requires a strong management team and Board with the right experience to respond to this crisis. Our Group office and operational teams have shown commitment, leadership and resilience. According to our 2021 employee survey, when asked how employees are coping with the stresses of Covid-19, respondents rated an average of 4.0, with 1 being 'not well at all', and 5 being 'very well'. When asked how satisfied and proud employees are to work at GYP Properties, the average response was 4.7 out of 5. We are privileged to have a great group of people with a positive outlook and who are problem solvers as we move into the future.

Looking forward, the Group continues to identify new and emerging threats to adopt a business-wide approach to sustainability in order to manage our environmental, social and governance impacts, which affect our operational and commercial risks. Reports out of New Zealand are highlighting a shortage of basic building materials and tradespeople, indicating the likelihood of cost pressures. Overall, we expect the 2022 financial year to remain challenging on the development front, with the challenges arising from Covid-19. On the sales front, however, we still expect strong sentiment for residential development land, although we foresee projects requiring a longer time for completion and the delivery of titles.

Despite the challenges of 2021, the team weathered the storm successfully and projects continued as planned. The overall impacts of Covid-19 to the business have been well managed. Although we do not expect the impact of Covid-19 to be completely removed, we are optimistic that it will get better as we all adjust to the new normal. Nevertheless, the team remains cautious with heightened awareness around managing risks into the future and we thank all our stakeholders for your trust and support as we continue to build the business with a strong foundation.

Stanley Tan

Chief Executive Officer

PORTFOLIO

BRADDELL HOUSE

Location Toa Payoh, Singapore SG
Land area 5,039 sqm **Gross floor area** 13,416 sqm

Braddell House is a 7-storey property situated in District 12, just outside Singapore's city centre. Located in a suburban area steeped in history, Toa Payoh was the second satellite town to be built in Singapore and is home to the Housing & Development Board ("HDB"), Singapore's public housing authority.

Zoned light industry, Braddell House is used by the Group for its operations and also leased for rental. Sited above the Braddell MRT Station, Braddell House is just one stop away from Toa Payoh HDB HUB and Junction 8 Shopping Centre, and four stops from Singapore's iconic Orchard Road. Encircled by housing estates and conveniently surrounded by local eateries and mom-and-pop stores, the central location offers easy access to grocery and retail shopping, as well as banks and other amenities.

Following the renaming of the Group in October 2018, the property was renamed Braddell House from the Yellow Pages Building in January 2019.

PAKURANGA PRECINCT

Location Pakuranga, Auckland NZ
Land area 41,212 sqm **Project size** est. 160,000 sqm

Located at the gateway to East Auckland, just 16 kilometres from the Central Business District, Pakuranga Precinct will emerge as an enviable mixed-use urban neighbourhood, intelligently designed to serve a loyal and rapidly growing population base. Master planning for the site is underway to create enhanced liveable spaces surrounded by a variety of amenities.

With the rezoning of Pakuranga into a town centre, our acquisitions of retail mall Pakuranga Plaza and several adjacent lots, provide a strategic 4-hectare development site in a prime location. Sited on the corner of two regional arterial roads, the Group's vision is to create a vibrant hub that includes supermarkets, health and service providers, leisure and entertainment, banks, a broad range of convenience retail outlets, dining options, dynamic and flexible office spaces, landscaped outdoor areas and revitalised civic amenities, all accessible to the Tamaki Estuary coastline.

Pakuranga Plaza, within the upcoming town centre, has a total gross floor area of 29,568 square metres and is a neighbourhood shopping centre known locally for its everyday shopping. Anchored by three well-known tenants – Countdown, Farmers and The Warehouse – the retail mall also serves as a local business hub and is home to local community amenities: the Pakuranga Library, Howick Local Board and Plunket.

PORTFOLIO

REMARKABLES RESIDENCES

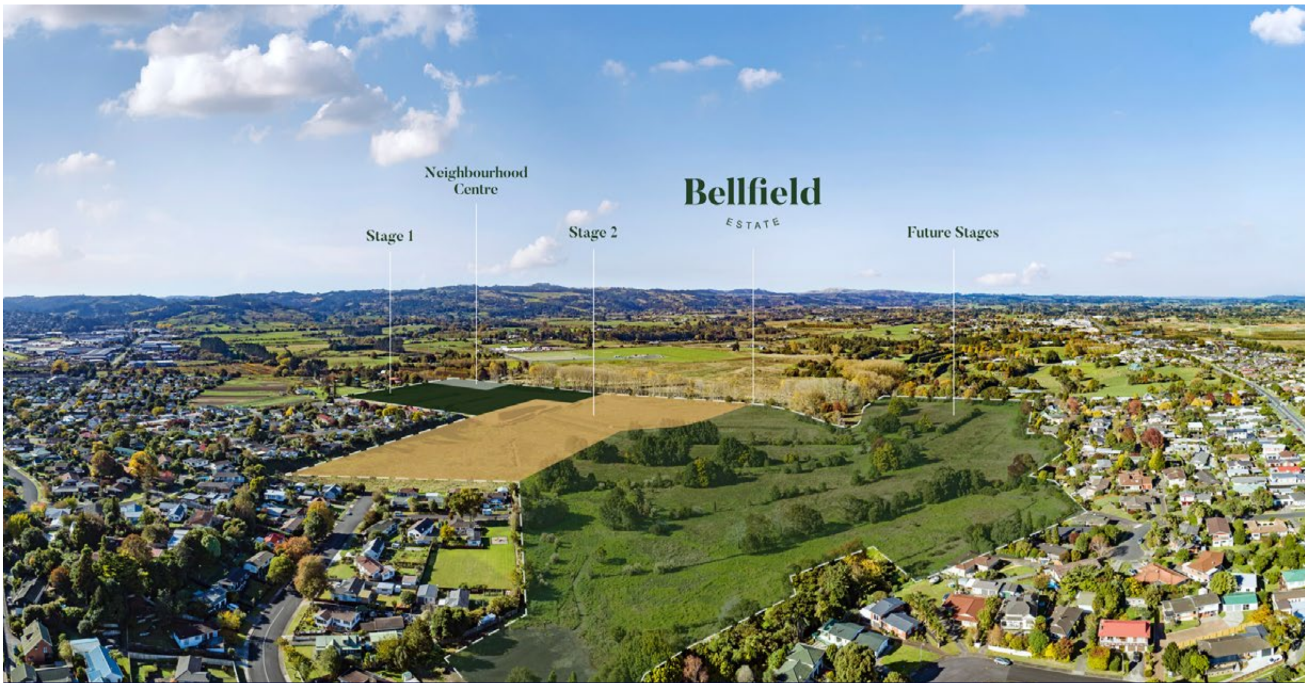
Location Frankton Flats, Queenstown NZ
Land area 38,400 sqm **Project size** est. 225 homes

Remarkables Residences offers contemporary architecture inspired by the natural environment and is New Zealand's first urban development of substantial terraced homes and apartments in adventure playground, Queenstown.

Nestled in the heart of Queenstown's evolving Frankton district, Remarkables Residences is tucked in under The Remarkables mountain range. Close to schools and the airport, a short walk to retail and hospitality outlets, 15 minutes from central Queenstown and Arrowtown, and 30 minutes to ski fields; Frankton is considered one of Queenstown's most accessible suburbs.

Stage One comprising 56 terraced homes was completed in August 2020, with home buyers moving in shortly after. With a variety of designs and configurations across the development, Remarkables Residences offers individuality amidst a community. Featuring open plan living, quality fixtures and fittings and dedicated park areas for exploration; Remarkables Residences also offers a 360 degree view of the Crown Range, Coronet Peak, Walter Peak and The Remarkables.

BELLFIELD ESTATE



Location Opaheke, Papakura NZ
Land area 218,400 sqm **Project size** est. 525 homes

Bellfield Estate is a subdivision in Papakura, which will have more than 500 new homes across 22 hectares upon completion. Master planned by GYPP, the Group is developing the land and subdividing it for sale, and is also exploring the development of part of the land into completed residential houses and commercial units.

Strategically located within the expanding Southern Corridor, the location is benefitting from significant infrastructural upgrading, with commercial, industrial and retail growth providing employment opportunities for the fast-growing community. Designed to integrate with Opaheke Park, the site offers an appealing location with natural attractions, business precincts, major shops and recreation facilities all within reach, and just a 30 minute car ride from Auckland's Central Business District.

Through the delivery of house and land packages, GYPP's builder partners will play an integral role in the ongoing activation of the Bellfield Estate master plan. Stage One comprising 99 residential lots has been completed in June 2021. Stage Two comprising 91 residential lots has been sold, with earthworks and civil construction expected to start in the last quarter of 2021.

WE ARE ON A JOURNEY

Realising Remarkables Residences

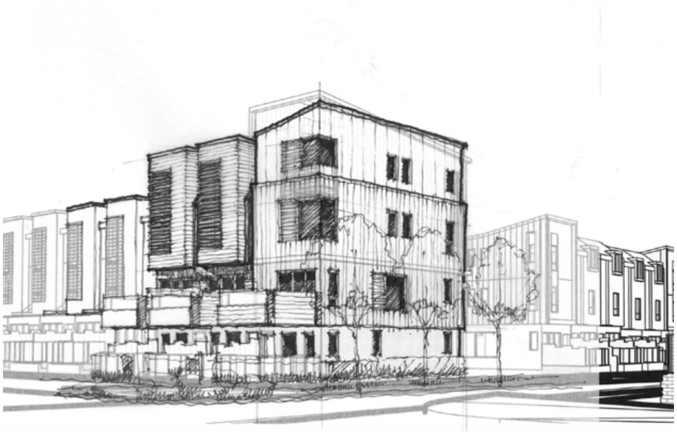
Transitioning from print media company, Global Yellow Pages Limited, to real estate company, GYP Properties Limited, has been a challenging and exciting endeavour for the Group. In FY2021, GYP Properties celebrated the completion of the first stage of our maiden development, Remarkables Residences. Located in the heart of Frankton Flats in New Zealand's adventure playground, Queenstown, Remarkables Residences has been strategically sited amongst one of Queenstown's largest commercial and retail developments to date, 'Queenstown Central'. The sunny 3.8 hectare site has a 360 degree view of the Crown Range, Coronet Peak, Walter Peak and The Remarkables with individual properties having unique views according to position. Stage One comprises 56 three- to five-bedroom multi-storey townhouses offering a variety of designs and configurations.

The scale of the development called for a strong consideration of community and place, and the intent throughout the design process was to deliver a neighbourhood with a character that sits well in the landscape. Each street takes on a unique identity, while maintaining a cohesiveness that contributes to the built character of Queenstown. Clever landscaping and thoughtful plantings soften the built environment and give the neighbourhood a relaxed feel with dedicated park areas providing places for exploration and community interaction.

Regardless of size, each residence was thoughtfully designed to optimise sun and natural light. The homes are installed with the latest in energy-efficient lighting, heating and appliances, with quality fixtures and fittings to complement the welcoming interiors. In depth research of local building materials and residential neighbourhoods influenced the design to express the alpine character of Queenstown; and in order to maintain a strong residential feel throughout the residences, classic gabled forms and familiar materials were used. Materials were chosen for their texture and durability, and exterior materials consist of stained natural cedar, profile metal cladding and roofs, and painted weather boards.

View the images to see the transformation of Stage One – from architectural sketches and renders, to construction and completion.

2016

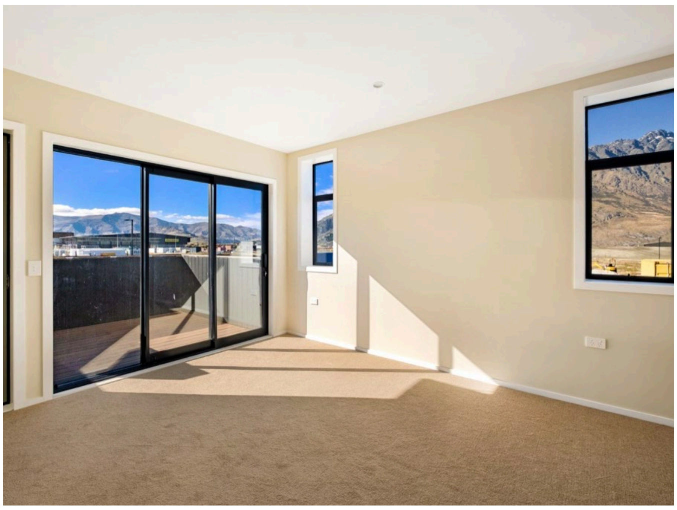


2017

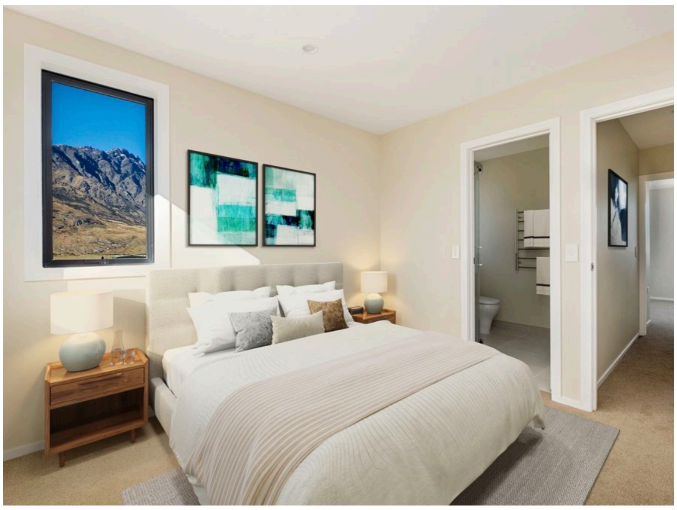
2018

2019

2020

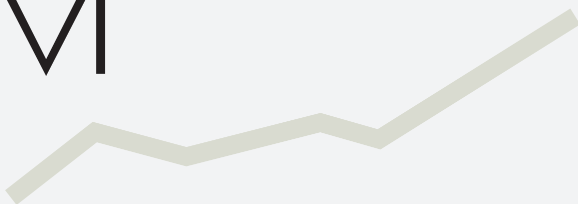


Completion



KEY FIGURES

S$46.9M
REVENUE



S$7.1M
ADJUSTED
EBITDA*

S$4.7M ADJUSTED PROFIT AFTER TAX*

6.54%
Adjusted Return on Equity *

PROPERTY PORTFOLIO SIZE
S$163.8M

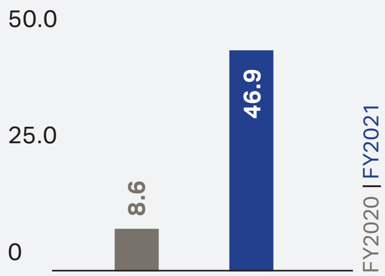
S$71.6M Net Assets

S$36.8M **MARKET CAP**

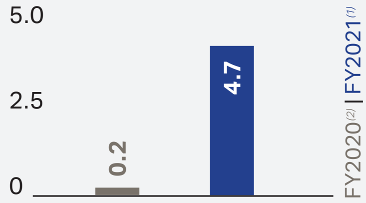
* Excluded non-cash fair value loss on investment properties of S$2.7 million
Note: Market capitalisation is based on the closing share price on 30 June 2021. Shares issued (excluding treasury shares) are 274.9 million as at 30 June 2021.

FINANCIAL REVIEW

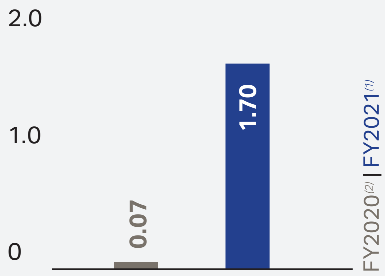
Revenue (S$ million)



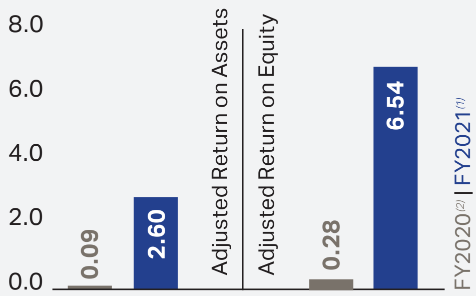
Adjusted Profit after Tax (S$ million)



Adjusted Earnings per Share (Cents)



Adjusted Return on Equity/ Adjusted Return on Assets (%)



(1) Excluded non-cash fair value loss on investment properties of S$2.7 million.
(2) Excluded non-cash fair value loss on investment properties of S$7.3 million.

The Group's revenue for FY2021 was S$46.9 million, an increase of S$38.3 million as compared to S$8.6 million for FY2020 due mainly to recognition of completion of sales of townhouses in Stage 1 of the Group's Remarkables Residences ("RR") project in New Zealand.

Other income of S$3.3 million for the FY2021 mainly relates to rental income generated from Braddell House, government grant income and interest income.

Other gains of S$1.9 million for FY2021 relate mainly to unrealized foreign exchange gains.

Other losses of S$2.7 million for FY2021 comprise non-cash fair value loss on investment properties.

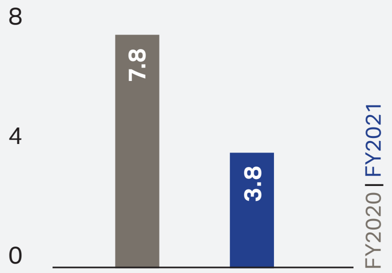
Total expenses of S$47.2 million for FY2021 were S$37.5 million higher than the corresponding period last year due mainly to the development costs of S$36.1 million recognised on completion of sales of townhouses in Stage 1 of RR project.

Similarly, commission, marketing, advertising and promotion expenses increased by S$1.0 million in FY2021 due mainly to the recognition of commission and agency expenses on completion of Stage 1 of RR project.

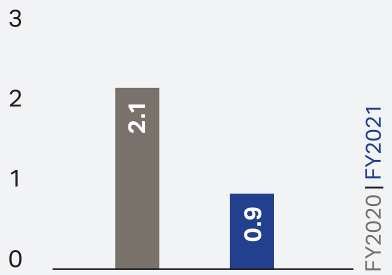
As a result, the Group posted a total profit of S$2.0 million in FY2021, as compared to a total loss of S$7.1 million in FY2020.

Excluding the non-cash fair value loss recognised of S$2.7 million on the Group's investment properties and unrealized foreign exchange gains of S$1.9 million, the Group would have posted a S$2.8 million net profit in FY2021.

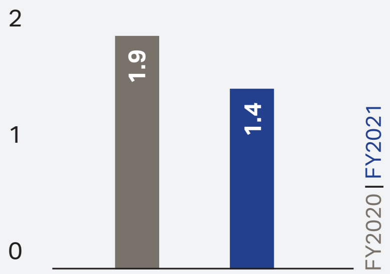
Cash and Cash Equivalents (S$ million)



Current Ratio (Times)



Debt/Equity Ratio (Times)



The Group's cash and cash equivalents decreased to S$3.8 million as at 30 June 2021 compared to S$7.8 million as at 30 June 2020 mainly due to repayment of loans and investment in term deposits, partly offset by sales proceeds from completion of Stage 1 of RR project and proceeds from borrowings.

Development properties decreased by S$22.1 million due mainly to sales of Stage 1 of RR project offset by ongoing development costs incurred for the Group's Bellfield project in New Zealand during the period.

Investment properties increased by S$1.3 million mainly due to the foreign currency translation gain amounting to S$4 million, partially offset by the fair value loss of S$2.7 million.

Total trade and other payables decreased by S$2.8 million mainly due to sales of Stage 1 of RR project and timing differences.

Total borrowings decreased by S$24.7 million as at 30 June 2021 mainly due to repayment of development loans for Stage 1 of RR project which was offset by additional borrowings to fund ongoing development projects.

As a result of the above, the Group's net assets closed at S$71.6 million as at 30 June 2021 compared to S$67.4 million as at 30 June 2020.

BOARD OF DIRECTORS & MANAGEMENT TEAM

ANDREW TAY

NON-EXECUTIVE CHAIRMAN & INDEPENDENT DIRECTOR
CHAIRMAN, AUDIT COMMITTEE
CHAIRMAN, NOMINATIONS COMMITTEE
MEMBER, REMUNERATION COMMITTEE

Andrew Tay has spent more than 20 years of his career in Corporate and Institutional Banking covering South East Asia with Bank of America, Standard Chartered Bank and Commerzbank AG.

Andrew was previously the Regional Head of Institutional Banking for South East Asia and India, covering bank and non-bank financial institutions for Standard Chartered Bank. From 2001 to 2003, he was the Executive Director of ABR Holdings Limited which is listed on the Singapore Exchange. Andrew graduated with a Bachelor of Business Administration from the University of Singapore in 1978.

Andrew was appointed Director of GYPP on 12 December 2007 and re-elected on 30 October 2019. He was appointed as Chairman of GYPP on 30 June 2020 and is Chairman of both the Audit and Nominations Committees, and a member of the Remuneration Committee.

MAH BOW TAN

NON-EXECUTIVE DEPUTY CHAIRMAN
& NON-INDEPENDENT DIRECTOR
MEMBER, REMUNERATION COMMITTEE

Mr Mah served in the Government holding various portfolios since 1988: Communications and Information, Environment and National Development, where he served from 1999 until 2011, when he retired from Government.

As Minister for National Development since 1999, Mr Mah guided Singapore's sustainable land use planning and urban development. He spearheaded the conceptualisation and implementation of Singapore's new downtown development at Marina Bay; and set up and co-chaired the Inter-Ministerial Committee for Sustainable Development, which published the first Sustainable Singapore blueprint. Mr Mah also led the Sino-Singapore Tianjin Eco-City project, a joint Chinese and Singapore Government-to-Government project.

Mr Mah is currently Distinguished Advisor to the Centre for Liveable Cities Singapore and Chairman of GlobalCities Consult Pte Ltd. He is also an Adjunct Professor at Nanyang Technological University's Centre for Public Administration and National University of Singapore's Lee Kuan Yew School of Public Policy.

Mr Mah was appointed Chairman of GYPP in September 2011. He stepped down as Chairman of GYPP in June 2020 and was appointed as the Non-Executive Deputy Chairman. He is a member of the Remuneration Committee.

