

# GRP LIMITED



Company No.197701449C

---

## **Financial Statement And Dividend Announcement For Nine-Month Financial Period ended 31 March 2022**

---

# GRP LIMITED

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	GROUP			GROUP		
		\$'000		% Increase/ (decrease)	\$'000		% Increase/ (decrease)
		3 months ended 3Q FY2022	3Q FY2021		9 months ended 31 March 2022	31 March 2021	
<b>Continuing operations</b>							
Revenue		4,045	4,638	(12.8)	10,950	11,018	(0.6)
Cost of sales		(2,740)	(3,164)	(13.4)	(7,336)	(7,278)	0.8
<b>Gross profit</b>		<b>1,305</b>	<b>1,474</b>	<b>(11.5)</b>	<b>3,614</b>	<b>3,740</b>	<b>(3.4)</b>
Other income		143	289	(50.5)	418	876	(52.3)
Distribution costs		(36)	(31)	16.1	(101)	(109)	(7.3)
Administrative expenses		(1,550)	(1,395)	11.1	(5,445)	(4,586)	18.7
Finance costs		(9)	(16)	(43.8)	(60)	(41)	46.3
Share of result of associates		-	(1)	(100.0)	(2)	(3)	(33.3)
<b>Loss before income tax expense</b>	19	<b>(147)</b>	<b>320</b>	<b>NM</b>	<b>(1,576)</b>	<b>(123)</b>	<b>NM</b>
Income tax expense	20	(109)	(57)	91.2	(217)	(221)	(1.8)
<b>Loss from continuing operations, net of tax</b>		<b>(256)</b>	<b>263</b>	<b>NM</b>	<b>(1,793)</b>	<b>(344)</b>	<b>NM</b>
<b>Discontinued operations</b>							
Loss from discontinued operations, net of tax	11	-	(355)	(100.0)	(432)	(486)	(11.1)
Loss on Distribution	11	-	-	NM	(1,220)	-	NM
		-	(355)	(100.0)	(1,652)	(486)	NM
<b>Total loss for year, net of tax</b>		<b>(256)</b>	<b>(92)</b>	<b>NM</b>	<b>(3,445)</b>	<b>(830)</b>	<b>NM</b>
<b>Other comprehensive loss, net of tax:</b>							
Exchange differences on translation of foreign operations		26	(256)	NM	1,278	86	NM
<b>Other comprehensive (loss)/income for the year, net of tax</b>		<b>26</b>	<b>(256)</b>	<b>NM</b>	<b>1,278</b>	<b>86</b>	<b>NM</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>(230)</b>	<b>(348)</b>	<b>(33.9)</b>	<b>(2,167)</b>	<b>(744)</b>	<b>NM</b>
<b>Loss attributable to:</b>							
Owners of the company		(197)	65	NM	(3,280)	(529)	NM
Non-controlling interest		(59)	(157)	(62.4)	(165)	(301)	(45.2)
		(256)	(92)	NM	(3,445)	(830)	NM
<b>Profit/(Loss) attributable to owners of the company relates to:</b>							
Profit/(Loss) from continuing operations		(197)	264	NM	(1,628)	(342)	NM
Loss from discontinued operations		-	(199)	(100.0)	(1,652)	(187)	NM
		(197)	65	NM	(3,280)	(529)	NM
<b>Profit/(Loss) attributable to non-controlling interest of the company relates to:</b>							
Loss from continuing operations		(59)	-	NM	(165)	(2)	NM
Loss from discontinued operations		-	(157)	(100.0)	-	(299)	(100.0)
		(59)	(157)	(62.4)	(165)	(301)	(45.2)
		(256)	(92)	NM	(3,445)	(830)	NM
<b>Total comprehensive loss attributable to:</b>							
Owners of the company		(171)	(191)	(10.5)	(2,002)	(443)	NM
Non-controlling interests		(59)	(157)	(62.4)	(165)	(301)	(45.2)
		(230)	(348)	(33.9)	(2,167)	(744)	NM
<b>Loss per share attributable to owners of the company:</b>							
<i>From continuing and discontinued operations (cents)</i>							
Basic and diluted		(0.11)	0.04	NM	(1.82)	(0.29)	NM
<i>From continuing operations (cents)</i>							
Basic and diluted		(0.11)	0.15	NM	(0.90)	(0.19)	NM
<i>From discontinued operations (cents)</i>							
Basic and diluted		-	(0.11)	(100.0)	(0.92)	(0.10)	NM

