GRP LIMITED
ANNUAL REPORT 2015

SCALING GREATER HEIGHTS

Contents

Mission

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

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

Corporate Profile

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

1. HOSE AND MARINE;
2. MEASURING INSTRUMENTS / METROLOGY; AND
3. PROPERTY DEVELOPMENT

Hose and Marine

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

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

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

Measuring Instruments / Metrology

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

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

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

Property Development

In October 2013, the Group obtained shareholders' approval to expand its core business to include property development business. The property division is to undertake property development activities, such as to acquire and hold property related assets and to trade in properties.

At the initial stage, the Group intends to embark on acquisition and/or development of properties in Myanmar, Malaysia and China.

Key Events

1977

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

1990

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

1993

Region Suppliers, an international supplier of precision measuring instruments, was acquired as a wholly-owned subsidiary of the GRP group.

In the same year, GRP (China) Pte Ltd was formed to take advantage of the opportunities being presented in China, particularly uPVC pipe manufacturing for the local construction industry.

1996

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

2005

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

2007

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

2012

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

2014

The Group did a Placement and Rights cum Warrants issue where $35.9 million was raised. An additional $33.4 million will be raised upon the exercise of the remaining warrants. This will be used to fund our activity in the property development business.

2015

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

Corporate Structure

GRP LIMITED

- **GRP Pte Ltd** (Singapore) 100%
- **Region Suppliers Pte Ltd** (Singapore) 100%
- **Region Suppliers Sdn Bhd** (Malaysia) 100%
- **GRP Land Pte Ltd** (Singapore) 100%
  - **GRP Projects Pte Ltd** (Singapore) 100%
    - **GRP Services Myanmar Co Ltd** (Myanmar) 100%
  - **GRP Development Pte Ltd** (Singapore) 100%
    - **Tangshan GRP Trading Co Ltd** (China) 100%
  - (Incorporated on 21 September 2015) **GRP Chongqing Land Pte Ltd** (Singapore) 100%
- (Dormant with effect from 1 July 2014) **GRP (China) Pte Ltd** (Singapore) 63.5%

Message to Shareholders

Dear Shareholders,

On behalf of the Board of Directors of GRP Limited (the "Group"), I am pleased to present to you the Annual Report of the Group for the financial year ended 30 June 2015 ("FY2015").

FY2015 had been another eventful year. We started the year with a Consortium Joint Venture Incorporation Agreement ("JVA") signed with Kanbawza Group of Companies Limited ("KBZ"), a Myanmar company. However, as the terms and conditions of the JVA could not be met, as announced on 10 February 2015, the JVA was terminated.

The Group has since ventured into the China property market. In February 2015, we signed an agreement with the People's Government of Kaiping District, Tangshan City, PRC ("Kaiping Government") for the purposes of securing development rights from the People's Government of Kaiping District, to undertake an integrated mixed development, subject to the Group's successful tender of the lands. The lands are to be released in phases by the relevant Kaiping Government.

The Group continues to explore various avenues for growth in the property development business.

For the year under review, revenue was $24.5 million and is 9.6% lower than revenue of $27.1 million for FY2014, due mainly to weaker demand in the Hose and Marine division. Local Singapore revenue in FY2015 was $11.9 million (48% of total revenue) a decrease over FY2014 at $14.7 million (54% of total revenue).

In FY2015 the Group achieved a net profit of $1 million, after including a provision of $1.2 million for doubtful other receivables. This receivable pertained to a deposit provided in relation to the abovementioned KBZ property project in Myanmar. Excluding this provision, the Group's net profit would have been $2.1 million, a decline of $0.6 million as compared to FY2014, which had a net profit of $2.7 million.

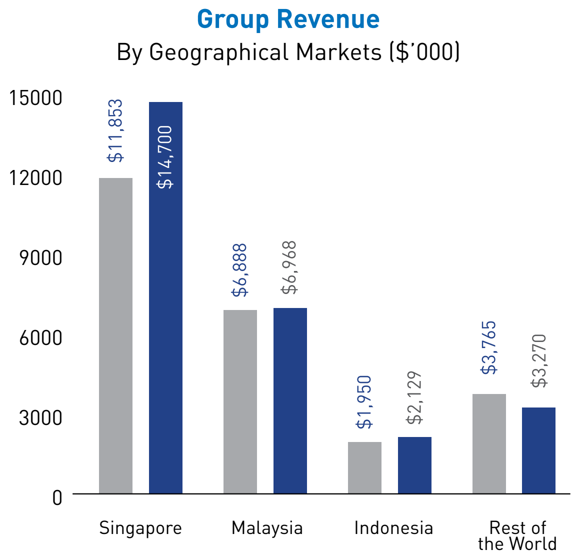
As at 30 June 2015, the Group had cash and bank balances amounting to $57.2 million. This is $5.9 million higher than the balance as at 30 June 2014. This is due mainly to receipt of $6.5 million proceeds from exercise of warrants. The Group's financial position remains healthy.

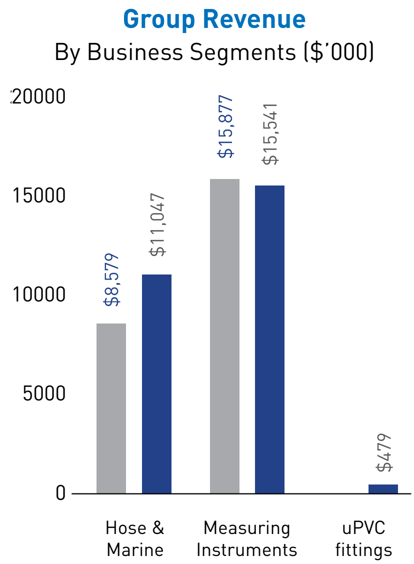
The Group's earnings per share for FY2015 was 0.13 cents compared with 0.51 cents for FY2014. Our net asset value per share for FY2015 was 9.74 cents (FY2014: 10.42 cents). The decrease is due mainly to the payment of dividends, a lower net profit, and an enlarged share capital base, where 81.2 million new shares were issued during the year under review.

Review of Operations

Our Hose and Marine segment reported revenue of $8.6 million in FY2015 compared to $11.0 million in FY2014. The 22.3% decrease in revenue is mainly due to weaker demand in FY2015, attributed to the falling oil prices and weaker outlook for the global economies.

Our Measuring Instruments and Metrology business experienced an improvement in revenue of 2.2%. Revenue for FY2015 was $15.9 million as compared to $15.5 million in FY2014. We ceased the uPVC business with effect from 1 July 2014.





Group Revenue FY 2015 $24,456 Group Revenue FY 2014 $27,067

Looking Ahead

The Group has been actively reviewing and evaluating property development opportunities in Myanmar, Malaysia and China in the past two years. As at 30 June 2015, we had cash of $57.2 million, largely funds raised from the rights and warrant issues. These shall be useful when we have investment opportunities in the property business. Additional cash of $26.9 million would be received upon the exercise of the outstanding 336,614,806 warrants, as at 30 June 2015, prior to their expiry on 27 November 2015.

Dividend

The Directors are reviewing the payment of dividends, so as to reward the shareholders. Further announcement will be forthcoming.

In Appreciation

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

Mr Teo Tong How
Chairman

Board of Directors

Mr Teo Tong How, 72
was appointed as an Independent Director on 4 July 2014. Mr Teo is the Chairman of the Board of Directors.

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

Mr Teo graduated from University of Melbourne, Australia with a Bachelor of Architecture (Hons) Degree. He has been the President of the Real Estate Developers Association of Singapore for numerous terms and was also the World President of the International Real Estate Federation from 2000 to 2001.

Mr Kwan Chee Seng, 57
was appointed as an Executive Director on 1 March 2013 and is responsible for the Group's business development. Mr Kwan is a member of the Nominating Committee.

Mr Kwan has extensive experience in management and business. Besides being the Chairman of Van der Horst Holdings Pte Ltd, his investment holding company, Mr Kwan has been a Non-Executive Director and substantial shareholder of ASX listed, Variscan Mines Ltd since 2008.

Mr Kwan is also a founder Director of Luminor Capital Pte Ltd, which manages private equity funds in the private equity market, and in 2009 he launched his Fund Management business.

Mr Goh Lik Kok, 53
was appointed as an Independent Director on 6 November 2012. Mr Goh is the Chairman of the Audit Committee and is a member of the Nominating, Remuneration and Risk Committee.

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

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

Mr Mahtani Bhagwandas, 48
was appointed as an Independent Director on 1 June 2013. Mr Bhagwandas is the Chairman of the Nominating and Risk Committee and a member of the Audit and Remuneration Committee.

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

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

Mr Peter Moe, 61
was appointed as an Independent Director on 1 September 2013. Mr Moe is the Chairman of the Remuneration Committee and a member of the Audit, Nominating and Risk Committee.

Mr Moe has been a practicing lawyer in Singapore since 1983 and is currently a Director of Optimus Chambers LLC.

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

Key Management

Mr Kantilal Champaklal

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

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

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

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

Ms Iris Sim Yeow Tiang

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

Ms Sim holds a Diploma in Administrative Management.

Ms Lim Siok Lin

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

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

Mr Kelvin Kwan Chee Hong

was appointed as General Manager of the Property Division in 2014. Prior to joining GRP Limited, Mr Kwan was the Investment Director of Van der Horst Holding Pte Ltd.

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

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

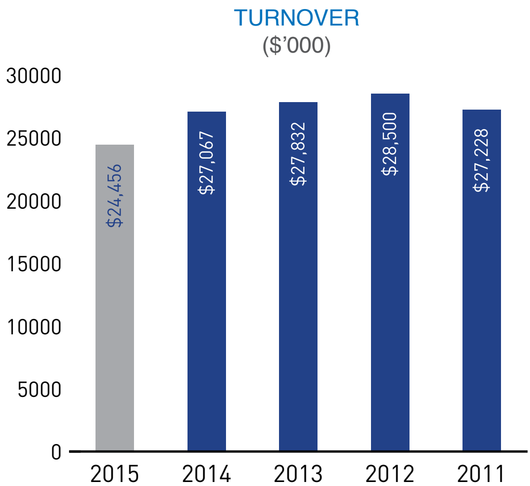
Ms Peng Peck Yen

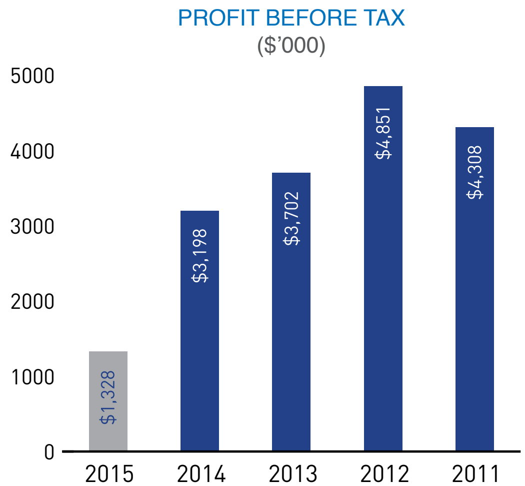
was appointed as Financial Controller of GRP Limited in 2013. She has more than 20 years of experience in accounts and finance.