STANLEY TAN

CHIEF EXECUTIVE OFFICER
& NON-INDEPENDENT EXECUTIVE DIRECTOR

Stanley was appointed Chief Executive Officer of the Group in September 2011. Under his management, the company overcame the challenges of a sunset industry by steering the Group's core business to property development, investment and management. Stanley has more than three decades of real estate investment and development experience in Singapore, New Zealand and Australia; comprising townships, commercial, retail, hotel, industrial and residential developments.

In New Zealand, Stanley led the development of the CityLife Hotels and Heritage Hotels. Some of his previous investments include Centre Place (Hamilton); BP House (Wellington); Nestle manufacturing complex, State Insurance Building, Vulcan Building and CML Building (Auckland). His past investments in Singapore include properties around Amoy Street, Ann Siang Street, Beach Road and Neil Road. Stanley remains a Director of private investment companies, The Angliss Property Group and Rumah Group, both of which invest in real estate.

Stanley was appointed to the Board of GYPP on 6 February 2007 and re-elected on 30 October 2019. He was appointed Chairman on 25 July 2008, and Executive Chairman and Acting Chief Executive Officer on 11 February 2009. He stepped down as Chairman and was confirmed as Chief Executive Officer and Executive Director on 30 September 2011.

NG TIONG GEE

NON-EXECUTIVE & INDEPENDENT DIRECTOR
CHAIRMAN, REMUNERATION COMMITTEE
MEMBER, NOMINATIONS COMMITTEE
MEMBER, AUDIT COMMITTEE

Ng Tiong Gee has 30 years' experience in the infocomm technology sector and is Chairman of Yellow Pages Pte Ltd, Director of Ren Ci Hospital and President of Tech Talent Assembly, an NTUC-affiliated association.

He was previously the Senior Vice President for Technology of Resorts World Sentosa, as well as Chief Information Officer and Chief Human Resource Officer of United Test and Assembly Center Ltd. Prior to that, Tiong Gee was STATS ChipPAC Senior Vice President of Human Resources before becoming its Chief Information Officer. Between 1988 and 1992, he held various key engineering positions at Digital Equipment Singapore, now part of Hewlett-Packard, and has previously worked at Siemens Microelectronics Asia Pacific Pte Ltd (now known as Infineon Technologies Asia Pacific) and Gateway Incorporated.

Tiong Gee is an independent director of Y Ventures Group Ltd, and Chairman of its Nominations Committee and a member of its Remuneration and Audit Committees. He is currently also the lead independent director of Pacific Radiance Ltd and is Chairman of its Nominations Committee and a member of its Remuneration Committee. Tiong Gee graduated with a Bachelor of Mechanical Engineering with Honours from the National University of Singapore and holds a Master of Business Administration from Nanyang Technological University of Singapore. He has also attended the Advanced Management Program at Harvard Business School.

Tiong Gee was appointed Director of GYPP on 6 August 2007 and re-elected on 30 October 2020. He is Chairman of the Remuneration Committee and a member of the Nominations and Audit Committees.

PANG YOKE MIN

NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR
MEMBER, NOMINATIONS COMMITTEE
MEMBER, AUDIT COMMITTEE

Pang Yoke Min is the Executive Chairman of Pacific Radiance Ltd, which operates a diverse fleet of vessels to support a range of offshore operations. He is also Chairman of YM Investco Pte Ltd, a family investment holding company.

Previously, Yoke Min was Group Managing Director of Jaya Holdings Ltd, which he co-founded in 1981 and was its managing director until 2006. He has been the President Commissioner of PT Logindo Samudramakmur Tbk since 2011. Yoke Min graduated with a Diploma in Business Administration from the Institute of Business Administration in Australia.

Yoke Min was appointed Director of GYPP on 6 February 2007 and re-elected on 26 October 2018. He is a member of the Audit and Nominations Committees.

LOO WEN LIEH

NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR

Loo Wen Lieh is the Group Financial Controller of Tee Yih Jia Group, a leading frozen foods manufacturer in Singapore with investments in various industries, including property, technology and F&B. Wen Lieh is also an alternate director of JB Foods Limited which is listed on the Singapore Exchange.

From December 2002 to May 2007, Wen Lieh was the Chief Financial Officer and Corporate Secretary of AGVA Corporation Limited and Hengxin Technology Limited where he was responsible for their Initial Public Offering, financial, tax and other related matters. He was a manager with KPMG where he started his career from July 1996 to November 2002, during which he left KPMG for one year from March 2000 to February 2001 to be the co-founder for a technology start-up.

Wen Lieh graduated with a Bachelor of Accountancy from Nanyang Technological University in 1996 and is a Fellow Chartered Accountant of Singapore, an ACA of the Institute of Chartered Accountants in England and Wales, and an ASEAN Chartered Professional Accountant. He was appointed Director of GYPP on 1 July 2018 and re-elected on 30 October 2020.

CHUA JOAN KEAT

CHIEF FINANCIAL OFFICER

Chua Joan Keat was appointed Chief Financial Officer of the Group in January 2014 and has over 20 years of financial management, investment, regulatory reporting and technical accounting experience in Big 4 accounting firms and global multinational companies.

He was previously Financial Controller of AXA Life Insurance Singapore and Head of Treasury & Investment Services at Aviva Singapore.

Joan Keat graduated with a Bachelor of Accountancy Degree (First Class Honours) from Nanyang Technological University in 1996 and is a Chartered Accountant with the Institute of Singapore Chartered Accountants, a Chartered Accountant with the Chartered Accountants Australia and New Zealand, and a Chartered Financial Analyst.

CHRIS MINTY

DIRECTOR OF PROPERTY, NZ

Chris Minty has over 30 years of experience in New Zealand property development, property management and consultancy for a variety of stakeholders including trusts, listed property entities, financial institutions, corporates, private clients and receivers.

His portfolio comprises significant commercial and residential developments including the Heritage Hotels (Auckland, Christchurch and Queenstown), The Parc (Auckland), Foundry (Albany), Neuhaus, Domain Centre and Terraces. Besides his own company Pacific Advisory and Management, Chris previously worked for many clients including IronGate Property, ANZ, St John Balanced Property Fund, Symphony Group, Covington Group, Fu Wah New Zealand and Chase Corporation.

Chris graduated with a Bachelor of Business Studies from Massy University.

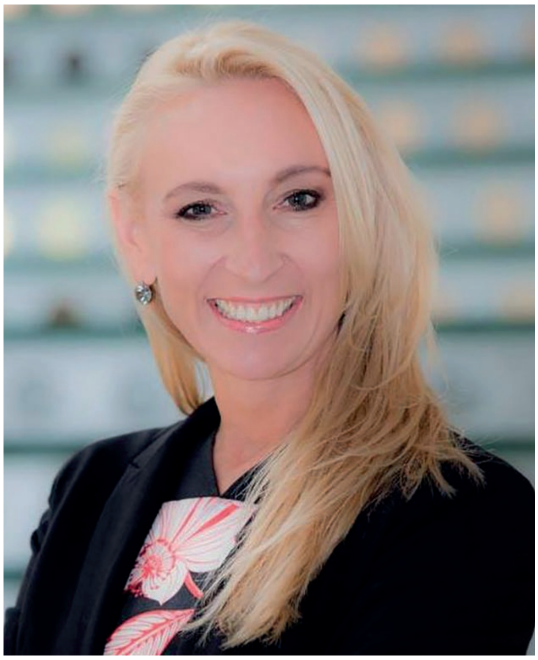
KATHLYN TAN

COMMUNICATIONS & SUSTAINABILITY DIRECTOR

Kathlyn Tan first joined the company in June 2011 as Executive Assistant to the Chairman and has since worked in various functions across the Group, including operations, business development, strategic planning and project management.

In September 2018, she was appointed Corporate Marketing Director where she drove the Group's re-branding, communications, and community and sustainability initiatives. In response to the global demand for responsible investing and a growing number of firms being evaluated on environmental, social and governance criteria, she was appointed Communications & Sustainability Director in July 2021 to further the Group's performance.

Kathlyn graduated from the University of Sydney with a Bachelor of Economics and a Graduate Certificate in Strategic Public Relations. She is an alumna of the Cambridge Institute for Sustainability Leadership and is GRI trained in sustainability reporting.



JAKI RECCHIA

PROPERTY MANAGER

Jaki Recchia has more than 15 years' experience managing shopping centres and commercial properties in New Zealand and Australia.

Prior to joining the company, she was with Australian public listed Scentre Group (formerly Westfield Group), where she managed the shopping centres Shore City and Glenfield Mall, and played a key role in securing both centres' income and capital values. Jaki later went on to property group Vinta where she helped drive the remix, development and turnaround of Hunters Plaza in Papatoetoe, Auckland, in addition to working on other shopping centres in Australia and introducing technology to maximise the overall profitability of the group.

AARON ABERCROMBIE

PROJECT MANAGER

Aaron Abercrombie has been in the civil construction industry for more than 12 years and has a wealth of experience in commercial siteworks, bulk earthworks, infrastructure works, roading and subdivisions. Aaron has worked on some larger international projects, such as gas and steam power stations, tunnelling and more recently, multi-stage residential subdivisions in New Zealand.

Before joining GYPP in 2017, Aaron worked for Hiway Stabilisers, NZ's largest road construction and geotechnical contractors; and for a number of years was General Manager of Troydon Contractors, a civil contracting company based in Auckland.

CORPORATE DIRECTORY

DIRECTORS

ANDREW TAY GIM CHUAN
Non-Executive Chairman & Independent Director
MAH BOW TAN
Non-Executive Deputy Chairman & Non-Independent Director
STANLEY TAN POH LENG
Chief Executive Officer & Non-Independent Executive Director
NG TIONG GEE
Non-Executive & Independent Director
PANG YOKE MIN
Non-Executive & Non-Independent Director
LOO WEN LIEH
Non-Executive & Non-Independent Director

COMPANY SECRETARIES

Lee Wei Hsiung
Joanna Lim Lan Sim

COMPANY REGISTRATION NUMBER

200304719G

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

1 Lorong 2 Toa Payoh,
Braddell House,
Singapore 319637
Tel : (65) 6351 1000 **Fax :** (65) 6354 3828
Email : ir@gypproperties.com
Web : www.gypproperties.com

SHARE REGISTRAR AND TRANSFER AGENT

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place,
#32-01 Singapore Land Tower,
Singapore 048623

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12,
Singapore 018936
Audit Partner: Trillion So
Year of Appointment of Audit Partner: FY2020

AUDIT COMMITTEE

Andrew Tay Gim Chuan (Chairman)
Ng Tiong Gee
Pang Yoke Min

NOMINATIONS COMMITTEE

Andrew Tay Gim Chuan (Chairman)
Ng Tiong Gee
Pang Yoke Min

REMUNERATION COMMITTEE

Ng Tiong Gee (Chairman)
Mah Bow Tan
Andrew Tay Gim Chuan

PRINCIPAL BANKERS

Bank of China (New Zealand) Limited
Level 17, Tower 1, 205 Queen Street,
Auckland CBD, 1010
New Zealand

China Construction Bank (New Zealand) Limited
Level 29, 48 Shortland Street,
Auckland CBD, 1010
New Zealand

Maybank Singapore Limited
J. Sultan Business Centre,
200 Jalan Sultan, #01-02,
Textile Centre, Singapore 199018

United Overseas Bank Limited
1 Raffles Place, #23-61 One Raffles Place Tower 2,
Singapore 048616

CORPORATE GOVERNANCE STATEMENT

The Company recognises the importance of good corporate governance and the offering of high standards of accountability to shareholders.

This statement sets out the Company's corporate governance framework and practices in compliance with the principles and guidelines of the Code of Corporate Governance dated 6 August 2018 (the "Code"). Where there have been deviations from the Code, appropriate explanations are provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Board matters

Principle 1: The Board's Conduct of its Affairs

The Board of Directors (the "Board") as fiduciaries act objectively in the best interests of the Group and hold Management accountable for performance. The Board has put in place a code of conduct and ethics. It also sets the tone for the Group in respect of ethics, values and desired organisational culture, and ensures proper accountability within the Group. Any director who faces a conflict of interest or a possible conflict of interest, in relation to a matter, must promptly declare his interest at a meeting of directors or send a written notice to the Company containing details of his interest and the conflict and recuses himself from discussions and decisions on the matter.

The Board understand the Company's business as well as their directorship duties (including their respective roles as executive, non-executive and independent directors). New directors are provided with induction and all directors are provided with training opportunities to develop and maintain their skills and knowledge at the Company's expense.

The primary function of the Board is to protect and enhance long-term value and return for its shareholders. Besides carrying out its statutory responsibilities, the key roles of the Board are to:

(a) set the overall strategy and policies of the Group's business direction, and ensures that sufficient resources are in place to meet its objectives;

(b) establish a framework of prudent and effective controls that enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;

(c) set the Group's values and standards, compliance and accountability systems, and ensure that obligations to the Company's shareholders are understood and met;

(d) identify the key shareholder groups and recognise that their perceptions affect the Group's reputation;

(e) review the Group's financial performance and key operational initiatives and endorse the recommended framework of remuneration for the Board and key executives and assume responsibility for corporate governance; and

(f) consider sustainability issues relating to the environment and social factors as part of the strategic formulation of the Group.

The Board has put in place financial authorisation and approval limits for operating and capital budgets, procurement of goods and services, and cheque signatory arrangements. Approval sub-limits are also provided at management level to facilitate operational efficiency. Within these guidelines, the Board approves transactions above certain financial thresholds. The Board approves the Group's half year and full-year financial results for release to the SGX-ST and transactions of a material nature requiring announcement under the listing rules of the SGX-ST. Directors are briefed on the Group's operations and are routinely updated on developments and changes in the operating environment. All Directors objectively make decisions at all times as fiduciaries in the interest of the Company.

A formal letter setting out the director's duties and responsibilities under the various regulations is issued to new directors upon their appointment. The Company also conducts an in-house orientation programme, incorporating briefings from various business and corporate units for new Board members to familiarise them with the Group's business activities and strategies. The company secretaries will also bring to the directors' attention the Company's governance practices, including policies on disclosure of interest in securities, prohibitions on dealing in the Company's securities and restrictions on disclosure of price-sensitive information. All newly appointed directors are given briefings by the management on the history, business operations and corporate governance practices of the Group. Newly appointed directors also attend courses, seminars and trainings organised by the professional bodies and regulatory institutions which may have a bearing on their duties and contributions to the Board to keep themselves updated on the latest developments that may be relevant for the Group.

To keep pace with regulatory changes, the director's own initiatives are supplemented from time to time with information, updates and sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the directors in discharging their duties. The directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group. Directors can apply to the Company for funding for any such courses, conferences and seminars which they may apply to attend.

Directors are at liberty to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from management.

The Board meets at least four times a year. In addition to scheduled Board meetings, ad hoc meetings are convened as and when circumstances require. To facilitate the Board's decision-making process, the Company's Articles of Association provides for Directors to participate in Board meetings by telephone conference and similar communications equipment, and for Board resolutions to be passed in writing, including by electronic means. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

The number of Board, Board Committee and general meetings held for the financial year ended 30 June 2021 and each Director's attendance at such meetings are set out below:

Members	**Board**		**Audit Committee**		**Remuneration Committee**		**Nominations Committee**		**General Meeting**	
	Held	Attendance	Held	Attendance	Held	Attendance	Held	Attendance	Held	Attendance
Mah Bow Tan	4	4	NA	NA	1	1	NA	NA	1	1
Stanley Tan Poh Leng	4	4	NA	NA	NA	NA	NA	NA	1	1
Ng Tiong Gee	4	4	4	4	1	1	1	1	1	1
Pang Yoke Min	4	4	4	4	NA	NA	1	1	1	1
Andrew Tay Gim Chuan	4	4	4	4	1	1	1	1	1	1
Loo Wen Lieh	4	4	NA	NA	NA	NA	NA	NA	1	1

NA – not applicable

CORPORATE GOVERNANCE STATEMENT continued

In the discharge of its functions, the Board is supported by three Board committees that provide independent oversight of management and serve to ensure that there are appropriate checks and balances. These key committees comprise the Audit Committee, the Nominations Committee, and the Remuneration Committee (collectively, the "Board Committees"). These Board Committees function within written terms of reference, which are reviewed on a regular basis. Each Board Committee reports to the Board with their recommendations, however, ultimate responsibility for final decision on key matters lies with the Board. The effectiveness of each Board Committee is regularly reviewed by the Board.

As at 30 June 2021, the Audit Committee, the Nominations Committee and the Remuneration Committee are chaired by an Independent Director and comprised entirely of non-executive directors. Further details on their composition and activities are provided below.

The Board is provided with relevant information and comprehensive analysis by the management pertaining to matters to be brought before the Board for discussion and decision. Management also provides regular reports on the Group's financial performance and operations to the Board. Board papers are sent to all directors in advance of the Board meetings. Senior managers who have prepared the papers, or who can provide additional insight on the matters to be discussed, are normally invited to present the paper or attend the Board meeting.

As a general rule, notices are sent to the Board at least one week in advance of Board meetings, followed by the Board papers, in order for the Board to be adequately prepared for the meetings.

Directors have separate and independent access to management and the company secretaries. Where necessary, the Company will, upon the request of directors (whether as a group or individually), provide them with independent professional advice, at the Company's expense, to enable them to discharge their duties. The appointment and the removal of the company secretaries is deliberated on by the Board as a whole. The company secretaries attend Board meetings and are responsible for, amongst other things, ensuring that Board procedures are observed and that applicable rules and regulations are complied with. Where the company secretaries are unable to attend any Board meeting, they ensure that a suitable replacement is in attendance and that proper minutes of the same are taken and kept.

Principle 2: Board Composition and Guidance

The Board considers an "independent" director to be one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

The Directors of the Company as at the date of this Annual Report are:

Andrew Tay Gim Chuan
(Non-Executive Chairman & Independent Director)
Mah Bow Tan
(Non-Executive Deputy Chairman & Non-Independent Director)
Stanley Tan Poh Leng
(Chief Executive Officer & Non-Independent Executive Director)
Ng Tiong Gee
(Non-Executive & Independent Director)
Pang Yoke Min
(Non-Executive & Non-Independent Director)
Loo Wen Lieh
(Non-Executive & Non-Independent Director)

The Board currently comprises six directors, of which two are independent directors, and as such, the composition of the Board complies with the recommendation under the 2012 Code of Corporate Governance for independent directors to make up one-third of the Board. The Board noted that with effect from 1 January 2022, the independent directors must comprise at least one-third of the Board. The Board shall continue to ensure that its composition is in line with the SGX Listing Rules 210(5)(c).
The non-executive Directors make up a majority of the Board. They constructively challenge and assist in the

development of business strategies and assist the Board in reviewing the performance of the Management in meeting goals and objectives and monitoring the reporting of performance.

The Board size and composition are reviewed from time to time by the Nominations Committee, with a view of ensuring that the Board is of an appropriate size that is conducive for effective decision-making, has an appropriate balance of independent directors, and comprise directors with the right skills and expertise to meet the industry and business needs of the Company, taking into account the scope and nature of the operations of the company, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. The Board's decision-making process is not dominated by any individual or small group of individuals.

The Board comprises persons who, as a group, provide the necessary core competencies, and includes experienced professionals with management, information technology, financial, banking, government, property and hotel backgrounds. This enables management to benefit from their external and objective perspective of issues that are brought before the Board.

The Company has adopted a board diversity policy which recognises the importance of having an effective and diverse Board. The main objective of the policy is to have the appropriate balance of skills, experience, knowledge and other aspects of diversity (eg. gender, age and nationality) on the Board to support the long-term success of the Group. Under the policy, the Nominations Committee is responsible for recommending to the Board the relevant practices to promote and achieve diversity on the Board. The Board is making progress on the implementation of the board diversity policy and is placing more emphasis on diversity when identifying persons for appointment to the Board.

Where necessary or appropriate, the non-executive directors on the Board will meet without the presence of the management. The chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate. The non-executive directors also help to develop proposals on strategy, actively participate in discussions and decision-making at Board and Board Committee levels, as well as in open and candid discussions with management. The non-executive directors review the performance of management in meeting agreed goals and objectives.
To ensure that non-executive directors are well informed with accurate, complete and timely information, non-executive directors have unrestricted access to management.

Information on the Board of Directors and Management Team is provided under the section "Board of Directors & Management Team" in the Annual Report.

Principle 3: Chairman and Chief Executive Officer

The roles of the Chairman and the CEO of the Company are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

The Chairman, Andrew Tay Gim Chuan ("Andrew Tay"), is a non-executive and independent director and is responsible for leading the Board. He sets the agenda for Board meetings, ensures that adequate time is available for discussion for all agenda items, in particular, strategic issues, and that complete, adequate and timely information is made available to the Board. He encourages constructive relations within the Board and between the Board and management, facilitates the effective contribution of non-executive directors, and ensures effective communication with shareholders. He takes a lead role in promoting high standards of corporate governance, with the full support of the directors, the company secretary and management.

The CEO, Stanley Tan Poh Leng ("Stanley Tan"), bears executive responsibility for the Group's business direction and operational decisions of the Group.

The Chairman is a non-executive and independent director and is not related to the CEO. The Group's independent directors confer amongst themselves when necessary, without the presence of the other directors, and the independent directors will provide feedback to the Board after such meetings as appropriate. In addition, independent directors also meet regularly and on ad hoc basis with the CEO and senior management team as well as other non-executive directors to discuss challenges facing the Group.

CORPORATE GOVERNANCE STATEMENT continued

Principle 4: Board Membership

The Nominations Committee makes recommendations to the Board on all Board appointments. As at 30 June 2021, the Nominations Committee was chaired by Andrew Tay and its other members were Pang Yoke Min and Ng Tiong Gee. Andrew Tay and Ng Tiong Gee are non-executive and independent directors and Pang Yoke Min is a non-executive and non-independent director. The Nominations Committee is guided by its Board-approved written terms of reference, and serves to ensure a formal and transparent process for the nomination of directors to the Board.

The Nominations Committee may identify candidates for appointment as new directors through the business network of Board members or engage external independent professional advisors to assist in the search for suitable candidates. The Nominations Committee will generally identify suitable candidates skilled in core competencies such as strategic planning, legal, accounting or finance, business or management expertise, industry knowledge and customer-based experience.