\* NM - not meaningful

INTERIM CONDENSED BALANCE SHEETS AS AT 31 MARCH 2022 AND 30 JUNE 2021

	Note	GROUP		COMPANY	
		\$'000		\$'000	
		31/03/2022	30/06/2021	31/03/2022	30/06/2021
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances		23,265	25,688	11,319	15,644
Trade receivables	6	1,989	1,920	887	495
Other receivables & prepayments	7	826	1,133	22,502	35,945
Investment		24	-	-	-
Inventories	8	5,106	5,088	-	-
Development properties	9	3,586	3,607	-	-
Development property expenditure	10	7,992	6,370	-	-
Disposal group assets classified as held for distribution to owners ("Disposal group assets")	11	-	35,619	-	-
<b>Total current assets</b>		<b>42,788</b>	<b>79,425</b>	<b>34,708</b>	<b>52,084</b>
<b>Non-current assets</b>					
Other receivables	7	4,681	4,565	-	-
Investment in subsidiaries		-	-	7,051	7,051
Associates		3	-	-	-
Deferred tax assets		86	275	-	-
Intangible asset		31	32	25	25
Right-of-use assets	12	783	1,401	-	324
Property, plant and equipment	13	702	744	26	30
<b>Total non-current assets</b>		<b>6,286</b>	<b>7,017</b>	<b>7,102</b>	<b>7,430</b>
<b>Total assets</b>		<b>49,074</b>	<b>86,442</b>	<b>41,810</b>	<b>59,514</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Bank loans	14	366	188	-	-
Trade payables	15	709	526	14	34
Lease liabilities	14	411	720	-	341
Other payables	16	2,245	1,612	548	698
Deferred consideration	10	2,685	2,780	-	-
Income tax payable		276	446	49	49
Liabilities directly associated with disposal group classified as held for distribution to owners ("Disposal group liabilities")	11	-	16,234	-	-
<b>Total current liabilities</b>		<b>6,692</b>	<b>22,506</b>	<b>611</b>	<b>1,122</b>
<b>Non-current liabilities</b>					
Bank loans	14	1,052	1,312	-	-
Deferred tax liabilities		1	1	-	-
Lease liabilities	14	388	711	-	-
<b>Total non-current liabilities</b>		<b>1,441</b>	<b>2,024</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>					
Share capital	17	44,093	72,502	44,093	72,502
Treasury shares	18	(2,382)	(2,382)	(2,382)	(2,382)
Statutory reserve		-	245	-	-
Currency translation reserve		2,316	1,471	-	-
Accumulated (losses)/ profits		(3,038)	(11,264)	(512)	(11,728)
Reserves of disposal group classified as held for distribution to owners ("Reserves of disposal group")	11	-	(3,165)	-	-
<b>Equity attributable to owners of the company</b>		<b>40,989</b>	<b>57,407</b>	<b>41,199</b>	<b>58,392</b>
Non-controlling interests		(48)	4,505	-	-
<b>Total equity</b>		<b>40,941</b>	<b>61,912</b>	<b>41,199</b>	<b>58,392</b>
<b>Total liabilities and equity</b>		<b>49,074</b>	<b>86,442</b>	<b>41,810</b>	<b>59,514</b>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	The Group		The Group	
	\$'000		\$'000	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
<b>Operating activities:</b>				
Loss before income tax from continuing operations	(147)	320	(1,576)	(123)
Profit/(Loss) before income tax from discontinued operations	-	(377)	(1,564)	(668)
Total loss before income tax	(147)	(57)	(3,140)	(791)
<b>Adjustments for:</b>				
Depreciation and amortisation	45	65	129	291
Depreciation of right-of-use assets	171	313	616	846
Loss on Distribution	-	-	1,564	-
Interest income	(8)	(23)	(29)	(58)
Interest expenses	7	34	51	53
(Gain) Loss on disposal of property, plant and equipment	(7)	11	(7)	-
Provision/(write back) for inventories	14	25	38	48
Write off of inventories	2	-	2	-
Write back of impairment loss on properties held for sale	-	-	-	(293)
Write back of doubtful trade receivables	-	(7)	-	(2)
Allowance for doubtful loan receivables	-	-	-	5
Net fair value loss on other investment	3	-	3	-
Share of result of associates	(2)	22	2	25
<b>Operating cash flows before movements in working capital</b>	<b>78</b>	<b>383</b>	<b>(771)</b>	<b>124</b>
Trade receivables	(164)	(1,433)	(68)	(1,524)
Loan and factoring receivables	-	(933)	-	(1,023)
Other receivables & prepayments	(98)	403	188	3,821
Inventories	159	520	(56)	816
Properties held for sale	-	(85)	-	3,067
Development properties	-	10	-	(166)
Development property expenditures	(1,134)	-	(1,622)	-
Trade payables	135	(181)	203	(596)
Other payables	192	105	621	(865)
<b>Cash used in operating activities</b>	<b>(832)</b>	<b>(1,211)</b>	<b>(1,505)</b>	<b>3,654</b>
Income taxes paid	(79)	(136)	(192)	(432)
<b>Net cash used in operating activities</b>	<b>(911)</b>	<b>(1,347)</b>	<b>(1,697)</b>	<b>3,222</b>
<b>Investing activities:</b>				
Proceeds from disposal of property, plant and equipment	90	9	90	20
Purchase of property, plant and equipment	(145)	(4)	(173)	(107)
Net cash outflow from acquisition of subsidiary	-	197	-	-
Receivable from associates	(3)	(48)	(3)	(2,616)
Decrease in restricted bank balances (Note 1)	-	-	-	5,421
Interest received	8	(123)	29	58
<b>Net cash (used in)/ generated from investing activities</b>	<b>(50)</b>	<b>31</b>	<b>(57)</b>	<b>2,776</b>
<b>Financing activities:</b>				
Interest paid	(7)	(34)	(51)	(53)
Share buyback	-	(36)	-	(36)
New Loan	-	-	-	1,500
Repayment of loan	(82)	-	(82)	-
Payment of lease liabilities	(195)	(197)	(601)	(760)
<b>Net cash generated from/(used in) financing activities</b>	<b>(284)</b>	<b>(267)</b>	<b>(734)</b>	<b>651</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,245)</b>	<b>(1,583)</b>	<b>(2,488)</b>	<b>6,649</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>24,678</b>	<b>47,084</b>	<b>25,688</b>	<b>38,579</b>
<b>Effect of foreign exchange rate changes on the balance of cash held in foreign currencies</b>	<b>(168)</b>	<b>(111)</b>	<b>65</b>	<b>162</b>
<b>Cash and cash equivalents at end of year (Note 2)</b>	<b>23,265</b>	<b>45,390</b>	<b>23,265</b>	<b>45,390</b>

#### Note 1

The amount related to bank balances of 3 PRC subsidiaries frozen by the Bank of China and Industrial and Commercial Bank of China as at 30 June 2020. The bank balances were unfrozen in November 2020. Please refer to the Company's announcement on 24 November 2020 for the details. Also refer to the Company's announcement on 19 November 2021 where Chongqing Tianhu Land Co., Ltd and Chongqing Gangyuan Property Development Co., Ltd had received and decided to accept the Notices of Administrative Penalty ("Notices") from the State Administration of Foreign Exchange Hanzhong City Central Branch. The Notices served as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulations of the People's Republic of China on Foreign Exchange Administration.

#### Note 2

	The Group		The Group	
	\$'000		\$'000	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
Cash and cash equivalents is derived from:				
Cash and bank balances				
- Continuing operations	23,265	24,735	23,265	24,735
- Discontinued operations	-	20,655	-	20,655
	23,265	45,390	23,265	45,390

**INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022**

<b>Group</b>	<b>Share capital</b>	<b>Treasury Shares</b>	<b>Statutory reserve</b>	<b>Currency translation reserve</b>	<b>Accumulated profits</b>	<b>Reserve of disposal group classified as held for distribution to owners</b>	<b>Attributable to equity holders of the company</b>	<b>Non-controlling interests</b>	<b>Total</b>
\$'000									
<b>Latest Period</b>									
<b>Balance at 01/07/2021</b>	72,502	(2,382)	245	1,471	(11,264)	(3,165)	57,407	4,505	61,912
<i>Total comprehensive loss for the year</i>									
- Loss for the year	-	-	-	-	(3,280)	-	(3,280)	(165)	(3,445)
- Other comprehensive income/(loss) for the year	-	-	-	845	-	433	1,278	-	1,278
<i>Transactions with owner, recognised directly in equity</i>									
- Capital reduction	(28,409)	-	-	-	28,409	-	-	-	-
- Dividend distribution in specie	-	-	-	-	(14,416)	-	(14,416)	-	(14,416)
- Disposal of non-contributing interest in LFHL	-	-	-	-	-	-	-	(4,388)	(4,388)
- Reclassification of reserves resulting from the distribution in specie of LFHL shares	-	-	(245)	-	(2,487)	2,732	-	-	-
<b>Balance at 31/03/2022</b>	<b>44,093</b>	<b>(2,382)</b>	<b>-</b>	<b>2,316</b>	<b>(3,038)</b>	<b>-</b>	<b>40,989</b>	<b>(48)</b>	<b>40,941</b>
<b>Previous Corresponding Period</b>									
<b>Balance at 01/07/2020</b>	72,502	(2,343)	245	(1,874)	(9,873)	-	58,657	4,709	63,366
<i>Total comprehensive loss for the year</i>									
- (Loss)/Profit for the year	-	-	-	-	(529)	-	(529)	(301)	(830)
- Other comprehensive loss for the year	-	-	-	86	-	-	86	-	86
<i>Transactions with owner, recognised directly in equity</i>									
- Share buy-back held as treasury shares	-	(36)	-	-	-	-	(36)	-	(36)
<b>Balance at 31/03/2021</b>	<b>72,502</b>	<b>(2,379)</b>	<b>245</b>	<b>(1,788)</b>	<b>(10,402)</b>	<b>-</b>	<b>58,178</b>	<b>4,408</b>	<b>62,586</b>

The Company	Share capital	Treasury Shares	Accumulated profits	Total
\$'000				
<b>Latest Period</b>				
<b>Balance at 1/07/2021</b>	72,502	(2,382)	(11,728)	58,392
<i>Total comprehensive income for the year , represented by</i>				
- Loss for the year	-	-	(2,777)	(2,777)
<i>Transactions with owner, recognised directly in equity</i>				
- Capital reduction	(28,409)	-	28,409	-
- Dividend distribution in specie	-	-	(14,416)	(14,416)
<b>Balance at 31/03/2022</b>	<b>44,093</b>	<b>(2,382)</b>	<b>(512)</b>	<b>41,199</b>
<b>Previous Corresponding Period</b>				
<b>Balance at 1/07/2020</b>	72,502	(2,343)	2,768	72,927
<i>Total comprehensive income for the year , represented by</i>				
- Loss for the year	-	-	(1,790)	(1,790)
<i>Transactions with owner, recognised directly in equity</i>				
- Share buy-back held as treasury shares	-	(36)	-	(36)
<b>Balance at 31/03/2021</b>	<b>72,502</b>	<b>(2,379)</b>	<b>978</b>	<b>71,101</b>

## Notes to the condensed financial statements

### Note 1 Corporate information

GRP Limited (the "Company") is incorporated in the Republic of Singapore with its registered office at 30 Cecil Street, #10-01/02 Prudential Tower, Singapore 049712. The company is listed on the Singapore Exchange Securities Trading Limited. These interim condensed financial statements for the financial period ended 31 March 2022 comprise the Company and its subsidiaries (collectively, the "**Group**"). The principal activities of the Company is that of investment holding and rental of property.

