

GRP LIMITED



Company No.197701449C

**Half Year Financial Statement And Dividend Announcement for the Financial Period
ended 31 December 2019**

GRP LIMITED

Half Year Financial Statements Announcement for the period ended 31/12/2019

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

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

	GROUP		
	\$'000		% Increase/ (decrease)
	6 months ended 31/12/2019	6 months ended 31/12/2018	
Revenue	9,903	18,955	(47.8)
Cost of sales	(7,197)	(16,057)	(55.2)
Gross profit	2,706	2,898	(6.6)
Other operating income	594	633	(6.2)
Finance costs	(22)	(131)	(83.2)
Distribution costs	(159)	(143)	11.2
Administrative expenses	(3,715)	(3,604)	3.1
Other losses	-	(263)	(100.0)
Share of result of associates	(3)	-	100.0
Loss before income tax expenses	(599)	(610)	(1.8)
Income tax expense	(13)	(433)	NM
Loss for the period	(612)	(1,043)	(41.3)
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss			
- Exchange differences arising on translation of foreign operations	(727)	(1,929)	(62.3)
Other comprehensive loss for the period, net of tax:	(727)	(1,929)	(62.3)
Total comprehensive loss for the period	(1,339)	(2,972)	(54.9)
Loss attributable to:			
Owners of the company	(636)	(1,061)	(40.1)
Non-controlling interest	24	18	33.3
	(612)	(1,043)	(41.3)
Total comprehensive loss attributable to:			
Owners of the company	(1,363)	(2,990)	(54.4)
Non-controlling interest	24	18	33.3
	(1,339)	(2,972)	(54.9)

Note:

NM - Not meaningful

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

	GROUP	
	\$'000	
	6 months ended 31/12/2019	6 months ended 31/12/2018
Depreciation of property, plant and equipment and amortisation	(105)	(102)
Depreciation of right-of-use assets	(466)	-
Net loss on financial assets measured at fair value through profit or loss	-	(263)
Write back/(allowance) for inventories	14	(106)
Write back/(allowance) for doubtful trade receivables	10	(41)
Write back of doubtful non-trade receivables	62	93
Interest expenses	(6)	(102)
Gain/(loss) on disposal of property, plant and equipment	26	(12)
Tax writeback/(expenses)		
- current period	(202)	(433)
- Adjustment for overprovision of tax in respect of prior years	189	-
Foreign exchange gain/(loss)	18	(180)
Interest income	417	539
Rental and services income	6	11
Other income	171	83

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

	GROUP		COMPANY	
	\$'000		\$'000	
	31/12/2019	30/06/2019	31/12/2019	30/06/2019
ASSETS				
Current assets				
Cash and bank balances	45,907	56,626	15,599	23,178
Trade receivables	2,680	2,696	3,229	2,885
Other receivables & prepayments	4,881	1,416	49,333	44,595
Financial assets at fair value through profit or loss	2,333	-	-	-
Inventories	5,863	4,666	-	-
Properties held for sale	9,548	11,014	-	-
Development properties	7,883	5,344	-	-
Development property expenditures	276	-	-	-
Total current assets	79,371	81,762	68,161	70,658
Non-current assets				
Other receivables	4,237	8,850	-	-
Financial assets at fair value through profit or loss	2,500	2,500	2,500	2,500
Subsidiaries	-	-	7,051	7,051
Associates	13	16	-	-
Deferred tax assets	687	289	-	-
Intangible asset	31	31	25	25
Right-of-use assets	2,388	-	1,091	-
Property, plant and equipment	684	680	91	118
Total non-current assets	10,540	12,366	10,758	9,694
Total assets	89,911	94,128	78,919	80,352
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	-	900	-	-
Lease liabilities	857	-	512	-
Trade payables	1,114	1,221	13	19
Other payables	3,485	4,192	692	1,112
Income tax payable	8,438	9,726	49	49
Total current liabilities	13,894	16,039	1,266	1,180
Non-current liabilities				
Deferred tax liabilities	5,339	4,923	-	-
Lease liabilities	1,531	-	579	-
Total non-current liabilities	6,870	4,923	579	-
Capital and reserves				
Share capital	72,502	72,502	72,502	72,502
Treasury shares	(1,095)	(294)	(1,095)	(294)
Asset revaluation reserve	-	-	-	-
Statutory reserve	245	245	-	-
Currency translation reserve	(2,286)	(1,559)	-	-
Accumulated (losses)/ profits	(5,722)	(3,207)	5,667	6,964
Equity attributable to owners of the company	63,644	67,687	77,074	79,172
Non-controlling interests	5,503	5,479	-	-
Total equity	69,147	73,166	77,074	79,172
Total liabilities and equity	89,911	94,128	78,919	80,352

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

Amount repayable in one year or less, or on demand

Group			
As at 31/12/2019 S\$'000		As at 30/6/2019 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	900	-

Amount repayable after one year

Group			
As at 31/12/2019 S\$'000		As at 30/6/2019 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Money Market Loan

The Group had a Money Market Loan ("MML") of \$900,000 from United Overseas Bank for general working capital purpose as at 30 June 2019. The MML was fully repaid during the period ended 31 December 2019.