If the Nominations Committee decides that the candidate is suitable, the Nominations Committee then recommends its choice to the Board of Directors. Meetings with such candidates may be arranged to facilitate open discussion. Upon appointment, arrangements will be made for the new director to attend various briefings with the management team.

At each Annual General Meeting of the Company, not less than one-third of the directors (those who have been longest in office since their last appointment or re-election), and a director who, if he did not retire at that Annual General Meeting, would at the next Annual General Meeting have held office for more than three years, are required to retire from office by rotation. A retiring director is eligible for re-election by shareholders at the Annual General Meeting. In addition, all newly-appointed directors will hold office only until the next Annual General Meeting and will be eligible for re-election.

As at the date of this Annual Report, the Board comprises six Directors, of whom two are independent, namely, Ng Tiong Gee and Andrew Tay.

The Directors are required to disclose to the Board their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence. If the Board, having taken into account the views of the Nominations Committee, determines that such Directors are independent notwithstanding the existence of such relationships, the Company will disclose the relationships and its reasons in the Annual Report.

The independence of each Director is reviewed annually by the Nominations Committee. Each independent Director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code. The independence of any Director who has served on the Board beyond nine years from the date of his first appointment will be subject to more rigorous review, taking into account the need for progressive refreshing of the Board.

Under Rule 210(5)(d) (iii) of the Listing Manual of the SGX-ST, which is effective from 1 January 2022, a Director will not be independent if he has been a Director for an aggregate period of more than nine years and his continued appointment as an Independent Director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the Directors and the Chief Executive Officer of the company and their associates. Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the Director or (ii) the conclusion of the third annual general meeting of the Company following the passing of the resolutions.

By 1 January 2022, each of Ng Tiong Gee and Andrew Tay ("collectively, the "Relevant Directors") will have served the Board beyond nine years from the date of his first appointment on 6 August 2007 and 12 December 2007 respectively. Accordingly, the approval of the shareholders of the Company via the two-tier voting process at the forthcoming annual general meeting of the Company will be required for the Relevant Directors to continue in office as Independent Director come 1 January 2022.

The Nominations Committee and the Board have reviewed the independence of the Relevant Directors. Pursuant to the review and Nominations Committee's recommendation, the Board was of the view that each of the Relevant Directors has engaged the Board in constructive discussions, his contributions have been relevant and reasoned and he has exercised independent judgement. In coming to this view, the Board took into account the criteria of independence as set out in the Code and each of the Relevant Directors' demonstration of independence in character and judgement through the many discussions the Board had over matters and issues concerning the Group in both formal and informal settings. Each of the Relevant Directors expressed constructive viewpoints, objectively raised issues and demonstrated independent mindedness in conduct at Board and/or committee meetings. His length of service has not interfered with his exercise of independent judgment.

The Board also recognised that over time each of the Relevant Directors developed significant insights in the Group's businesses and operations and could continue to provide significant and valuable contributions objectively to the Board as a whole.

The Board therefore recommends that the approval of the shareholders of the Company be sought via the two-tier voting process at the forthcoming annual general meeting of the Company for each of the Relevant Directors to continue in office as an Independent Director come 1 January 2022.

The Nominations Committee ensures that new Directors are aware of their duties and obligations. The Nominations Committee also decides if a Director is able to and has been adequately carrying out his or her duties as a director of the Company taking into consideration the Director's number of listed company board representations and other principal commitments.

At present, the Board does not intend to set a maximum number of listed company board representations a director may hold as it is of the view that the effectiveness of a director should be evaluated by a qualitative assessment of his contributions to the Company's affairs taking into account his other commitments including his directorships in other listed companies. The Nominations Committee considers that the multiple board representations held presently by some directors do not impede their respective performance in carrying out their duties to the Company.

Principle 5: Board Performance

The Nominations Committee acknowledges the importance of a formal assessment of Board performance and gives careful consideration to the establishment of objective performance criteria by which the Board's performance may be evaluated. A formal assessment process is in place to assess the effectiveness of the Board's performance and each individual director's contribution annually. The evaluation of each individual director's contribution is conducted by a questionnaire to be completed by each individual director. The Nominations Committee assesses the Board's performance by completing a Board Assessment Checklist, which takes into consideration factors such as the Board composition, information to the Board, Board procedures, Board Accountability, CEO/Top Management and standards of conduct. The findings are then collated and analysed, and thereafter presented to the Nominations Committee, which will, in consultation with the Board, take appropriate actions to address the findings of the performance assessment.

To-date, the Nominations Committee does not require the assistance of an external facilitator in relation to the assessment process. The Nominations Committee has considered and assessed the performance and contributions of all of the Board members, taking into account their attendance, and participation at Board meetings and their time and efforts devoted to the business and affairs of the Company and the Group. The Chairman may, in consultation with the Nominations Committee and the Board, act on the results of the performance evaluation and, where appropriate, propose new members for appointment to the Board and/or seek the resignation of relevant directors.

CORPORATE GOVERNANCE STATEMENT continued

Remuneration matters

Principle 6: Procedures for Developing Remuneration Policies

Principle 7: Level and Mix of Remuneration

Principle 8: Disclosure of Remuneration

Remuneration Committee

As at 30 June 2021, the Remuneration Committee was chaired by Ng Tiong Gee and its other members were Mah Bow Tan and Andrew Tay. Ng Tiong Gee and Andrew Tay are non-executive and independent directors. Mah Bow Tan is the non-executive Deputy Chairman & non-independent director. The Remuneration Committee has access to expert professional advice on executive compensation matters whenever there is a need to consult externally. The Remuneration Committee is guided by its Board-approved written terms of reference.

The Remuneration Committee recommends to the Board a framework of remuneration for the Board and key executives, including termination clauses, and determines the specific remuneration package for the Chief Executive Officer. The Remuneration Committee's recommendations are submitted for endorsement by the entire Board. No director is involved in deciding his own remuneration. The Remuneration Committee considers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits in kind.

Remuneration Policy

The Company adopts an overall remuneration policy for staff comprising a fixed component in the form of a base salary. The variable component is in the form of a bonus that is linked to the Company's and the individual's performance.

In determining the remuneration for the Chief Executive Officer and key executives, the Remuneration Committee takes into account the following principles:

1) the remuneration should motivate the executives to achieve the Company's performance targets;

2) the performance-related elements of remuneration should form a significant part of their total remuneration package;

3) the interests of the executives should be aligned with shareholders; and

4) the remuneration should be directly linked to the performance of the Group and individual performance.

The Chief Executive Officer and key management personnel are moderately compensated and the Remuneration Committee is of the view that there is no requirement to have any long-term incentive scheme or schemes involving the offer of shares or grants of options or other forms of deferred remuneration at this time. As such, there is no mechanism to reclaim incentives for such schemes.

The non-executive directors' fees are set in accordance with a remuneration framework comprising basic retainer fees for each non-executive director, additional fees for the appointments to the various committees established by the Board and attendance fees for attendance at Board and Board committee meetings. Factors such as effort and time spent, and responsibilities of the directors, are taken into account. Directors' fees are subject to the approval of shareholders at the Annual General Meeting. The Group currently does not have any scheme to encourage non-executive directors to hold shares in the Group.

The Code recommends full disclosure of the remuneration of the Company's directors and top key executives in the Group. The Board has considered this matter carefully and has decided against disclosure in dollar terms. Given the highly competitive and niche industry that the Group operates in, it is felt that the disadvantages will outweigh the benefits.

The breakdown of the remuneration of directors and key executives (who are not also directors) who are still in office as at 30 June 2021 is as follows:

Remuneration Band And Name of Director	Fixed Component[1]	Variable Component[2]	Benefits [3]	Fees[4]	Total Compensation
	%	%	%	%	%
S$500,000 to below S$750,000					
Stanley Tan Poh Leng	70.4%	23.1%	1.5%	5.0%	100.0%
S$250,000 to below S$500,000					
Andrew Tay Gim Chuan	–	–	–	100.0%	100.0%
Below S$250,000					
Mah Bow Tan	–	–	–	100.0%	100.0%
Ng Tiong Gee	–	–	–	100.0%	100.0%
Pang Yoke Min	–	–	–	100.0%	100.0%
Loo Wen Lieh	–	–	–	100.0%	100.0%
Remuneration Band and Name of Key Executive					
S$250,000 to below S$500,000					
Chua Joan Keat	92.2%	7.8%	–	–	100.0%
Below S$250,000					
Kathlyn Tan Jiling	91.9%	8.1%	–	–	100.0%
Jaki Recchia	92.4%	7.6%	–	–	100.0%

(1) Fixed Component refers to base salary earned, annual wages supplement and transport allowance, if applicable, for the financial year ended 30 June 2021.
(2) Variable Component refers to variable bonus paid or accrued relating to performance during the financial year ended 30 June 2021.
(3) Benefits include car benefits and social club membership subscription.
(4) Fees include director's fees and professional fees for consultancy services provided.

CORPORATE GOVERNANCE STATEMENT continued

As disclosed in the table, the annual remuneration of Kathlyn Tan Jiling, who is the daughter of Stanley Tan, CEO and Executive Director, is within the S$200,000 to S$250,000 band.

The total remuneration paid to the top five key executives (who are not directors) for the financial year ended 30 June 2021 was approximately S$755,000.

The Company does not have any employee share/stock options scheme or any other long-term incentive scheme during the financial year ended 30 June 2021. The Company has been considering long-term incentive schemes for directors and key management personnel taking into account various factors but has yet to find a suitable model. The Company will continue to look into the matter.

Accountability and audit

Principle 9: Risk Management and Internal Controls

Principle 10: Audit Committee

The Board recognises that it has overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The Audit Committee assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

The Company has in place an Enterprise Risk Management Framework. The implementation and maintenance of the Company's risk management framework is undertaken by the senior management team, which reports to the Audit Committee on strategic business risks as well as providing updates on the risk management activities of the Company's businesses and the Enterprise Risk Management implementation progress in the Company. Significant strategic risks identified are assessed, managed and monitored adequately within the Company's risk management framework. These strategic risks are also reviewed and refreshed to ensure relevant emerging risks are being considered and included for proper assessment, monitoring and reporting as appropriate.

The Group continually reviews and improves its business and operational activities to identify areas of significant business risk as well as taking appropriate measures to control and mitigate these risks. These include the implementation of safety, security and internal control measures and taking up appropriate insurance coverage. The Group's financial risk management programme seeks to minimise potential adverse effects of the unpredictability of financial markets on the Group's financial performance. The financial risk management policies are outlined in Note 34 of the Notes to the Financial Statements.

Key internal controls of the Group include:

— Establishment of policies and approval limits for key financial and operational matters, and rules relating to the delegation of authorities;

— Documentation of key processes and procedures;

— Segregation of incompatible functions which give rise to a risk of errors or irregularities not being promptly detected;

— Safeguarding of assets;

— Maintenance of proper accounting records;

— Ensuring reliability of financial information;

— Ensuring compliance with appropriate legislation and regulations; and

— Having qualified and experienced persons take charge of important functions.

The Audit Committee ensures that a review of the adequacy and effectiveness of the Company's internal controls is conducted at least annually. The Audit Committee is satisfied that the internal audit function is adequately resourced and that the internal auditors are independent and have the appropriate standing to perform their functions effectively. The Audit Committee has met with the internal auditors without management during the year.

The Board is not aware of any material inadequacy in the overall internal controls and processes currently in place.

The Board has received assurance from:

1) the Chief Executive Officer and Chief Financial Officer that 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

2) the Chief Executive Officer and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Based on the work performed by the internal auditors during the current financial year, as well as the statutory audit by the external auditors, and the assurance from management, the Board, with the concurrence of the Audit Committee, is of the opinion that the system of internal controls and risk management in place as at 30 June 2021 is adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Audit Committee

As at 30 June 2021, the Audit Committee comprises Andrew Tay (Chairman), Ng Tiong Gee and Pang Yoke Min. Andrew Tay and Ng Tiong Gee are independent and non-executive directors and Pang Yoke Min is a non-independent and non-executive director. At least two members of the Audit Committee have accounting or financial management expertise and related financial experience. The Audit Committee's scope of authority is formalised in its approved terms of reference, which include the statutory functions of an audit committee as prescribed under the Companies Act, Chapter 50, the Code and Chapter 9 of the Listing Manual of the SGX-ST.

The Audit Committee has authority to perform the functions and to investigate any matter specified within its terms of reference, and has full access to and co-operation of management, and full discretion to invite any executive director or executive officer to attend its meetings. Reasonable resources have been made available to the Audit Committee to enable it to discharge its duties.

The duties of the Audit Committee include the following:

— To review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and the Group and any formal announcements relating to the Company's and the Group's financial performance;

— To review the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements;

— To review the balance sheet of the Company and consolidated financial statements of the Group for the half year and full-year results prior to their submission to the Board;

— To make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

— To review with external auditors their (i) annual audit plan, findings, and recommendations to management as well as management's response and (ii) audit report;

CORPORATE GOVERNANCE STATEMENT continued

— To review the assistance given by management to the external auditors;

— The Audit Committee and the external auditors review areas of identified risks and where critical accounting estimates, assumptions and judgments are made, which include the valuation of investment properties, valuation of development properties and going concern of the Group and Company;

— To review interested person transactions and conflict of interest situations that may arise within the Group;

— To review the adequacy of the Group's internal financial controls, operational and compliance controls, and risk management policies and systems (collectively referred to as "internal controls"); and

— To review the adequacy and effectiveness of the Group's internal auditors, including the adequacy of internal audit resources and their evaluation of the overall risk profile and internal controls systems as well as the scope and results of the internal audit procedures.

In the event the Audit Committee becomes aware of a suspected fraud or irregularity which has or is likely to have a material impact on the financial results of the Group, it will commission an investigation into the matter and review and report the findings of the investigation to the Board of Directors.

The details of the aggregate amount of fees paid to external auditors and the breakdown of fees payable in respect of audit and non-audit services can be found under Additional Information on part (b) on page 139.

The Audit Committee has undertaken a review of all non-audit services provided by the external auditors during the current financial period and reviewed the independence and objectivity of the external auditors, and are satisfied with its standard of audit, independence and objectivity. The independence of the external auditors is reviewed annually. The Audit Committee has met with the external auditors without management during the year.

The Company will be appointing RSM Chio Lim LLP as new external auditors in place of the existing external auditors, PricewaterhouseCoopers LLP who will not be seeking re-appointment and will be retiring at the forthcoming Annual General Meeting ("Proposed Change of Auditors"). The Audit Committee has reviewed and deliberated the Proposed Change of Auditors and recommended the Proposed Change of Auditors for approval by the Board of Directors. Details of the Proposed Change of Auditors are set out in the addendum to the Annual Report dated 14 October 2021.

The Company has complied with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST.

The Audit Committee keeps abreast of changes to accounting standards and issues which have a direct impact on financial statements through the reports presented by the external auditors on the scope and results of the external audit, and through their discussions with the external auditors.

The Company has put in place a formal whistle-blowing policy, and the Audit Committee has endorsed, arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The objective for such arrangements is to ensure independent investigation of such matters and for appropriate follow-up action, and to encourage the reporting of such matters, in good faith, with the confidence that employees making such reports will be treated fairly and to the extent possible, protected from reprisal. No reports of whistle-blowing incidents were recorded for the financial year ended 30 June 2021.

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

1. The Audit Committee has discussed significant financial reporting matters with management and the external auditors which have been included as key audit matters ("KAM") in the independent auditors' report for the financial year ended 30 June 2021, as set up in pages 59 to 60 of this Annual Report.

2.

Key Audit Matter	How the Audit Committee Reviewed the Matter and What Decision Was Made
Valuation of investment properties	The Audit Committee considered the valuation approach and methodologies applied by the external valuer, Bayleys Valuations Limited. The Audit Committee also discussed the above with the external auditors and considered the work performed by the external auditor on their assessment of the appropriateness of the valuation methodologies and the reasonableness of the underlying assumptions adopted by the external valuer. The external auditors have included the valuation of investment properties as a key audit matter in the auditor's report for the financial year ended 30 June 2021. This is on page 59 of the Annual Report.
Valuation of development properties	The Audit Committee considered the valuation approach and methodologies applied by the external valuer, Bayleys Valuations Limited. The Audit Committee also discussed the above with the external auditors and considered the work performed by the external auditors on their assessment of the appropriateness of the valuation methodologies and the reasonableness of the underlying assumptions adopted by the external valuers. The external auditors have included the valuation of development properties as a key audit matter in the auditor's report for the financial year ended 30 June 2021. This is on page 60 of the Annual Report.

Internal Audit

The Board recognises the need and is responsible for maintaining a system of internal control processes to safeguard shareholders' investments and the Group's business and assets. The effectiveness of the internal financial control systems and procedures is monitored by the Audit Committee. The internal auditors have unrestricted access to all the company's documents, records, properties and personnel, including access to the Audit Committee.

The Company has established its internal audit function and outsourced it to a reputable international accounting firm, Ernst & Young Advisory Pte Ltd, who is rated as generally conforming to the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, and staffed with professionals with relevant qualifications and experience. The primary reporting line of the internal audit function is to the Audit Committee, which also decides on the appointment, termination and remuneration of the internal auditor and is assisted by management in its detailed work. The internal auditor has unfettered access to all the Company's documents, records, properties and personnel, including the Audit Committee, and has appropriate standing within the Company. The Audit Committee ensures, at least annually, the adequacy of the internal audit function and reviews and approves the internal audit plan.

Shareholders Rights And Engagement

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company communicates information to shareholders and the investing community through announcements that are released to the SGX-ST via SGXNET. Such announcements include the half year and full-year results, material transactions, and other developments relating to the Group requiring disclosure under the corporate disclosure policy of the SGX-ST.

Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNET and the Company's website. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as promptly as possible on the Company's website. The public is also able to access information about the Group on the Company's website, which can be found at www.gypproperties.com.

The Group believes in encouraging shareholders' participation at general meetings. Shareholders are informed

CORPORATE GOVERNANCE STATEMENT continued

of the rules that govern general meeting of shareholders. A shareholder who is entitled to attend and vote may either vote in person or in absentia through the appointment of one or more proxies (who can either be named individuals nominated by the shareholder to attend the meeting or the Chairman of the meeting as the shareholder may select). The Company's Articles of Association allow a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder. The Company's Articles of Association have not yet been amended to allow for other absentia voting methods such as by mail, electronic mail, fax and/or other methods. Such amendments may be proposed if the necessary security and other measures that can protect against errors, fraud and other irregularities that could arise from such absentia voting methods become available on a cost-effective basis, and the Board views that this is of sufficient interest to the Company's shareholders.

The Board noted that with the Companies (Amendment) Act 2014, with effect from 3 January 2016, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act. At the forthcoming Annual General Meeting, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting.

Resolutions to be passed at Annual General Meetings are always separate and distinct in terms of issue so that shareholders are better able to exercise their right to approve or deny the issue or motion. A balanced assessment of the relevant issues is provided or explained to shareholders, if necessary, to enable them to make informed judgments about the resolutions. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

The Company's main forum for dialogue with shareholders takes place at its Annual General Meeting, where the members of the Board, senior management and the external auditors are in attendance. At the Annual General Meeting, shareholders will be given the opportunity to air their views and ask questions regarding the Company. Directors' attendance at such meetings held during the financial year is disclosed on page 41 of this Annual Report.

At each Annual General Meeting, the Board presents the progress and performance of the Group and encourages shareholders to participate in the question and answer session. The external auditors are present to address shareholders' queries on the conduct of audit and the preparation and content of the auditors' report.

The Chairman of each of the Audit, Nominations and Remuneration Committees, or members of the respective Committees standing in for them, are present at each Annual General Meeting, and other general meetings held by the Company, if any, to address shareholders' queries. Senior management is also present at general meetings to respond, if necessary, to operational questions from shareholders that may be raised.

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company will put all resolutions to vote by poll at general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNET.

Due to the COVID-19 restriction orders in Singapore, the 17th Annual General Meeting of the Company held on 30 October 2020 (17th AGM) was conducted by way of electronic means. Shareholders who wished to attend the 17th AGM could pre-register electronically to participate via the live audio-visual webcast or listen to the live audio-only streams of the proceedings. Shareholders were also invited to submit questions related to the resolutions to be tabled for approval at the 17th AGM in advance. The responses to substantial and relevant questions received from shareholders were published on SGXNET and the Company's website prior to the 17th AGM. All the resolutions set out at the 17th AGM were passed by shareholders through valid proxies and the results of the 17th AGM were announced on SGXNET on the same day of the 17th AGM.

The Company does not have a fixed dividend policy at present. The form, frequency and amount of dividends to be declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Board would consider a dividend policy at an appropriate time.

Principle 12: Engagement with Shareholders

The Company provides avenues for communication between the Board and all shareholders. To solicit and understand the views of shareholders, the Company seeks to maintain regular dialogue with its shareholders through briefings and by allowing them to share with Directors or senior management from time to time their views and concerns.

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that are likely to have a material impact on the price or value of the Company's securities, through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

The Company's investor relations policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions. As part of the policy, the Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information, including disclosures on corporate developments, to its shareholders via SGXNET announcements, news releases and its website and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practise selective disclosure. The views of shareholders are gathered at shareholder meetings where shareholders are permitted to ask questions and seek a better understanding of the Group.

Managing Stakeholders Relationships

Principle 13: Engagement with Stakeholders

Principle 13 of the Code requires the Board to adopt an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

In this connection, the Company has considered and sought to balance the needs and interests of material stakeholders. The details of the Company's engagement with stakeholders are set out in the Company's Sustainability Report.

Dealings in Securities

The Company has adopted the principles and best practices on dealings in securities as contained in the Listing Manual of the SGX-ST. Directors and staff are to refrain from dealing in the securities of the Company during the periods commencing two weeks before the announcement of the Group's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Group's full year financial statements (if the Company announces its quarterly financial statements, whether required by the Exchange or otherwise), or one month before the announcement of the Group's half year and full year financial statements (if the Company does not announce its quarterly financial statements). They are also discouraged from dealing in the Company's securities on short term considerations.

Directors and staff are reminded to observe the insider trading laws at all times even when dealing with securities within permitted trading periods.