The principal activities of the Group are:

- (a) Property development;
- (b) Sales of hose and marine products; and
- (c) Sales of measuring instruments/metrology.

### Note 2 Basis of preparation

The interim condensed financial statements for the financial period ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The interim condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last financial statements for the year ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The interim condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

#### Note 2.1 New and amended standards adopted by the Group

In the current financial period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("**SFRS(I) INT**") that are relevant to its operations and effective for the current financial 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 SFRS(I) INT.

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



## Note 2.2 Use of judgements and estimates

In preparing the interim condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In addition to the additional significant accounting judgements and estimates as disclosed below, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are disclosed as follow or included in the following notes:

- \* Note 5 - Fair value of investment in redeemable convertible preference share ("RCPS")
- \* Note 6 - Recoverable amount of trade receivables
- \* Note 7 - Recoverable amount of non-current advance payment receivable from PRC authority
- \* Notes 9 and 10 - Estimation of net realisable value of development properties and development property expenditure

### Fund transfers relating to certain subsidiary of the group in PRC

As at the date of authorisation of these interim condensed financial statements, the matter is still under on-going investigation and management intends to cooperate fully with the officer-in-charge on the matter.

Bank of China and Industrial and Commercial Bank of China had frozen certain PRC bank accounts of Tangshan GRP, Chongqing Tianhu Land Co., Ltd ("**Tianhu**") and Chongqing Gangyuan Property Development Co., Ltd ("**Gangyuan**") during the financial year ended 30 June 2020. Tianhu and Gangyuan are indirect wholly-owned subsidiaries of LFHL. As announced on 19 November 2021, Tianhu and Gangyuan had received and decided to accept the Notices of Administrative Penalty ("**Notices**") from the State Administration of Foreign Exchange Hanzhong City Central Branch. The Notices served as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulations of the People's Republic of China on Foreign Exchange Administration. With this, LFHL obtained an unqualified audit opinion on their audited financial statements for the financial year ended 31 December 2021.

Correspondingly, management has provided \$0.8 million (approximately RMB3.6 million) penalty in current financial statements under review. This represented 10% penalty on the fund transfers from subsidiary in Tangshan, PRC. The Group will be working towards obtaining an unqualified audit opinion.

**Note 3 Seasonal operations**

The Group's businesses are not significantly affected by seasonal or cyclical factors during the financial period.

**Note 4 Financial Instruments**

The following table sets out the financial instruments as at 31 March 2022 and 30 June 2021:

	Group		Company	
	As at	As at	As at	As at
	31/03/2022	30/06/2021	31/03/2022	30/06/2021
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets</u>				
Amortised costs:				
Cash and bank balances	23,265	25,688	11,319	15,644
Trade receivables	1,988	1,897	887	495
Other receivables	784	1,110	22,488	35,937
Disposal group assets classified as held for distribution to owners	-	25,466	-	-
	<b>26,037</b>	<b>54,161</b>	<b>34,694</b>	<b>52,076</b>
Financial assets designated at fair value through profit or loss	24	-	-	-
<b>Total</b>	<b>26,061</b>	<b>54,161</b>	<b>34,694</b>	<b>52,076</b>

	Group		Company	
	As at	As at	As at	As at
	31/03/2022	30/06/2021	31/03/2022	30/06/2021
	\$'000	\$'000	\$'000	\$'000
<u>Financial liabilities</u>				
Amortised cost:				
- Trade payables	681	486	1	21
- Other payables	2,245	1,612	548	698
- Loans and borrowings	1,418	1,500	-	-
Lease liabilities	799	1,431	-	341
Disposal group liabilities classified as held for distribution to owners	-	2,822	-	-
<b>Total</b>	<b>5,143</b>	<b>7,851</b>	<b>549</b>	<b>1,060</b>

## Note 5 Fair value of Financial Instruments

The carrying amounts of all categories of financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments, except for non-current other receivables and lease liabilities.

The fair value hierarchy adopted in fair value measurements of the group's and the company's financial assets at fair value through profit or loss is Level 3. The following table gives information about how the fair values of the financial assets at fair value through profit or loss is determined (in particular, the valuation technique and inputs used).

	Fair value		Fair value hierarchy
	As at 31/03/2022	As at 30/06/2021	
	\$'000	\$'000	
Financial assets at fair value through profit or loss	24	-	Level 1
Investment in redeemable convertible preference shares ("RCPS")	-	-	Level 3

The investment relates to the aggregate principal amount for the subscription of 15,250 redeemable convertible preference shares ("RCPS") issued by Energiser Enterprise Sdn Bhd ("EESB").

EESB was unable to repay the redemption amount and both parties have signed an agreement on 17 June 2020 and agreed on an arrangement by which the outstanding amount will be settled in the future, which incorporates land transfer from EESB to the group, deed of assignment for the account receivables of EESB and joint development of student accommodation units.

Due to uncertainties, the land transfer, deed assignment for the account receivables of EESB and joint development of student accommodation units are not foreseeable in the near future. Accordingly, the RCPS amount is assessed at \$Nil value during the financial year ended 30 June 2021. As there were no material updates on the recovery by the Group during the financial period ended 31 March 2022, the RCPS amount is stated at zero.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the period ended 31 March 2022 and financial year ended 30 June 2021.

**Note 6 Trade receivables**

	Group		Company	
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000	\$'000	\$'000
Outside parties	1,988	1,935	-	131
Subsidiaries	-	-	5,401	4,324
	<b>1,988</b>	<b>1,935</b>	<b>5,401</b>	<b>4,455</b>
Less: Loss allowance				
- Outside parties	-	(38)	-	-
- Subsidiaries	-	-	(4,514)	(3,960)
	<b>1,988</b>	<b>1,897</b>	<b>887</b>	<b>495</b>
Net GST receivables	1	23	-	-
	<b>1,989</b>	<b>1,920</b>	<b>887</b>	<b>495</b>

The loss allowance of the group of Nil (30 June 2021: \$38,000) and the company of \$4,514,000 (30 June 2021: \$3,960,000) relate to trade receivables which are past due for more than 360 days.

