

**GRP LIMITED**

(Company Registration Number 197701449C)

(Incorporated in the Republic of Singapore)

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**MATERIAL DIFFERENCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

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The Board of Directors of GRP Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement made on 27 September 2017 on material differences between the audited financial statements and the unaudited financial statements for the financial year ended 30 June 2017. Further reference is made to the audited financial statements of the Group for FY2017 (“**Audited Financial Statements**”) contained in the Company’s annual report for FY2017 which will be released via the SGXNET and despatched to the Company’s shareholders in due course.

The Company would like to announce that certain line items within the audited consolidated statement of comprehensive income in the Audited Financial Statements have been adjusted which have no impact to the reported loss for the year amounting to \$9,554,000 and as announced on 27 September 2017.

The material variances for FY2017 between the Audited Financial Statements and the Unaudited Results and the explanation thereon are set out as follows.

**1) Consolidated Statement of Comprehensive Income for FY2017**

	<b>Audited Financial Statements \$’000</b>	<b>Unaudited Results \$’000</b>	<b>Variance \$’000</b>	<b>Variance %</b>
Other losses	(3,484)	(2,106)	(1,378)	(65.43)
Administrative expenses	(12,166)	(10,076)	(2,090)	(20.74)
Loss before income tax expense	(11,979)	(8,511)	(3,468)	(40.75)
Income tax writeback	2,425	1,047	1,378	NM
Loss for the year	(9,554)	(7,464)	(2,090)	(28.00)

NM – Not Meaningful

Explanation for the variances:

The variance of \$1.378 million is to state the impairment loss on properties held for sale at gross amount with the related tax impact shown separately in the line item, ‘income tax writeback’.

The variance of \$2.090 million arises due to i) \$1.039 million write back of expenses; ii) allowance of \$2.137 million of short term loan and interest to be recovered from ayondo Holding AG (“**ayondo**”), and iii) allowance of \$0.992 million for expenses paid by Starland Holdings Limited (“**Starland**”) on behalf of ayondo and recoverable from ayondo.

The expenses all relate to professional fees incurred and relating to the proposed acquisition of the equity interest of ayondo (“**Acquisition**”). The Company had announced the cessation of the acquisition on 25 September 2017.

The allowances amounting to \$3.129 million are for amounts due from ayondo. The management of the Company is negotiating with ayondo to recover the amount and part of the other expenses incurred in connection with the Acquisition and was paid by Starland. The Company will make further announcement on result of the negotiation in due course.

**BY ORDER OF THE BOARD**

Kwan Chee Seng  
Executive Director  
5 October 2017