INVESTOR RELATIONS

Our goal is to provide timely, accurate and clear information to our shareholders and the investing public. This is in line with our belief of achieving and demonstrating high standards in corporate governance and transparency.

We use various platforms for dissemination of information to the investing public. Amongst other things, our investor relations policy provides that:

— All important and relevant information are published immediately via the Singapore Exchange Securities Trading Limited ("SGX-ST") website, www.sgx.com;

— All investors and stakeholders have opportunity to gain insight into the matters communicated by the Group in a clear and explicit manner;

— Meetings are arranged between management and shareholders or analysts but such meetings will not release information not otherwise published or publicly available; and

— Half yearly and annual reports are published in a timely manner.

We invite the media and the investing community as necessary and provide updates on our financial and operational performance and our future plans.

In addition, we hold an Annual General Meeting and Extraordinary General Meetings as necessary, to provide all shareholders with opportunities for direct interaction with our management and Board of Directors.

Our Annual Report serves to provide shareholders with a deeper understanding of our business strategies and financial and operational performance. As part of our efforts to reduce our environmental footprint, no hard copies of this Annual Report have been printed. The report is made available on our company website to ensure our shareholders have timely and ready access.

We are committed and will continue to engage in active communication with our shareholders to ensure that we act consistently in their best interests.

SGX-ST Listing

GYP Properties Limited has been listed on the SGX-ST since 9 December 2004. More information can be found on the SGX-ST website www.sgx.com.

Shareholders and analysts enquiries

We value your feedback and enquiries. Please contact us at:

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Braddell House,
Singapore 319637

Tel: (65) 6351 1000
Fax: (65) 6354 3828
Email: ir@gypproperties.com
Web: www.gypproperties.com

Financial Calendar FY2021

2020

30 October 2020 – 17th Annual General Meeting

2021

10 February 2021 – FY2021 Half Year Results Release
27 August 2021 – FY2021 Full Year Results Release

Sustainability Reporting

GYP Properties Limited issues a standalone Sustainability Report annually that is prepared based on the Group's financial year and in accordance with the "GRI Standards: Core option". This report is set out on a "comply or explain" basis in accordance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Rules 711A and 711B, and Practice Note 7.6 of the Listing Manual. In addition to disclosing the Group's impact on the economy, the environment and society; sustainability reporting has become an essential tool for Board decision-making and strategic formulation. As sustainability is a key component of the Company's wider strategy to create long-term value for our stakeholders, the Group is committed to continuous improvement.

The Group's Sustainability Report covers environmental, social and corporate governance ("ESG") performance across the Group, which includes our wholly-owned subsidiaries in Singapore and New Zealand, and our businesses in property investment, development and management. In-scope properties include development projects: Remarkables Residences (Queenstown) and Bellfield Estate (Auckland); retail property: Pakuranga Plaza (Auckland); and head office and leasehold property: Braddell House (Singapore). All entities included in the Group's consolidated financial statements have been included in this report.

The Group's methodology for addressing ESG factors starts with the Group's business goals and assessing our value and supply chains to evaluate current or potential business impacts. To inform the prioritisation of focus areas, the Group engages with our stakeholders to determine their level of materiality. Material topics reflect the Group's significant economic, environmental and social impacts or topics substantively influencing the assessments and decisions of stakeholders. Material topic disclosures included in the Group's Sustainability Report 2021 include Economic Performance, Anti-Corruption, Emissions, Environmental Compliance, Employment, Occupational Health and Safety, Diversity and Equal Opportunity, Customer Health and Safety, Customer Privacy, Socioeconomic Compliance and Social Impact.

The Group's Sustainability Report 2021 is externally assured to validate the accuracy and reliability of its content. CSRWorks was engaged to provide independent limited assurance of the report using the AA1000 Assurance Standards v3 against the latest GRI Standards for sustainability reporting. You may visit the SGX website or the Investor Centre at www.gypproperties.com to access current and previous editions of our Sustainability Reports.

FINANCIALS

DIRECTORS' STATEMENT

For the financial year ended 30 June 2021

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 30 June 2021 and the balance sheet of the Company as at 30 June 2021.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 64 to 137 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 30 June 2021 and of the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due as described in Note 2.2.

Directors

The directors of the Company in office at the date of this statement are as follows:

Andrew Tay Gim Chuan
Mah Bow Tan
Stanley Tan Poh Leng
Ng Tiong Gee
Pang Yoke Min
Loo Wen Lieh

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 30.6.2021	At 1.7.2020	At 30.6.2021	At 1.7.2020
Company (No. of ordinary shares)				
Stanley Tan Poh Leng	**9,732,900**	9,732,900	**-**	-
Pang Yoke Min	**29,353,740**	29,353,740	**-**	-
Ng Tiong Gee	**5,250**	5,250	**-**	-
Mah Bow Tan*	**24,000,000**	24,000,000	**600,000**	600,000

*By virtue of Section 164 of the Companies Act, Mr Mah Bow Tan is deemed interested in the 600,000 (2020: 600,000) shares owned by his spouse, Dr Sheryn Mah.

(b) The directors' interests in the ordinary shares of the Company as at 21 July 2021 were the same as those as at 30 June 2021.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Andrew Tay Gim Chuan (*Chairman*)
Pang Yoke Min
Ng Tiong Gee

All members of the Audit Committee are non-executive directors and the majority are independent.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

— the scope and the results of internal audit procedures with the internal auditor;

— the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

— the assistance given by the Company's management to the independent auditor; and

— the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2021 before their submission to the Board of Directors.

The Audit Committee has made a recommendation to the Board of Directors and the Board of Directors is satisfied with the proposed appointment of RSM Chio Lim LLP as external auditors of the Company in place of the retiring auditors, PricewaterhouseCoopers LLP, at the forthcoming annual general meeting of the Company.

Independent Auditor

The retiring auditors, PricewaterhouseCoopers LLP, will not be seeking re-appointment at the forthcoming annual general meeting of the Company. RSM Chio Lim LLP has expressed its willingness to accept the appointment as the external auditors of the Company for the financial year ending 30 June 2022.

On behalf of the directors

Andrew Tay Gim Chuan
Director

Stanley Tan Poh Leng
Director

30 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYP PROPERTIES LIMITED

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of GYP Properties Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:
- the consolidated statement of comprehensive income of the Group for the financial year ended 30 June 2021;
- the consolidated balance sheet of the Group as at 30 June 2021;
- the balance sheet of the Company as at 30 June 2021;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the year ended 30 June 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties As at 30 June 2021, the carrying value of the Group's investment properties held at fair value is S$81,413,000, accounting for 45.1% of the Group's total assets. The disclosures relating to these investment properties are included in Note 22 of the financial statements. The valuation of the investment properties is significant to our audit due to the use of assumptions by the Group's independent professional valuer to arrive at the valuation estimates. This includes a potential lease of an open area to a new tenant for a period of 15 years. The Heads of Agreement has been signed by the potential tenants. The commercial terms have been finalised and the Group is in the midst of negotiating the operational terms of the the lease agreement. As of the date of this annual report, the lease agreement has yet to be signed. Significant judgement is required to determine the assumptions used to determine the fair value of these investment properties. The key assumptions include the prevailing market conditions which affect the adopted value per square metre, capitalisation rates, discount rates and terminal yield.	Our audit procedures focused on the valuation process and included the following: — Reviewed the valuation reports from the professional valuer engaged by the Group; — Assessed competency, capabilities and objectivity of the professional valuer engaged by the Group; — Checked, on a sample basis, the accuracy of the underlying lease and financial information provided by management to the professional valuer; — Assessed the reasonableness of the adopted value per square meter, capitalisation rates, discount rates and terminal yield assumptions by benchmarking the rates against comparable data and prior year's inputs; — Discussed the critical assumptions made by the professional valuer with management and professional valuer for the key inputs used in the valuation techniques, including the implications of Covid-19 on the critical assumptions; and — Assessed the appropriateness of the disclosures relating to the valuation techniques and key inputs applied by the professional valuer. — Obtained and reviewed the Heads of Agreement signed by the potential tenant and draft lease agreement. — Reviewed the email correspondences between the legal teams of both the Group and the potential tenant to confirm the status of negotiation between both parties. We have obtained satisfactory explanations from management as well as the professional valuer regarding the basis, methods and key assumptions used to determine the fair values of the investment properties. Our testing indicated that the assumptions and judgements used were reasonable in the context of the Group's portfolio of investment properties. The disclosures in the financial statements are also assessed to be appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYP PROPERTIES LIMITED continued

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of development properties As at 30 June 2021, the carrying value of the Group's development properties is S$76,769,000, accounting for 42.5% of the Group's total assets. The disclosures relating to these development properties are included in Note 23 of the financial statements. The Group's development properties are carried at the lower of cost and net realisable value. For unsold units of launched developments, the net realisable value is computed based on the estimated selling price less estimated costs to complete and sell the units. For development properties that have yet to be launched or where development works have yet to commence, the net realisable value is determined by reference to valuations carried out by independent professional valuer engaged by management. The determination of the carrying value and whether to recognise any write down of the carrying value to net realisable value of the development properties is highly dependent on the appropriateness of the cost capitalised and the estimated selling price of the unsold units or valuation of the unlaunched developments conducted by professional valuer. The key assumptions include the prevailing market conditions which affect the adopted rate per square metre.	Our audit procedures focused on the cost capitalised and net realisable value and included the following: — Agreed, on a sample basis, the related costs incurred to date to relevant suppliers' invoice and reviewed the appropriateness of the capitalisation of the cost; — Discussed with the project managers to assess the reasonableness of estimated total costs for each development; — Assessed the cost to complete for each contract by substantiating costs that have been committed to quotations from and contract with suppliers; — Assessed the net realisable value of the development properties by reviewing the valuation reports obtained from professional valuer and obtaining selling prices of comparable properties, including post balance sheet sale contracted sales prices; — Evaluated the competency, capabilities and objectivity of the professional valuer used by management for the certification of the costs to date and valuations respectively; and — Discussed the critical assumptions made by the professional valuer with management and professional valuer for the key inputs used in the valuation techniques. We have obtained satisfactory explanations from management regarding the supportable information available and knowledge of the business applied to determine the estimated selling prices and fair values of the respective properties. Our testing indicated that the assumptions and judgements used were reasonable based on the property market conditions. The disclosures in the financial statements are also assessed to be appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GYP PROPERTIES LIMITED continued

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Trillion So.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore

30 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2021

	Note	**2021 S$'000**	2020 S$'000
Revenue	4	**46,927**	8,645
Other income	5	**3,321**	2,792
Other gains	6(a)	**1,887**	77
Other losses			
- Impairment of financial assets	6(b)	**(144)**	(807)
- Others	6(b)	**(2,726)**	(8,549)
Development costs		**(36,111)**	-
Staff costs	7	**(2,510)**	(2,233)
Depreciation		**(836)**	(848)
Commission, marketing, advertising and promotion expenses		**(1,282)**	(293)
Professional fees		**(785)**	(853)
Property related and maintenance expenses		**(3,180)**	(2,852)
Finance expenses	9	**(1,817)**	(1,767)
Other expenses	8	**(647)**	(804)
Total expenses		**(47,168)**	(9,650)
Profit/(loss) before income tax		**2,097**	(7,492)
Income tax (expense)/credit	10(a)	**(139)**	354
Total profit/(loss)		**1,958**	(7,138)

The accompanying notes form part of these financial statements.

	Note	2021 S$'000	2020 S$'000
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains/(losses)	30(b)(ii)	**1,735**	(567)
Cash flow hedges			
- Fair value losses	30(b)(v)	**(27)**	(909)
- Reclassification	30(b)(v)	**577**	143
		2,285	(1,333)
Other comprehensive income/(loss), net of tax		**2,285**	(1,333)
Total comprehensive income/(loss)		**4,243**	(8,471)
Profit/(loss) attributable to:			
- Equity holders of the Company		**1,959**	(7,155)
- Non-controlling interests		**(1)**	17
		1,958	(7,138)
Total comprehensive income/(loss) attributable to:			
- Equity holders of the Company		**4,244**	(8,488)
- Non-controlling interests		**(1)**	17
		4,243	(8,471)
Basic and diluted earnings/(loss) per share for profit/(loss) from operations attributable to equity holders of the Company (cents per share)	11	**0.713**	(2.603)

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

BALANCE SHEETS

As at 30 June 2021

		Group		Company	
	Note	**2021 S$'000**	2020 S$'000	**2021 S$'000**	2020 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	12	**3,842**	7,824	**628**	5,337
Term deposits	13	**4,701**	-	**-**	-
Restricted cash	12	**436**	-	**-**	-
Trade and other receivables	14	**2,368**	3,140	**1,937**	2,096
Other current assets	15	**718**	1,232	**87**	80
Development properties	23	**76,769**	98,847	**-**	-
Income tax recoverable	10(c)	**44**	-	**-**	-
		88,878	111,043	**2,652**	7,513
Non-current assets					
Restricted cash	12	**-**	406	**-**	-
Other receivables	14	**3,627**	5,427	**3,627**	5,427
Financial assets, at FVOCI	16	**-**	-	**-**	-
Due from subsidiaries	17	**-**	-	**83,517**	81,259
Other non-current assets	19	**595**	267	**-**	-
Investments in subsidiaries	20	**-**	-	**2,894**	2,894
Property, plant and equipment	21	**5,931**	6,688	**5,859**	6,639
Investment properties	22	**81,413**	80,138	**-**	-
Deferred income tax assets	10(d)	**188**	444	**-**	-
		91,754	93,370	**95,897**	96,219
Total assets		**180,632**	204,413	**98,549**	103,732

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

	Note	Group 2021 S$'000	Group 2020 S$'000	Company 2021 S$'000	Company 2020 S$'000
LIABILITIES					
Current liabilities					
Trade and other payables	25	**2,737**	5,265	**1,246**	1,341
Advance receipts and billings		**371**	349	**90**	102
Contract liabilities	4(a)	**2,700**	2,552	**-**	-
Borrowings	27	**91,827**	44,707	**3,437**	7,433
Current income tax liabilities	10(b)	**11**	6	**-**	-
Derivative financial instruments	26	**353**	-	**-**	-
		97,999	52,879	**4,773**	8,876
Non-current liabilities					
Trade and other payables	25	**309**	622	**73**	243
Borrowings	27	**10,252**	82,078	**10,252**	13,581
Derivative financial instruments	26	**-**	1,063	**-**	-
Deferred income tax liabilities	10(d)	**440**	382	**201**	142
Due to subsidiaries	18	**-**	-	**11,683**	10,652
		11,001	84,145	**22,209**	24,618
Total liabilities		**109,000**	137,024	**26,982**	33,494
NET ASSETS		**71,632**	67,389	**71,567**	70,238
SHAREHOLDERS' EQUITY					
Share capital	28	**92,702**	92,702	**92,702**	92,702
Treasury shares	28	**(960)**	(960)	**(960)**	(960)
Other reserves	30	**(7,944)**	(14,049)	**(4,678)**	(4,621)
Accumulated losses	29	**(12,166)**	(10,308)	**(15,497)**	(16,883)
Capital and reserves attributable to equity holders of the Company		**71,632**	67,385	**71,567**	70,238
Non-controlling interests	20(b)	**-**	4	**-**	-
Total equity		**71,632**	67,389	**71,567**	70,238

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2021

	Note	Share capital	Treasury shares	Share option reserve	Currency translation reserve	Fair val reserve
		S$'000	S$'000	S$'000	S$'000	S$'00
2021						
Balance as at 1 July 2020		**92,702**	**(960)**	**57**	**(4,669)**	**(72**
Profit/(loss) for the year		-	-	-	-	
Other comprehensive income for the year		-	-	-	1,735	
Total comprehensive income/(loss) for the year		**-**	**-**	**-**	**1,735**	
Transactions with non-controlling interest	30(b)(vi)	-	-	-	-	
Adjustment in share option reserve		-	-	(57)	-	
Balance as at 30 June 2021		**92,702**	**(960)**	**-**	**(2,934)**	**(72**

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

Attributable to equity holders of the Company →

ue e	Capital reserve	Hedging reserve	Transactions with non-controlling interests	Total other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
0	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2)	**(4,003)**	**(766)**	**(3,946)**	**(14,049)**	**(10,308)**	**67,385**	**4**	**67,389**
-	-	-	-	-	1,959	1,959	(1)	1,958
-	-	550	-	2,285	-	2,285	-	2,285
-	**-**	**550**	**-**	**2,285**	**1,959**	**4,244**	**(1)**	**4,243**
-	-	-	3,877	3,877	(3,874)	3	(3)	-
-	-	-	-	(57)	57	-	-	-
2)	**(4,003)**	**(216)**	**(69)**	**(7,944)**	**(12,166)**	**71,632**	**-**	**71,632**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

For the financial year ended 30 June 2021

	Note	Share capital	Treasury shares	Share option reserve	Currency translation reserve	Fair val reserve
		S$'000	S$'000	S$'000	S$'000	S$'00
2020						
Balance as at 1 July 2019		**92,702**	**(960)**	**57**	**(4,102)**	**(75**
(Loss)/profit for the year		-	-	-	-	
Other comprehensive loss for the year		-	-	-	(567)	
Total comprehensive (loss)/profit for the year		**-**	**-**	**-**	**(567)**	
Transactions with non-controlling interest	30(b)(vi)	-	-	-	-	
Transfer upon disposal of investments		-	-	-	-	
Balance as at 30 June 2020		**92,702**	**(960)**	**57**	**(4,669)**	**(72**

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

Attributable to equity holders of the Company →

ue e	Capital reserve	Hedging reserve	Transactions with non-controlling interests	Total other reserves	Accumulated losses	Total	Non- controlling interests	Total equity
0	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
2)	**(4,003)**	**-**	**(3,975)**	**(12,775)**	**(3,123)**	**75,844**	**16**	**75,860**
-	-	-	-	-	(7,155)	(7,155)	17	(7,138)
-	-	(766)	-	(1,333)	-	(1,333)	-	(1,333)
-	**-**	**(766)**	**-**	**(1,333)**	**(7,155)**	**(8,488)**	**17**	**(8,471)**
-	-	-	29	29	-	29	(29)	-
30	-	-	-	30	(30)	-	-	-
2)	**(4,003)**	**(766)**	**(3,946)**	**(14,049)**	**(10,308)**	**67,385**	**4**	**67,389**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2021

	Note	**2021 S$'000**	2020 S$'000
Cash flows from operating activities			
Total profit/(loss)		**1,958**	(7,138)
Adjustments for:			
- Income tax expense/(credit)	10(a)	**139**	(354)
- Depreciation	21	**836**	848
- Finance income	5	**(374)**	(241)
- Finance expense	9	**1,817**	1,767
- Fair value losses on investment properties	22	**2,726**	7,342
- Bargain purchase gain on acquisition of a subsidiary	6(a)	**(23)**	-
- Other non-current assets written off	19	**-**	735
- Gain on disposal of intellectual property rights	6(a)	**-**	(65)
- Currency translation difference		**2,815**	261
		9,894	3,155
Changes in working capital			
- Development properties		**23,668**	(18,171)
- Trade and other receivables		**2,787**	1,282
- Other current assets		**505**	231
- Other non-current assets		**(120)**	-
- Contract liabilities		**149**	743
- Advance receipts and billings		**22**	71
- Trade and other payables		**(2,738)**	(13,624)
Cash generated from/(used in) operations		**34,167**	(26,313)
Income tax paid	10(b)&(c)	**(55)**	(10)
Net cash provided by/(used in) operating activities		**34,112**	(26,323)

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

	Note	2021 S$'000	2020 S$'000
Cash flows from investing activities			
Acquisition of a subsidiary , net of cash acquired		**(25)**	-
Proceeds from disposal of intellectual property rights		**-**	65
Placement in term deposits	13	**(4,701)**	-
Additions to property, plant and equipment	21	**(16)**	(26)
Other assets costs incurred		**(195)**	(183)
Interest received		**149**	26
Net cash used in investing activities		**(4,788)**	(118)
Cash flows from financing activities			
Increase in deposits pledged		**-**	(396)
Payment for loan establishment fees		**(139)**	(242)
Proceeds from borrowings		**23,842**	50,660
Repayment of borrowings		**(53,759)**	(14,067)
Interest paid		**(3,390)**	(4,682)
Principal payment of lease liabilities		**(4)**	-
Net cash (used in)/provided by financing activities		**(33,450)**	31,273
Net (decrease)/ increase in cash and cash equivalents		**(4,126)**	4,832
Cash and cash equivalents at beginning of the financial year		**7,824**	3,026
Effects of currency translation on cash and cash equivalents		**144**	(34)
Cash and cash equivalents at end of the financial year	12	**3,842**	7,824

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

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

1. General information

GYP Properties Limited (the "Company") is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is 1, Lorong 2 Toa Payoh, Braddell House, Singapore 319637.

The principal activities of the Company are that of property investment, development and management.

The principal activities of its subsidiaries are disclosed in Note 39.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.2 and Note 3.

Interpretations and amendments to published standards effective in 2020/2021

On 1 July 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Going concern

As at 30 June 2021, the Group and the Company are in a net current liability position of S$9,121,000 (2020: net current asset position of S$58,164,000) and S$2,121,000 (2020: S$1,363,000) respectively and in a net asset position of S$71,632,000 (2020: S$67,389,000) and S$71,567,000 (2020: S$70,238,000) respectively.

As at the date of these financial statements, considering the following factors, the directors are of the view that the going concern basis is appropriate for the preparation of financial statements of the Group and the Company for the next 12 months from the balance sheet date.

Based on a 15-months cash flow projection ("Cash Flow Projection"), the Group and the Company will have sufficient cash flow to meet its operating requirements.

The appropriateness of the going concern basis is dependent on the following key assumptions made by management in developing the Cash Flow Projection:

(a) Collection of the sales proceeds from Bellfield Estate's Stage 1 sales within the next 12 months from the balance sheet date;

(b) The Group's compliance with debt covenants of all existing loan facilities for the next 12 months from the balance sheet date;

(c) The reliability and accuracy of management's projected cash inflows and outflows from operations of the Company and its subsidiaries for the next 12 months from the balance sheet date; and

(d) Extension on the bank loan repayment schedule for Bellfield Development Limited and Remarkables Residences.