**Note 7 Other receivables and prepayments**

	Group		Company	
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Deposits for property projects	-	569	-	569
Prepayments	42	23	14	8
Other deposits	764	1,100	153	89
Sundry receivables	20	10	16	4
Subsidiaries	-	-	24,360	50,147
	<b>826</b>	<b>1,702</b>	<b>24,543</b>	<b>50,817</b>
Less: Loss allowances				
- Outside parties	-	(569)	-	(569)
- Subsidiaries	-	-	(2,041)	(14,303)
	<b>826</b>	<b>1,133</b>	<b>22,502</b>	<b>35,945</b>
Short term loan receivable	-	1,161	-	1,161
Less: Allowance for short term loan receivable	-	(1,161)	-	(1,161)
	<b>826</b>	<b>1,133</b>	<b>22,502</b>	<b>35,945</b>
<b>Non-current</b>				
Advance payment (Note 1)	4,681	4,565	-	-
	<b>4,681</b>	<b>4,565</b>	-	-

**Note 1:**

Amount relates to part of advance payment in accordance with agreement entered with the People's Government of Kaiping District. The group is expecting the refund of \$5,483,000 (30 June 2021 : \$5,305,000) as compensation to the farmers for the land use rights made in past years. \$802,000 (30 June 2021 : \$740,000) representing the excess of repossession value over the carrying value of the development property, was presented net of the noncurrent receivable from the local government. Management continues to pursue the negotiation and to arrange to meet the local PRC authority to negotiate for full recovery of the remaining receivables.

**Note 8 Inventories**

	Group	
	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000
Finished goods	5,106	5,088
<u>Movement in allowance for inventories:</u>		
Balance at beginning of year	2,355	2,282
Increase/(decrease) in allowance recognised in profit or loss	38	76
Exchange realignment	(2)	(3)
Balance at end of year	2,391	2,355

**Note 9 Development properties**

	Group	
	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000
Development properties located in		
- Malaysia	3,586	3,607
	3,586	3,607

**Note 10 Development property expenditure**

	Group	
	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000
Balance at beginning of the financial year	6,370	469
Additions	1,622	165
Acquisition of subsidiary	-	5,736
Balance at end of the financial period	7,992	6,370
Comprising joint venture development agreement with:		
- Karib Tropika Sdn Bhd	634	634
- Lembaga Perumahan Dan Hartanah, Perak	7,358	5,736
	7,992	6,370
<b>Deferred consideration</b>		
Joint venture development agreement with Lembaga Perumahan Dan Hartanah, Perak	2,685	2,780

**Note 11 Discontinued operations and disposal group classified as held for distribution**

Following the announcement by the Company on 4 June 2021 on the proposed distribution in specie of shares in Luminor Financial Holdings Limited ("LFHL") to shareholders of the Company by way of capital reduction ("Distribution"), the assets and liabilities related to LFHL had been presented as a disposal group held for distribution to owners and results from LFHL was presented separately on the income statement as "Discontinued operations" on the financial statements for year ended 30 June 2021.

The Distribution was completed on 3 December 2021 where the Company distributed 120,130,358 of LFHL shares to the shareholders of the Company via distribution in specie by way of capital reduction.

An analysis of the results of discontinued operations, and the result recognised on the remeasurement of disposal group is as follows:

	Group		Group	
	3 months ended	3 months ended	9 months ended	9 months ended
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	\$'000	\$'000	\$'000	\$'000
Revenue	-	823	3,402	6,484
Expenses	-	(1,179)	(3,742)	(7,130)
Share of result of associates	-	(21)	(4)	(22)
Loss before tax from discontinued operations	-	(377)	(344)	(668)
Tax credit (expense)	-	22	(88)	182
Loss after tax from discontinued operations	-	(355)	(432)	(486)
Loss on Distribution	-	-	(1,220)	-
<b>Total loss</b>	-	<b>(355)</b>	<b>(1,652)</b>	<b>(486)</b>

Profit/(Loss) before tax from discontinued operations is stated after charging:

	Group		Group	
	3 months ended	3 months ended	9 months ended	9 months ended
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	\$'000	\$'000	\$'000	\$'000
This is arrived at after charging:				
Depreciation and amortisation	-	(36)	(62)	(164)
Depreciation of right-of-use assets	-	(90)	(72)	(165)
Write back of impairment loss on properties held for sale	-	-	-	293
Net reversal of impairment/(impairment loss) on trade receivables	-	7	-	(5)
Net foreign currency exchange adjustment gain (loss)	-	39	67	(4)
Interest expenses	-	(20)	(8)	(20)
Penalty on fund transferred from PRC	-	-	(1,434)	-
Interest income	-	-	44	-
Rental and service income	-	19	10	19
Other income	-	113	-	227
Tax credit (expense) - current period	-	22	(88)	182

	Group
	As at
	30/6/2021
	\$'000
<b>Details of disposal group classified as held for distribution to owners:</b>	
Assets directly associated with disposal held for distribution to owners:	
Property, plant and equipment	305
Right-of-use assets	213
Goodwill	200
Intangible assets	5
Associate	165
Deferred tax assets	194
Other receivables	588
Development properties	3,730
Properties held for sale	5,341
Loan receivables	7,606
Trade receivables	703
Cash and bank	16,569
	<b>35,619</b>

	Group
	As at
	30/6/2021
	\$'000
Liabilities directly associated with disposal held for distribution to owners:	
Lease liabilities	191
Other payables	1,467
Advance receipts from the sale of properties	328
Amount due to non-controlling interests	17
Amount due to director of subsidiary	819
Income tax payable	8,404
Deferred tax payable	5,008
	<b>16,234</b>
Reserves:	
Currency translation reserve	(3,165)
	<b>(3,165)</b>

**Note 12 Right-of-use assets**

	Group		Company	
	As at	As at	As at	As at
	31/03/2022	30/06/2021	31/03/2022	30/06/2021
	\$'000	\$'000	\$'000	\$'000
<b>Cost:</b>				
At 1 July	2,525	3,325	1,320	1,320
Exchange realignment	-	12	-	-
Addition	-	1,272	-	-
Arising from acquisition	-	-	-	-
Reclassified to disposal group assets held for distribution	-	(475)	-	-
Termination of leases	(1,336)	(1,609)	(1,320)	-
At 30 June	<b>1,189</b>	<b>2,525</b>	<b>-</b>	<b>1,320</b>
<b>Accumulated depreciation:</b>				
At 1 July	1,124	1,012	996	494
Exchange realignment	-	9	-	-
Depreciation	616	1,111	324	502
Reclassified to disposal group assets held for distribution	-	(262)	-	-
Termination of leases	(1,334)	(746)	(1,320)	-
At 30 June	<b>406</b>	<b>1,124</b>	<b>-</b>	<b>996</b>
Carrying value	<b>783</b>	<b>1,401</b>	<b>-</b>	<b>324</b>

**Note 13 Property, plant and equipment**

	Group		Company	
	As at	As at	As at	As at
	31/03/2022	30/06/2021	31/03/2022	30/06/2021
	\$'000	\$'000	\$'000	\$'000
<b>Cost:</b>				
At 1 July	2,257	2,805	377	376
Exchange realignment	(5)	28	-	-
Addition	173	194	2	1
Arising from acquisition	-	-	-	-
Reclassified to disposal group assets held for distribution	-	(704)	-	-
Disposal	(350)	(66)	(187)	-
At 30 June	<b>2,075</b>	<b>2,257</b>	<b>192</b>	<b>377</b>
<b>Accumulated depreciation:</b>				
At 1 July	1,513	1,593	347	309
Exchange realignment	(2)	10	-	-
Depreciation	129	359	6	38
Reclassified to disposal group assets held for distribution	-	(399)	-	-
Disposal	(267)	(50)	(187)	-
At 30 June	<b>1,373</b>	<b>1,513</b>	<b>166</b>	<b>347</b>
Carrying value	<b>702</b>	<b>744</b>	<b>26</b>	<b>30</b>