The MML was secured and guaranteed by the followings:

- Standby Letter of Credit for not less than RMB5,000,000 (approximately \$965,800) issued by United Overseas Bank (China) Limited, Chengdu Branch;
- A corporate guarantee for \$1,800,000 by Starland Holdings Limited, an indirect subsidiary; and
- Fixed deposits of RMB5,650,000 (approximately \$1,091,400) pledged with the Bank.

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

	The Group	
	\$'000	
	6 months ended 31/12/2019	6 months ended 31/12/2018
Operating activities:		
(Loss)/Profit before income tax	(599)	(610)
Adjustments for:		
Depreciation of property, plant and equipment and amortisation	105	102
Depreciation of right-of-use assets	466	-
Net loss on financial assets measured at fair value through profit or loss	-	263
(Write back)/allowance for inventories	(14)	106
(Write back)/allowance for doubtful trade receivables	(10)	41
Write back of doubtful non-trade receivables	(62)	(93)
(Gain) Loss on disposal of property, plant and equipment	(26)	12
Interest income	(417)	(539)
Interest expenses	6	102
Share of result of associates	3	-
Operating cash flows before movements in working capital	(548)	(616)
Trade receivables	26	(634)
Other receivables & prepayments	1,209	(2,703)
Inventories	(1,183)	(558)
Properties held for sale	1,466	7,031
Development properties	(2,567)	11,428
Development property expenditure	(276)	-
Trade payables	(107)	432
Other payables	(707)	(1,471)
Cash (used in)/generated operating activities	(2,687)	12,909
Income taxes paid	(1,131)	(1,301)
Net cash (used in)/generated from operating activities	(3,818)	11,608
Investing activities:		
Proceeds from disposal of property, plant and equipment	63	28
Purchase of property, plant and equipment	(98)	(34)
Payment for club membership	-	(6)
Acquisition of subsidiary	-	(1,250)
Investment in financial assets at fair value through profit or loss	(2,333)	-
Interest received	417	539
Net cash (used in) investing activities	(1,951)	(723)
Financing activities:		
Interest paid	(6)	(102)
Share buy-back	(801)	-
Dividend paid	(1,879)	(969)
Decrease / (Increase) in bank deposits pledged	1,322	(220)
Payment for lease liabilities	(466)	-
Proceeds from drawdown of bank loans	-	210
Repayment of bank loans	(900)	(3,360)
Net cash (used in) financing activities	(2,730)	(4,441)
Net (decrease)/ increase in cash and cash equivalents	(8,499)	6,444
Cash and cash equivalents at beginning of period	54,522	46,752
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(898)	(1,312)
Cash and cash equivalents at end of period	45,125	51,884

Note 1 - Cash and cash equivalents is derived from:

	The Group	
	\$'000	
	At 31/12/2019	At 31/12/2018
Cash and bank balances	45,907	55,128
Less: Pledged cash placed with bank	782	3,244
	45,125	51,884