In addition, the Group and the Company have available credit lines and development loans to meet working capital and development needs [Note 27(c)].

2.3 Revenue recognition

The Group assess its role as an agent or principal for each revenue stream and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

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

(d) Sales of development properties

Revenue from sale of development properties is recognised when or as the control of the asset is transferred to the customer, such as when the property is accepted by the customer or deemed as accepted according to the contract or when the title has been passed to the customer.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income/(loss) is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

(a) Subsidiaries *(continued)*

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest measured at their fair value at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the identifiable net assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

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

Please refer to Note 2.7 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

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

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold property	30 years
Office equipment and furniture	5 years
Computer equipment	3 - 5 years
Fittings and fixtures	5 - 9 years
Motor vehicles	10 years

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

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains” or “other losses”.

2.6 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company’s balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.7 Investment properties

Investment properties include buildings that are held for long-term rental yields and/or for capital appreciation and land under operating leases that is held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

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

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

2.7 Investment properties *(continued)*

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

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

2.8 Development properties

Development properties refer to properties developed for sales.

Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

Revenue recognition on development properties for sale is recognised when the control of the asset is transferred to the purchasers under the completion of construction method.

When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as expense immediately.

The cost of development properties for sale comprises specifically identified costs, including land, construction and related development costs. Interest on borrowings obtained specifically to finance the acquisition of land and construction of the development properties and general borrowing costs are also capitalised.

2.9 Impairment of non-financial assets

Property, plant and equipment
Investments in subsidiaries

Property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at a revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.10 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income (FVOCI).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

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

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transactions costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instrument

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, deposits and amounts due to subsidiaries.

Subsequent measurement depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group manage these group of financial assets by collecting contractual cash flow and these cash flow represents solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains /(losses)" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

2.10 Financial Assets *(continued)*

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.11 Derivatives financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as cash flow hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Note 26. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

The following hedge in place qualified as cash flow hedge under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedge.

Cash flow hedge - Interest rate swaps

The Group entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the

Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss and presented separately in "Finance expense". The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.14 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

2.15 Leases

(i) When the Group is the lessee – Operating leases

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

This right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

2.15 Leases *(continued)*

(i) When the Group is the lessee – Operating leases *(continued)*

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When the Group is the lessor – Operating leases

The accounting policy applicable to the Group as a lessor in the comparative period were the same under SFRS(I) 16.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease. Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.16 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

2.17 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.18 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

2.18 Employee compensation *(continued)*

(b) Employee leave entitlements

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 balance sheet date.

(c) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when the Group can no longer withdraw the offer of those benefits.

2.19 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

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

(c) Translation of Group entities' financial statements

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

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date;

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

(iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rate at the balance sheet date.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.23 Dividends to Company's shareholders

Dividends to Company's shareholders are recognised when the dividends are approved for payment.

2.24 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties. This includes those costs on borrowings acquired specifically for the construction or development of properties, as well as those in relation to general borrowings used to finance the construction or development of properties.

The actual borrowing costs incurred during the period up to the completion of the construction or development of properties less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.25 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

2. Significant accounting policies continued

2.26 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with their terms of their borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Valuation of investment properties

Investment properties are stated at fair value based on valuations by an independent professional valuer. The fair values are determined using the income capitalisation, discounted cash flow and direct comparison method. In determining fair value, the valuer has used valuation methods which involve certain estimates.

These estimated fair values may differ significantly due to changes in assumptions and conditions arising from ongoing development of a potential lease with a new tenant and other unforeseen events.

The total valuation of investment properties includes S$4.7 million attributable to a new tenancy where a Heads of Agreement has been entered into as at 30 June 2021 and signed by the potential tenant. As the lease agreement relating to the Heads of Agreement is in the process of finalisation and has not been signed as at the date of this annual report, the estimated fair values may differ significantly due to changes in assumption in the event that the lease agreement is not finalised.

Management expects the lease agreement will be finalised as the commercial terms have been agreed and the Group is in the midst of negotiating the operational terms of the lease agreement.

The valuations are based on the information available as at the date of valuation. The actual results and realisation of these properties could differ significantly from the estimates disclosed in these financial statements. Please refer to Note 22 for the key inputs used.

(b) Valuation of development properties

Development properties of the Group are carried at the lower of cost and net realisable value. For unsold units of launched developments, the net realisable value is computed based on the estimated selling price less estimated costs to complete and selling costs.

For development properties that have yet to be launched or where development works have yet to commence, the net realisable value is determined by reference to valuations carried out by an independent professional valuer engaged by management. These estimated selling prices and fair values may differ significantly due to changes in assumptions and conditions arising from unforeseen events. Please refer to Note 23 for the breakdown.

4. Revenue

	Group	
	2021 S$'000	2020 S$'000
Rental income from investment properties	**9,771**	8,645
Revenue from contracts with customers	**37,156**	-
	46,927	8,645

(a) Contract liabilities

	Group		
	30 June		1 July
	2021 S$'000	2020 S$'000	2019 S$'000
Contract liabilities:			
- Sale of development properties	**2,700**	2,552	1,741

Contract liabilities primarily relates to advance consideration received from customers for sale of development properties. Contract liabilities relating to the sale of development properties relate to the development properties completed but tiles yet to be transferred to the respective buyers in the Bellfield Estate (Note 23) and no revenue has been recognised yet from the sale of development properties in the current financial year.

(i) Unsatisfied performance obligations

As permitted under SFRS(I) 15, management has elected to apply the practical expedient for performance obligations that are expected to be satisfied in one year or less. Management expects that the performance obligation in relation to the sale of development properties will be satisfied in one year or less. Accordingly, the revenue from sale of development properties expected to be satisfied in the future period arising from the contract liabilities as at year ended 30 June 2021 has not been disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

5. Other income

	Group	
	2021 S$'000	2020 S$'000
Rental income	**2,308**	2,076
Interest income		
- Unwinding of discount of non-current receivables	**205**	213
- Bank deposits	**169**	28
	374	241
Management fees	**329**	166
Grant income	**260**	189
Other income	**50**	120
	3,321	2,792

For the financial year ended 30 June 2021, the Group recorded total government grants amounting to S$260,000 (2020: S$189,000) within 'Other income'.

Grant income amounting to S$4,000 (2020: S$61,000) relates to property tax rebates received which was provided by the Singapore Government as part of the Singapore Budget 2020 and supplementary Resilience Budget 2020 to help businesses deal with the impact from Covid-19. The Company is obliged to pass on these property tax rebates for the tenanted portions of buildings to its tenants and has transferred these grant expenses to the tenants in the form of rent rebates during the current financial year.

Grant income amounting to S$85,000 (2020: S$62,000) and S$33,000 (2020: S$66,000) relates to the Job Support Scheme which is a temporary scheme introduced in Singapore Budget 2020 to help enterprises retain local employees and Wage Subsidy Scheme which is a temporary scheme provided by New Zealand government to support employers to continue to pay employees and protect jobs for businesses affected by changes in Covid-19 alert levels respectively.

Grant income amounting to S$115,000 (2020: S$Nil) relates to a cash grant which was provided by the Singapore Government as part of the Fortitude Budget 2020 to provide rental relief for eligible tenants. The Company has transferred these grant expenses to the tenants in the form of rental rebates during the financial year.

6. Other gains and losses

(a) Other gains

	Group	
	2021 S$'000	2020 S$'000
Foreign exchange gain	**1,864**	-
Bargain purchase gain on acquisition of a subsidiary	**23**	-
Gain on disposal of intellectual property rights	**-**	65
Others	**-**	12
	1,887	77

(b) Other losses

	Group	
	2021 S$'000	2020 S$'000
Loss on derecognition of financial assets	**517**	-
Net (reversal of impairment)/impairment of trade receivables	**(225)**	537
(Reversal of impairment)/impairment of other receivables	**(148)**	270
	144	807
Foreign exchange loss	**-**	472
Fair value losses on investment properties (Note 22)	**2,726**	7,342
Other non-current asset written off	**-**	735
	2,726	8,549
	2,870	9,356

7. Staff costs

	Group	
	2021 S$'000	2020 S$'000
Salaries and wages	**2,416**	2,141
Employer's contribution to defined contribution plans including Central Provident Fund	**98**	96
Government grants	**(6)**	(6)
Other benefits	**2**	2
	2,510	2,233

8. Other expenses

	Group	
	2021 S$'000	2020 S$'000
Grant expenses (Note 5)	**63**	61
Bad debts recovered	**-**	(52)
Insurance expense	**284**	262
Telecommunication expense	**25**	27
Temporary and outsourced services	**16**	17
Travelling expenses	**1**	191
Technical and licensing fees	**42**	98
Other expenses	**216**	200
	647	804

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

9. Finance expenses

	Group	
	2021 S$'000	2020 S$'000
Interest expense on bank borrowings	**2,700**	3,823
Amortisation of loan establishment fee	**130**	46
Cash flow hedge reclassified from hedging reserve [Note 30(b)(v)]	**577**	143
Less: Borrowing costs capitalised in development properties [Note 23(c)]	**(1,591)**	(2,286)
	1,816	1,726
Interest expense on lease liabilities	**1**	-
Net discounting impact on non-current payables	**-**	41
Finance expenses recognised in profit or loss	**1,817**	1,767

10. Income taxes

(a) Income tax expenses/(credit)

	Group	
	2021 S$'000	2020 S$'000
Income tax expenses/(credit) attributable to profit/(loss) is made up of:		
- Profit/(loss) for the financial year:		
Current income tax		
- Singapore	**9**	6
- Foreign	**6**	3
Deferred income tax [Note 10(d)]	**122**	(70)
	137	(61)
- Under/(over) provision in prior financial years:		
Current income tax	**2**	(290)
Deferred income tax [Note 10(d)]	**-**	(3)
	139	(354)

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2021 S$'000	2020 S$'000
Profit/(loss) before tax	**2,097**	(7,492)
Tax calculated at a tax rate of 17% (2020: 17%)	**356**	(1,274)
Effects of:		
- Different tax rates in other countries	**(36)**	(965)
- Statutory stepped income exemption	**(10)**	(7)
- Tax incentives	**(64)**	(2)
- Expenses not deductible for tax purposes	**233**	2,219
- Income not subject to tax	**(308)**	(141)
- Utilisation of previously unrecognised tax losses	**(47)**	(27)
- Deferred tax assets not recognised	**13**	136
- Under/(over) provision in prior financial years	**2**	(293)
Tax expense/(credit)	**139**	(354)

(b) Movement in current income tax liabilities

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Beginning of financial year	**6**	358	**-**	-
Income tax paid	**(13)**	(58)	**-**	-
Tax expense on profit for the current financial year [Note 10(a)]	**15**	9	**-**	-
Under/(over) provision in prior financial years [Note 10(a)]	**2**	(290)	**-**	-
Currency translation differences	**1**	(13)	**-**	-
End of financial year	**11**	6	**-**	-

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

10. Income taxes continued

(c) Movement in income tax recoverable

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Beginning of financial year	**-**	(48)	**-**	-
Income tax (paid)/refunded	**(42)**	48	**-**	-
Currency translation differences	**(2)**	-	**-**	-
End of financial year	**(44)**	-	**-**	-

(d) Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown on the balance sheet:

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Deferred income tax assets	**(188)**	(444)	**-**	-
Deferred income tax liabilities	**440**	382	**201**	142
Net deferred tax liabilities/(assets)	**252**	(62)	**201**	142

The movements in the deferred income tax account are as follows:

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Beginning of financial year	**(62)**	309	**142**	110
Tax charged/(credited) to profit or loss [Note 10(a)]	**122**	(73)	**59**	32
Tax charged/(credited) to hedging reserve [Note 30(b)(v)]	**215**	(297)	**-**	-
Currency translation differences	**(23)**	(1)	**-**	-
End of financial year	**252**	(62)	**201**	142

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) are as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation S$'000	Unremitted foreign-sourced income S$'000	Total S$'000
2021			
Beginning of financial year	**110**	**272**	**382**
(Credited)/charged to profit or loss	**(16)**	**74**	**58**
End of financial year	**94**	**346**	**440**
2020			
Beginning of financial year	110	207	317
Charged to profit or loss	-	65	65
End of financial year	110	272	382

Deferred income tax assets

	Derivative financial instruments S$'000	Provisions S$'000	Total S$'000
2021			
Beginning of financial year	**(298)**	**(146)**	**(444)**
Charged to profit or loss	**-**	**64**	**64**
Charged to hedging reserve [Note 30(b)(v)]	**215**	**-**	**215**
Currency translation differences	**(16)**	**(7)**	**(23)**
End of financial year	**(99)**	**(89)**	**(188)**
2020			
Beginning of financial year	-	(8)	(8)
Credited to profit or loss	-	(138)	(138)
Credited to hedging reserve [Note 30(b)(v)]	(297)	-	(297)
Currency translation differences	(1)	-	(1)
End of financial year	(298)	(146)	(444)

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

10. Income taxes continued

(d) Deferred income taxes (*continued)*

Company

Deferred income tax liabilities

	Accelerated tax depreciation S$'000	Unremitted foreign-sourced income S$'000	Total S$'000
2021			
Beginning of financial year	**71**	**71**	**142**
(Credited)/charged to profit or loss	**(16)**	**75**	**59**
End of financial year	**55**	**146**	**201**
2020			
Beginning of financial year	129	-	129
(Credited)/charged to profit or loss	(58)	71	13
End of financial year	71	71	142

Deferred income tax assets	Provisions S$'000
2021	
Beginning and end of financial year	**-**
Charged to profit or loss	**-**
End of financial year	**-**
2020	
Beginning and end of financial year	(19)
Charged to profit or loss	19
End of financial year	-

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profit is probable.

The Group and the Company have unrecognised tax losses of S$533,000 and S$Nil (2020: S$791,000 and S$57,000) respectively at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry date.

11. Earnings/(loss) per share

Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2021	2020
Net profit/(loss) attributable to equity holders of the Company (S$'000)	**1,959**	(7,155)
Weighted average number of ordinary shares outstanding for calculation of basic earnings/(loss) per share ('000)	**274,921**	274,921
Basic earnings/(loss) per share (cents per share)	**0.713**	(2.603)

There are no potential dilutive ordinary shares as at 30 June 2021 and 30 June 2020.

12. Cash and cash equivalents

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Current:				
Cash at bank and on hand	**3,842**	7,824	**628**	5,337
Restricted cash – deposits pledged	**436**	-	**-**	-
Non-current:				
Restricted cash – deposits pledged	**-**	406	**-**	-
	4,278	8,230	**628**	5,337

The restricted cash pertains to deposits pledged with a bank for the Group's bank borrowing.

For the purpose of presenting in the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2021 S$'000	2020 S$'000
Cash and bank balances (as above)	**4,278**	8,230
Less: Restricted cash – deposits pledged	**(436)**	(406)
Cash and cash equivalents per consolidated statement of cash flows	**3,842**	7,824

13. Term deposits

In the current financial year, the term deposits relate to the placement of fixed deposits with more than 3 months of maturity. They are denominated in New Zealand dollars ("NZD").

14. Trade and other receivables

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Current				
Trade receivables – non-related parties	**686**	1,605	**22**	44
Less: Allowance for impairment of trade receivables	**(340)**	(565)	**(21)**	(43)
Trade receivables - net	**346**	1,040	**1**	1
Other receivables – non related parties	**2,471**	2,697	**2,385**	2,692
Less: Allowance for impairment of other receivables	**(449)**	(597)	**(449)**	(597)
Other receivables - net	**2,022**	2,100	**1,936**	2,095
	2,368	3,140	**1,937**	2,096
Non-current				
Other receivables – a non-related party	**3,627**	5,427	**3,627**	5,427

The carrying amount of the non-current other receivables approximates its fair value.

The fair value of the non-current other receivables as at 30 June 2021 is computed based on cash flows discounted at the prevailing market interest rate for a similar instrument with a similar credit rating. The fair value is within Level 2 of the fair value hierarchy. The current other receivables amounting to S$1,931,000 (2020: S$1,965,000) and non-current other receivables due from a non-related party are secured over the shares of the subsidiaries of this non-related party.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

15. Other current assets

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Deposits	**174**	165	**59**	60
Prepayments	**544**	1,067	**28**	20
	718	1,232	**87**	80

16. Financial assets, at FVOCI

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Beginning of financial year	**-**	-	**-**	-
Fair value losses	**-**	-	**-**	-
End of financial year	**-**	-	**-**	-
Analysed as:				
Unlisted equity securities	**-**	-	**-**	-

On 14 January 2020, the Group and the Company disposed of its 20% shareholding interests in Page Advisor Holdings Pte Ltd at a S$Nil consideration sum. There is no gain or loss recognised on disposal as the carrying amount of the financial asset at FVOCI is S$Nil on the date of disposal. The cumulative fair value losses have been reclassified from fair value reserve to accumulated losses on date of disposal.

As at 30 June 2020 and 30 June 2021, the Group and Company continues to hold other investments in financial asset at FVOCI that have been fully impaired.

Fair value hierarchy

In the prior financial year, the non-current financial assets, at FVOCI were classified within Level 3 of the fair value hierarchy where the inputs used for the fair value measurement of the financial assets are not based on observable market data (unobservable inputs).

There were no transfers into or out of the fair value hierarchy levels for the financial year ended 30 June 2021 and 30 June 2020.

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation technique and key input that were used to determine the fair value of the financial assets, at FVOCI categorised under Level 3 of the fair value hierarchy:

Description	Fair value at 30 June 2021/ 30 June 2020 (S$'000)	Valuation technique	Unobservable input	Range of unobservable inputs
Unquoted equity investments	S$Nil	Net asset value[a]	Net asset value	Not applicable

[a] Fair value of the unquoted equity investments of the Group has been determined using the Group's share of net asset value of the equity investments. Management has determined that valuation using the net asset value is appropriate as the underlying assets and liabilities of the entities relate mainly to cash and cash equivalents, trade and other receivables and trade and other payables in which their carrying amount approximates their fair value.

17. Due from subsidiaries

	Company	
	2021 S$'000	2020 S$'000
Non-current		
Trade	**3,654**	1,641
Non-trade	**79,887**	86,709
	83,541	88,350
Less: Allowance for impairment of receivables	**(24)**	(7,091)
	83,517	81,259

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand, except for S$12,951,000 (2020: S$12,335,000) due from a subsidiary that bears an effective interest rate of 3.2% (2020: 3.4%) per annum.

Management has assessed that the trade and non-trade amount due from subsidiaries are not expected to be settled within the next twelve months. Accordingly, the amounts are classified as non-current receivables.

As at 30 June 2021, the fair values of the non-current amounts due from subsidiaries amounted to S$81,879,000 (2020: S$79,666,000). The fair values are computed based on cash flows discounted at market bond rate of 2.0% (2020: 2.0%) per annum. The fair values are within Level 2 of the fair values hierarchy where the inputs used in the fair value measurement are inputs other than quoted prices that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

18. Due to subsidiaries

As at 30 June 2021, the non-current non-trade amounts due to subsidiaries are S$11,683,000 (2020: S$10,652,000) and are unsecured, interest-free and are not expected to be repaid in the next twelve months from the balance sheet date.

19. Other non-current assets

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Club membership at cost	**50**	50	**50**	50
Less: Allowance for impairment loss	**(50)**	(50)	**(50)**	(50)
	-	-	**-**	-
Other assets	**475**	267	**-**	-
Deposits	**120**	-	**-**	-
	595	267	**-**	-

In the previous financial year, the Group wrote off S$735,000 worth of other assets. These other assets relate to cost capitalised for the master planning of the re-development of Pakuranga Town Centre. The write off relates to costs capitalised for superseded versions of the master plan on the re-development of Pakuranga Town Centre.

20. Investments in subsidiaries

	Company	
	2021 S$'000	2020 S$'000
Equity investments at cost		
Beginning of financial year	**7,382**	7,382
Disposed during the year	**(250)**	-
End of financial year	**7,132**	7,382
Accumulated impairment		
Beginning of financial year	**4,488**	4,488
Disposed during the year	**(250)**	-
End of financial year	**4,238**	4,488
Carrying value		
End of financial year	**2,894**	2,894

Details of the subsidiaries are included in Note 39.

(a) The Company's dormant 50% owned subsidiary, Singapore River Explorer Pte. Ltd. ("SRE"), applied to Accounting and Corporate Regulatory Authority for strike off from the register and the application was approved on 8 February 2021.

(b) Carrying value of non-controlling interests

	2021 S$'000	2020 S$'000
Singapore River Explorer Pte Ltd ("SRE")	**-**	4

The non-controlling interest as at 30 June 2021 and 30 June 2020 is not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

21. Property, plant and equipment

Group 2021	Leasehold property S$'000	Office equipment and furniture S$'000	Computer equipment S$'000	Fittings and fixtures S$'000	Motor vehicles S$'000	Total S$'000
Cost						
Beginning of financial year	18,064	545	254	1,135	208	20,206
Additions	-	15	9	59	-	83
Currency translation differences	-	-	-	4	-	4
End of financial year	18,064	560	263	1,198	208	20,293
Accumulated depreciation						
Beginning of financial year	11,773	533	244	889	79	13,518
Depreciation charge	693	13	6	109	15	836
Currency translation differences	-	-	1	7	-	8
End of financial year	12,466	546	251	1,005	94	14,362
Net book value						
End of financial year	**5,598**	**14**	**12**	**193**	**114**	**5,931**

The Group's additions consist of property, plant and equipment purchases of S$16,000, right of use asset additions of S$15,000, and additions due to acquisition of subsidiary of S$52,000.

Right-of-use asset acquired under leasing arrangement is presented in "Leasehold property". Details of the leased asset is disclosed in Note 24.