**Note 14 Bank loans and lease liabilities**

	Group		Company	
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000	\$'000	\$'000
<b>Amount repayable in one year or less, or on demand</b>				
- Secured	411	720	-	341
- Unsecured	366	188	-	-
	<b>777</b>	<b>908</b>	-	<b>341</b>
<b>Amount repayable after one year</b>				
- Secured	388	711	-	-
- Unsecured	1,052	1,312	-	-
	<b>1,440</b>	<b>2,023</b>	-	-

	1 July 2021	Financing cash flows (i)	Others non cash charges(ii)	Termination/ Reclass to disposal group liabilities	31 March 2022
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank loans	1,500	(82)	-	-	1,418
Lease liabilities	1,431	(601)	(29)	(2)	799
	<b>2,931</b>	<b>(683)</b>	<b>(29)</b>	<b>(2)</b>	<b>2,217</b>

	1 July 2020	Financing cash flows (i)	Others non cash charges(ii)	Termination/ Reclass to disposal group liabilities	30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank loans	-	1,500	-	-	1,500
Lease liabilities	2,289	40	(35)	(863)	1,431
	<b>2,289</b>	<b>1,540</b>	<b>(35)</b>	<b>(863)</b>	<b>2,931</b>

(i) The cash flows make up the net amount of new/repayments of borrowings and lease liabilities in the consolidated statement of cash flows.

(ii) Other non cash charges include lease liabilities interest expense on lease liabilities.

**Details of any collateral**

Secured borrowings relate to lease liabilities which are secured over the right-of-use assets.

The unsecured borrowings relate to drawdown of the Enterprise Financing Scheme Temporary Bridging Loan ("EFS TBL") facility of \$1,500,000 in December 2020. This loan facility is guaranteed by GRP Limited. The loan is for 5 years. Monthly principal repayment commenced in January 2022, 12 months from drawdown date.

**Note 15 Trade payables**

	Group		Company	
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000	\$'000	\$'000
Outside parties	681	486	1	21
Net GST payable	28	40	13	13
	<b>709</b>	<b>526</b>	<b>14</b>	<b>34</b>

The credit period on purchases of goods range from 30 to 90 days ( 30 June 2021 : 30 to 90 days).

**Note 16 Other payables**

	Group		Company	
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	\$'000	\$'000	\$'000	\$'000
Employee benefits	615	800	318	413
Operating expenses	1,415	747	230	285
Other payables	215	65	-	-
	<b>2,245</b>	<b>1,612</b>	<b>548</b>	<b>698</b>

**Note 17 Share capital**

	Group and Company			
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	Number of ordinary shares		\$'000	\$'000
Issued and paid up capital:				
At beginning of the period	193,701,610	193,701,610	72,502	72,502
Capital reduction	-	-	(28,409)	-
At end of the period	193,701,610	193,701,610	44,093	72,502

The Company did a capital reduction of \$28.4 million during the period ended 31 March 2022 as a result of distribution of 120,130,358 of LFHL shares to the shareholders of the Company via distribution in specie on 3 December 2021.

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

The Company has no subsidiary holdings as at 31 March 2022.

**Note 18 Treasury shares**

	Group and Company			
	As at 31/03/2022	As at 30/06/2021	As at 31/03/2022	As at 30/06/2021
	Number of ordinary shares		\$'000	\$'000
At beginning of the year	13,504,600	13,243,600	2,382	2,343
Repurchased during the period	-	261,000	-	39
At the end of the year	13,504,600	13,504,600	2,382	2,382

The Company acquired Nil (30 June 2021: 261,000) shares by way of market acquisition during the period ended 31 March 2022. All the shares acquired are held as treasury shares. The Company has 13,504,600 treasury shares as at 31 March 2022 (30 June 2021 : 13,504,600). The total amount paid to acquire the shares was Nil (30 June 2021: \$39,379) and has been deducted from shareholders' equity.

**Note 18.1 Total number of issued shares excluding treasury shares**

	As at 31/03/2022	As at 30/06/2021
	Number of ordinary shares	
At 1 July	180,197,010	180,458,010
Share buy-back	-	(261,000)
Total number of issued shares	180,197,010	180,197,010

**Note 19 Loss before taxation**
**Note 19.1 Significant items**

	GROUP		GROUP	
	\$'000		\$'000	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
<b>Included in continuing operations</b>				
Depreciation and amortisation	(45)	(29)	(129)	(127)
Depreciation of right-of-use assets	(171)	(223)	(616)	(681)
Provision for inventories	(14)	(25)	(38)	(48)
Write-off of inventories	(2)	-	(2)	-
Write back of doubtful trade receivables	-	(2)	-	-
Net foreign currency exchange adjustment gain (loss)	(51)	(85)	(10)	(63)
Impairment loss on development properties	-	(116)	-	(116)
Net fair value loss on other investment	(3)	-	(3)	-
Interest expenses	(7)	(14)	(51)	(33)
(Loss) gain on disposal of property, plant and equipment	7	(11)	7	-
Penalty on fund transferred from PRC	-	-	(763)	-
Interest income	8	23	29	58
Rental and services income	3	1	11	9
Other income	27	119	64	450
Management fee income	105	146	314	359
<b>Included in discontinued operations</b>				
Depreciation and amortisation	-	(36)	(62)	(164)
Depreciation of right-of-use assets	-	(90)	(72)	(165)
Provision for trade doubtful debt	-	7	-	(5)
Net foreign currency exchange adjustment loss (gain)	-	39	67	(4)
Write back of impairment loss on properties held for sale	-	-	-	293
Interest expenses	-	(20)	(8)	(20)
Penalty on fund transferred from PRC	-	-	(1,434)	-
Loss on Distribution	-	-	(1,220)	-
Interest income	-	-	44	-
Rental and services income	-	19	10	19
Other income	-	113	-	227

**Note 19.2 Related party transactions**

	Group		Group	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
	\$'000	\$'000	\$'000	\$'000
Rental expenses recovered from a related party in which a director has interests	137	70	172	176
Management fee income received from LFHL for period from 4 December 2021 to 31 March 2022	105	-	140	-
Interest expense paid on amount due to Mr Kwan Chee Seng, director of LFHL up to 3 December 2021	-	-	28	-

**Note 20 Income Tax Expenses**

	Group		Group	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
	\$'000	\$'000	\$'000	\$'000
<u>From continuing operations</u>				
Current income tax expense	81	(57)	(27)	(221)
Deferred income tax expense, prior year	(190)	-	(190)	-
	<b>(109)</b>	<b>(57)</b>	<b>(217)</b>	<b>(221)</b>
<u>From discontinued operations</u>				
Current income tax expense	-	22	(88)	182
Deferred income tax expense	-	-	-	-
	<b>-</b>	<b>22</b>	<b>(88)</b>	<b>182</b>

**Note 21 Dividends**

In respect of the current financial year, no dividend is proposed.

The Company distributed 120,130,358 LFHL shares as distribution in specie to the shareholders of the Company on 3 December 2021. Based on the volume weighted average price of LFHL share of \$0.1095 traded on Catalist on 3 December 2021, the value of the Distribution is \$13.154 million and is equivalent to approximately \$0.073 per the Company share.

Based on the closing price of LFHL share of \$0.12 traded on Catalist on 3 December 2021, the total value of the Distribution is recorded as \$14,415,643.

**Note 22 Net Asset Value**

	As at 31/03/2022	As at 30/06/2021
	Cents	
The Group	22.75	31.86
The Company	22.86	32.40

Net asset value per share attributable to the owners of the company is calculated based on 180,197,010 (30 June 2021: 180,197,010) ordinary shares issued at the end of the current period under review and of the immediately preceding financial year.