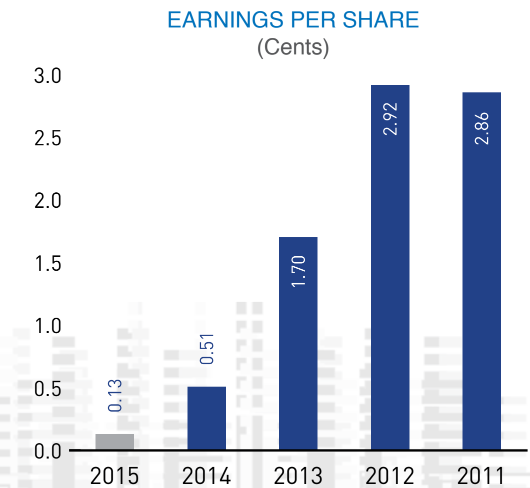
Ms Peng holds a degree in Bachelor of Accountancy (Hons) from Nanyang Technological University of Singapore and is a member of the Institute of Singapore Chartered Accountants.

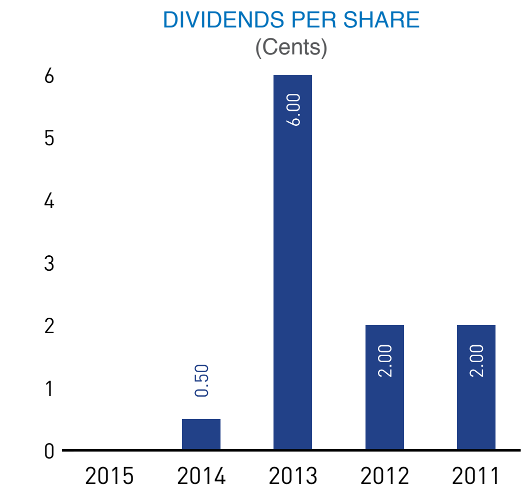
Group Financial Highlights

Financial Year ended 30 June $'000	2015	2014	2013
FOR THE YEAR			
Revenue	24,456	27,067	27,832
Profit Before Tax	1,328	3,198	3,702
Profit After Tax	959	2,710	2,824
AT YEAR END			
Total Tangible Assets	68,643	65,440	28,775
Total Cash and Bank	57,181	51,302	11,348
Shareholders' Funds	64,964	61,059	23,652
Total Borrowings	-	-	-









Corporate Information

Board of Directors

Teo Tong How
Independent Non-Executive Director and Chairman

Kwan Chee Seng
Executive Director

Goh Lik Kok
Independent Non-Executive Director

Mahtani Bhagwandas
Independent Non-Executive Director

Peter Moe
Independent Non-Executive Director

Company Secretary

Tan Cheng Siew

Registered Office

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

Share Registrar

Intertrust Singapore Corporate
Services Pte. Ltd.
3 Anson Road
#27-01 Springleaf Tower
Singapore 079909
Tel : 6532 3488
Fax: 6438 6221

Auditors

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

Audit Partner

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

Principal Banker

DBS Bank Ltd

Statement of Corporate Governance

GRP LIMITED (the "Company") is committed to ensuring and maintaining a high standard of corporate governance within the Group. This report describes the corporate governance framework and practices of the Company within specific reference made to each of the principles of the Code of Corporate Governance 2012 (the "Code"). The Company will continue to improve its systems and corporate governance processes in compliance with the Code. Where there are deviations from the Code, appropriate explanations are provided.

BOARD MATTERS

The Board's conduct of its affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

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

The table below sets out the attendance of the Directors at meetings of the Board and Board Committees which were convened during the financial year ended 30 June, 2015 ("FY2015"):

	Board	Audit Committee ("AC")	Remuneration Committee ("RC")	Nominating Committee ("NC")	Risk Committee ("RMC")
Directors	No. of meetings held = 2	No. of meetings held = 2	No. of meetings held = 1	No. of meetings held = 1	No. of meetings held = 1
	No. of meetings attended	No. of meetings attended	No. of meetings attended	No. of meetings attended	No. of meetings attended
Teo Tong How[1]	2	NA	NA	NA	NA
Kwan Chee Seng	2	NA	NA	1	NA
Goh Lik Kok	2	2	1	1	1
Mahtani Bhagwandas	2	2	1	1	1
Peter Moe	2	2	1	1	1

Note :-

NA : Not Applicable

1. Appointed on 4 July 2014

Statement of Corporate Governance

The principle functions of the Board are to:

1) review, consider and approve strategic, operational and financial objectives of the Company and monitor the performance of the Management;
2) oversee the processes for evaluating the adequacy of internal controls, financial reporting and compliance;
3) have overall responsibility for the corporate governance of the Group and safeguarding of shareholders' interests and the company's assets; and
4) have overall management of the business and affairs of the Group including reviewing of the operational plans, approving capital expenditure budget developed by the management team and performance against those plans.

The Executive Director assists the Board in the management of the Group. He is responsible for the day-to-day operation and administration of the Group. Major issues arising are highlighted to the Board, which makes decisions after considering recommendations of Management. Apart from its statutory responsibilities, the Board also ensures that the principal risks of the Group's business are identified and properly managed.

To efficiently discharge its responsibilities, the Board has established several Board Committees, namely the Audit Committee, the Nominating Committee, the Remuneration Committee and the Risk Committee. They assist the Board operationally without the Board losing authority over major issues.

New Directors, upon appointment, are briefed on the business, organisation structure and governance practices of the Group. Thereafter, Directors receive relevant training from time to time, including training on relevant laws, regulation and the business environment within which the Group operates.

Board Composition and Guidance

Principle 2 : There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board comprises five members, of whom one is Executive Director and four Independent Directors. As at the date of this report, the Board members are as follows:

Teo Tong How (Independent Director)
Kwan Chee Seng (Executive Director)
Goh Lik Kok (Independent Director)
Mahtani Bhagwandas (Independent Director)
Peter Moe (Independent Director)

The independence of each Director is reviewed annually by the Nominating Committee ("NC"). The NC adopts the Code's definition of who constitutes an independent Director.

Key information of the Directors can be found in the "Board of Directors" section of this annual report.

With more than half of the Board comprising independent non-executive Directors, the Board is able to exercise objective judgement on corporate affairs independently, and no individual or small group of individuals dominate the Board's decision making.

Statement of Corporate Governance

Chairman and Chief Executive Officer

Principle 3 : There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

The Company currently does not have a Chief Executive Officer.

The position of the Chairman is Non-Executive and he bears responsibility to lead the Board to ensure its effectiveness on all aspects of its role and sets its agenda. During Board meetings, he ensures that Board members engage in constructive debate on strategic issues and business planning.

The Executive Director bears executive responsibility for implementing the Board's decision and policies.

Board Membership and Board Performance

Principle 4 : There should be a formal and transparent process for the appointment of new directors to the Board.

Principle 5 : There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The NC comprises four members of whom three (including the chairman of the NC) are independent Directors. The chairman of the NC is Mr Mahtani Bhagwandas. The other members of the NC are Mr Goh Lik Kok, Mr Kwan Chee Seng and Mr Peter Moe.

The NC has in place policies and procedures for the appointment of new Directors. The NC identifies the competencies and expertise required to enable the Board to fulfill its responsibilities in the selection of potential new members to the Board. The NC will in consultation with the Board determine the selection criteria for new Board members.

New Directors will be appointed by way of a Board resolution, upon the recommendation of the NC. Such new Directors must submit themselves for re-election at the next Annual General Meeting ("AGM") of the Company.

The principal functions of the NC are to:

1) make recommendations to the Board on all Board appointments;
2) develop a process to assess the effectiveness of the Board and contribution by each Director;
3) on an annual basis, determine whether a Director is independent;
4) formulate guidelines to ensure a Director having multiple board representations has sufficient time and attention devoted to the affairs of the Company; and
5) recommend re-nomination and re-election of Directors.

Statement of Corporate Governance

The Company's Articles of Association requires one-third of the Directors to retire from office and subject themselves to re-election by shareholders at every Annual General Meeting ("AGM"). Directors who are aged 70 or over are statutorily required to retire and seek re-appointment at each AGM. A retiring Director is eligible for re-election by the shareholders of the Company at the AGM. The NC recommended that Mr Mahtani Bhagwandas, Mr Peter Moe and Mr Teo Tong How be re-elected at the forthcoming AGM.

In evaluating the performance of the Board, the NC implements a self-assessment process, that is, each Director assesses the performance of the Board as a whole. The NC will evaluate the Directors based on each Director's self-assessment and contribution. This self-assessment process takes into consideration, inter alia, attendance at meetings, maintenance of independence and disclosure of Interested Person Transactions ("IPT"). The NC will also consider other performance criteria as set out in the Code.

The Board, through the NC, will use its best efforts to ensure that Directors appointed to the Board possess the necessary background, experience and knowledge critical to the Group's business and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. The Board views that multiple representations of the Directors do not hinder their ability to carry out their duties and will benefit the Company, as the Directors are able to bring with them the experience and knowledge obtained from such board representations in other companies.

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

Access to Information

Principle 6 : In order to fulfill their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

In order to ensure that the Board is able to fulfill its responsibilities, Management provides the Board members with half yearly management accounts and all other relevant financial information. In addition, all relevant information on material events and transactions are circulated to Directors as and when they arise.

The Board has separate and independent access to the Management team and the Company Secretary as well as to all Board and Board Committee minutes, resolutions and information papers.

From time to time, for the purposes of proper performance of their duties, the Directors and/or Management seek independent professional and expert advice, if necessary, at the Company's expense.

The Company Secretary and/or her representative attend(s) all meetings and together with the Directors, ensure that Board procedures are followed and that applicable rules and regulations are complied with.

Statement of Corporate Governance

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7 : There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The Remuneration Committee ("RC") comprises three members, all of whom (including the chairman of the RC) are independent. The chairman of the RC is Mr Peter Moe. The other members of the RC are Mr Goh Lik Kok and Mr Mahtani Bhagwandas. The RC has adopted specific written terms of reference.

The functions of the RC include, amongst others, the setting up and implementation of formal and transparent processes by which the remuneration package of the Executive Director (in the form of service agreement) and at least the top five executives (in terms of aggregate remuneration and not being Directors) are formulated and approved.

No Director or member of the RC will be involved in deciding his own remuneration, except for providing information and documents specifically requested by the RC to assist it in its deliberations.

Level and Mix Remuneration

Principle 8 : The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

According to the service agreement of the Executive Director:

a) the remuneration includes, amongst others, a fixed salary and a variable performance bonus, which is designed to align the Executive Director's interests with that of the Company; and

b) there are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of the Executive Director.

The independent and Non-Executive Directors do not have any written service agreements with the Company. Save for Directors' fees, which have to be approved by the Shareholders at every AGM, the Independent and Non-Executive Directors do not receive any remuneration from the Company.

Statement of Corporate Governance

Disclosure on Remuneration

Principle 9 : Each Company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedures for setting remuneration in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The details of the remuneration of Directors of the Group for services rendered during FY2015 are as follows:

	Fees* (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
$250,000 to below $500,000					
Kwan Chee Seng (Executive Director)	–	71	24	5	100
Below $250,000					
Teo Tong How[1] (Non-Executive Director)	100	–	–	–	100
Goh Lik Kok (Non-Executive Director)	100	–	–	–	100
Mahtani Bhagwandas (Non-Executive Director)	100	–	–	–	100
Peter Moe (Non-Executive Director)	100	–	–	–	100

* Fees are subject to the approval of the Shareholders at the AGM FY2015.