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

Group	Share capital	Treasury shares	Asset revaluation reserve	Statutory reserve	Currency translation reserve	Accumulated profits	Attributable to equity holders of the company	Non-controlling interest	Total \$'000
\$'000									
Latest Period									
Balance at 01/07/2019	72,502	(294)	-	245	(1,559)	(3,207)	67,687	5,479	73,166
<i>Total comprehensive income for the period</i>									
- (Loss)/Profit for the period	-	-	-	-	-	(636)	(636)	24	(612)
- Other comprehensive income/(loss) for the period	-	-	-	-	(727)	-	(727)	-	(727)
<i>Transactions with owners, recognised directly in equity</i>									
- Share buy-back held as treasury shares	-	(801)	-	-	-	-	(801)	-	(801)
- Dividend paid	-	-	-	-	-	(1,879)	(1,879)	-	(1,879)
Balance at 31/12/2019	72,502	(1,095)	-	245	(2,286)	(5,722)	63,644	5,503	69,147
Previous Corresponding Period									
Balance at 01/07/2018	72,502	-	3,090	119	(3,812)	4,546	76,445	6,168	82,613
Impact of adoption of SFRS(I) 1	-	-	(350)	-	4,660	(4,660)	(350)	-	(350)
Impact of adoption of SFRS(I) 9	-	-	(213)	-	-	213	-	-	-
Restated balance at 01/07/2018	72,502	-	2,527	119	848	99	76,095	6,168	82,263
<i>Total comprehensive income for the period</i>									
- (Loss)/Profit for the period	-	-	-	-	-	(1,061)	(1,061)	18	(1,043)
- Other comprehensive income/(loss) for the period	-	-	-	126	(1,929)	(126)	(1,929)	-	(1,929)
- Transfer of revaluation surplus arising from the derecognition of building	-	-	(2,527)	-	-	2,527	-	-	-
<i>Transactions with owners, recognised directly in equity</i>									
- Dividend paid	-	-	-	-	-	(969)	(969)	-	(969)
Balance at 31/12/2018	72,502	-	-	245	(1,081)	470	72,136	6,186	78,322

The Company	Share capital	Treasury shares	Asset revaluation reserve	Accumulated profits	Total
\$'000					
Latest Period					
Balance at 01/07/2019	72,502	(294)	-	6,964	79,172
<i>Total comprehensive income for the period</i>					
- Profit for the period	-	-	-	582	582
<i>Transactions with owners, recognised directly in equity</i>					
- Share buy-back held as treasury shares	-	(801)	-	-	(801)
- Dividend paid	-	-	-	(1,879)	(1,879)
Balance at 31/12/2019	72,502	(1,095)	-	5,667	77,074
Previous Corresponding Period					
Balance at 01/07/2018	72,502	-	2,740	2,156	77,398
Impact of adoption of SFRS(I) 9	-	-	(213)	213	-
Restated balance at 01/07/2018	72,502	-	2,527	2,369	77,398
<i>Total comprehensive income for the period</i>					
- Loss for the period	-	-	-	(257)	(257)
- Transfer of revaluation surplus arising from the derecognition of building	-	-	(2,527)	2,527	-
<i>Transactions with owners, recognised directly in equity</i>					
- Dividend paid	-	-	-	(969)	(969)
Balance at 31/12/2018	72,502	-	-	3,670	76,172

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

Share Capital	6 months ended 31/12/2019	6 months ended 31/12/2018		6 months ended 31/12/2019	6 months ended 31/12/2018
	No of ordinary shares			\$	\$
Issued and paid up:					
At 1 July	193,701,610	193,701,610		72,501,544	72,501,544
At 31 December	193,701,610	193,701,610		72,501,544	72,501,544

Treasury shares	6 months ended 31/12/2019	6 months ended 31/12/2018		6 months ended 31/12/2019	6 months ended 31/12/2018
	No of Treasury Shares			\$	\$
At 1 July	1,707,200	-		293,761	-
Share buy-back	4,099,600	-		800,961	-
At 31 December	5,806,800	-		1,094,722	-

The Company bought back 4,099,600 shares by way of market acquisition during the six months ended 31 December 2019. All the shares acquired were held as treasury shares. The Company has 5,806,800 treasury shares as at 31 December 2019 (31 December 2018: Nil)

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	6 months ended 31/12/2019	12 months ended 30/6/2019
At 1 July	191,994,410	193,701,610
Share buy-back	(4,099,600)	(1,707,200)
Total number of issued shares	187,894,810	191,994,410

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported thereon

Treasury shares	6 months ended 31/12/2019
At 1 July	1,707,200
Share buy-back	4,099,600
At 31 December	5,806,800

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

The Company has no subsidiary holdings as at 31 December 2019.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 30 June 2019, except for the adoption of the Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases applicable for the financial period beginning 1 July 2019.

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

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

The Group and the Company have applied SFRS(I) 16 using the cumulative catch-up approach which requires the Group and the Company to recognise the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of retained earnings at the date of initial application and does not permit restatement of comparatives, which continue to be presented under SFRS(I) 1-17 and SFRS(I) INT 4.

On 1 July 2019, the Group recognised right-of-use assets of \$2.9 million and lease liabilities of \$2.9 million. There is no material impact on the opening retained earning.