**Note 23    Loss Per Ordinary Share**

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

	Group		Group	
	3 months ended 31/03/2022	3 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
	\$'000	\$'000	\$'000	\$'000
(Loss) profit from continuing operations	(197)	264	(1,628)	(342)
Loss from discontinued operations	-	(199)	(1,652)	(187)
Net (loss) profit attributable to owners of the company	(197)	65	(3,280)	(529)

	Group	
	As at 31/03/2022	As at 31/3/2021
	Number of shares	Number of shares
Weighted average number of ordinary shares for purpose of basic loss and diluted loss per share	180,197,010	180,448,152

**Note 24 Reportable Segments**

	Hose & Marine		Measuring instruments / metrology			Property		Total Continuing Operations		Total discontinued Operations		Total	
	9 months ended 31/03/2022	9 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021	9 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021	9 months ended 31/03/2022	9 months ended 31/03/2021
<b>S\$'000</b>													
<b>Revenue</b>													
External sales	1,500	2,193	9,450	8,825	-	-	-	10,950	11,018	3,402	6,484	14,352	17,502
Inter-segment sales	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>1,500</b>	<b>2,193</b>	<b>9,450</b>	<b>8,825</b>	-	-	-	<b>10,950</b>	<b>11,018</b>	<b>3,402</b>	<b>6,484</b>	<b>14,352</b>	<b>17,502</b>
<b>Result</b>													
Segment gross contribution	500	841	3,114	2,899	-	-	-	3,614	3,740	2,923	1,378	6,537	5,118
Other losses	-	-	-	-	-	-	-	-	-	-	-	-	-
Other operating income	47	170	16	141	355	565	876	418	876	54	245	472	1,121
Loss on Distribution	-	-	-	-	-	-	-	-	-	(1,220)	-	(1,220)	-
Direct expenses	(1,115)	(956)	(1,535)	(1,537)	(118)	(842)	(3,335)	(2,768)	(3,335)	(3,317)	(2,269)	(6,085)	(5,604)
<b>Segment net contribution</b>	<b>(568)</b>	<b>55</b>	<b>1,595</b>	<b>1,503</b>	<b>237</b>	<b>(277)</b>	<b>(1,401)</b>	<b>1,264</b>	<b>1,281</b>	<b>(1,560)</b>	<b>(646)</b>	<b>(296)</b>	<b>635</b>
Direct expenses - Corporate								(2,838)	(1,401)	-	-	(2,838)	(1,401)
Loss before income tax								(1,574)	(120)	(1,560)	(646)	(3,134)	(766)
Share of result of associate								(2)	(3)	(4)	(22)	(6)	(25)
<b>Loss before income tax, after associate</b>								(1,576)	(123)	(1,564)	(668)	(3,140)	(791)
Income tax expense								(217)	(221)	(88)	182	(305)	(39)
<b>Loss for the year</b>								(1,793)	(344)	(1,652)	(486)	(3,445)	(830)
Depreciation of property, plant and equipment and amortisation	54	42	31	37	44	48		129	127	62	164	191	291
Depreciation of right-of-use- assets	205	201	86	86	325	394		616	681	72	165	688	846

**Note 24.1 Segment information**

	Hose & Marine		Measuring instruments / metrology		Property		Inter-segment elimination		Total Continuing Operations		Total discontinued Operations		Total	
	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021	As at 31/03/2022	As at 30/6/2021
<b>S\$'000</b>														
<b>Other information</b>														
Segment Assets	4,316	3,151	10,886	10,396	22,319	21,025	-	-	37,521	34,572	-	35,619	37,521	70,191
Unallocated corporate assets									11,553	16,251	-	-	11,553	16,251
<b>Consolidated total assets</b>									<b>49,074</b>	<b>50,823</b>	-	<b>35,619</b>	<b>49,074</b>	<b>86,442</b>
Segment liabilities	1,164	1,285	2,456	2,727	6,586	3,183	-	-	10,206	7,195	-	16,234	10,206	23,429
Inter-segment liabilities	6,550	4,296	1,907	2,148	23,866	49,605	(32,323)	(56,049)	-	-	-	-	-	-
Unallocated corporate liabilities									(2,073)	1,101	-	-	(2,073)	1,101
<b>Consolidated total liabilities</b>									<b>8,133</b>	<b>8,296</b>	-	<b>16,234</b>	<b>8,133</b>	<b>24,530</b>
Capital expenditure	22	932	149	371	2	32	-	-	173	1,335	-	131	173	1,466



**Note 24.2 Geographical segments by location of customers**

S\$'000	Revenue	
	9 months ended 31/03/2022	9 months ended 31/03/2021
<b>Continuing operations</b>		
Singapore	5,724	5,422
Malaysia	4,435	4,445
Indonesia	625	903
Other ASEAN countries	14	35
Other Asia countries	26	69
Middle Eastern countries	17	23
People's Republic of China	38	105
Others	71	16
	<b>10,950</b>	<b>11,018</b>
<b>Discontinued operations</b>		
Singapore	-	4,732
Malaysia	3,070	938
People's Republic of China	332	814
	<b>3,402</b>	<b>6,484</b>
<b>Total</b>	<b>14,352</b>	<b>17,502</b>

Information about major customers

In 9MFY2022 and 9MFY2021, no single customer contributed to more than 10% of the group's total revenue.

S\$'000	Total non-current assets	
	As at 31/03/2022	As at 30/6/2021
<b>Continuing operations</b>		
Singapore	416	1,100
Malaysia	1,190	1,339
People's Republic of China	4,680	4,578
<b>Total</b>	<b>6,286</b>	<b>7,017</b>

**Note 25 Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed financial statements.

Other Information Required by Listing Rule Appendix 7.2

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

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

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

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

In respect of the financial statements of the Group for the financial year ended 30 June 2021 ("FY2021"), the auditors, Messrs Baker Tilly TFW LLP had issued an "except for" qualified audit opinion, for various fund transfer payments made by certain Group subsidiaries in the People's Republic of China ("PRC" ("PRC Subsidiaries")) and the recoverability of certain assets from the PRC authorities. The basis for the "except for" qualified opinion is contained in the Auditor's Report, pages 76 to 82 of the Company Annual Report for FY2021.

In relation to the matters, the Board and the management of the Company provide their comments and update as follows:

- 1) Chongqing Tianhu Land Co., Ltd and Chongqing Gangyuan Property Development Co., Ltd, the indirect wholly owned subsidiaries of LFHL had accepted the Notices of Administrative Penalty ("Notices") from the State Administration of Foreign Exchange Hanzhong City Central Branch on 15 November 2021. The Notices served as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulations of the People's Republic of China on Foreign Exchange Administration. The 10% penalty amounted to RMB6.8 million (approximately \$1.4 million) was provided in the financial statements for period ended 31 March 2022 ("9MFY2022"). With this, LFHL obtained an unqualified audit opinion on their audited financial statements for the financial year ended 31 December 2021.
- 2) Correspondingly, Tangshan GRP Trading Co., Ltd, the indirect wholly owned subsidiary of the Company had made a 10% penalty provision on the funds transferred, amounting to RMB3.6 million (approximately \$0.8 million) in the 9MFY2022 financial statements. The Group will be working towards obtaining an unqualified audit opinion.
- 3) As announced on 30 November 2021, Chongqing Gangyuan Property Development Co., Ltd, the indirect wholly owned subsidiary of LFHL had accepted the Offer of RMB42.9 million (approximately \$9.1 million) as compensation of the land parcel in Fuling District Chongqing, PRC ("Land"), from Fuling District local authority. LFHL will have a gain on disposal of RMB34.5 million (approximately \$7.3 million) and a corresponding tax charge of RMB8.6 million (approximately \$1.8 million).