1 Appointed on 4 July, 2014

The details of the remuneration of the top five key executives of the Group (who are not Directors of the Company) for services rendered during FY2015 are as follows:

	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
Top 5 Key Executives				
$250,000 to below $500,000				
Iris Sim Yeow Tiang	50	40	10	100
Lim Siok Lin	39	47	14	100
Kantilal Champaklal	65	22	13	100
$100,000 to below $250,000				
Kelvin Kwan Chee Hong[1]	51	17	32	100
Peng Peck Yen	64	21	15	100

1 Kelvin Kwan Chee Hong is the sibling of Kwan Chee Seng, the Executive Director and Substantial Shareholder of the Company.

No other employee of the Group is an immediate family member of any of the directors and whose remuneration exceeded $50,000 during FY2015.

Statement of Corporate Governance

For competitive reasons and in view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact remuneration of Directors and key management personnel, as well as in aggregate the total remuneration paid to the Directors and key management personnel, in the Annual Report.

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10 : The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within legal prescribed periods. The Notice of AGM is advertised in the newspapers and published via SGXNET.

Risk Management and Internal Controls

Principle 11 : The Board should ensure that the Management maintains a sound system of risk management and internal controls to safeguard the shareholders' investments and the company's assets.

The Risk Committee ("RMC") comprises three members, all of whom (including the chairman of the RMC) are independent. The chairman of the RMC is Mr Mahtani Bhagwandas. The other members of the RMC are Mr Goh Lik Kok and Mr Peter Moe.

The RMC identifies and reviews significant risks to the Group, and oversees the Group risk management practices and procedures to ensure the overall effectiveness of risk identification, management, monitoring and compliance with internal guidelines and/or external requirements.

The principal functions of the RMC are to:

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

Statement of Corporate Governance

Audit Committee

Principle 12 : The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

The AC of the Board of Directors has three members. All of whom (including the chairman of the AC) are independent Directors. The chairman of the AC is Mr Goh Lik Kok. The other members of the AC are Mr Mahtani Bhagwandas and Mr Peter Moe.

In FY2015, the AC met two times and also met the external auditors, in the absence of Management. The AC reviewed the findings of the auditors and the assistance given to them by Management. Details of the members' attendance at AC meetings in FY2015 are provided in the Board matters section of this report.

The AC performed the following functions in respect of FY2015:

a) External Auditors

For FY 2015, the AC reviewed together with the external auditors

(i) the audit plan (including, amongst others, the nature and scope of the audit before the audit commenced);
(ii) the summary of significant audit and accounting matters;
(iii) their evaluation of the system of internal controls;
(iv) their audit report;
(v) the requirements for approval and disclosure of interested persons transactions; and
(vi) the consolidated statement of financial position and statement of profit or loss and other comprehensive income of the Group.

The AC will continue to monitor the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors and give its recommendations to the Board and the Company regarding the appointment, re-appointment or removal of the external auditors.

For FY2015, the remuneration paid or payable to the Group external auditors for providing the audit and other non-audit services is set out on page 83 of this Annual Report. The AC has undertaken a review of all non-audit services provided by the external auditors and is satisfied that the fees for non-audit services provided are not material and would not affect the independence of the external auditors. Accordingly, the AC confirms that Rule 712 and Rule 715 of the SGX-ST Listing Manual have been compiled with.

b) Review of financial statements

For FY2015, the AC reviews the half-yearly and full year financial statements of the Company and the consolidated financial statements of the Group, including announcements relating to the half year and full year financial statements to the Shareholders and the SGX-ST.

The external auditors have full access to the AC and the AC has full access to the Management. The AC has the power to commission investigations into any matters, which has or is likely to have material impact on the Group's operating results or financial results.

The AC keeps abreast of changes to accounting standards and issues which have a direct impact on the financial statements by regular communication with the management, the external auditors and the internal auditors.

The AC has recommended to the Board that Deloitte & Touche LLP, be reappointed as external auditors of the Company at the Annual General Meeting to be held on 27 October 2015.

Internal Controls and Audit

Principle 13 : The company should establish an internal audit function that is independent of the activities it audits.

The AC reviews the adequacy of the Company and its subsidiaries' (The "Group") internal controls, including financial, IT, operational and compliance controls. Such review of the effectiveness of the Group's internal controls is conducted annually.

One e-Risk Services Pte Ltd, a certified public accounting firm had been appointed to perform the internal audit function for FY2015 and report directly to the AC on audit matters. In this respect, the AC reviewed the audit plans and the findings of the auditors and ensured that the Company follow-up on the auditors' recommendations raised, if any, during the audit process.

Based on work performed by the internal and external auditors as well as reviews performed by the Board and various Committees, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, IT, operational and compliance risks, were adequate for the financial year ended 30 June, 2015.

The Group's internal control process is anchored by the Group's corporate office, which assists the Board in monitoring the compliance of key controls procedures as well as the plan and performance of its subsidiaries and is reported internally on monthly basis. The system of internal controls established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board has also received assurance from the Executive Director and the Chief Financial Officer that (i) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems in place are effective.

Whistle-blowing policy

The Company has established whistle blowing procedures whereby employees within the Group may raise concerns about possible improprieties in matters of business activities, financial reporting, and unethical or illegal conduct through well-defined and accessible channels.

There have been no reported incidents pertaining to whistle-blowing for FY2015.

Statement of Corporate Governance

SHAREHOLDER RIGHTS

Principle 14 : Companies should treat all shareholders fairly and equitably, and should recognize, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company recognizes and accepts the principle that all shareholders are treated fairly and equitably and that they have been accorded certain rights under the Singapore Companies Act and the Company's Articles of Association. Information to all shareholders is disclosed on a timely and transparent manner and in compliance with SGX disclosure requirements.

Shareholders are given ample opportunity to attend, participate and vote at the Company's general meetings.

COMMUNICATION WITH SHAREHOLDERS

Principle 15 : Companies should engage in regular, effective and fair communication with shareholders.

Principle 16 : Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company takes a serious view of maintaining full and adequate disclosure, in a timely manner, of material events and matters concerning its business. Consequently it has adopted a policy of making all necessary disclosures.

Information is disseminated to shareholders on a timely basis through:

1) SGXNET announcements and news release;
2) Annual Report and Circulars prepared and issued to all shareholders; and
3) Notice of AGM advertised in newspapers and announced on SGXNET.

The Company has not declared any dividend for the financial year ended 30 June 2015. However, the Directors are reviewing the payment of dividends. Further announcement will be forthcoming.

The Company's AGMs are the principal forums for dialogue with shareholders. At AGMs, Shareholders are given the opportunity to air their views and to ask the Directors and Management questions regarding the Group. Shareholders are encouraged to attend the AGM to ensure a high level of accountability and to stay appraised of the Group's strategy and goals.

The Board welcomes the views of Shareholders on matters affecting the Company, whether at Shareholders' meetings or on an ad hoc basis.

Dealing In Securities

The Group has adopted the best practices stipulated in Listing Rules 1207(19)(b) and 1207(19)(c) of the SGX-ST Listing Manual with respect to the dealings in securities for the guidance of Directors and officers. In line with the guidelines, Directors and executive officers of the Group are not permitted to deal in the Company's shares on short-term considerations and during the period commencing one month before the announcement of the Company's financial results and ending on the date of the announcement of such financial results and whilst they are in possession of unpublished material price sensitive information.

ADDITIONAL INFORMATION

1) Interested Person Transactions

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

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	131,232	Not Applicable

2) Material Contracts

No material contracts (including loans) of the Company or its subsidiaries involving the interests of any Director or controlling shareholders subsisted at the end of the financial period or have been entered into since the end of the previous financial year.

3) Use of proceeds

As at 25 September 2015, 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 utilized as at 25 September 2015 $'000	Balance of Net Proceeds as at 25 September 2015 $'000
Proposed new business	28,000	(1,189)	26,811
General working capital	5,000	(117)	4,883
Total	33,000	(1,306)	31,694
Breakdown of general working capital is as follows:			
Rental expenses		(34)	
General administrative expenses		(83)	
Total		(117)	

Report of the Directors

The directors present their report together with the audited consolidated financial statements of the group and statement of financial position and statement of changes in equity of the company for the financial year ended June 30, 2015.

1 DIRECTORS

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

Teo Tong How (Appointed on July 4, 2014)
Kwan Chee Seng
Goh Lik Kok
Mahtani Bhagwandas
Peter Moe

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

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

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act except as follows:

Name of directors and company in which interests are held	**Shareholdings registered in the name of directors**	
	At beginning of year or date of appointment, if later	**At end of year**
The company	**Ordinary shares**	
Teo Tong How	26,784,000	26,784,000
Kwan Chee Seng	166,024,000	196,979,800
Mahtani Bhagwandas	480,000	480,000
	Warrants to subscribe for new ordinary shares	
Teo Tong How	2,788,000	2,788,000
Kwan Chee Seng	124,518,000	94,518,000
Mahtani Bhagwandas	360,000	360,000

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

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

The directors' interests in the shares of the company as at July 21, 2015 were the same as at June 30, 2015.

4 DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for salaries, bonuses and other benefits as disclosed in the financial statements. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

There were certain transactions (as shown in Note 6 to the financial statements) with a corporation in which a director has an interest.

5 SHARE OPTIONS

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

The Scheme, which had been approved by the shareholders of the company, is administered by the Remuneration Committee. As at June 30, 2015, the members are:

Peter Moe (Chairman)
Goh Lik Kok
Mahtani Bhagwandas

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

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

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

5 SHARE OPTIONS (cont'd)

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

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

6 WARRANTS

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

During the year ended June 30, 2015, 81,227,748 (2014: 379,046) new ordinary shares were issued from the exercise of warrants. As at June 30, 2015, the outstanding number of warrants was 336,614,806.

7 AUDIT COMMITTEE

As at June 30, 2015, the Audit Committee consisted of three non-executive and independent directors:

Goh Lik Kok (Chairman)
Mahtani Bhagwandas
Peter Moe

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

During the financial year, the company conducted two Audit Committee meetings. The Audit Committee met as necessary and performed the functions specified in the Singapore Companies Act. In performing its functions, the Audit Committee reviewed the overall scope of the internal and external audits. The Audit Committee met with the company's internal and external auditors to discuss the results of their respective audits. The Audit Committee reviewed the assistance given by the company's officers to the internal and external auditors. The Audit Committee has full access to and has the co-operation of management and has been given the resources required for it to discharge its function properly. The Audit Committee also considered the announcement of the company's and the group's half year and full year results prior to their release. The Audit Committee reviewed interested person transactions and potential conflicts of interest, if any. The Audit Committee also reviewed the statement of financial position and statement of changes in equity of the company and the consolidated financial statements of the group for the year ended June 30, 2015 as well as the auditors' report thereon prior to their submission to the Board of Directors for adoption.