Group 2020	Leasehold property S$'000	Office equipment and furniture S$'000	Computer equipment S$'000	Fittings and fixtures S$'000	Motor vehicles S$'000	Total S$'000
Cost						
Beginning of financial year	18,064	545	252	1,124	196	20,181
Additions	-	-	2	12	12	26
Currency translation differences	-	-	-	(1)	-	(1)
End of financial year	18,064	545	254	1,135	208	20,206
Accumulated depreciation						
Beginning of financial year	11,080	518	239	772	61	12,670
Depreciation charge	693	15	5	117	18	848
End of financial year	11,773	533	244	889	79	13,518
Net book value						
End of financial year	**6,291**	**12**	**10**	**246**	**129**	**6,688**

Company 2021	Leasehold property S$'000	Office equipment and furniture S$'000	Computer equipment S$'000	Fittings and fixtures S$'000	Motor vehicles S$'000	Total S$'000
Cost						
Beginning of financial year	18,064	545	259	1,018	208	20,094
Additions	-	15	7	-	-	22
End of financial year	18,064	560	266	1,018	208	20,116
Accumulated depreciation						
Beginning of financial year	11,773	531	250	822	79	13,455
Depreciation charge	693	13	6	75	15	802
End of financial year	12,466	544	256	897	94	14,257
Net book value						
End of financial year	**5,598**	**16**	**10**	**121**	**114**	**5,859**

The Company's additions consist of property, plant and equipment purchases of S$7,000 and right of use asset additions of S$15,000.

Company 2020	Leasehold property S$'000	Office equipment and furniture S$'000	Computer equipment S$'000	Fittings and fixtures S$'000	Motor vehicles S$'000	Total S$'000
Cost						
Beginning of financial year	18,064	545	257	1,018	196	20,080
Additions	-	-	2	-	12	14
End of financial year	18,064	545	259	1,018	208	20,094
Accumulated depreciation						
Beginning of financial year	11,080	516	245	740	61	12,642
Depreciation charge	693	15	5	82	18	813
End of financial year	11,773	531	250	822	79	13,455
Net book value						
End of financial year	**6,291**	**14**	**9**	**196**	**129**	**6,639**

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

22. Investment properties

	Group	
	2021 S$'000	2020 S$'000
Beginning of financial year	**80,138**	88,663
Fair value loss [Note 6(b)]	**(2,726)**	(7,342)
Currency exchange differences	**4,001**	(1,183)
End of financial year	**81,413**	80,138

Investment properties are leased to non-related parties under operating leases.

Investment properties with carrying values amounting to S$77,088,000 (2020: S$76,556,000) are mortgaged to secure bank loans [Note 27(a)(v)].

The following amounts are recognised in profit and loss:

	Group	
	2021 S$'000	2020 S$'000
Rental revenue (Note 4)	**9,771**	8,645
Direct operating expenses arising from:		
- Investment properties that generate rental revenue	**3,644**	3,220
- Investment properties that do not generate rental revenue	**18**	30

Investment properties are stated at fair value based on valuations performed by independent external professional valuer. The fair values are generally derived by taking the average of the following methods:

- Income Capitalisation – Properties are valued by capitalising the net property income at an appropriate rate of return to arrive at the market value. The net property income is the estimated annual net rental income of the building at current rate after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location, tenure, tenancy profile of the property together with the prevailing property market condition.
- Discounted Cash Flow – Properties are valued by discounting the future net income stream over a period to arrive at a present value.
- Direct Comparison – Properties are valued using analysis of comparable sales after making allowances for factors such as date of sale, sale terms and conditions, location, discernible differences between the properties and other pertinent factors, to assist in the assessment of current market value.

Management is of the view that the valuation methods and estimates are reflective of the current market condition.

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	Description/existing use	Tenure
10 Aylesbury Street and 167 Pakuranga Road, Pakuranga, Auckland, New Zealand	Retail shopping mall including outdoor Warehouse Plaza and office space in a four-storey standalone Plaza Business Centre	Freehold
169 Pakuranga Road, Pakuranga, Auckland, New Zealand	Land for development	999-year lease
171 Pakuranga Road, Pakuranga, Auckland, New Zealand	Land for development	999-year lease

Fair value hierarchy - Recurring fair value measurements

The investment properties are classified within Level 3 of the fair value hierarchy. The movement during the financial year is disclosed in the investment properties movement table presented above. There were no transfers into or out of the fair value hierarchy levels for the financial year ended 30 June 2021 and 30 June 2020.

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Fair value at 30 June 2021 (S$'000)	Valuation technique	Unobservable input[a]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Retail and office space	77,088[c] (2020: 76,556)	Income capitalisation	Capitalisation rate	8.00% (2020: 8.00%)	The higher the capitalisation rate, the lower the fair value
		Discounted cash flow	Discount rate	9.00% (2020: 9.00%)	The higher the discount rate, the lower the fair value
			Terminal capitalisation rate	8.13% (2020: 8.13%)	The higher the terminal capitalisation rate, the lower the fair value
Land for development [b]	4,325 (2020: 3,582)	Direct comparison	Adjusted price per square metre	Land rate of S$1,974 to S$2,350 (2020: S$1,612 to S$1,970)	The higher the adjusted price per square metre, the higher the fair value

[a] There were no significant inter-relationships between unobservable inputs.

[b] As at 30 June 2021 and 30 June 2020, the investment properties have been valued as a vacant site for future re-development.

[c] This amount includes S$4.7 million attributable to a new tenancy where a Heads of Agreement has been signed by a potential tenant. As the lease agreement relating to the Heads of Agreement is in the process of finalisation, the independent valuer reserves the right to amend the valuation if the lease agreement is not finalised.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

22. Investment properties continued

Valuation processes of the Group

The Group engages external, independent and qualified valuer to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use. As at 30 June 2021 and 30 June 2020, the fair values of the properties have been determined by Bayleys Valuations Limited.

At each financial year end, management:

- assesses property valuation movements when compared to the prior year valuation report; and

- holds discussions with the independent valuer.

Changes in Level 3 fair values are analysed at each reporting date during the management meeting. As part of this discussion, a report is presented to the Board of Directors that explains the reasons for the fair value movements.

23. Development properties

	Group	
	2021 S$'000	2020 S$'000
Land at cost	**47,015**	49,409
Development costs	**25,480**	45,755
Borrowing costs capitalised	**4,274**	3,683
Development properties	**76,769**	98,847

(a) As at 30 June 2021, properties under development which were not scheduled for completion within the next 12 months amounted to S$48,690,000 (2020: S$44,561,000).

(b) The costs capitalised under development properties amounting to S$76,769,000 (2020: S$98,847,000) are denominated in NZD.

(c) Borrowing costs of S$1,591,000 (2020: S$2,286,000) arising from bank borrowings specifically entered into for the purchase of the land for development were capitalised during the financial year and included in development properties. The bank borrowings are secured on the development properties and bear effective interest rate of 2.62% (2020: 3.26%) per annum at the balance sheet date.

(d) Details of the Group's development properties are as follows:

	Tenure of Land	Site area (sqm)
Remarkables Residences A planned development comprising 144-169 units of residential units	Freehold	23,222
Bellfield Estate A planned development site comprising 500 lots for residential units	Freehold	218,400

The Remarkables Residences and Bellfield Estate developments have been pledged by way of first registered and exclusive mortgage as security for bank borrowings granted to the Group [Note 27(a)(vi)&(vii)&(viii)]. As at 30 June 2021, the carrying value of properties under the Remarkables Residences and Bellfield Estate development is S$24,124,000 and S$52,645,000 respectively.

24. Leases

Nature of the Group's leasing activities – The Group as a lessee

Leasehold property

The Group has made an upfront payment to secure the right-of-use of a 30-year leasehold property, which is used in the operations of the Group. This leasehold property is recognised within Property, plant and equipment (Note 21).

Office equipment

The Group leases office equipment from a non-related party for the purpose of head office operations.

There are no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

	Group and Company	
ROU assets classified within Property, plant and equipment	**2021 S$'000**	2020 S$'000
Leasehold property	**5,598**	6,291
Office equipment	**8**	-
	5,606	6,291

(b) Lease expense not capitalised in lease liabilities

	Group and Company	
	2021 S$'000	2020 S$'000
Lease expense – low-value leases	**-**	4

(c) Total cash outflow for all the leases in 2021 was S$4,000 (2020: S$4,000).

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

24. Leases continued

Nature of the Group's leasing activities – The Group as a lessor

The Group has leased out their owned property, plant and equipment, investment properties and unsold development properties (Note 5) to third parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred. Rental income from investment properties are disclosed in Note 22.

Undiscounted lease payments from the operating leases to be received after the balance sheet date are as follows:

	Group		Company	
	30 June 2021	30 June 2020	**30 June 2021**	30 June 2020
	S$'000	S$'000	**S$'000**	S$'000
Less than one year	**7,957**	7,240	**1,833**	2,160
One to two years	**5,714**	4,970	**483**	766
Two to three years	**3,702**	3,730	**-**	198
Three to four years	**2,361**	2,884	**-**	-
Four to five years	**1,354**	2,115	**-**	-
More than five years	**1,144**	2,274	**-**	-
Total undiscounted lease payment	**22,232**	23,213	**2,316**	3,124

25. Trade and other payables

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Current				
Trade payables:				
- Non-related parties	**392**	2,553	**-**	-
Other creditors	**315**	678	**199**	351
Security deposits	**390**	317	**276**	152
Accruals for operating expenses	**865**	681	**635**	544
Accrued interest payable - loans	**46**	157	**19**	127
Retention payables	**141**	178	**-**	-
Deferred grant income	**-**	69	**-**	48
Other liabilities	**588**	632	**117**	119
	2,737	5,265	**1,246**	1,341
Non-current				
Security deposits	**299**	477	**73**	243
Retention payables	**10**	134	**-**	-
Other liabilities	**-**	11	**-**	-
	309	622	**73**	243
	3,046	5,887	**1,319**	1,584

The carrying amount of non-current trade payables, security deposits, retention payables and other liabilities approximate its fair value.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

26. Derivative financial instruments

	Contract notional amount	Fair value liability	Contract notional amount	Fair value liability
	2021	**2021**	2020	2020
	S$'000	**S$'000**	S$'000	S$'000
Group				
Derivatives held for hedging:				
Cash-flow hedges				
- Interest rate swaps	**52,245**	**353**	53,724	1,063
Total		**353**		1,063
- Current		**353**		-
- Non-current		**-**		1,063
Total		**353**		1,063

As at the balance sheet date, the Group has one (2020: one) interest rate swap agreement, which will mature on 29 March 2022. The interest rate swap agreement is to hedge the Group's floating rate borrowing [Note 27(a)(v)]. Fair value gains and losses on the interest rate swaps recognised in the hedging reserve are reclassified to the profit or loss as part of interest expenses over the period of the borrowings.

27. Borrowings

	Group		Company	
	2021	2020	**2021**	2020
Current	**S$'000**	S$'000	**S$'000**	S$'000
Bank loans - unsecured	**1,209**	5,208	**1,209**	5,209
Bank loans - secured	**90,382**	39,254	**2,224**	2,224
Lease liabilities	**4**	-	**4**	-
Other financing	**232**	245	**-**	-
	91,827	44,707	**3,437**	7,433
Non-current				
Bank loans - unsecured	**3,690**	4,792	**3,690**	4,792
Bank loans - secured	**6,558**	77,286	**6,558**	8,789
Lease liabilities	**4**	-	**4**	-
	10,252	82,078	**10,252**	13,581
Total borrowings	**102,079**	126,785	**13,689**	21,014

The exposure of the borrowings of the Group and the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
6 months or less	**96,940**	121,540	**8,782**	16,014

(a) Details of the bank loans are as follows:

(i) A term loan of S$8,220,000 (2020: S$10,201,000) is secured over the Company's leasehold property and is repayable over 6 years with a fixed repayment schedule beginning August 2019. The term loan will mature in August 2025.

(ii) A term loan of S$562,000 (2020: S$813,000) is secured over the Company's leasehold property and is repayable over 4 years with a fixed repayment schedule beginning September 2019. The term loan will mature in September 2023.

(iii) An unsecured money market line of S$Nil (2020: S$5,000,000) is repayable over the next 6 months. The facility limit is at S$5,000,000 and is available for drawdown as at 30 June 2021.

(iv) A temporary bridging loan of S$4,899,000 (2020: S$5,000,000) is unsecured and repayable over 5 years with a fixed repayment schedule beginning May 2021. The loan will mature in May 2025.

(v) Term loans of S$52,245,000 (2020: S$53,724,000) ("PPL loans") are secured over the Group's investment properties (Note 22) which will mature in March 2022.

The term loan is subject to loan covenant clauses stipulated in the loan agreement. As at 30 June 2021, the Group did not meet the requirement of the loan-to-value ratio ("LVR"), based on the latest independent valuation report issued subsequent to 30 June 2021. The Group has obtained confirmation from the bank on 30 June 2021 that the Group is not in breach of the loan covenant and the bank will not recall the full amount of the loan for a period of 12 months from the balance sheet date. As at the date of the financial statements, the Group is working with the bank to amend or waive the current covenant measurement threshold. Prior to the amendment or waiver of the covenant measurement threshold, the bank further confirmed that the maximum cash top up, if any, to rectify the LVR ratio, amounts to S$2,139,000 computed based on the LVR ratio as at 30 June 2021.

(vi) Term loans of S$9,002,000 (2020: S$33,068,000) ("RR loans") are secured over the Group's development properties in Remarkables Residences [Note 23(d)]. In the previous financial year, subsequent to the financial year end, the Group has made full repayment of the outstanding balance of RR loans. The term loans will mature in March 2022.

(vii) Term loans of S$17,871,000 (2020: S$10,068,000) ("BEL loans") are secured over the Group's development properties in Bellfield Estate [Note 23(d)]. The term loans will mature in June 2022.

(viii) Term loans of S$9,040,000 (2020: S$8,666,000) ("BDL loans") are secured over the Group's development properties in Bellfield Estate [Note 23(d)]. The term loans will mature in March 2022.

As at 30 June 2021 and 30 June 2020, the Group is in compliance with all its debt covenants.

(b) Fair value of non-current borrowings

The carrying amounts of the Group's non-current borrowings approximate their fair values as at 30 June 2021 and 30 June 2020.

The fair values are within Level 2 of the fair value hierarchy.

The weighted average effective interest rate of the Group at the balance sheet date is 2.98% (2020: 3.39%) per annum.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

27. Borrowings continued

(c) Undrawn borrowing facilities

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Expiring within one year	**1,307**	2,182	**1,000**	-
Expiring beyond one year	**-**	7,184	**-**	-
	1,307	9,366	**1,000**	-

The facilities expiring within one year from the balance sheet date pertains to the development loan from the bank for the construction of Bellfield Estate and other facilities to finance the Group's working capital purposes.

(d) Reconciliation of liabilities arising from financing activities

				Non-cash changes						
	1 July 2020 S$'000	Proceeds from borrowings S$'000	Principal and interest payments S$'000	Interest expense S$'000	Interest capitalised in development properties S$'000	Amortisation of loan establish-ment fee S$'000	Unamortised loan establish-ment fee S$'000	Modification of lease liabilities S$'000	Foreign exchange movement S$'000	30 June 2021 S$'000
Bank borrowings (Note 27)	126,785	23,842	(53,759)	-	-	-	(18)	-	5,221	102,071
Lease liabilities (Note 27)	-	-	(4)	1	-	-	-	11	-	8
Interest payables (Note 25)	157	-	(3,390)	1,816	1,591	(130)	-	-	2	46

				Non-cash changes					
	1 July 2019 S$'000	Proceeds from borrowings S$'000	Principal and interest payments S$'000	Interest expense S$'000	Interest capitalised in development properties S$'000	Amortisation of loan establish-ment fee S$'000	Unamortised loan establish-ment fee S$'000	Foreign exchange movement S$'000	30 June 2020 S$'000
Bank borrowings (Note 27)	90,663	50,660	(14,067)	-	-	-	(94)	(377)	126,785
Interest payables (Note 25)	848	-	(4,682)	1,726	2,286	(46)	-	25	157

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

28. Share capital and treasury shares

	No. of ordinary shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital S$'000	Treasury shares S$'000
Group and Company				
2021				
Beginning and end of financial year	**275,835**	**(914)**	**92,702**	**(960)**
2020				
Beginning and end of financial year	275,835	(914)	92,702	(960)

29. Accumulated loss

Movement in accumulated loss for the Company is as follows:

	Company	
	2021 S$'000	2020 S$'000
Beginning of financial year	**(16,883)**	(16,102)
Net profit/(loss)	**1,329**	(751)
Adjustment in share option reserve	**57**	-
Transfer upon disposal of equity investments in financial asset, at FVOCI	**-**	(30)
End of financial year	**(15,497)**	(16,883)

30. Other reserves

(a) Composition:

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Share option reserve	**-**	57	**-**	57
Currency translation reserve	**(2,934)**	(4,669)	**-**	-
Fair value reserve	**(722)**	(722)	**(675)**	(675)
Capital reserve	**(4,003)**	(4,003)	**(4,003)**	(4,003)
Hedging reserve	**(216)**	(766)	**-**	-
Transactions with non-controlling interest	**(69)**	(3,946)	**-**	-
	(7,944)	(14,049)	**(4,678)**	(4,621)

(b) Movements:

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
(i) Share option reserve				
Beginning of financial year	**57**	57	**57**	57
Adjustment in share option reserve	**(57)**	-	**(57)**	-
End of financial year	**-**	57	**-**	57
(ii) Currency translation reserve				
Beginning of financial year	**(4,669)**	(4,102)	**-**	-
Net currency translation differences of financial statements of foreign subsidiaries	**1,735**	(567)	**-**	-
End of financial year	**(2,934)**	(4,669)	**-**	-
(iii) Fair value reserve				
Beginning of financial year	**(722)**	(752)	**(675)**	(705)
Transfer to accumulated losses upon disposal of equity investment in financial asset, at FVOCI	**-**	30	**-**	30
End of financial year	**(722)**	(722)	**(675)**	(675)
(iv) Capital reserve				
Beginning and end of financial year	**(4,003)**	(4,003)	**(4,003)**	(4,003)

The capital reserve arose from the reissuance of treasury shares in financial year ended 30 June 2016 as consideration for the Group's acquisition of subsidiaries. The loss from reissuance of treasury shares of S$4,003,000 was recognised in the capital reserve.

(v) Hedging reserve				
Beginning of financial year	**(766)**	-	**-**	-
Fair value gains/(losses) on derivative financial instruments	**188**	(1,206)	**-**	-
Reclassified to profit or loss:				
- Finance expense (Note 9)	**577**	143	**-**	-
Deferred tax (expenses)/credit on fair value losses [Note 10(d)]	**(215)**	297	**-**	-
End of financial year	**(216)**	(766)	**-**	-
(vi)Transactions with non-controlling interest				
Beginning of financial year	**(3,946)**	(3,975)	**-**	-
Transactions with non-controlling interest [Note 20(b)]	**3,877**	29	**-**	-
End of financial year	**(69)**	(3,946)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

31. Dividends

For the financial year ended 30 June 2021 and 30 June 2020, no dividend has been declared or recommended.

32. Contingent liabilities

The Company has given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the date of financial statements. At the date of these financial statements, the directors are of the view that no material losses will arise from the undertaking to provide financial support to these subsidiaries.

33. Commitments

Capital commitments

There are no capital expenditure contracted for at the balance sheet date but not recognised in the financial statements as at 30 June 2021 and 30 June 2020.

34. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Currency risk

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the Australian Dollars ("AUD") and New Zealand Dollars ("NZD").

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Where appropriate, the exposure is managed through borrowings denominated in the relevant foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(a) Market risk *(continued)*

(i) Currency risk (continued)

The Group's currency exposures based on the information provided by key management are as follows:

30 June 2021	SGD S$'000	AUD S$'000	NZD S$'000	Others S$'000	Total S$'000
Cash and cash equivalents	645	-	3,186	11	3,842
Restricted cash	-	-	436	-	436
Term deposits	-	-	4,701	-	4,701
Trade and other receivables	5,632	-	363	-	5,995
Other financial assets	59	-	235	-	294
Intercompany receivables	55,331	4,112	67,745	-	127,188
Other financial liabilities	(1,238)	-	(1,220)	-	(2,458)
Borrowings	(13,689)	-	(88,390)	-	(102,079)
Intercompany payables	(55,331)	(4,112)	(67,745)	-	(127,188)
Net financial (liabilities)/assets	(8,591)	-	(80,689)	11	(89,269)
Less: Net financial liabilities denominated in the respective entities functional currencies	7,909	-	117,574	-	125,483
Net currency exposure	**(682)**	**-**	**36,885**	**11**	**36,214**

30 June 2020	SGD S$'000	AUD S$'000	NZD S$'000	Others S$'000	Total S$'000
Cash and cash equivalents	5,324	-	2,489	11	7,824
Restricted cash	-	-	406	-	406
Trade and other receivables	7,642	-	925	-	8,567
Other financial assets	60	-	105	-	165
Intercompany receivables	62,345	3,897	63,481	-	129,723
Other financial liabilities	(1,469)	-	(3,717)	-	(5,186)
Borrowings	(21,014)	-	(105,771)	-	(126,785)
Intercompany payables	(62,345)	(3,897)	(63,481)	-	(129,723)
Net financial (liabilities)/assets	(9,457)	-	(105,563)	11	(115,009)
Less: Net financial liabilities denominated in the respective entities functional currencies	9,457	-	141,552	-	151,009
Net currency exposure	**-**	**-**	**35,989**	**11**	**36,000**

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(a) Market risk *(continued)*

(i) Currency risk (continued)

The Company's currency exposures based on the information provided by key management are as follows:

30 June 2021	SGD S$'000	AUD S$'000	NZD S$'000	Others S$'000	Total S$'000
Cash and cash equivalents	616	-	1	11	628
Trade and other receivables	5,564	-	-	-	5,564
Other financial assets	59	-	-	-	59
Due from subsidiaries - net	47,316	2,662	21,856	-	71,834
Other financial liabilities	(1,202)	-	-	-	(1,202)
Borrowings	(13,689)	-	-	-	(13,689)
Net financial assets	38,664	2,662	21,857	11	63,194
Less: Net financial assets denominated in the respective entities functional currencies	(38,664)	-	-	-	(38,664)
Net currency exposure	**-**	**2,662**	**21,857**	**11**	**24,530**

30 June 2020	SGD S$'000	AUD S$'000	NZD S$'000	Others S$'000	Total S$'000
Cash and cash equivalents	5,280	-	46	11	5,337
Trade and other receivables	7,523	-	-	-	7,523
Other financial assets	60	-	-	-	60
Due from subsidiaries - net	47,756	2,523	20,328	-	70,607
Other financial liabilities	(1,417)	-	-	-	(1,417)
Borrowings	(21,014)	-	-	-	(21,014)
Net financial assets	38,188	2,523	20,374	11	61,096
Less: Net financial assets denominated in the respective entities functional currencies	(38,188)	-	-	-	(38,188)
Net currency exposure	**-**	**2,523**	**20,374**	**11**	**22,908**


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NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(a) Market risk *(continued)*

(i) Currency risk (continued)

If the AUD and NZD change against SGD by 2% (2020: 2%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Increase/(Decrease) 2021		Increase/(Decrease) 2020	
	Profit after tax S$'000	**Other comprehensive income S$'000**	Loss after tax S$'000	Other comprehensive loss S$'000
Group				
NZD against SGD				
- Strengthened	**612**	**697**	(597)	(843)
- Weakened	**(612)**	**(697)**	597	843
Company				
AUD against SGD				
- Strengthened	**44**	**-**	(42)	-
- Weakened	**(44)**	**-**	42	-
NZD against SGD				
- Strengthened	**363**	**-**	(338)	-
- Weakened	**(363)**	**-**	338	-

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's and the Company's interest rate risk arises mainly from borrowings. The borrowings expose the Group to cash flow interest rate risk. The Group seeks to minimise its exposure to these risks by entering into interest rate swaps to hedge the cash flow interest rate risk when considered appropriate.