Sale of the Land was not completed on 3 December 2021, hence the potential gain, net of tax of \$5.5 million is not recognised in the financial statements under current review.

Based on current available information, the Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year as that of the audited financial statements for the year ended 30 June 2021.

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

Not applicable.

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

	9 months ended 31/03/2022	9 months ended 31/03/2021
Earning/(Loss) per ordinary share attributable to the owners of the company for the year		
<b>From continuing and discontinued operations</b>		
(i) Based on weighted average number of ordinary share in issue (Cents)	(1.82)	(0.29)
(ii) On a fully diluted basis (Cents)	(1.82)	(0.29)
<b>From continuing operations</b>		
(i) Based on weighted average number of ordinary share in issue (Cents)	(0.90)	(0.19)
(ii) On a fully diluted basis (Cents)	(0.90)	(0.19)
<b>From discontinued operations</b>		
(i) Based on weighted average number of ordinary share in issue (Cents)	(0.92)	(0.10)
(ii) On a fully diluted basis (Cents)	(0.92)	(0.10)

Computed based on the following weighted average number of shares

(i) Basic	180,197,010	180,448,152
(ii) Diluted	180,197,010	180,448,152

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

	As at 31/03/2022	As at 30/06/2021
	Cents	
The Group	22.75	31.86
The Company	22.86	32.40

Net asset value per share attributable to the owners of the company is calculated based on 180,197,010 (30 June 2021: 180,197,010) ordinary shares issued at the end of the current period under review and of the immediately preceding financial year.

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

- Three months ended 31 March 2022 ("3QFY2022") vs Three months ended 31 March 2021 ("3QFY2021"); and
- Nine months ended 31 March 2022 ("9MFY2022") vs Nine months ended 31 March 2021 ("9MFY2021")

#### Continuing operations

##### **3QFY2022 vs 3QFY2021**

The Group revenue of \$4.0 million for 3QFY2022, is 12.8% lower than the \$4.6 million revenue for 3QFY2021. Revenue for the Group's Hose & Marine segment decreased by \$0.9 million (64.3%) from \$1.5 million in 3QFY2021. The decrease is partially offset by increased revenue from the Group's Measuring Instruments segment which increased by \$0.4 million (11.3%) from \$3.2 million in 3QFY2021. The Hose & Marine segment is facing shortages in hose supplies due to supply chain disruptions as a result of COVID-19.

The Group's gross profit decreased by 11.5% to \$1.3 million in 3QFY2022 from \$1.5 million in 3QFY2021. Gross profit for Hose & Marine segment decreased by \$0.4 million resulting from the lower sales in 3QFY2022. However, gross profit for Measuring Instruments improved by \$0.2 million in 3QFY2022 as compared to 3QFY2021. This is in line with the higher revenue in 3QFY2022.

Other income decreased by \$0.1 million to \$0.1 million in 3QFY2022 from \$0.2 million in 3QFY2021. The decrease is mainly due to lower amount of Job Support Scheme received from the Singapore Government in 3QFY2022.

Consequently, the Group incurred a loss before tax of \$0.1 million in 3QFY2022 as compared to a profit before tax of \$0.3 million in 3QFY2021.

## 9MFY2022 vs 9MFY2021

The Group revenue of \$10.9 million for 9MFY2022, is 0.6% lower than the \$11 million revenue for 9MFY2021. Revenue for the Group's Hose & Marine segment decreased by \$0.7 million (31.6%) from \$2.2 million in 9MFY2021. The decrease is partially offset by revenue from the Group's Measuring Instruments segment which increased by \$0.6 million (7.1%) from \$8.8 million in 9MFY2021.

The Group's gross profit decreased by 3.4% to \$3.6 million in 9MFY2022 from \$3.7 million in 9MFY2021. Gross profit for Hose & Marine segment decreased by \$0.3 million resulting from the lower sales in 9MFY2022. Gross profit for Measuring Instruments improved by \$0.2 million in 9MFY2022 as compared to 9MFY2021 due to the higher revenue in 3QFY2022.

Other income decreased by \$0.5 million to \$0.4 million in 9MFY2022 from \$0.9 million in 9MFY2021. The decrease is mainly due to lower amount of Job Support Scheme received from the Singapore Government in 9MFY2022.

Administrative expenses increased by \$0.9 million to \$5.4 million in 9MFY2022 from \$4.6 million in 9MFY2021. The increase is largely due to a \$0.8 million provision for penalty on funds transferred from PRC, by Tangshan GRP Trading Co., Ltd ("**Tangshan GRP**"), an indirect wholly owned subsidiary of the Company, in 9MFY2022.

Bank of China and Industrial and Commercial Bank of China had frozen certain PRC bank accounts of Tangshan GRP, Chongqing Tianhu Land Co., Ltd ("**Tianhu**") and Chongqing Gangyuan Property Development Co., Ltd ("**Gangyuan**") during the financial year ended 30 June 2020. Tianhu and Gangyuan are indirect wholly-owned subsidiaries of LFHL. As announced on 19 November 2021, Tianhu and Gangyuan had received and decided to accept the Notices of Administrative Penalty ("**Notices**") from the State Administration of Foreign Exchange Hanzhong City Central Branch. The Notices served as a warning not to repeat such transactions and to impose a penalty of 10% of the funds transferred in accordance with Article 45 of the Regulations of the People's Republic of China on Foreign Exchange Administration.

The penalty for Tianhu and Gangyuan amounted to RMB6.8 million (approximately \$1.4 million) and is provided in the financial statements of LFHL for year ended 31 December 2021. Correspondingly, Tangshan GRP made a 10% penalty provision on the fund transferred from PRC in 9MFY2022 even though Tangshan GRP has not received any Notice.

Finance costs increased by 46.3% to \$0.06 million in 9MFY2022 from \$0.04 million in 9MFY2021. This is largely due to the drawdown of a \$1.5 million Enterprise Financing Scheme Temporary Bridging Loan facility in December 2020.

Consequently, the Group incurred a loss before tax of \$1.6 million from continuing operations in 9MFY2022 as compared to a loss before tax of \$0.1 million in 9MFY2021.

### **Discontinued operations**

LFHL ceased to be a subsidiary of the Group, resulting from the DIS distribution on 3 December 2021.

Loss from discontinued operations pertained to the result of LFHL. Included in this loss of \$0.4 million is a \$1.4 million penalty on funds transferred from PRC.

The loss on Distribution of \$1.2 million incurred in 9MFY2022 pertained to the difference between the carrying value and the market closing price of LFHL on 3 December 2021. This loss is a non-cash, non-recurring accounting loss and does not impact the cash position of the Company or the Group.

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

The Group's financial position remains healthy with current ratio of approximately 6.4 times as at 31 March 2022 ("9MFY2022") as compared to 7.0 times, without taking into account the disposal group assets and liabilities at the end of June 2021 ("FY2021"). As at 31 March 2022, the Group had cash and bank balances amounting to \$23.3 million. This is \$2.4 million lower than the cash and bank balances as at 30 June 2021. The decrease is largely due to \$1.6 million development property expenditure incurred for the affordable housing project in Malaysia and \$0.6 million lease liabilities payment during 9MFY2022. The affordable housing project is known as "Proposed Joint Venture Development in Special Program of Perwira Housing of Perak State" undertaken by Ratus Nautika Sdn Bhd, a 70% indirectly owned subsidiary of the Company.

Other receivables & prepayment decreased from \$1.1 million as at 30 June 2021 to \$0.8 million as at 31 March 2022. The decrease is largely due to lower trade deposit placed as at 31 March 2022.

Other investment of \$24,000 as at 31 March 2022 related to the undistributed LFHL shares.