Report of the Directors

7 AUDIT COMMITTEE (cont'd)

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

8 AUDITORS

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

ON BEHALF OF THE DIRECTORS

....
Teo Tong How

....
Kwan Chee Seng

September 18, 2015

Statement of Directors

In the opinion of the directors, the consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company as set out on pages 31 to 90 are drawn up so as to give a true and fair view of the financial position of the group and of the company as at June 30, 2015, and of the financial performance, changes in equity and cash flows of the group and changes in the equity of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

ON BEHALF OF THE DIRECTORS

....
Teo Tong How

....
Kwan Chee Seng

September 18, 2015

Independent Auditors' Report

To the Members of GRP Limited

Report on the Financial Statements

We have audited the accompanying financial statements of GRP Limited (the "company") and its subsidiaries (the "group") which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at June 30, 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the group and the statement of changes in equity of the company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 31 to 90.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent Auditors' Report

To the Members of GRP Limited

Opinion

In our opinion, the consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the group and of the company as at June 30, 2015 and the financial performance, changes in equity and cash flows of the group and changes in equity of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

September 18, 2015

Statements of Financial Position

June 30, 2015

	Note	Group		Company	
		2015	2014	2015	2014
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	7	57,181,476	51,302,058	44,964,474	42,557,466
Trade receivables	8	3,076,534	3,589,673	–	–
Other receivables and prepayments	10	430,939	198,638	99,431	24,371
Amount due from subsidiaries	11	–	–	13,465,575	9,864,497
Inventories	12	6,039,933	7,105,901	–	–
Available-for-sale investment	13	247,740	458,710	247,740	458,710
Total current assets		66,976,622	62,654,980	58,777,220	52,905,044
Non-current assets					
Subsidiaries	14	–	–	6,484,752	6,484,752
Intangible asset	15	25,000	25,000	25,000	25,000
Property, plant and equipment	16	1,666,225	2,784,590	844,218	1,650,521
Total non-current assets		1,691,225	2,809,590	7,353,970	8,160,273
Total assets		68,667,847	65,464,570	66,131,190	61,065,317
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	17	1,758,671	2,100,437	437,455	464,706
Other payables	18	1,664,958	1,765,353	997,838	1,072,831
Income tax payable		379,074	635,473	24,448	126,982
Total current liabilities		3,802,703	4,501,263	1,459,741	1,664,519
Non-current liability					
Deferred tax liabilities	19	75,629	194,898	82,096	196,256

Statements of Financial Position

June 30, 2015

	Note	Group 2015 $	Group 2014 $	Company 2015 $	Company 2014 $
Capital, reserves and non-controlling interests					
Share capital	20	56,804,550	50,306,330	56,804,550	50,306,330
Asset revaluation reserve		2,820,737	2,870,650	2,526,812	2,605,068
Currency translation reserve		(890,243)	(788,745)	–	–
Accumulated profits		6,228,982	8,671,236	5,257,991	6,293,144
Equity attributable to owners of the company		64,964,026	61,059,471	64,589,353	59,204,542
Non-controlling interests		(174,511)	(291,062)	–	–
Total equity		64,789,515	60,768,409	64,589,353	59,204,542
Total liabilities and equity		68,667,847	65,464,570	66,131,190	61,065,317

See accompanying notes to financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended June 30, 2015

	Note	Group 2015 $	Group 2014 $
Revenue	21	24,456,225	27,066,754
Cost of sales		(15,184,535)	(17,192,732)
Gross profit		9,271,690	9,874,022
Other operating income	22	438,382	373,537
Distribution costs		(1,891,957)	(2,009,283)
Administrative expenses		(6,279,210)	(4,586,171)
Other loss	13	(210,970)	(454,278)
Profit before income tax		1,327,935	3,197,827
Income tax expense	23	(368,943)	(488,064)
Profit for the year	24	958,992	2,709,763
Other comprehensive (loss) income (net of tax):			
Items that will not be reclassified to profit or loss:			
(Loss) Gain on revaluation of properties	16	(64,853)	237,310
Deferred tax arising from the revaluation of properties	19	14,940	(36,148)
		(49,913)	201,162
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(101,498)	(73,930)
Other comprehensive (loss) income for the year, net of tax		(151,411)	127,232
Total comprehensive income for the year		807,581	2,836,995

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended June 30, 2015

	Note	Group 2015 $	Group 2014 $
Profit (Loss) attributable to:			
Owners of the company		842,441	2,758,585
Non-controlling interests		116,551	(48,822)
		958,992	2,709,763
Total comprehensive income (loss) attributable to:			
Owners of the company		691,030	2,885,817
Non-controlling interests		116,551	(48,822)
		807,581	2,836,995
Earnings per ordinary share (cents):			
– Basic	26	0.13	0.51
– Fully diluted	26	0.12	0.44

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended June 30, 2015

	Note	Share capital $	Asset revaluation reserve $	Currency translation reserve $	Accumulated profits $	Attributable to owners of company $	Non-controlling interests $	Total $
Group								
Balance at July 1, 2013		14,390,218	2,669,488	(520,930)	7,112,838	23,651,614	(242,240)	23,409,374
Total comprehensive income (loss) for the year								
Profit for the year		–	–	–	2,758,585	2,758,585	(48,822)	2,709,763
Other comprehensive income (loss) for the year		–	201,162	(73,930)	–	127,232	–	127,232
Transactions with owners, recognised directly in equity								
Reclassification of reserve on liquidation of a subsidiary		–	–	(193,885)	193,885	–	–	–
Issues of shares	20	35,916,112	–	–	–	35,916,112	–	35,916,112
Dividends	25	–	–	–	(1,394,072)	(1,394,072)	–	(1,394,072)
Balance at June 30, 2014		50,306,330	2,870,650	(788,745)	8,671,236	61,059,471	(291,062)	60,768,409

Statements of Changes in Equity

Year ended June 30, 2015

	Note	Share capital $	Asset revaluation reserve $	Currency translation reserve $	Accumulated profits $	Attributable owners of of company $	Non-controlling interests $	Total $
Balance at June 30, 2014		50,306,330	2,870,650	(788,745)	8,671,236	61,059,471	(291,062)	60,768,409
Total comprehensive income (loss) for the year								
Profit for the year		–	–	–	842,441	842,441	116,551	958,992
Other comprehensive loss for the year			(49,913)	(101,498)	–	(151,411)	–	(151,411)
Transactions with owners, recognised directly in equity								
Issues of shares	20	6,498,220	–	–	–	6,498,220	–	6,498,220
Dividends	25	–	–	–	(3,284,695)	(3,284,695)	–	(3,284,695)
Balance at June 30, 2015		56,804,550	2,820,737	(890,243)	6,228,982	64,964,026	(174,511)	64,789,515

Statements of Changes in Equity

Year ended June 30, 2015

Company	Note	Share capital $	Asset revaluation reserve $	Accumulated profits $	Total $
Balance at July 1, 2013		14,390,218	2,439,068	1,559,136	18,388,422
Total comprehensive income for the year					
Profit for the year		–	–	6,128,080	6,128,080
Other comprehensive income for the year:					
Gain on revaluation of property	16	–	200,000	–	200,000
Deferred tax arising from the revaluation of property	19	–	(34,000)	–	(34,000)
Transactions with owners, recognised directly in equity					
Issues of shares	20	35,916,112	–	–	35,916,112
Dividends	25	–	–	(1,394,072)	(1,394,072)
Balance at June 30, 2014		50,306,330	2,605,068	6,293,144	59,204,542
Total comprehensive income for the year					
Profit for the year		–	–	2,249,542	2,249,542
Other comprehensive income for the year:					
Loss on revaluation of property	16	–	(94,284)	–	(94,284)
Deferred tax arising from the revaluation of property	19	–	16,028	–	16,028
Transactions with owners, recognised directly in equity					
Issues of shares	20	6,498,220	–	–	6,498,220
Dividends	25	–	–	(3,284,695)	(3,284,695)
Balance at June 30, 2015		56,804,550	2,526,812	5,257,991	64,589,353

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows
Year ended June 30, 2015

	Group	
	2015	2014
	$	$
Operating activities		
Profit before income tax	1,327,935	3,197,827
Adjustments for:		
Depreciation	973,253	915,844
Impairment loss on available-for-sale investment	210,970	454,278
Interest income	(192,741)	(74,194)
Loss (Gain) on disposal of property, plant and equipment	6,857	(5,666)
Bad debt written off	–	581
(Writeback of) Allowance for trade receivables	(19,042)	78,638
(Writeback of) Allowance for inventories	(38,170)	617,632
Allowance for doubtful other receivables	1,188,950	–
Operating cash flows before movements in working capital	3,458,012	5,184,940
Trade receivables	536,816	1,212,630
Other receivables and prepayments	(1,421,251)	(38,872)
Inventories	1,133,083	307,054
Trade payables	(341,766)	(841,140)
Other payables	(100,395)	289,773
Cash generated from operations	3,264,499	6,114,385
Income tax paid	(717,113)	(666,582)
Net cash from operating activities	2,547,386	5,447,803
Investing activities		
Proceeds from disposal of property, plant and equipment	78,888	40,154
Purchase of property, plant and equipment	(75,678)	(65,888)
Interest received	192,741	74,194
Net cash from investing activities	195,951	48,460

Consolidated Statement of Cash Flows
Year ended June 30, 2015

	Note	Group 2015 $	Group 2014 $
Financing activities			
Net proceeds from issue of shares	20	6,498,220	35,916,112
Dividends paid	25	(3,284,695)	(1,394,072)
Net cash from financing activities		3,213,525	34,522,040
Net increase in cash and cash equivalents		5,956,862	40,018,303
Cash and cash equivalents at beginning of year		51,302,058	11,348,055
Effect of foreign exchange rate charges on the balance of cash held in foreign currencies		(77,444)	(64,300)
Cash and cash equivalents at end of year		57,181,476	51,302,058

See accompanying notes to financial statements.

1 GENERAL

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

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

The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

The consolidated financial statements of the group and statement of financial position and statement of changes in equity of the company for the year ended June 30, 2015 were authorised for issue by the Board of Directors on September 18, 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

ADOPTION OF NEW AND REVISED STANDARDS – On July 1, 2014, the group adopted all the new and revised FRSs and Interpretations of FRS ("INT FRSs") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs did not result in changes to the group's and the company's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below:

New and revised Standards on consolidation, joint arrangements, associates and disclosures
In September 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising FRS 110 *Consolidated Financial Statements*, FRS 111 *Joint Arrangements*, FRS 112 *Disclosure of Interests in Other Entities*, FRS 27 (as revised in 2011) *Separate Financial Statements* and FRS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*. Subsequent to the issue of these standards, amendments to FRS 110, FRS 111 and FRS 112 were issued to clarify certain transitional guidance on the first-time application of these Standards.

In the current year, the group has applied for the first time FRS 110 and FRS 27 (as revised in 2011) together with the amendments to FRS 110 and FRS 112 regarding the transitional guidance. The impact of the application of these Standards is set out below.

<u>Impact of the application of FRS 110</u>
FRS 110 replaces the parts of FRS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and INT FRS 12 *Consolidation – Special Purpose Entities*. FRS 110 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in FRS 110 to explain when an investor has control over an investee. Some guidance included in FRS 110 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the group.

The management has made an assessment as at the date of initial application of FRS 110 (i.e. July 1, 2014). Other than the changes to the accounting policy in Note 2, it is concluded that it has no impact on the group's control over the subsidiaries (as disclosed in Note 14) in accordance with the new definition of control and the related guidance set out in FRS 110.