The Group's and the Company's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD and NZD. If the SGD and NZD interest rates had increased/decreased by 0.50% (2020: 0.50%) with all other variables including tax rate being held constant, the results after tax would have been lower/higher by S$402,000 (2020: S$504,000) as a result of higher/lower interest expense on these borrowings.

(iii) Price risks

The Group and the Company does not have significant exposure to price risk as it does not have investments in equity securities in the current and prior financial year.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's and the Company's major classes of financial assets subject to credit risks are cash and cash equivalents, term deposits, restricted cash, trade and other receivables, deposits and amounts due from subsidiaries. For trade and other receivables, the Group adopts the policy of dealing only with customers and counterparties of appropriate credit history, and obtaining sufficient securities such as deposits and bankers' guarantees where appropriate to mitigate credit risk. Bank deposits were mainly placed with financial institutions which have high credit ratings.

For trade receivables from rental of investment properties, the Group typically collects deposits amounting to one to six months of the monthly lease rental. All late payments are monitored closely and followed up with active chasing and repayment plans or legal action if necessary. The Group also regularly reviews the recoverable amount of each individual's trade receivable to ensure that the adequate impairment losses are made for irrecoverable amounts.

There is no significant concentrations of credit risk from trade debtors due to its diversified customer base.

For other receivables, the Group and the Company regularly monitors and review the payments received. Any late payments will be monitored closely and followed up promptly with active chasing and repayment plans. The Group and the Company regularly reviews the recoverable amount of each individual's other receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

For the Group and the Company, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except as follows:

	Company	
	2021 S$'000	2020 S$'000
Corporate guarantees provided to banks on subsidiaries' loans	**79,118**	96,859

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(b) Credit risk *(continued)*

The movements in credit loss allowance are as follows:

	Trade receivables[(a)] S$'000	Other receivables[(a)] S$'000	Total S$'000
Group			
Balance at 1 July 2020	(565)	(597)	(1,162)
Loss allowance recognised in profit or loss during the year on:			
- Assets acquired/originated	(205)	-	(205)
- Reversal of unutilised amounts	430	148	578
	225	148	373
Balance at 30 June 2021	**(340)**	**(449)**	**(789)**
Group			
Balance at 1 July 2019	(132)	(352)	(484)
Loss allowance recognised in profit or loss during the year on:			
- Assets acquired/originated	(541)	(270)	(811)
- Reversal of unutilised amounts	4	-	4
	(537)	(270)	(807)
Receivables written off as uncollectible	104	25	129
Balance at 30 June 2020	(565)	(597)	(1,162)

[(a)] Loss allowance measured at lifetime ECL

	Trade receivables[a] S$'000	Other receivables[a] S$'000	Total S$'000
Company			
Balance at 1 July 2020	(43)	(597)	(640)
Loss allowance recognised in profit or loss during the year on:			
- Reversal of unutilised amounts	22	148	170
Balance at 30 June 2021	**(21)**	**(449)**	**(470)**
Company			
Balance at 1 July 2019	(77)	(352)	(429)
Loss allowance recognised in profit or loss during the year on:			
- Assets acquired/originated	-	(270)	(270)
- Reversal of unutilised amounts	4	-	4
	4	(270)	(266)
Receivables written off as uncollectible	30	25	55
Balance at 30 June 2020	(43)	(597)	(640)

[a] Loss allowance measured at lifetime ECL

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(b) Credit risk *(continued)*

(i) Trade receivables

In measuring the expected credit losses, trade receivables are grouped based on share credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rate for each category of customers under each business, and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical rates based on expected changes in these factors. Management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern over the last three financial years and the existence of security deposits and banker's guarantees for its receivables from rental of investment properties.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 30 June 2021 are set out in the provision matrix as follows:

		←	**Past due**	→	
	Current S$'000	Less than 3 months S$'000	3 to 6 months S$'000	Above 6 months S$'000	Total S$'000
Group					
Trade receivables					
Trade receivables	147	234	117	188	686
Loss allowance	(8)	(152)	(56)	(124)	(340)
Company					
Trade receivables					
Trade receivables	-	-	-	22	22
Loss allowance	-	-	-	(21)	(21)

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 30 June 2020 are set out in the provision matrix as follows:

		Past due			
	Current S$'000	Less than 3 months S$'000	3 to 6 months S$'000	Above 6 months S$'000	Total S$'000
Group					
Trade receivables					
Trade receivables	679	738	144	44	1,605
Loss allowance	-	(413)	(109)	(43)	(565)
Company					
Trade receivables					
Trade receivables	-	-	-	44	44
Loss allowance	-	-	-	(43)	(43)

(ii) Other receivables at amortised cost, deposits and amounts due from subsidiaries

For other receivables, deposits and amounts due from subsidiaries, management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern over the last three financial years to assess the expected credit loss.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates and adjusted for forward-looking macroeconomic factors.

These financial assets are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about events, including but not limited to significant financial difficulty of the borrower or a breach of contract, such as a default or past due event.

The Group and the Company uses the following categories of internal credit risk rating for its other receivables at amortised cost and amounts due from subsidiaries:

Category of internal credit rating	Performing	Under-performing	Non-performing	Write-off
Definition of category	Low risk of default and a strong capacity to meet contractual cash flows	There is a significant increase in credit risk; as significant in credit risk is presumed if interest and/or principal repayment are 30 days past due	Interest and/or principal payments are 90 days past due	Interest and/or principal repayments are past due and there is no reasonable expectation of recovery
Basis of recognition of expected credit loss	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses	Asset is written off

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(b) Credit risk *(continued)*

(ii) Other receivables at amortised cost, deposits and amounts due from subsidiaries (continued)

Category	Performing S$'000	Under-performing S$'000	Non-performing S$'000	Write-off S$'000
Group				
2021				
Estimated gross carrying amount at default	**5,649**	**-**	**449**	**-**
Loss allowance	**-**	**-**	**(449)**	**-**
2020				
Estimated gross carrying amount at default	7,492	-	632	-
Loss allowance	-	-	(597)	-
Company				
2021				
Estimated gross carrying amount at default	**89,080**	**-**	**449**	**-**
Loss allowance	**-**	**-**	**(449)**	**-**
2020				
Estimated gross carrying amount at default	88,746	-	632	-
Loss allowance	-	-	(597)	-

(iii) Cash and cash equivalents, term deposits and restricted cash

The Group and the Company held cash and cash equivalents of S$3,842,000 and S$628,000 respectively (2020: S$7,824,000 and S$5,337,000) with reputable banks which are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

The Group also holds term deposits and restricted cash of S$4,701,000 and S$436,000 respectively (2020: S$Nil and S$406,000) with reputable banks which are considered to have low credit risk as well. These balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(iv) Financial guarantee contracts

The Company has issued financial guarantee to banks for borrowings of its subsidiaries. These guarantees are subject to impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity and future cash flows to be generated from sale of development properties to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantee.

(c) Liquidity risk

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year S$'000	Between 1 and 5 years S$'000	Over 5 years S$'000
Group			
30 June 2021			
Trade and other payables	**2,149**	**309**	**-**
Borrowings	**91,827**	**10,252**	**-**
Future interest payable on borrowings	**2,497**	**315**	**-**
30 June 2020			
Trade and other payables	4,564	535	87
Borrowings	44,707	81,749	329
Future interest payable on borrowings	3,014	2,229	1

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year S$'000	Between 1 and 5 years S$'000	Over 5 years S$'000
Company			
30 June 2021			
Trade and other payables	**1,129**	**73**	**-**
Due to subsidiaries	**-**	**11,683**	**-**
Borrowings	**3,437**	**10,252**	**-**
Future interest payable on borrowings	**242**	**315**	**-**
Corporate guarantees	**79,118**	**-**	**-**
30 June 2020			
Trade and other payables	1,174	243	-
Due to subsidiaries	-	10,652	-
Borrowings	7,433	13,252	329
Future interest payable on borrowings	425	579	1
Corporate guarantees	96,859	-	-

The Group and Company closely monitors and manages its debt maturity profile, operating cash flows and the availability of funding. The Group maintains a level of cash and cash equivalents deemed adequate by management and ensures flexibility in meeting funding requirements by securing credit facilities.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

34. Financial risk management continued

(c) Liquidity risk *(continued)*

The table below analyses the maturity profile of the Group's derivative financial instruments based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 5 years
	S$'000	S$'000
Group		
30 June 2021		
Net-settled interest rate swaps – cash flow hedges - Net cash outflows	**412**	**-**
30 June 2020		
Net-settled interest rate swaps – cash flow hedges - Net cash outflows	551	512

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on gearing ratio.

The total gearing ratio is calculated as total debt divided by total equity. Total debt refers to borrowings. Total equity refers to equity attributable to shareholders of the Company, comprising issued capital, accumulated losses and other reserves.

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Total debt	**102,079**	126,785	**13,689**	21,014
Total equity	**71,632**	67,385	**71,567**	70,238
Gearing ratio	**143%**	188%	**19%**	30%

The Group and the Company are in compliance with the externally imposed capital requirements for the financial year ended 30 June 2021 and 30 June 2020.

(e) Fair value measurements

Assets and liabilities measured and carried at fair value are classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Disclosures of the fair value of investment properties and derivative financial instruments are set out in Note 22 and Note 26 respectively.

The carrying amount less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is disclosed on the face of the balance sheet and in Note 26 to the financial statements, except for the following:

	Group	Company
	S$'000	S$'000
30 June 2021		
Financial assets, at amortised cost	**15,268**	**89,768**
Financial liabilities, at amortised cost	**104,537**	**26,574**
30 June 2020		
Financial assets, at amortised cost	16,962	94,179
Financial liabilities, at amortised cost	131,971	33,083

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

35. Related party transactions

The following transactions took place between the Group and related parties during the financial year:

(a) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2021 S$'000	2020 S$'000
Wages, salaries and fees	**1,848**	1,676
Employer's contribution to defined contribution plans, including Central Provident Fund	**46**	44
	1,894	1,720

Included in the above is total compensation to directors of the Company amounting to S$1,139,000 (2020: S$1,042,000).

(b) Income and purchases of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions took place between the Group and Company and related parties at terms agreed between the parties during the financial year.

	Group		Company	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Subsidiary companies				
- Management fees received/receivable	**-**	-	**1,794**	1,690
- Management fees paid/payable	**-**	-	**299**	152
Directors of the Company				
- Consultancy services provided	**360**	288	**360**	288

Outstanding balances at balance sheet date are disclosed in Notes 17 and 18 respectively.

36. Segment Information

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to assess business performance.

The Group is organised into business units based on their products and services and has the following reportable operating segments:

a) The Property segment includes property investment and management and property development activities in New Zealand.

b) Others include Group level corporate services, investments in equity shares in Singapore and retail of food and beverages in New Zealand.

2021	Property investment & management S$'000	Property development S$'000	Others S$'000	Eliminations S$'000	Total S$'000
Revenue					
External revenue	9,771	37,156	-	-	46,927
Inter-segmental revenue	3,818	-	1,824	(5,642)	-
Total operating revenue	13,589	37,156	1,824	(5,642)	46,927
Result					
Segment results	3,335	636	(431)	-	3,540
Finance expenses	(1,511)	-	(306)	-	(1,817)
Finance income	45	120	209	-	374
Profit/(loss) before income tax	1,869	756	(528)	-	2,097
Income tax expenses					(139)
Profit after tax					1,958
Other Information					
Segment assets	85,491	82,770	12,183	-	180,444
Deferred income tax assets					188
Consolidated total assets					180,632
Additions to:					
- property, plant and equipment	3	6	7	-	16
Segment liabilities	54,382	39,040	15,127	-	108,549
Current income tax liabilities					11
Deferred income tax liabilities					440
Consolidated total liabilities					109,000
Other material non-cash items:					
Depreciation	(32)	(3)	(801)	-	(836)
Net impairment of trade and other receivables	(144)	-	-	-	(144)
Fair value (losses)/gains on investment properties	(3,290)	564	-	-	(2,726)

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

36. Segment Information continued

2020	Property investment & management S$'000	Property development S$'000	Others S$'000	Eliminations S$'000	Total S$'000
Revenue					
External revenue	8,645	-	-	-	8,645
Inter-segmental revenue	3,575	-	1,704	(5,279)	-
Total operating revenue	12,220	-	1,704	(5,279)	8,645
Result					
Segment results	(1,827)	(1,850)	(2,289)	-	(5,966)
Finance expenses	(1,289)	(41)	(437)	-	(1,767)
Finance income	13	8	220	-	241
Loss before income tax	(3,103)	(1,883)	(2,506)	-	(7,492)
Income tax credit					354
Loss after tax					(7,138)
Other Information					
Segment assets	78,812	105,553	19,604	-	203,969
Deferred income tax assets					444
Consolidated total assets					204,413
Additions to:					
- property, plant and equipment	12	-	14	-	26
Segment liabilities	56,985	56,907	22,744	-	136,636
Current income tax liabilities					6
Deferred income tax liabilities					382
Consolidated total liabilities					137,024
Other material non-cash items:					
Depreciation	(35)	-	(813)	-	(848)
Net impairment of trade and other receivables	(541)	-	(266)	-	(807)
Other non-current asset written off	-	(735)	-	-	(735)
Fair value losses on investment properties	(7,163)	(179)	-	-	(7,342)

Geographical segment

The principal geographical area in which the Group operates is Singapore and New Zealand.

	Operating revenue		Non-current assets		Total assets	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000	**2021 S$'000**	2020 S$'000
Singapore	**-**	-	**9,486**	12,066	**12,236**	19,742
New Zealand	**46,927**	8,645	**82,080**	80,860	**168,208**	184,227
Total	**46,927**	8,645	**91,566**	92,926	**180,444**	203,969

37. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 July 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:
Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 July 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.
The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment:
Proceeds before Intended Use (effective for annual periods beginning on or after 1 July 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets:
Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 July 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS continued

For the financial year ended 30 June 2021

38. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of GYP Properties Limited on 30 September 2021.

39. Listing of companies in the Group

Name of companies	Principal activities	Country of business / incorporation	Percentage of equity held 2021 %	2020 %
Subsidiaries held by the Company				
GYPP Pte Ltd [(a)]	Dormant	Singapore	**100**	100
GYP Investments Pte Ltd [(d)]	Dormant	Singapore	**100**	100
GYP Real Estate Pte Ltd [(a)]	Property management and investment holding	Singapore	**100**	100
Singapore River Explorer Pte Ltd [(c)]	Dormant	Singapore	**-**	50
Subsidiaries held by subsidiaries				
SG Innovation Hub Pte Ltd [(a)]	Property management services	Singapore	**100**	100
FP Network Pte Ltd [(d)]	Investment holding	Singapore	**100**	100
Pakuranga Plaza Limited [(b)]	Investment holding and rental of investment properties	New Zealand	**100**	100
Pakuranga Plaza Management Limited [(b)]	Property management services	New Zealand	**100**	100
Pakuranga Precinct Development Limited [(b)]	Property investment and development	New Zealand	**100**	100
Remarkables Residences Limited [(b)]	Property investment and development	New Zealand	**100**	100

Name of companies	Principal activities	Country of business / incorporation	Percentage of equity held	
			2021 %	2020 %
Bellfield Estate Limited (b)	Property investment and development	New Zealand	**100**	100
Bellfield Retail Investment Limited (e)	Property investment and rental of investment properties	New Zealand	**100**	100
Pauanui Lakes Development Limited (e)	Property investment and development	New Zealand	**100**	100
Papakura Development Limited (e)	Property investment and development	New Zealand	**100**	100
Bellfield Development Limited (e)	Property investment and development	New Zealand	**100**	100
Coffee Depot Limited (e)	Sales of food and beverage	New Zealand	**100**	-

(a) Audited by PricewaterhouseCoopers LLP, Singapore.
(b) Audited by PricewaterhouseCoopers network firm outside Singapore.
(c) The Company applied to Accounting and Corporate Regulatory Authority for strike off from the register and the application was approved on 8 February 2021.
(d) Not audited as company is dormant.
(e) Not required to be audited in the country of incorporation.

ADDITIONAL INFORMATION

For the financial year from 1 July 2020 to 30 June 2021

A. Material contracts

There were no other material contracts entered into by the Company or any of its subsidiaries involving the interests of the Chief Executive Officer, any Director or controlling shareholder, either still subsisting at the end of the financial year, or if not then subsisting, entered into since the end of the previous financial year except those disclosed in the interested person transaction in (E).

B. Auditors' remuneration

	Group	
	2021 S$'000	2020 S$'000
Audit fees paid/payable to:		
- Auditors of the Company	**106**	109
- Other auditors*	**99**	86
	205	195
Non-audit fees paid/payable to:		
- Auditors of the Company	**12**	12
- Other auditors*	**32**	31
	44	43

* Includes the network of member firm of PricewaterhouseCoopers International Limited (PwCIL)

C. Directors' remuneration

The following information relates to remuneration of directors of the Company during the financial year:

	2021	2020
Number of directors of the Company in remuneration bands:		
- S$500,000 to below S$750,000	**1**	-
- S$250,000 to below S$500,000	**1**	1
- below S$250,000	**4**	5
Total	**6**	6

ADDITIONAL INFORMATION continued

For the financial year from 1 July 2020 to 30 June 2021

D. Properties of the Group

Location	Existing use	Tenure	Gross floor area (sq m)	Effective Group interest
1 Lorong 2 Toa Payoh, Braddell House, Singapore	Headquarters	60 Year lease with effect from 26 July 1969	13,416	100%
10 Aylesbury Street & 167 Pakuranga Road, Pakuranga, Auckland, New Zealand	Retail shopping mall including outdoor Warehouse Plaza and office space in a four-storey standalone Plaza Business Centre Total land area: 39,209 sqm	Freehold	29,568	100%
169 Pakuranga Road, Pakuranga, Auckland, New Zealand	Land for development	999-year lease	1,001	100%
171 Pakuranga Road, Pakuranga, Auckland, New Zealand	Land for development	999-year lease	1,002	100%
Eastern Access Road, Queenstown, New Zealand	Balance land for development Total land area: 23,222 sqm	Freehold	N.A.	100%
117 Opaheke Road, Opaheke, Papakura, Auckland, New Zealand	Land for development Total land area: 218,400 sqm	Freehold	N.A.	100%

E. Interested person transactions

Name of interested person	Aggregated value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 each) — Transactions not conducted under shareholders' mandate pursuant to Rule 920		Transactions conducted under shareholders' mandate pursuant to Rule 920	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Professional services provided by				
Mah Bow Tan	**160**	128	**-**	-
Andrew Tay Gim Chuan	**200**	160	**-**	-

STATISTICS OF SHAREHOLDINGS

As at 15 September 2021

Share capital

Number of Issued Shares	275,835,089
Number of Issued Shares (excluding treasury shares)	274,920,818
Number of Treasury Shares	914,271 (0.33%)
Share Capital	S$95,347,640.71**
Class of Shares	Ordinary Shares
Voting Rights (excluding treasury shares)	On a poll – one vote for every ordinary share

**This is based on records kept with the Accounting and Corporate Regulatory Authority ("ACRA") and differs from the accounting records of the Company which is S$92,702,000 due to certain share issue expenses.

Distribution of shareholdings

Size of Shareholdings	No. of Shareholders	%	No. of Shares (excluding treasury share)	%
1 - 99	154	5.13	1,770	0.00
100 - 1,000	916	30.53	375,232	0.14
1,001 - 10,000	1,148	38.27	5,002,360	1.82
10,001 - 1,000,000	758	25.27	44,769,235	16.28
1,000,001 and above	24	0.80	224,772,221	81.76
Total	**3,000**	**100.00**	**274,920,818**	**100.00**

Substantial shareholders

Name	No. of Shares			% of Share Capital of the Company[1]
	Direct Interests	Deemed Interests	Total Interest	
Mah Bow Tan	24,000,000	600,000[2]	24,600,000	8.95
Pang Yoke Min	29,353,740	-	29,353,740	10.68
Kathlyn Tan Jiling	12,000,000	10,200,000[3]	22,200,000	8.08
Yong Yin Min	26,313,690	-	26,313,690	9.57
Oregold Pte Ltd	23,021,400	-	23,021,400	8.37
Goi Seng Hui	23,786,219	23,021,400[4]	46,807,619	17.03

Notes:

[1] Based on the issued share capital of the Company comprising 274,920,818 Shares (excluding 914,271 treasury shares) as at 15 September 2021.

[2] Mah Bow Tan is deemed interested in the shares of the Company held by his spouse, Dr Sheryn Mah by virtue of Section 164 of the Companies Act, Cap. 50.

[3] Kathlyn Tan Jiling holds a 50% shareholding interest in Rumah Group Pte. Ltd. ("RG") and is therefore deemed to be interested in RG's shareholdings in the Company by virtue of Section 4 of the Securities and Futures Act ("SFA").