Development property expenditure increased by \$1.6 million in 9MFY2022 as compared to FY2021. The increase is due to additional construction costs incurred for the affordable housing project in Perak, Malaysia undertaken by Ratus Nautika Sdn Bhd.

Disposal group assets pertained to all assets of LFHL as at 30 June 2021. The shares of LFHL were distributed to the shareholders of the Company as distribution in specie on 3 December 2021.

Right-of-use assets decreased by \$0.6 million in 9MFY2022 as compared to FY2021. This is due to depreciation charge of \$0.6 million in 9MFY2022.



The Group drawdown \$1.5 million on its Enterprise Financing Scheme Temporary Bridging Loan ("EFS TBL") facility in December 2020. \$0.4 million of the amount is due for repayment within the next 12 months and the balance of \$1.1 million is due for repayment after the next 12 months.

Trade payables increased by \$0.2 million in 9MFY2022 as compared to FY2021. This is largely due to increase in purchases by the Hose & Marine segment in view of the recent surge in oil prices.

Total lease liabilities decreased by \$0.6 million in 9MFY2022 as compared to FY2021. This is due to monthly repayment of the lease liabilities.

Other payables increased by \$0.6 million in 9MFY2022 as compared to FY2021. This is largely due to the \$0.8 million penalty on funds transferred from PRC provided by Tangshan GRP in 9MFY2022, partially offset by lower bonus provision as at 9MFY2022 as compared to FY2021 as 9MFY2022 balance consisted of 9 months bonus provision whereas the FY2021 balance consisted of 12 months bonus provision.

Income tax payable decreased by \$0.2 million in 9MFY2022 as compared to FY2021. This is a largely due to higher loss incurred in 9MFY2022 as compared to 9MFY2021.

Disposal group liabilities related to all liabilities of LFHL as at 30 June 2021. The Company distributed its shareholding in LFHL to the shareholders of the Company as distribution in specie on 3 December 2021.

Share capital decreased by \$28.4 million in 9MFY2022 as compared to FY2021. This is due to a \$28.4 million capital reduction undertaken by the Company as the Company distributed its shareholding in LFHL via distribution in specie by way of capital reduction on 3 December 2021.

Statutory reserve of \$0.2 million as at FY2021 related to LFHL. With the distribution of LFHL shares on 3 December 2021, this amount is reclassified to Accumulated profits during 9MFY2022.

Reserves of disposal group related to currency translation reserve of LFHL as at 30 June 2021. With the completion of the distribution in specie on 3 December 2021, this amount is reclassified to Accumulated profits during 9MFY2022.

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

No forecast or prospect statement has been issued previously.

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

The COVID-19 pandemic since January 2020 has adversely impacted all the business segments of the Group. The Hose & Marine segment is facing shortages in hose supplies due to supply chain disruptions as a result of COVID-19. Business outlook for the next 12 months is expected to remain challenging.

With the completion of the distribution in specie on 3 December 2021, the Group's core businesses are Property, Hose & Marine and Measuring Instruments. The Group would be focusing on the affordable housing project in Perak, Malaysia in the next 12 months.

#### **11. Dividend**

If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared for the period ended 31 March 2022.

(b) Amount per share (cents) and previous corresponding period (cents)

The Company distributed 120,130,358 LFHL shares as distribution in specie to the shareholders of the Company on 3 December 2021. Based on the volume weighted average price of LFHL share of \$0.1095 traded on Catalist on 3 December 2021, the value of the Distribution is \$13.154 million and is equivalent to approximately \$0.073 per the Company share.

Based on the closing price of LFHL share of \$0.12 traded on Catalist on 3 December 2021, the total value of the Distribution is recorded as \$14,415,643.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

As stated under Section 2.9 of the Circular dated 7 September 2021, shareholders who are in doubt as to their respective tax positions in Singapore or any other jurisdiction, or any tax implications arising from the Distribution should consult their own professional advisers.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfer receive by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend is declared for period ended 31 March 2022.

The Company does not have a formal dividend policy. In view of the weak market conditions and the recent venture into affordable housing projects, the Company will be preserving its cash and bank balances.

## 13. Interested person transactions

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

Interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the period ended 31 March 2022 is as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Luminor Capital Pte Ltd - Rental expenses recovered	172,040	-
Kwan Chee Seng - Interest expense paid on amount due to director of LFHL up to 3 December 2021	28,330	-
Management fee income received from LFHL for period from 4 December 2021 to 31 March 2022	140,000	-

#### **14. Confirmation by the Board of Directors**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the nine-month ended 31 March 2022 to be false or misleading in any material aspect.

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

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

## 16. Use of proceeds from rights issue and exercise of warrants

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

Use of Net Proceeds	Allocation of Net Proceeds \$'000	Net Proceeds utilised as at the date of this announcement \$'000	Balance of Net Proceeds as at the date of this announcement \$'000
<b><u>2013 Rights issues</u></b>			
Proceeds from rights issue:			
- Proposed new business	28,000	(28,000)	-
- General working capital	5,000	(5,000)	-
	33,000	(33,000)	-
Proceeds from exercise of warrants:			
- Proposed new business	8,974	(8,974)	-
<b>Total</b>	<b>41,974</b>	<b>(41,974)</b>	<b>-</b>
<b><u>2016 Rights issues</u></b>			
Proceeds from rights issue:			
- Proposed new business	12,348	(6,372)	5,976
- General working capital	841	(841)	-
	13,189	(7,213)	5,976
Proceeds from exercise of warrants:			
- Proposed new business	6	-	6
<b>Total</b>	<b>13,195</b>	<b>(7,213)</b>	<b>5,982</b>
<b>Cumulative Total</b>	<b>55,169</b>	<b>(49,187)</b>	<b>5,982</b>
Breakdown of general working capital is as follows:			
Capital contribution	-	(570)	-
Project construction costs	-	(2,309)	-
Rental expenses	-	(34)	-
Professional fees	-	(125)	-
General administrative expenses	-	(2,803)	-
<b>Total</b>	<b>-</b>	<b>(5,841)</b>	<b>-</b>

Note:

The Group had fully utilised the proceed from the 2013 Rights issues.

**17. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)**

During the 9MFY2022 and as at the date of this announcement, Company's indirect wholly-owned subsidiary, GRP Project Management Sdn Bhd ("**GRP Project**") has contributed an additional share capital of RM1,749,998 (approximately \$0.57 million) into Rumah Kami Sdn Bhd ("**Rumah Kami**").

With this additional capital contribution, GRP Project holds 1,750,000 shares of RM1 per share and its equity interest in Rumah Kami has increased from 30% to 70%. This additional capital contribution is in accordance with the Addendum to the Shareholders Agreement dated 21 December 2020 entered into between GRP Project, Poly Radius Sdn Bhd, Greenery Majestic Sdn Bhd and Ecogale Sdn Bhd (the "**Addendum**"). As per the Addendum, the equity interests of Poly Radius Sdn Bhd, Greenery Majestic Sdn Bhd and Ecogale Sdn Bhd in Rumah Kami are 12.857%, 12.857% and 4.286% respectively.

On 23 March 2022, Hiflex Pte Ltd, an indirect wholly-owned subsidiary of the Company changed its name to GRP Hua Kai (S) Pte Ltd ("**GRP Hua Kai**") and on 30 March 2022, GRP Hua Kai increased its issued and paid-up share capital from \$100,000 divided into 100,000 ordinary shares to \$1,660,000 divided into 1,660,000 ordinary shares.

BY ORDER OF THE BOARD

Kwan Chee Seng  
Executive Director  
11 May 2022