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

	6 months ended 31/12/2019	6 months ended 31/12/2018
(Loss)/Earnings per ordinary share attributable to the owners of the company for the period		
(i) Based on weighted average number of ordinary share in issue (Cents)	(0.33)	(0.55)
(ii) On a fully diluted basis (Cents)	(0.33)	(0.55)
Computed based on the following weighted average number of shares		
(i) Basic	190,079,097	193,701,610
(ii) Diluted	190,079,097	193,701,610

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

	31/12/2019	30/06/2019
	Cents	
The Group	33.87	35.25
The Company	41.02	41.24

Net asset value per share attributable to the owners of the company is calculated based on 187,894,810 (30 June 2019 : 191,994,410) 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

Statement of comprehensive income

The Group registered revenue of \$9.9 million for the half year ended 31 December 2019 ("HY2020"). This is 47.8% lower than previous corresponding half year ended 31 December 2018 ("HY2019"). Revenue for Property segment decreased by \$8.8 million (86.9%) and Measuring Instrument decreased by \$0.4 million (5.5%). These decreases are partially offset by a \$0.2 million (15.4%) improvement in revenue by the Hose and Marine segment.

The decrease in property revenue is mainly a reflection of the slow down in the China economy as well as the Group being at the tail end of its existing property projects in Chongqing, People's Republic of China ("PRC"). The Group started the year with balance stock of 21 residential units, 25 shop units and 140 car parks lots in PRC and 1 residential unit in Singapore. The Group sold 3 residential units and 25 car park lots in PRC and none in Singapore during HY2020 as compared to 17 residential units, 5 shop units and 22 car park lots in PRC and 1 unit of semi-detached house in Singapore in HY2019.

The Group's gross profit decreased by 6.6% from \$2.9 million in HY2019 to \$2.7 million in HY2020. Gross profit for Measuring Instrument segment decreased by \$0.2 million in HY2020 as compared to HY2019. This is in line with the lower Measuring Instrument revenue in HY2020. Despite the \$0.2 million improvement in Hose and Marine revenue in HY2020, gross profit for this segment maintained at \$0.6 million (HY2019: \$0.6 million). The gross loss for Property segment in HY2020 after adjustment to restate the cost of properties sold from historical cost to fair value as the properties held for sale had been fair valued at date of acquisition of Starland Holdings Limited, is \$0.056 million in HY2020 as compared to gross loss of \$0.073 million in HY2019.

Finance costs decreased by 83.2% in HY2020 as compared to HY2019. This is mainly due to lower interest expenses incurred by the property business in HY2020. The Group fully repaid its loans and borrowings during HY2020.

Distribution costs increased by 11.2% in HY2020 as compared to HY2019. The increase is mainly due to higher selling and distribution costs incurred in order to sell the properties in Chongqing, PRC in HY2020.

Other losses of \$0.3 million in HY2019 pertained to net loss on quoted financial assets measured at fair value through profit or loss. The quoted financial assets measured at fair value through profit or loss had been fully provided for or disposed in year ended 30 June 2019.

Consequently, the Group incurred a loss before tax of \$0.6 million for HY2020 (HY2019: \$0.6 million).

Statement of financial position and Statement of cashflows

Group

The Group's financial position remains sound with the current ratio of around 5.7 times at the end of December 2019 as compared to 5.1 times at the end of June 2019 ("FY2019). As at 31 December 2019, the Group had cash and bank balances totalling \$45.9 million. This is a decrease of \$10.7 million as compared to 30 June 2019. The decrease is largely due to a net cash of \$3.8 million used in operating activities, investment of \$2.3 million in financial assets at fair value through profit or loss, dividend payment of \$1.9 million and share buy-back of \$0.8 million during the six months ended 31 December 2019. The \$3.8 million net cash used in operating activities are mainly comprised of a \$2.6 million increase in development properties and a \$1.2 million increase in inventories as at 31 December 2019 as compared to 30 June 2019.

Financial assets at fair value through profit or loss of \$2.3 million as at 31 December 2019 related to a convertible loan granted by a 83.17% indirectly owned subsidiary, Starland Axis Pte Ltd ("**Axis**"), to Luminor Capital (Malaysia) Sdn. Bhd. ("**Luminor**") as announced by the Company on 22 July 2019.

Other receivables & prepayments increased from \$1.4 million on 30 June 2019 to \$4.9 million as at 31 December 2019. The increase is largely due to reclassification of \$3.9 million (RMB20 million) repossession value receivable from People's Government of Kaiping District, Tangshan City, PRC, pertaining to the repossession of the development property in Tangshan City, PRC, from long term receivable to current receivable as the amount is to be received no later than 31 December 2020.

Inventories increased from \$4.7 million on 30 June 2019 to \$5.9 million as at 31 December 2019. The increase is mainly due to building up of inventories by Measuring Instrument segment so as to take advantage of volume discount.