<u>Impact of the application of FRS 112</u>
FRS 112 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of FRS 112 has not resulted additional disclosures in the consolidated financial statements as management is of the view that the disclosures in Note 14 is adequate and there is no material non-controlling interests involved in the group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

At the date of authorisation of these financial statements, the following FRSs and amendments to FRS that are relevant to the group and the company were issued but not effective:

- Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*[1]
- FRS 115 *Revenue from Contracts with Customers*[2]
- FRS 109 *Financial Instruments*[3]

[1] Applies to annual periods beginning on or after January 1, 2016, with early application permitted.

[2] Applies to annual periods beginning on or after January 1, 2017, with early application permitted. The effective date may be changed to January 1, 2018.

[3] Applies to annual periods beginning on or after January 1, 2018, with retrospective application required.

Consequential amendments were also made to various standards as a result of these new/revised standards.

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

FRS 115 *Revenue from Contracts with Customers*

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FRS 109 *Financial Instruments*

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

The management is currently evaluating the potential impact of the adoption of the above FRSs in future periods on the financial statements of the group and of the company in the period of their initial adoption.

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

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

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

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

- The size of the company's holding of voting rights relative to the size and dispersion of holdings of other vote holders;
- Potential voting rights held by the company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Changes in the group's ownership interests in existing subsidiaries

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

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

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Effective interest method

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

Financial assets

Cash and cash equivalents

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

Receivables

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

Available-for-sale investments

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets

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

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

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

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

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

Derecognition of financial assets

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Derecognition of financial liabilities

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

The group as lessee

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

The group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

No depreciation is provided on freehold land.

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

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

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

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

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS – At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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

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

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

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

Sale of goods

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Interest income

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

Dividend income

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

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

EMPLOYEE LEAVE ENTITLEMENT – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

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

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

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

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

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Allowance for doubtful receivables

Allowance for doubtful receivables is based on an evaluation of the collectibility of receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, past collection history of each customer, ongoing dealings with them and the value of collateral obtained, if any. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The carrying amounts of the group's and the company's receivables and further information are disclosed in Notes 8 to 11 to the financial statements.

Allowance for inventories

Allowance for inventories of the group is estimated after analysis of age and movement of inventories and is based on management's judgement regarding ability to sell and the future selling prices of the inventories. The carrying amount of the group's inventories is disclosed in Note 12 to the financial statements.

Useful lives and residual values of property, plant and equipment

As described in Note 2, the group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period. During the financial year, management determined that the estimated useful lives and residual values of property, plant and equipment are appropriate and no revision is required. The carrying amount of property, plant and equipment is disclosed in Note 16 to the financial statements.

Land and buildings carried at revalued amounts

Independent professional valuers have been engaged to assist management in estimating the fair values of land and buildings so that the carrying values of the land and buildings approximate the fair values at the end of the reporting period.

In estimating the fair value, the independent professional valuers have used valuation techniques (including direct comparison method and income capitalisation method). The direct comparison method used market evidence of recent transactions for broadly similar properties and estimated the fair value after taking into consideration differences including allocation, size and the different remaining lease terms for these comparable properties. Income capitalisation method involves assessment of the income earning capacity and capitalised it at the adopted capitalisation rate to derive a core value.

Information relating to the valuation techniques and inputs used in determining the fair value of the land and buildings are disclosed in Note 16 to the financial statements.

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

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

Amounts due from subsidiaries and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. Based on the assessment, management is of view that no additional impairment is necessary as at the end of the reporting period. The carrying amounts of amounts due from subsidiaries and investments in subsidiaries are disclosed in Notes 11 and 14 to the financial statements respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) Categories of financial instruments

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

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Financial assets				
Receivables:				
Cash and cash equivalents	57,181,476	51,302,058	44,964,474	42,557,466
Trade receivables	2,913,205	3,550,664	–	–
Amount due from subsidiaries	–	–	13,465,575	9,864,497
Other receivables	146,280	88,631	85,875	9,678
Available-for-sale investment	247,740	458,710	247,740	458,710
Total	60,488,701	55,400,063	58,763,664	52,890,351
Financial liabilities				
Amortised cost:				
Trade payables	1,713,178	2,059,054	399,597	423,323
Other payables	1,664,958	1,765,353	997,838	1,072,831
Total	3,378,136	3,824,407	1,397,435	1,496,154

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

(b) Financial risk management policies and objectives

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

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

(i) Foreign exchange risk management

The group's transactions are denominated in a number of currencies, giving rise to market risk from changes in foreign exchange rates. The group manages its foreign exchange exposure by matching receivables and payables to create a natural hedge to the extent possible and monitors the exchange rates for conversions of currencies to meet operational needs. The carrying amounts of monetary assets denominated in currencies other than the respective group entities' functional currencies, as at the reporting date, are disclosed in the respective notes to the financial statements.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities that are not denominated in the functional currencies of the respective entities are as follows:

	Group				Company			
	Liabilities		Assets		Liabilities		Assets	
	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$
Japanese yen	992,997	617,328	646,549	231,417	–	–	–	–
United States dollars	30,453	384,936	1,619,840	2,661,470	–	–	424,626	2,513,603
Great Britain pounds	475	–	42,240	62,351	–	–	2,209	2,222
Euro	197,106	134,487	1,530	11,016	–	–	–	–
Chinese renminbi	–	–	4,914	–	–	–	–	–
Australian dollars	–	–	247,740	458,710	–	–	247,740	458,710

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

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

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

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

Foreign currency sensitivity

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

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

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

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Japanese yen	17,322	19,296	–	–
United States dollars	(79,469)	(113,827)	(21,231)	(125,680)
Great Britain pounds	(2,088)	(3,118)	(110)	(111)
Euro	9,779	6,174	–	–
Chinese renminbi	(246)	–	–	–
Australian dollars	(12,387)	(22,936)	(12,387)	(22,936)

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

(ii) Interest rate risk management

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

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

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

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

(iii) Credit risk management

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

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

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

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

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

(iv) Liquidity risk management

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

Liquidity and interest risk analyses

Financial assets

The following table details the expected maturity for financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the group and the company anticipates that the cash flow will occur in a different period. The adjustment column approximates future interest included in the maturity analysis which are not included in the carrying amount of the financial asset on the statement of financial position.

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

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

(iv) Liquidity risk management (cont'd)

	Weighted average effective interest rate	On demand or within 1 year	Adjustment	Total
	%	$	$	$
Group				
2015				
Non-interest bearing	–	18,554,013	–	18,554,013
Fixed interest rate instruments	0.61	42,188,701	(254,013)	41,934,688
		60,742,714	(254,013)	60,488,701
2014				
Non-interest bearing	–	18,746,976	–	18,746,976
Variable interest rate instruments	0.21	35,108,807	(74,195)	35,034,612
Fixed interest rate instruments	0.32	1,619,291	(816)	1,618,475
		55,475,074	(75,011)	55,400,063
Company				
2015				
Non-interest bearing	–	20,947,799	–	20,947,799
Fixed interest rate instruments	0.61	38,044,929	(229,064)	37,815,865
		58,992,728	(229,064)	58,763,664
2014				
Non-interest bearing	–	16,237,264	–	16,237,264
Variable interest rate instrument	0.21	35,108,807	(74,195)	35,034,612
Fixed interest rate instruments	0.32	1,619,291	(816)	1,618,475
		52,965,362	(75,011)	52,890,351

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

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

(iv) Liquidity risk management (cont'd)

Financial liabilities

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

(v) Fair values of financial assets and financial liabilities

The carrying amounts of all categories of financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of the available-for-sale investment is disclosed in Note 13 to the financial statements.

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

The fair value hierarchy adopted in fair value measurements of the group's and the company's available-for-sale investment (Note 13) is Level 1 as the fair value is based on quoted market price.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the year ended June 30, 2015.

(vi) Capital risk management policies and objectives

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

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

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

5 RELATED COMPANY TRANSACTIONS

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

6 OTHER RELATED PARTY TRANSACTIONS

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

	Group	
	2015	2014
	$	$
Rental expenses paid to a related party in which a director has interests	131,232	54,680

Compensation of directors and key management personnel

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

	Group	
	2015	2014
	$	$
Short-term benefits	1,700,734	1,233,180
Directors' fees:		
– Provision for the year	151,820	132,869
– Overprovision for prior year	–	(25,600)
	1,852,554	1,340,449

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

7 CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Cash at bank	15,246,788	49,683,583	7,148,609	40,938,991
Fixed deposits	41,934,688	1,618,475	37,815,865	1,618,475
Total	57,181,476	51,302,058	44,964,474	42,557,466

During the year, fixed deposits earned interest at rates ranging from 0.22% to 0.88% (2014 : 0.25% to 0.49%) per annum. The tenure of fixed deposits at year end range from 7 days to a year (2014 : 60 days to a year).

8 TRADE RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Outside parties	2,967,185	3,631,002	4,804	4,804
Less: Allowance for doubtful receivables	(53,980)	(80,338)	(4,804)	(4,804)
	2,913,205	3,550,664	–	–
Advance payment – trade	127,081	–	–	–
Net GST receivables	36,248	39,009	–	–
	3,076,534	3,589,673	–	–

The credit period on sale of goods/rendering of services is between 7 to 90 days (2014 : 7 to 90 days). No interest is charged on overdue trade receivables.

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

8 TRADE RECEIVABLES (cont'd)

Movements in the allowance for doubtful receivables are as follows:

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Balance at beginning of the year	80,338	66,670	4,804	–
Amounts written off during the year	(2,681)	(64,934)	–	–
(Decrease) Increase in allowance recognised in profit or loss	(19,042)	78,638	–	4,804
Exchange differences	(4,635)	(36)	–	–
Balance at end of the year	53,980	80,338	4,804	4,804

The allowance for doubtful receivables of $53,980 (2014 : $80,338) relate to trade receivables which are past due for more than 120 days and have not responded satisfactorily to repayment demands.

9 ANALYSIS OF RECEIVABLES

The table below is an analysis of amounts receivable from outside parties (Note 8), other receivables (Note 10) and amount due from subsidiaries (Notes 11 and 14) as at the respective reporting period.

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Not past due and not impaired [i]	2,454,521	3,052,838	6,647,447	5,379,957
Past due but not impaired [ii]	1,052,952	735,473	6,917,559	4,484,540
Impaired receivables	1,242,930	80,338	5,261,404	4,072,454
Less: Allowance for impairment	(1,242,930)	(80,338)	(5,261,404)	(4,072,454)
	3,507,473	3,788,311	13,565,006	9,864,497

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

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

9 ANALYSIS OF RECEIVABLES (cont'd)

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
<3 months	1,039,832	704,332	6,269,692	1,945,529
3 months to 6 months	9,018	19,358	479,787	2,539,011
6 months to 12 months	4,102	11,783	168,080	–
	1,052,952	735,473	6,917,559	4,484,540

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

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

10 OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Deposits for property projects	1,188,950	–	1,188,950	–
Prepayments	284,659	110,007	13,556	14,693
Other deposits	58,536	61,222	5,010	7,700
Others	87,744	27,409	80,865	1,978
	1,619,889	198,638	1,288,381	24,371
Less: Allowance for impairment [i]	(1,188,950)	–	(1,188,950)	–
	430,939	198,638	99,431	24,371

[i] An allowance for impairment of $1,188,950 (2014: Nil) is recognised in profit or loss during the year. Subsequent to the year end, a letter of demand is served to 3 unrelated individuals, being the named guarantors in deed of guarantee, to recover the deposits for property projects to the group and the company.