[4] Goi Seng Hui is the sole shareholder of Oregold Pte. Ltd., and is therefore deemed to be interested in the 23,021,400 shares in the Company held by Oregold Pte. Ltd. by virtue of Section 4 of the SFA.

STATISTICS OF SHAREHOLDINGS continued

As at 15 September 2021

Twenty largest shareholders

As shown in the Register of Members and Depository Register

	No. of Shares	%
PANG YOKE MIN	29,353,740	10.68
YONG YIN MIN	26,313,690	9.57
DB NOMINEES (SINGAPORE) PTE LTD	24,600,000	8.95
GOI SENG HUI	23,786,219	8.65
HSBC (SINGAPORE) NOMINEES PTE LTD	23,440,850	8.53
OREGOLD PTE LTD	23,021,400	8.37
RAFFLES NOMINEES (PTE.) LIMITED	14,234,582	5.18
DBS NOMINEES (PRIVATE) LIMITED	11,174,523	4.06
LAW XIAOWAN	10,596,000	3.85
RUMAH GROUP PTE LTD	10,200,000	3.71
CITIBANK NOMINEES SINGAPORE PTE LTD	3,723,880	1.35
OCBC SECURITIES PRIVATE LIMITED	3,363,877	1.22
UOB KAY HIAN PRIVATE LIMITED	2,502,600	0.91
PHILLIP SECURITIES PTE LTD	2,469,397	0.90
KGI SECURITIES (SINGAPORE) PTE. LTD.	2,436,903	0.89
TEOH AH LECK @ TEO WENG WAH	2,280,000	0.83
MAYBANK KIM ENG SECURITIES PTE. LTD.	2,132,670	0.78
HONG LEONG FINANCE NOMINEES PTE LTD	1,729,200	0.63
UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,424,000	0.52
JAMES ALVIN LOW YIEW HOCK	1,320,000	0.48
Total	**220,103,531**	**80.06**

Based on the information available to the Company as at 15 September 2021, approximately 37.55% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual issued by the SGX-ST has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING ("AGM") of the Company will be held by way of electronic means on Friday, 29 October 2021 at 10.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2021 together with the Directors' Statement and the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Article 91(b) of the Company's Articles of Association:

(a) Mr Pang Yoke Min **(Resolution 2)**
(b) Mr Mah Bow Tan **(Resolution 3)**

(See Explanatory Note 1)

3. That, subject to and contingent upon the passing of Resolution 5 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Andrew Tay Gim Chuan as an independent director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Andrew Tay Gim Chuan as a director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution. **(Resolution 4)**

(See Explanatory Note 2)

4. That, subject to and contingent upon the passing of Resolution 4 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Andrew Tay Gim Chuan as an independent director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Andrew Tay Gim Chuan as a director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution. **(Resolution 5)**

(See Explanatory Note 2)

5. That, subject to and contingent upon the passing of Resolution 7 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Ng Tiong Gee as an independent director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Ng Tiong Gee as a director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution. **(Resolution 6)**

(See Explanatory Note 3)

6. That, subject to and contingent upon the passing of Resolution 6 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Ng Tiong Gee as an independent director of the Company be and is hereby approved; and

NOTICE OF ANNUAL GENERAL MEETING continued

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Ng Tiong Gee as a director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution. **(Resolution 7)**

(See Explanatory Note 3)

7. To approve the payment of Directors' fees of S$310,000 for the financial year ended 30 June 2021. (2020: S$263,700) **(Resolution 8)**

8. To appoint RSM Chio Lim LLP as Auditors of the Company in place of the retiring Auditors, PricewaterhouseCoopers LLP, and to authorise the Directors to fix their remuneration. **(Resolution 9)**

(See Explanatory Note 4)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolution with or without modifications:

9. AUTHORITY TO ALLOT AND ISSUE SHARES

"That, pursuant to Section 161 of the Companies Act, Chapter 50, and the listing rules of the Singapore Exchange Securities Trading Limited (**"SGX-ST"**), approval be and is hereby given to the Directors of the Company to:

(a) (i) allot and issue shares in the capital of the Company (**"Shares"**) whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, **"Instruments"**) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares,

at any time to such persons and upon such terms and for such purposes as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while the authority was in force,

provided always that,

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company;

(2) (subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

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

(b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

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

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier." **(Resolution 10)**

(See Explanatory Note 5)

10. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

By Order of the Board

Lee Wei Hsiung
Company Secretary

Date: 14 October 2021

Explanatory Notes:

1) Mr Mah Bow Tan will, upon re-election as a Director of the Company, remain as a member of the Remuneration Committee.

Mr Pang Yoke Min will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and a member of the Nominations Committee.

The Directors who have offered themselves for re-election have each confirmed that, they do not have any relationships (including immediate family relationships) with other Directors, the Company, its related corporations or its substantial shareholders. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

2) Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

Resolution 4 and Resolution 5 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr Andrew Tay Gim Chuan, an Independent Director, would have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 4 to be voted by all shareholders of the Company and Resolution 5 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 4 and Resolution 5, if both passed, will allow Mr Andrew Tay Gim Chuan to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 4 or Resolution 5 is not passed, Mr Andrew Tay Gim Chuan will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

Mr Andrew Tay Gim Chuan will, upon re-election as a Director, remain as the Chairman of the Audit and Nominations Committees and a member of the Remuneration Committee; and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING continued

3) Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

Resolution 6 and Resolution 7 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr Ng Tiong Gee, an Independent Director, would have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 6 to be voted by all shareholders of the Company and Resolution 7 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 6 and Resolution 7, if both passed, will allow Mr Ng Tiong Gee to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 6 or Resolution 7 is not passed, Mr Ng Tiong Gee will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

Mr Ng Tiong Gee will, upon re-election as a Director, remain as the Chairman of the Remuneration Committee and a member of the Audit and Nominations Committee; and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

4) PricewaterhouseCoopers LLP will not be seeking re-appointment as Auditors of the Company at the AGM. The Company is seeking shareholders' approval on the proposed change of auditors of the Company from PricewaterhouseCoopers LLP to RSM Chio Lim LLP. Please refer to the addendum to the Annual Report dated 14 October 2021 (the "**Addendum**") for more information.

5) The proposed Ordinary Resolution 10, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into new ordinary shares and to issue new ordinary shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), may be issued other than on a pro-rata basis to existing shareholders of the Company.

IMPORTANT NOTES:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this AGM will be conducted solely by way of electronic means. Accordingly, this notice of AGM ("**Notice of AGM**") and the proxy form (**"Proxy Form**") are made available to members via publication on the SGX website at www.sgx.com/securities/company-announcements and on the Company's website at https://www.gypproperties.com/investor-centre. A printed copy of Proxy Form will NOT be despatched to members.

2. This AGM will be conducted solely via a live audio-video webcast and a live audio-only stream. Members of the Company will not be able to attend the AGM in person. Members may however participate in the AGM by observing and/or listening to the AGM proceedings via live audio-visual webcast or live audio-only stream, submitting questions in advance of the AGM and appointing the chairman of the AGM ("**Chairman of the Meeting**") as proxy to attend and vote on their behalf at the AGM. Details of the steps for preregistration, submission of questions and voting at the AGM are set out below.

3. Procedures for members who wish to observe and/or listen to the AGM proceedings

(a) Members including CPF and SRS investors who wish to observe and/or listen to the AGM proceedings must complete the following steps:

(i) Members must pre-register at the website https://globalmeeting.bigbangdesign.co/gypp2021agm/ by 10.00 a.m. on 26 October 2021. Pre-registration will open at 10.00 a.m. on 14 October 2021.

(ii) The Company will verify the members' and CPF/SRS shareholding status after the close of pre-registration. Only members who pre-register by 10.00 a.m. on 26 October 2021 and have ordinary shares in the Company in their names as at 5.00 p.m. on 26 October 2021 **("Participating Members"**) may observe and/or listen to the AGM proceedings.

(iii) The Company will send to the Participating Members an email containing instructions (including a weblink and a telephone number) to access the AGM proceedings (**"Confirmation Email"**).

(b) If a member pre-registers by 10.00 a.m. on 26 October 2021 but does not receive the Confirmation Email by 10.00 a.m. on 28 October 2021 the member should contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, by telephone at +65 6536 5355 anytime from 9.00 a.m. to 5.00 p.m. or by email to srs.teamc@boardroomlimited.com.

4. Procedures for members who wish to submit questions relating to the resolutions to be tabled at the AGM

(a) Members will not be able to ask questions during the live audio-video webcast or the live audio-only stream of the AGM proceedings. Members who pre-register to observe and/ or listen to the AGM proceedings may submit questions relating to the resolutions to be tabled at the AGM in advance of the AGM at (i) https://globalmeeting.bigbangdesign.co/gypp2021agm/ or (ii) via email to ir@gypproperties.com by 10.00 a.m. on 26 October 2021.

(b) The Board of Directors of the Company ("Board") will endeavour to address substantial and relevant questions (as determined by the Board in its sole opinion) submitted by Participating Members either before or during the AGM webcast through an SGXNet announcement. The Company will publish the minutes of the AGM on the Company's corporate website and on SGXNet, and the minutes will include the responses to substantial and relevant questions from Participating Members which are addressed during the AGM webcast.

5. Procedures for members who wish to vote at the AGM

(a) Members who wish to vote on the resolutions to be tabled at the AGM must submit in advance the Proxy Form, appointing the Chairman of the Meeting as their proxy and directing him to vote for or vote against each resolution at the AGM by indicating such instructions in the Proxy Form. Members may submit the Proxy Form via email or by post.

(b) The duly completed and signed Proxy Form must be submitted in the following manner:

(i) if via email, please scan and email a PDF copy of the completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at srs.teamc@boardroomlimited.com

(ii) if by post, please send the duly completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

(c) Given the restriction orders and safe distancing measures to deal with the COVID-19 situation in Singapore, members are strongly encouraged to submit the duly completed and signed Proxy Form via email.

(d) The duly completed and signed Proxy Form, whether sent via email or by post, must be received by the Company's Share Registrar by 10.00 a.m. on 27 October 2021 (being not less than forty-eight (48) hours before the time appointed for holding the AGM).

6. Voting at the AGM by Relevant Intermediaries Investors and CPF/SRS Investors

Relevant Intermediary Investors (including CPF/SRS investors) who wish to appoint the Chairman as their proxy to vote at the AGM should not make use of the Proxy Form and should instead approach their respective relevant intermediaries as

NOTICE OF ANNUAL GENERAL MEETING continued

soon as possible to specify voting instructions. CPF/SRS investors who wish to vote should approach their respective CPF agent banks or SRS approved banks or depository agents to submit their votes by 10.00 a.m. on 19 October 2021, being at least seven (7) working days before the AGM, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman to vote on their behalf not later than 27 October 2021, 10.00 a.m.

7. The proxy, who is the Chairman of the Meeting, need not be a member of the Company.

8. The Proxy Form shall be under the hand of the member or by his/her attorney duly authorised in writing, or if the member is a corporation, under seal or under the hand of its attorney duly authorised in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), shall be attached to the instrument of proxy.

9. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

10. The Company's Annual Report 2021 and the Addendum in relation to the proposed change of auditors have been published on the Company's website at https://www.gypproperties.com/investor-centre and on the SGX website at www.sgx.com/securities/company-announcements.

11. As there may be new measures (including new guidance or requirements for the holding or conduct of meetings) to deal with the evolving COVID-19 situation in Singapore, the Company may have to change the AGM arrangements at short notice. The Company will announce any changes to the holding or conduct of the AGM via the SGXNet at www.sgx.com/securities/company-announcements and its website at https://www.gypproperties.com/investor-centre. Members are advised to check the SGXNet and the Company's website regularly for updates on the AGM.

Personal data privacy

Where a member of the Company submits (a) an application to pre-register to participate in the AGM via live audio-visual webcast or live audio-only stream, (b) questions relating to the resolutions to be tabled for approval at the AGM, and/or (c) an instrument appointing a proxy to vote at the AGM and/or any adjournment thereof, the 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 purposes of (aa) processing the member's application to pre-register to participate in the AGM via live audio-visual webcast or live audio-only stream and providing the member with any technical assistance where possible, (bb) addressing any selected questions submitted by the member and following up with the member where necessary, (cc) the processing and administration by the Company (or its agents) of the proxy appointed for the AGM (including any adjournment thereof), and (dd) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's action or omission.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Andrew Tay Gim Chuan, Mr Ng Tiong Gee, Mr Pang Yoke Min and Mr Mah Bow Tan are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 October 2021 ("AGM") (collectively, the "Retiring Directors" and each a "Retiring Director").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	Mr Mah Bow Tan	**Mr Pang Yoke Min**	**Mr Ng Tiong Gee**	**Mr Andrew Tay Gim Chuan**
Date of Appointment	30 September 2011	6 February 2007	6 August 2007	12 December 2007
Date of last re-appointment	26 October 2018	26 October 2018	30 October 2020	30 October 2019
Age	73	71	59	67
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominations Committee ("NC") and has reviewed and considered the qualifications, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Mah Bow Tan ("Mr Mah") for re-appointment as a Director of the Company. The Board has reviewed and concluded that Mr Mah possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominations Committee ("NC") and has reviewed and considered the qualifications, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Pang Yoke Min ("Mr Pang") for re-appointment as a Director of the Company. The Board has reviewed and concluded that Mr Pang possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualifications, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Ng Tiong Gee ("Mr Ng") for re-appointment as a Director of the Company. The Board has reviewed and concluded that Mr Ng possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualifications, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Andrew Tay Gim Chuan ("Mr Tay") for re-appointment as a Director of the Company. The Board has reviewed and concluded that Mr Tay possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-executive Deputy Chairman and Non-independent Director Member of the Remuneration Committee	Non-executive and Non-independent Director Member of the Audit and Nominations Committee	Non-executive and Independent Director Chairman of Remuneration Committee Member of Audit and Nominations Committee	Non-executive Chairman and Independent Director Chairman of the Audit and Nominations Committee Member of the Remuneration Committee

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION continued

	Mr Mah Bow Tan	Mr Pang Yoke Min	Mr Ng Tiong Gee	Mr Andrew Tay Gim Chuan
Professional qualifications	Honorary Doctor of Science Degree in Industrial Engineering Master of Engineering Degree in Operations Research	Diploma in Business Administration	Fellow of the Institute of Singapore Chartered Accountants (ISCA) Master of Business Administration Bachelor of Mechanical Engineering with Honours	Bachelor of Business Administration
Working experience and occupation(s) during the past 10 years	Mr Mah has been with Singapore Bus Services (SBS), Singapore News and Publications Ltd and Singapore Press Holdings Ltd. Mr Mah has served the Labour Movement in various capacities. He was Chairman of NTUC Comfort Cooperative Limited; Chairman of the National Productivity Board; Chairman of the Singapore Institute of Labour Studies (now the Ong Teng Cheong Labour Leadership Institute); and Chairman of the Singapore Labour Foundation (2002 to 2011).	2013 – Present Executive Chairman, Pacific Radiance Ltd. 2012 – 2013 Principal Adviser, Pacific Radiance Ltd. 2007 – 2011 Non-Executive Director, Pacific Radiance Ltd.	2013 – 2016 Senior Vice-President, Resort World at Sentosa Pte. Ltd. 2008 – 2013 Chief Information Officer and Chief Human Resource Officer, United Test and Assembly Center Ltd	Andrew Tay was previously the Regional Head of Institutional Banking for South East Asia and India, covering bank and non-bank financial institutions for Standard Chartered Bank. From 2001 to 2003, Andrew Tay was the Executive Director of ABR Holdings Limited.
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 24,000,000 Deemed interest: 600,000	Direct interest: 29,353,740	Direct interest: 5,250	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No	No
Conflict of Interest (including any competing business)	No	No	No	No

	Mr Mah Bow Tan	**Mr Pang Yoke Min**	**Mr Ng Tiong Gee**	**Mr Andrew Tay Gim Chuan**
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes
Other Principal Commitments Including Directorships:				
Past (for the last 5 years)	Pontiac Land Private Limited Pacific Star Global Capital Pte Ltd =Dreams (Asia) Limited	Duta Pacific Offshore Sdn. Bhd. Pacific Healthcare Holdings Ltd	NIL	Divina Gloria Asset Management Pte Ltd Global Food Retail Group Pte. Ltd. Supatreats Asia Pte. Ltd. Supatreats Global Supplies Pte. Ltd.
Present	Globalcities Consult Pte Ltd	Alam Radiance (L) Inc Alam Radiance (M) Sdn. Bhd. PT Logindo Samudramakmur Tbk. Pacific Radiance Ltd. Radiance Investment Pte. Ltd. Radiance Physiofit Pte. Ltd. YM InvestCo Pte. Ltd.	Darby Connect Pte. Ltd. Digi8gg Private Limited Ren Ci Hospital Trype Private Limited Pacific Radiance Limited Y Ventures Limited Yellow Pages Pte. Ltd. Yellow Pages Singularity Pte Ltd YPPY Pte Ltd	SG Innovation Hub Pte. Ltd. GYPP Pte. Ltd. GYP Real Estate Pte. Ltd. GYP Investments Pte. Ltd. FP Networks Pte. Ltd. Pakuranga Plaza Limited Pakuranga Plaza Management Limited Pakuranga Precinct Development Limited Remarkables Residences Limited Pauanui Lakes Development Limited =Dreams (Asia) Limited Fundon Pte. Ltd. Bellfield Estate Limited Bellfield Retail Investment Limited Papakura Development Limited Bellfield Development Limited Coffee Depot Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.				
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION continued

	Mr Mah Bow Tan	Mr Pang Yoke Min	Mr Ng Tiong Gee	Mr Andrew Tay Gim Chuan
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No

	Mr Mah Bow Tan	Mr Pang Yoke Min	Mr Ng Tiong Gee	Mr Andrew Tay Gim Chuan
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No


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PROXY FORM ANNUAL GENERAL MEETING

GYP PROPERTIES LIMITED

(Company Registration No. 200304719G)
(Incorporated in the Republic of Singapore)

This proxy form has been made available on SGXNet and the Company's website at https://www.gypproperties.com/investor-centre. A printed copy of this proxy form will NOT be despatched to members.

IMPORTANT

1. This Annual General Meeting ("**AGM**") is being conducted solely via a live audio-video webcast and a live audio-only stream pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Accordingly, this Proxy Form is made available to members on SGXNet at www.sgx.com/securities/company-announcements and on the Company's website at https://www.gypproperties.com/investor-centre. For convenience, the Annual Report 2021, addendum to the Annual Report dated 14 October 2021 and the Notice of AGM are made available on these two websites together with this Proxy Form.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-video webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Notice of AGM dated 14 October 2021.
3. Due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM in person. Members must appoint the Chairman of the Meeting as proxy to attend and vote on their behalf at the AGM if such members wish to exercise their rights at the AGM.
4. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators by 5.00 p.m. on 19 October 2021 to submit their votes.
5. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 October 2021.
6. Please read the important notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend and vote on his/her/its behalf at the AGM.

* I/We ______________________ Name (NRIC/Passport/Co. Reg. No.) ______________________

Of ____ Address

being a *member/members of GYP Properties Limited (the "**Company**"), hereby appoint the **Chairman of the Meeting** as my/our proxy to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be convened and held by electronic means on Friday, 29 October 2021 at 10.00 a.m. and at any adjournment thereof in the following manner:

Res. No.	**Ordinary Resolutions**	**For**	**Against**	**Abstain**
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2021 together with the Directors' Statement and the Auditors' Report thereon.			
2.	To re-elect Mr Pang Yoke Min as Director.			
3.	To re-elect Mr Mah Bow Tan as Director.			
4.	Approval for continued appointment of Mr Andrew Tay Gim Chuan as an independent director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
5.	Approval for continued appointment of Mr Andrew Tay Gim Chuan as an independent director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
6.	Approval for continued appointment of Mr Ng Tiong Gee as an independent director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
7.	Approval for continued appointment of Mr Ng Tiong Gee as an independent director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
8.	To approve the payment of Directors' fees of S$310,000 for the financial year ended 30 June 2021.			
9.	To appoint RSM Chio Lim LLP as Auditors of the Company in place of the retiring Auditors, PricewaterhouseCoopers LLP, and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
10.	To approve the proposed share issue mandate.			

* Please delete accordingly.

Note: Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of ordinary shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.**

Dated this ______ day of ______________ 2021

Total No. of Shares in	**No. of Shares**
CDP Register	
Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes

1. If you have Ordinary Shares entered against your name in the Depository Register (as defined in section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members, you should insert that number of Ordinary Shares. If you have shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary 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 shall be deemed to relate to all the Ordinary Shares held by you.

2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Annual General Meeting in person. Members (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting. This Proxy Form is made available to members on the Company's website at https://www.gypproperties.com/investor-centre, and on the SGX website at https://www.sgx.com/securities/company-announcements.

3. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in this Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The duly completed and signed Proxy Form appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

(a) if via email, please scan and email a PDF copy of the completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at srs.teamc@boardroomlimited.com

(b) if by post, please send the duly completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

in either case, this Proxy Form must be received by the Company's Share Registrar by 10.00 a.m. on 27 October 2021.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Given the restriction orders and safe distancing measures to deal with the COVID-19 situation in Singapore, members are strongly encouraged to submit the duly completed and signed Proxy Form via email.

6. This Proxy Form appointing the Chairman of the Meeting as proxy must be under the hand of the appointer or by his/her attorney duly authorised in writing or, where it is executed by a corporation, be executed under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

7. The Company shall be entitled to reject this Proxy Form, if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form. In addition, in the case of a member whose Ordinary Shares are entered against his/her/its names in the Depository Register, the Company may reject this Proxy Form if the member, being the appointer, is not shown to have Ordinary Shares entered against his/her/its names in the Depository Register 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

8. A Depositor shall not be regarded as a member of the Company entitled to vote at the Annual General Meeting unless his/her/its name appears on the Depository Register 72 hours before the time set for the Annual General Meeting.

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Proxy Form

Affix
Postage
Stamp

GYP Properties Limited

c/o The Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, #32-01
Singapore Land Tower,
Singapore 048623

Fold here


vero
Deloitte.
ANZ

GYP Properties Limited
Company Reg No. 200304719G
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