Properties held for sale decreased from \$11.0 million on 30 June 2019 to \$9.5 million as at 31 December 2019. The decrease is largely due to sale of residential and car park units during the six months under review.

Development properties increased from \$5.3 million on 30 June 2019 to \$7.9 million as at 31 December 2019. The increase is mainly due to purchase of 2 plots of land in Ipoh, Malaysia in August 2019. As at 31 December 2019, the Group has 4 plots of land, 3 plots in Malaysia and 1 plot in Chongqing, PRC.

Long term other receivables decreased from \$8.9 million on 30 June 2019 to \$4.2 million as at 31 December 2019. The decrease is due to reclassification of \$3.9 million (RMB20 million) from long term other receivable to current other receivable as explained above.

Right-of-use assets of \$2.4 million as at 31 December 2019 pertained to the recognition of operating leases as right-of-use assets, resulting from the adoption of SFRS(I) 16 on leases in the period under review.

Current liabilities decreased by \$2.1 million from \$16.0 million in FY2019 to \$13.9 million in HY2020. This is mainly due to loan repayment of \$0.9 million, a \$0.7 million lower other payables, a \$1.3 million lower income tax payable, partially offset by an increase of \$0.9 million lease liabilities resulting from the adoption of SFRS(I) 16 on leases, as at 31 December 2019 as compared to 30 June 2019.

Non current liabilities increased by \$1.9 million from \$4.9 million in FY2019 to \$6.9 million in HY2020. This is mainly due to the recognition of lease liabilities resulting from the adoption of SFRS(I) 16 on leases in the period under review.

Company

Other receivables & prepayments increased by \$4.7 million from \$44.6 million in FY2019 to \$49.3 million in HY2020. The increase is mainly due to higher amount due from subsidiaries.

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

In view of the weak China economy, the ongoing US-China trade war and the recent coronavirus outbreak, the Group expects the market to be challenging for all the 3 business segments. In addition, for the property business, we are at the tail end with balance stock of 18 residential units, 25 shop units and 115 car park lots in Chongqing, PRC and 1 residential unit in Singapore.

The Group had announced on 23 January 2020 that Ratus Nautika Sdn. Bhd., a wholly owned subsidiary of Rumah Kami Sdn. Bhd. ("**Rumah**"), had been appointed as the developer to develop an affordable housing project in Sri Iskandar, Mukim Bota, Perak Tengah District by Lembaga Perumahan Dan Hartanah, Perak ("**LPHP**"), a corporation established under the Perak, Malaysia Housing and Real Property Board Enactment 2016. Rumah is currently an indirect 30% owned associate of the Company. The Group is in negotiations with the shareholders of Rumah to increase our interest in Rumah from 30% to 70%. Further announcement will be made when the negotiations are completed.

Axis, the Company's 83.17% indirectly owned subsidiary had exercised the option under the convertible loan agreement with Luminor, to convert \$0.7 million of the loan for 51% interest in Luminor on 4 February 2020, as announced by the Company on 5 February 2020.

11. Dividend

(a) Current Financial Period Reported on

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

Name of Dividend	Not Applicable
Dividend Type	Not Applicable
Dividend Rate	Not Applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Not Applicable
Dividend Type	Not Applicable
Dividend Rate	Not Applicable

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

No dividend has been declared for half year ended 31 December 2019.

The Company does not have a formal dividend policy. In view of the weak market condition and the recent venture into affordable housing projects and Financial Solutions Business, the Company will be preserving its war chest.

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 half year ended 31 December 2019 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	121,488	-

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 half-year ended 31 December 2019 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 rights issue proceeds

As at date of this announcement, the status of the use of net proceeds from the rights issue 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
<u>2013 Rights issues</u>			
Proposed new business	28,000	(28,000)	-
General working capital	5,000	(1,368)	3,632
	33,000	(29,368)	3,632
Proceeds from exercise of warrants: - Proposed new business	8,974	(8,974)	-
Total	41,974	(38,342)	3,632
Breakdown of utilisation of general working capital is as follows:			
Rental expenses		(34)	
Professional fees		(125)	
General administrative expenses		(1,209)	
Total		(1,368)	
<u>2016 Rights issues</u>			
Proposed new business	12,348	(6,372)	5,976
General working capital	841	-	841
	13,189	(6,372)	6,817
Proceeds from exercise of warrants: - Proposed new business	6	-	6
Total	13,195	(6,372)	6,823

17. Watchlist

The Company has made quarterly update as required under Listing Rule 1313(2). The last update was made on 28 November 2019.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
13 February 2020