11 AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2015	**2014**
	$	**$**
Amount due from subsidiaries (Notes 5 and 14):		
Trade	965,312	2,543,008
Non-trade	12,500,263	7,321,489
	13,465,575	9,864,497

The credit period on rendering of services is 7 to 30 days (2014 : 7 to 30 days). No interest is charged on the overdue receivables.

12 INVENTORIES

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Finished goods	6,039,933	7,105,901	–	–

Inventories are stated net of allowance of $2,070,398 (2014 : $2,137,513) to state inventories at the lower of cost and estimated net realisable values.

Movements in allowance for inventories

	Group	
	2015	**2014**
	$	**$**
Balance at beginning of year	2,137,513	1,602,740
(Decrease) Increase in allowance recognised in profit or loss	(38,170)	617,632
Inventory written off	–	(78,938)
Exchange realignment	(28,945)	(3,921)
Balance at end of year	2,070,398	2,137,513

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

13 AVAILABLE-FOR-SALE INVESTMENT

	Group and Company	
	2015	2014
	$	$
Quoted equity shares, at fair value	247,740	458,710

The investment was in the quoted equity shares of an Australian gold mining company listed on the Australian Securities Exchange. The fair value of the securities is based on the quoted closing market price on the last trading day of the financial year. The investment is stated net of impairment loss as follows:

	Group and Company	
	2015	2014
	$	$
Cumulative impairment loss recognised:		
Amount at beginning of year	1,805,690	1,351,412
Loss recognised in profit or loss	210,970	454,278
Amount at end of year	2,016,660	1,805,690

14 SUBSIDIARIES

	Company	
	2015	2014
	$	$
Unquoted equity shares, at cost	12,073,455	12,073,455
Impairment loss	(5,588,703)	(5,588,703)
	6,484,752	6,484,752
Non-trade, non-current receivables from a subsidiary (Note 5)	4,067,650	4,067,650
Less: Allowances for doubtful receivables	(4,067,650)	(4,067,650)
	–	–
Total balance	6,484,752	6,484,752
Movement in the allowance for doubtful receivables:		
Balance at beginning and end of the year	4,067,650	4,067,650

14 SUBSIDIARIES (cont'd)

Details of the company's subsidiaries are as follows:

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2015 %	2014 %	2015 %	2014 %	
Held by the company						
GRP Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Supply and servicing of industrial/marine hoses, fittings and related products
Region Suppliers Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Trading of measuring instruments and scientific apparatus
Region Suppliers Sdn Bhd [1]	Malaysia	100.0	100.0	100.0	100.0	Trading of measuring instruments and scientific apparatus
GRP Land Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
GRP (China) Pte Ltd	Singapore	63.5	63.5	63.5	63.5	Dormant with effect from July 1, 2014 (2014 : Investment holding and trading in uPVC fittings)
Held by GRP (China) Pte Ltd						
New Sea Plastics Pte Ltd [2]	Singapore	–	63.5	–	63.5	Dormant in 2014 Struck off on June 5, 2015

14 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation (or registration) and operations	Proportion of ownership interest 2015 %	2014 %	Proportion of voting power held 2015 %	2014 %	Principal activities
Held by GRP Land Pte Ltd						
GRP Development Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
GRP Projects Pte Ltd	Singapore	100.0	100.0	100.0	100.0	Investment holding
Held by GRP Projects Pte Ltd						
GRP Services Myanmar Co., Ltd[2]	Myanmar	100.0	100.0	100.0	100.0	Management of property projects
Held by GRP Development Pte Ltd						
Tangshan GRP Trading Co Ltd [3]	People's Republic of China	100.0	–	100.0	–	Trading activities

Note on auditors

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

(1) Audited by overseas practice of Deloitte Touche Tohmatsu Limited.

(2) Not audited as the subsidiaries are considered to be insignificant for the purpose of consolidation.

(3) Newly incorporated during the year and the first capital contribution of US$750,000 (equivalent to S$1,008,417) was made subsequent to the year end. Audited by Deloitte & Touche LLP, Singapore for purposes of consolidation.

15 INTANGIBLE ASSET

	Club membership $
Group and Company	
Cost and carrying amount:	
At July 1, 2013, June 30, 2014 and 2015	25,000

16 PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building $	Leasehold building $	Leasehold improvements $	Furniture, fittings and office equipment $	Plant and machinery $	Motor vehicles $	Fenders $	Total $
Group								
Cost or valuation:								
At July 1, 2013	579,859	2,000,000	428,812	1,011,696	1,022,802	373,435	362,314	5,778,918
Exchange differences	(8,107)	–	(1,647)	(7,154)	(2,246)	(1,907)	–	(21,061)
Additions	–	–	–	19,247	12,175	34,466	–	65,888
Disposals	–	–	–	(8,911)	–	(68,312)	–	(77,223)
Adjustment on revaluation of property [Note (i)]	32,608	(400,000)	–	–	–	–	–	(367,392)
At June 30, 2014	604,360	1,600,000	427,165	1,014,878	1,032,731	337,682	362,314	5,379,130
Exchange differences	(59,096)	–	(5,580)	(23,313)	(7,592)	2,220	–	(93,361)
Additions	–	–	–	75,119	–	559	–	75,678
Disposals	–	–	(2,176)	(50,135)	(63,921)	(37,811)	(25,766)	(179,809)
Adjustment on revaluation of property [Note (i)]	24,896	(780,000)	–	–	–	–	–	(755,104)
At June 30, 2015	570,160	820,000	419,409	1,016,549	961,218	302,650	336,548	4,426,534

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building $	Leasehold building $	Leasehold improvements $	Furniture, fittings and office equipment $	Plant and machinery $	Motor vehicles $	Fenders $	Total $
Group								
Comprising:								
At cost	–	–	427,165	1,014,878	1,032,731	337,682	362,314	3,174,770
At valuation	604,360	1,600,000	–	–	–	–	–	2,204,360
At June 30, 2014	604,360	1,600,000	427,165	1,014,878	1,032,731	337,682	362,314	5,379,130
At cost	–	–	419,409	1,016,549	961,218	302,650	336,548	3,036,374
At valuation	570,160	820,000	–	–	–	–	–	1,390,160
At June 30, 2015	570,160	820,000	419,409	1,016,549	961,218	302,650	336,548	4,426,534
Accumulated depreciation:								
At July 1, 2013	–	–	389,141	754,758	899,548	229,525	60,386	2,333,358
Exchange differences	74	–	(939)	(4,662)	(558)	(1,140)	–	(7,225)
Depreciation	4,628	600,000	13,146	106,947	36,253	34,099	120,771	915,844
Disposals	–	–	–	(4,836)	–	(37,899)	–	(42,735)
Reversal on revaluation of property [Note (i)]	(4,702)	(600,000)	–	–	–	–	–	(604,702)
At June 30, 2014	–	–	401,348	852,207	935,243	224,585	181,157	2,594,540
Exchange differences	–	–	(3,358)	(16,651)	(2,665)	(495)	–	(23,169)
Depreciation	4,535	685,716	2,738	96,265	31,457	36,065	116,477	973,253
Disposals	–	–	(711)	(48,037)	(24,372)	(3,767)	(17,177)	(94,064)
Reversal on revaluation of property [Note (i)]	(4,535)	(685,716)	–	–	–	–	–	(690,251)
At June 30, 2015	–	–	400,017	883,784	939,663	256,388	280,457	2,760,309

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building	Leasehold building	Leasehold Improvements	Furniture, fittings and office equipment	Plant and machinery	Motor vehicles	Fenders	Total
	$	$	$	$	$	$	$	$
<u>Group</u>								
Carrying amount:								
At June 30, 2014	604,360	1,600,000	25,817	162,671	97,488	113,097	181,157	2,784,590
At June 30, 2015	570,160	820,000	19,392	132,765	21,555	46,262	56,091	1,666,225
Carrying amount of assets that would have been included in the financial statements had the assets been carried at cost less depreciation :								
At June 30, 2014	422,440	339,642	25,817	162,671	97,488	113,097	181,157	1,342,312
At June 30, 2015	408,940	169,821	19,392	132,765	21,555	46,262	56,091	854,826

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Fair value measurement of the group's land and buildings

The freehold land and building (a three-storey shop house) in Malaysia was acquired by a subsidiary at RM1,200,000 in prior years. The property was revalued at RM1,600,000 (2014 : RM1,550,000) as of June 30, 2015 based on a valuation report dated July 10, 2015 (2014 : September 4, 2014) by an independent valuer who has appropriate qualifications and experience in the fair value measurement of properties in Malaysia. The fair value is determined by direct comparison method (2014 : direct comparison method).

Leasehold building held by the group and the company refers to a property located at 11 Tanjong Penjuru Crescent, Singapore 608974 with an unexpired leasehold tenure of approximately 1 year (2014 : 2 years). The property was revalued at $820,000 (2014 : $1,600,000) based on a valuation report dated June 30, 2015 (2014 : July 3, 2015) provided by an independent valuer who has appropriate qualifications and experience in the fair value measurement of the properties in Singapore. The fair value is determined by income capitalisation method (2014 : direct comparison method).

The group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. All fair valuations of properties fall within Level 3 of the fair value hierarchy.

	Valuation techniques	**Significant unobservable input(s)**	**Sensitivity**
Freehold land and building in Malaysia	Direct comparison approach (2014: Direct comparison approach)	Price per square feet using a range of RM856 to RM7,217 (equivalent to $305 to $2,828) [2014: RM491 to RM6,911 (equivalent to $336 to $2,708)]	An isolated increase in the price per square feet used would result in an increase in fair value, and vice versa.
Leasehold building in Singapore	Income capitalisation approach	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 8.5% - 9.0%	An isolated increase in the capitalisation rate used would result in a decrease in fair value, and vice versa.
		Monthly market rent, taking into account the differences in location, and individual factors, such as frontage and size, between the comparables and the property, at a range of $1.50 to $1.90 per square foot per month	An isolated increase in the market rent used would result in an increase in fair value, and vice versa.
	(2014: Direct comparison approach)	Price per square feet using a range of $66 to $179	An isolated increase in the price per square feet used would result in an increase in fair value, and vice versa.

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold building $	Leasehold improvements $	Furniture, fittings and office equipment $	Plant and machinery $	Motor vehicles $	Total $
Company						
Cost or valuation:						
At July 1, 2013	2,000,000	252,243	459,691	766,106	75,394	3,553,434
Additions	–	–	6,881	–	–	6,881
Adjustment on revaluation of property [Note (i)]	(400,000)	–	–	–	–	(400,000)
At June 30, 2014	1,600,000	252,243	466,572	766,106	75,394	3,160,315
Additions	–	–	16,792	–	–	16,792
Adjustment on revaluation of property [Note (i)]	(780,000)	–	–	–	–	(780,000)
At June 30, 2015	820,000	252,243	483,364	766,106	75,394	2,397,107
Comprising:						
At cost	–	252,243	466,572	766,106	75,394	1,560,315
At valuation	1,600,000	–	–	–	–	1,600,000
At June 30, 2014	1,600,000	252,243	466,572	766,106	75,394	3,160,315
At cost	–	252,243	483,364	766,106	75,394	1,577,107
At valuation	820,000	–	–	–	–	820,000
At June 30, 2015	820,000	252,243	483,364	766,106	75,394	2,397,107

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold building $	Leasehold improvements $	Furniture, fittings and office equipment $	Plant and machinery $	Motor vehicles $	Total $
Company						
Accumulated depreciation:						
At July 1, 2013	–	251,573	376,561	766,106	75,394	1,469,634
Depreciation	600,000	670	39,490	–	–	640,160
Reversal on revaluation of property [Note (i)]	(600,000)	–	–	–	–	(600,000)
At June 30, 2014	–	252,243	416,051	766,106	75,394	1,509,794
Depreciation	685,716	–	43,095	–	–	728,811
Reversal on revaluation of property [Note (i)]	(685,716)	–	–	–	–	(685,716)
At June 30, 2015	–	252,243	459,146	766,106	75,394	1,552,889
Carrying amount:						
At June 30, 2014	1,600,000	–	50,521	–	–	1,650,521
At June 30, 2015	820,000	–	24,218	–	–	844,218

16 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold building $	Leasehold improvements $	Furniture, fittings and office equipment $	Plant and machinery $	Motor vehicles $	Total $
Carrying amount of assets that would have been included in the financial statements had the assets been carried at cost less depreciation :						
At June 30, 2014	339,642	–	50,521	–	–	390,163
At June 30, 2015	169,821	–	24,218	–	–	194,039

Note (i): Adjustment on revaluation of properties:

	Group		Company	
	2015 $	2014 $	2015 $	2014 $
(Debited) Credited to other comprehensive income	(64,853)	237,310	(94,284)	200,000

17 TRADE PAYABLES

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Outside parties	1,682,480	2,024,856	8,145	27,671
Net GST payable	45,493	41,383	37,858	41,383
Deposits from:				
Outside parties	30,698	34,198	30,698	34,198
Subsidiaries (Notes 5 and 14)	–	–	360,754	361,454
	1,758,671	2,100,437	437,455	464,706

The credit period on purchases of goods range from 30 to 90 days (2014 : 30 to 90 days).

18 OTHER PAYABLES

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Relating to:				
Employee benefits	1,239,285	1,283,055	776,886	796,114
Operating expenses	411,201	425,433	220,952	276,717
Others	14,472	56,865	–	–
	1,664,958	1,765,353	997,838	1,072,831

19 DEFERRED TAX LIABILITIES (ASSETS)

The movements for the year were as follows:

	Revaluation gains on properties $	Accelerated tax over book depreciation $	Provisions $	Total deferred tax $
<u>Group</u>				
At July 1, 2013	261,530	59,810	(1,328)	320,012
Exchange differences	(454)	(214)	(58)	(726)
Adjustment on revaluation of properties charged to other comprehensive income	36,148	–	–	36,148
Credited to profit or loss for the year (Note 23)	(81,132)	(10,527)	(68,877)	(160,536)
At June 30, 2014	216,092	49,069	(70,263)	194,898

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

	Revaluation gains on properties $	Accelerated tax over book depreciation $	Provisions $	Total deferred tax $
Group				
At July 1, 2014	216,092	49,069	(70,263)	194,898
Exchange differences	4,027	–	–	4,027
Adjustment on revaluation of properties charged to other comprehensive income	(14,940)	–	–	(14,940)
Credited to profit or loss for the year (Note 23)	(108,356)	–	–	(108,356)
At June 30, 2015	96,823	49,069	(70,263)	75,629
Company				
At July 1, 2013	243,388	–	–	243,388
Adjustment on revaluation of property charged to other comprehensive income	34,000	–	–	34,000
Credited to profit or loss for the year	(81,132)	–	–	(81,132)
At June 30, 2014	196,256	–	–	196,256
Adjustment on revaluation of property charged to other comprehensive income	(16,028)	–	–	(16,028)
Credited to profit or loss for the year	(98,132)	–	–	(98,132)
At June 30, 2015	82,096	–	–	82,096

20 SHARE CAPITAL

Group and Company

	2015	2014	2015	2014
	Number of ordinary shares		$	$
Issued and paid up capital:				
At beginning of the year	585,807,846	139,407,200	50,306,330	14,390,218
Issue of right shares	–	418,221,600	–	33,457,728
Issue of shares	–	27,800,000	–	2,780,000
Rights issue expenses	–	–	–	(351,940)
Exercise of warrants	81,227,748	379,046	6,498,220	30,324
At the end of the year	667,035,594	585,807,846	56,804,550	50,306,330

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

On November 29, 2013, the company allotted 418,221,600 rights shares with 418,221,600 warrants at an issue price of $0.08 for each rights issue, on the basis of three rights shares with three warrants for each existing share. Each warrant entitles the warrant holder to subscribe for one new ordinary share of the company at an exercise price of $0.08 per share. The exercise period for the warrants will expire on November 27, 2015. During the year ended June 30, 2015, 81,227,748 (2014: 379,046) new ordinary shares were issued from the exercise of warrants. As at June 30, 2015, the outstanding number of warrants was 336,614,806.

21 REVENUE

	Group	
	2015	2014
	$	$
Sale of goods	24,295,171	26,518,689
Rental of fenders	161,054	548,065
	24,456,225	27,066,754

22 OTHER OPERATING INCOME

	Group 2015 $	Group 2014 $
Rental and related service income	208,338	213,589
Gain on disposal of property, plant and equipment	–	5,666
Interest income	192,741	74,194
Others	37,303	80,088
	438,382	373,537

23 INCOME TAX EXPENSE

	Group 2015 $	Group 2014 $
Current – Singapore	322,956	536,684
– Foreign	282,821	252,190
Deferred – Singapore	(106,863)	(90,166)
– Foreign	(1,493)	(15,479)
Under (Over) provision in prior years:		
Current	(128,478)	(140,274)
Deferred	–	(54,891)
	368,943	488,064

23 INCOME TAX EXPENSE (cont'd)

The income tax varied from the amount of income tax determined by applying the Singapore income tax rate of 17% (2014 : 17%) to profit before income tax as a result of the following differences:

	Group	
	2015	2014
	$	$
Profit before income tax	1,327,935	3,197,827
Tax at the domestic income tax rate of 17% (2014 : 17%)	225,749	543,631
Effects of non-taxable income	405,858	306,081
(Over) Under provision in prior years	(128,478)	(195,165)
Exempt income	(77,690)	(77,775)
Unrecognised deferred tax benefits	21,989	31,738
Tax concessions	(58,539)	(93,235)
Effect of revaluation of assets for tax	(108,356)	(81,132)
Effect of different tax rates of foreign operations	88,410	53,921
	368,943	488,064

The group has tax losses carryforwards available for offsetting against future taxable income as follows:

	Group	
	2015	2014
	$	$
Amount at beginning of year	349,368	414,562
Adjustments	(92,071)	(251,891)
Amount arising in current year	–	186,697
Amount at end of year	257,297	349,368

	Group	
	2015	2014
	$	$
Deferred tax benefits on above not recorded	43,740	59,393

No deferred tax asset has been recognised in respect of the unutilised tax loss due to the unpredictability of future profit streams. The tax losses can be carried forward for an unlimited future period subject to the conditions imposed by the law including retention of majority shareholders as defined.

24 PROFIT FOR THE YEAR

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

	Group 2015 $	Group 2014 $
Employee benefits expense (inclusive of directors' remuneration)	4,336,997	3,901,759
Cost of defined contribution plans included in employee benefits expense	273,736	286,986
Audit fees paid/payable to auditors:		
– Auditors of the company	119,800	132,700
– Other auditors	10,400	12,000
Non-audit fees paid to auditors:		
– Auditors of the company	29,300	26,600
– Other auditors	3,800	4,400
Directors' remuneration of the company	533,267	85,285
Directors' fees:		
– Provision for the year	151,820	132,869
– Overprovision for prior year	–	(25,600)
Cost of inventories included in cost of sales	15,106,229	17,071,961
(Writeback of) Allowance for inventories	(38,170)	617,632
Depreciation	973,253	915,844
(Writeback of) Allowance for doubtful trade receivables	(19,042)	78,638
Net foreign currency exchange adjustment loss	7,966	84,832
Bad debt written off	–	581
Allowance for doubtful other receivables	1,188,950	–
Impairment loss on available-for-sale investment	210,970	454,278

25 DIVIDENDS

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

	Group and Company 2015 $	Group and Company 2014 $
Final dividend in respect of the previous financial year:		
– $0.006 (2014 : $0.010) per ordinary share (one-tier tax exempt)	3,284,695	1,394,072

26 EARNINGS PER ORDINARY SHARE

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

	Group	
	2015	2014
	$	$
Net profit attributable to owners of the company	842,441	2,758,585

	2015	2014
	Number of shares	
Weighted average number of ordinary shares for purpose of basic earnings per share	636,883,699	543,638,830
Effect of dilutive potential ordinary shares assuming full exercise of warrants (Note 20)	54,067,520	89,537,690
Weighted average number of ordinary shares for purpose of diluted earnings per share	690,951,219	633,176,520

27 COMMITMENTS

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Performance guarantees given to a bank for credit facilities given to a subsidiary (unsecured)	–	–	1,000,000	1,000,000
Capital contribution for investment in a subsidiary	–	–	5,714,550	–

The Group entered an agreement with the People's Government of Kaiping District ("Kaiping Government"), Tangshan City, PRC, which gives the Group first right of refusal to participate in an integrated mixed development project along Xinghua Dong Dao of Tangshan City ("Land") and render the necessary assistance to the Group in connection thereto should it become a successful tenderer of the Land. Pursuant to the agreement and subject to further negotiation of terms and conditions, the Group will advance a sum of RMB85 million, approximately S$18.4 million ("Advance") to Kaiping Government to facilitate land clearance and other incidental processes in order to enable the land to be ready for public tender. In the event that the Group is not successful in its tender for the Land, Kaiping Government will be responsible and facilitate the repayment of the Advance to the Group.

28 OPERATING LEASE EXPENSE AND COMMITMENTS

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Minimum lease payments under operating leases included in profit or loss	300,553	344,462	131,232	199,421

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

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Future minimum lease payments payable:				
Within one year	352,571	385,378	249,744	282,552
In the second to fifth year inclusive	194,802	541,772	47,186	296,930
Total	547,373	927,150	296,930	579,482

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

29 OPERATING LEASE INCOME AND COMMITMENTS

The group and the company rent out part of its premises under operating leases. Property rental and service income earned during the year was $208,338 (2014 : $213,589) (Note 22). The properties are managed by the company.

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Future minimum lease payments receivable:				
Within one year	151,681	145,381	1,594,695	1,588,395

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

30 SEGMENT INFORMATION

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

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

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

uPVC pipes and fittings division fabricated and traded in plastic moulds and plastic products. The products were mainly distributed to the Middle East.

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

(a) Analysis by Segments

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

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

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

30 SEGMENT INFORMATION (cont'd)

(a) Analysis by Segments (cont'd)

	Hose and marine		Measuring instruments/metrology		uPVC pipes and fittings		Property		Inter segment elimination		Group	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$	$	$	$	$
Revenue												
External sales	8,578,928	11,047,264	15,877,297	15,541,067	–	478,423	–	–	–	–	24,456,225	27,066,754
Result												
Segment gross contribution	4,003,215	5,096,470	5,268,475	4,698,679	–	78,873	–	–	–	–	9,271,690	9,874,022
Other operating income	210,124	320,017	30,953	53,160	–	360	197,305	–	–	–	438,382	373,537
Direct expenses	(1,958,446)	(2,109,534)	(2,193,935)	(2,223,954)	(9,461)	(152,087)	(1,516,267)	(65,273)	–	–	(5,678,109)	(4,550,848)
Segment net contribution	2,254,893	3,306,953	3,105,493	2,527,885	(9,461)	(72,854)	(1,318,962)	(65,273)	–	–	4,031,963	5,696,711
Corporate expenses											(2,704,028)	(2,498,884)
Profit before income tax											1,327,935	3,197,827
Income tax expense											(368,943)	(488,064)
Profit for the year											958,992	2,709,763

30 SEGMENT INFORMATION (cont'd)

(a) Analysis by Segments (cont'd)

	Hose and marine		Measuring instruments/metrology		uPVC pipes and fittings		Property		Inter segment elimination		Group	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$	$	$	$	$
Other information												
Segment assets	6,109,713	15,908,169	10,034,876	12,051,716	9,496	173,010	7,185,054	188,327	–	–	23,339,139	28,321,222
Inter-segment assets	360,754	360,754	–	–	–	700	–	–	(360,754)	(361,454)	–	–
Unallocated corporate assets											45,328,708	37,143,348
Consolidated total assets											68,667,847	65,464,570
Segment liabilities	844,380	1,650,843	1,895,572	1,758,467	24,324	40,112	45,766	26,719	–	–	2,810,042	3,476,141
Inter-segment liabilities	2,419,377	4,152,962	3,541,268	5,462,019	3,999,552	4,150,216	7,273,227	167,803	(17,233,424)	(13,933,000)	–	–
Unallocated corporate liabilities											1,068,290	1,220,020
Consolidated total liabilities											3,878,332	4,696,161
Capital expenditure	–	20,954	57,173	10,468	–	–	18,505	34,466	–	–	75,678	65,888
Depreciation expense	896,413	822,897	73,715	91,158	–	919	3,125	870	–	–	973,253	915,844
Allowance for doubtful non-trade receivables	–	–	–	–	–	–	1,188,950	–	–	–	1,188,950	–
(Writeback of) Allowance for trade receivables	(20,884)	23,988	1,842	54,650	–	–	–	–	–	–	(19,042)	78,638
(Writeback of) Allowance for inventories	21,084	166,678	(59,254)	450,954	–	–	–	–	–	–	(38,170)	617,632
Impairment loss on unallocated assets	–	–	–	–	–	–	–	–	–	–	210,970	454,278

30 SEGMENT INFORMATION (cont'd)

(b) Analysis by Geographical Segments

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

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

	Revenue	
	2015	2014
	$	$
Singapore	11,852,568	14,699,787
Malaysia	6,887,513	6,968,070
Myanmar	53,721	37,663
Indonesia	1,950,117	2,129,073
Other ASEAN countries	296,339	210,379
Middle Eastern countries	569,011	894,013
People's Republic of China	165,391	18,900
Other Asia Countries	2,361,782	1,493,201
Others	319,783	615,668
	24,456,225	27,066,754

	Non-current assets	
	2015	2014
	$	$
Singapore	1,030,365	2,011,154
Malaysia	659,994	764,832
Myanmar	866	33,604
	1,691,225	2,809,590

30 SEGMENT INFORMATION (cont'd)

(c) Information about major customers

In 2015 and 2014, no single customer contributed to more than 10% of the group's total revenue.

31 EVENT AFTER THE REPORTING PERIOD

Subsequent to the year end, the company proposes to undertake a share consolidation of every five (5) existing issued ordinary shares in the capital of the company held by shareholders of the company as at a books closure date to be determined by the directors of the company into one (1) ordinary share (the "Consolidated Shares"), fractional entitlements to be disregarded (the "Proposed Share Consolidation").

As the Proposed Share Consolidation will become effective only after the expiry of the exercise period of the warrants, no adjustment will be made to the number of warrants and the exercise price payable for each new share upon the exercise of the outstanding warrants as disclosed in Note 20 to the financial statements.

The Proposed Share Consolidation is subject to, inter alia, the following:

(a) the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Official List of the SGX-ST; and

(b) the approval of shareholders by way of an ordinary resolution at an extraordinary general meeting of the company to be convened.

Statistics of Shareholdings and Warrantholdings

As at 22 September 2015

Issued share capital	: S$57,156,490
Number of shares	: 667,035,594
Class of shares	: Ordinary Shares
Voting rights	: one vote per share

Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
1 – 99	44	1.34	576	0.00
100 – 1,000	267	8.14	130,765	0.02
1,001 – 10,000	1,195	36.41	6,632,676	0.99
10,001 – 1,000,000	1,720	52.41	170,920,190	25.63
1,000,001 and above	56	1.70	489,351,387	73.36
TOTAL	3,282	100.00	667,035,594	100.00

Based on information available to the Company as at 22 September 2015, approximately 63.38% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

Top Twenty Shareholders as at 22 September 2015

No.	Name	No. of Shares	%
1	HSBC (SINGAPORE) NOMINEES PTE LTD	152,000,000	22.79
2	KWAN CHEE SENG	44,979,800	6.74
3	KHASSAN MAKHMUD	28,000,000	4.20
4	DBS VICKERS SECURITIES (S) PTE LTD	20,323,000	3.05
5	TEO TONG HOW	18,600,000	2.79
6	UNITED OVERSEAS BANK NOMINEES PTE LTD	17,970,428	2.69
7	OCBC SECURITIES PRIVATE LTD	17,021,144	2.55
8	MAYBANK KIM ENG SECURITIES PTE LTD	16,167,100	2.42
9	CHENG LIM KONG	14,962,000	2.24
10	HL BANK NOMINEES (S) PTE LTD	14,588,000	2.19
11	STF INVESTMENTS LTD	13,882,600	2.08
12	SIM SIEW TIN CAROL (SHEN XIUZHEN CAROL)	10,800,000	1.62
13	ANG CHENG LAM	8,676,800	1.30
14	HONG LEONG FINANCE NOMINEES PTE LTD	6,020,000	0.90
15	ONG GIM LOO	5,867,000	0.88
16	PHILLIP SECURITIES PTE LTD	5,105,548	0.77
17	CHIK CHOOI WAH	5,000,000	0.75
18	TEO KAH CHEE RACHEL	5,000,000	0.75
19	TAN KAY TOH OR YU HEA RYEONG	4,859,400	0.73
20	THIAN YIM PHENG	4,379,000	0.66
		414,201,820	62.10

Statistics of Shareholdings and Warrantholdings

As at 22 September 2015

Substantial Shareholders

As shown in the Register of Substantial Shareholders

Name of Shareholders	No of Shares Direct Interest	 Deemed Interest
Kwan Chee Seng	196,979,800 [i]	-

[i] 152 million ordinary shares are registered in the name of HSBC (Singapore) Nominees Pte Ltd which is holding the said shares as bare trustee.

Distribution of Warrantholdings

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants	%
1 – 99	20	1.74	219	0.00
100 – 1,000	138	12.00	22,466	0.01
1,001 – 10,000	208	18.09	1,263,313	0.37
10,001 – 1,000,000	742	64.52	79,466,969	23.61
1,000,001 and above	42	3.65	255,861,839	76.01
TOTAL	1,150	100.00	336,614,806	100.00

Top Twenty Warrantholders as at 22 September 2015

No.	Name	No. of Warrants	%
1	KWAN CHEE SENG	94,518,000	28.08
2	OCBC SECURITIES PRIVATE LTD	17,607,236	5.23
3	DBS VICKERS SECURITIES (S) PTE LTD	15,650,000	4.65
4	CHENG LIM KONG	13,096,000	3.89
5	VIJAY KUMAR S/O SREEKUMAR PILLAI	12,220,000	3.63
6	PHILLIP SECURITIES PTE LTD	9,666,658	2.87
7	MAYBANK KIM ENG SECURITIES PTE LTD	8,960,000	2.66
8	UNITED OVERSEAS BANK NOMINEES PTE LTD	8,686,196	2.58
9	MA SWEE CHENG	7,440,600	2.21
10	CHIK CHOOI WAH	4,000,000	1.19
11	TAN HUI KIANG	3,726,000	1.11
12	LEE PUI CHING	3,130,000	0.93
13	TOH ENG HWEE	3,013,000	0.90
14	TAN KAY TOH OR YU HEA RYEONG	3,000,000	0.89
15	KHOO SOO BENG	2,993,100	0.89
16	YONG SHENG LE	2,956,300	0.88
17	HO KOON POH	2,809,000	0.83
18	TAN KWANG HIN	2,700,000	0.80
19	ANG CHENG LAM	2,616,000	0.78
20	GOH LIK SAN	2,300,000	0.68
		221,088,090	65.68

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of GRP Limited will be held at Albizia Room, Level 2 of Jurong Country Club, 9 Science Centre Road, Singapore 609078 on Tuesday, 27 October 2015 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2015 together with the Directors' Report and Auditor's Report thereon. **Resolution 1**

2. To approve the payment of Directors' fees of $150,000.00 for the financial year ended 30 June 2015 (FY2014 : $131,000.00). **Resolution 2**

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

   (i) Mr Mahtani Bhagwandas (pursuant to Article 89) **Resolution 3**
   (ii) Mr Peter Moe (pursuant to Article 89) **Resolution 4**

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

   "That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Teo Tong How be and is hereby re-appointed as a Director of the Company."
   [See Explanatory Note] **Resolution 5**

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

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

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions (with or without amendments) as Ordinary Resolutions:

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

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

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

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the total number of issued shares shall be based on the total number of issued shares in the capital of the Company at the time this Resolution is passed, after adjusting for: -

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

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

c. any subsequent consolidation or subdivision of shares.

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

(iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note] **Resolution 7**

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

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

ON BEHALF OF THE BOARD

TAN CHENG SIEW
SECRETARY

Date: October 9, 2015
SINGAPORE

Notice of Annual General Meeting

Notes :

(i) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf.

A proxy need not be a member of the Company.

The instrument appointing a proxy must be deposited at the Company's registered office at 11 Tanjong Penjuru Crescent, Singapore 608974 at least 48 hours before the time of the Meeting.

(ii) The Board of Directors, in consultation with the Nominating Committee, recommends to members the re-election of Mr Mahtani Bhagwandas, Mr Peter Moe and Mr Teo Tong How

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

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

(iii) The effect of the Ordinary Resolution proposed in item (4) above, if passed, is to re-appoint Mr Teo Tong How, over the age of 70 years old, as a Director of the Company. Section 153(6) of the Companies Act requires the re-appointment to be approved by way of ordinary resolution at the Annual General Meeting of the Company.

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

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

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PROXY FORM

GRP LIMITED

(Incorporated in the Republic of Singapore)

IMPORTANT:-
1. For investors who have used their CPF monies to buy GRP LIMITED shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We ________________________________ of ____
being a member/members of the above-mentioned Company, hereby appoint:-

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

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Albizia Room, Level 2 of Jurong Country Club, 9 Science Centre Road, Singapore 609078 on Tuesday, 27th October 2015 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy to vote for or against the Resolutions to be proposed at the Meeting as hereunder indicated.

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

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

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

Dated this ________________ day of ________________ 2015.

No. of Shares Held

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes to the Proxy Form:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his stead.

3. Where a member appoints two proxies, he shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

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

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

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

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

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

9. In the case of a member whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

ENGAGE
MEDIA
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GRP LIMITED

GRP LIMITED
(Company Registration No: 197701449C)

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