

# GRP LIMITED



Company No.197701449C

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## **Full Year Financial Statement And Dividend Announcement for the Financial Year ended 30 June 2018**

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# GRP LIMITED

## Full Year Financial Statement And Dividend Announcement for the period ended 30/06/2018

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

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

	GROUP		
	\$'000		% Increase/ (decrease)
	12 months ended 30/06/2018	12 months ended 30/06/2017	
Revenue	29,624	34,387	(13.9)
Cost of sales	(24,916)	(29,093)	(14.4)
<b>Gross profit</b>	<b>4,708</b>	<b>5,294</b>	(11.1)
Other losses	(269)	(3,484)	(92.3)
Other operating income	2,639	521	NM
Distribution costs	(2,016)	(1,819)	10.8
Administrative expenses	(3,861)	(12,166)	(68.3)
Finance costs	(291)	(325)	(10.5)
<b>Profit / (loss) before income tax expense</b>	<b>910</b>	<b>(11,979)</b>	NM
Income tax expense	413	2,425	(83.0)
<b>Profit / (loss) for the year</b>	<b>1,323</b>	<b>(9,554)</b>	NM
<b>Other comprehensive income/(loss), net of tax:</b>			
<i>Items that may be reclassified subsequently to profit or loss -</i>			
Fair value loss on available-for-sale investment	(321)	-	100.0
Exchange differences on translation of foreign operations	848	(93)	NM
<b>Other comprehensive income/(loss) for the year, net of tax</b>	<b>527</b>	<b>(93)</b>	NM
<b>Total comprehensive income/(loss) for the year</b>	<b>1,850</b>	<b>(9,647)</b>	NM
<b>Profit/ (loss) attributable to:</b>			
Owners of the company	873	(9,574)	NM
Non-controlling interests	450	20	NM
	<b>1,323</b>	<b>(9,554)</b>	<b>NM</b>
<b>Total comprehensive income/(loss) attributable to:</b>			
Owners of the company	1,400	(9,667)	NM
Non-controlling interests	450	20	NM
	<b>1,850</b>	<b>(9,647)</b>	<b>NM</b>

\* NM - not meaningful

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

	GROUP	
	\$'000	
	12 months ended 30/06/2018	12 months ended 30/06/2017
Depreciation and amortisation	(231)	(451)
Allowance for inventories	(158)	(272)
Write off of inventories	(27)	-
Write back of allowance for inventories	66	-
Write back of doubtful trade receivables	1	45
Write back of doubtful non-trade receivables	3,226	155
Allowance for doubtful non-trade receivables	(1,161)	(3,129)
Net foreign currency exchange adjustment gain/(loss)	114	(485)
Impairment loss on available-for-sale investment	(1,081)	(275)
Impairment loss on properties held for sale	-	(3,209)
Interest expenses	(248)	(235)
Tax expenses		
- current period	155	1,791
- Adjustment for over provision of tax in respect of prior years	258	634
Interest income	700	289
Gain on disposal of property, plant and equipment	170	118
Gain on disposal of available-for-sale investment	812	33
Rental and services income	99	143
Other income	1,840	89

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

	GROUP		COMPANY	
	\$'000		\$'000	
	30/6/2018	30/6/2017	30/6/2018	30/6/2017
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	49,776	40,666	9,375	12,070
Trade receivables	2,400	4,177	-	-
Other receivables & prepayments	1,475	1,304	96	181
Available-for-sale investment	935	428	326	428
Amount due from subsidiaries	-	-	59,839	56,755
Inventories	4,088	4,367	-	-
Properties held for sale	23,142	31,250	-	-
Development properties	18,686	24,197	-	-
<b>Total current assets</b>	<b>100,502</b>	<b>106,389</b>	<b>69,636</b>	<b>69,434</b>
<b>Non-current assets</b>				
Other receivables	5,908	5,827	-	-
Available-for-sale investment	2,500	-	2,500	-
Investment in subsidiaries	-	-	7,051	7,051
Deferred tax assets	166	148	-	-
Intangible asset	25	25	25	25
Property, plant and equipment	1,136	1,138	172	225
<b>Total non-current assets</b>	<b>9,735</b>	<b>7,138</b>	<b>9,748</b>	<b>7,301</b>
<b>Total assets</b>	<b>110,237</b>	<b>113,527</b>	<b>79,384</b>	<b>76,735</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank loans	5,160	8,236	-	-
Trade payables	812	1,245	410	452
Other payables	5,318	6,228	1,827	1,543
Income tax payable	9,744	7,770	49	49
<b>Total current liabilities</b>	<b>21,034</b>	<b>23,479</b>	<b>2,286</b>	<b>2,044</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	6,590	9,323	-	-
<b>Total non-current liabilities</b>	<b>6,590</b>	<b>9,323</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>				
Share capital	72,502	72,502	72,502	72,502
Asset revaluation reserve	3,090	3,411	2,740	3,061
Statutory reserve	119	97	-	-
Currency translation reserve	(3,812)	(4,660)	-	-
Accumulated profits	4,546	3,695	1,856	(872)
<b>Equity attributable to owners of the company</b>	<b>76,445</b>	<b>75,045</b>	<b>77,098</b>	<b>74,691</b>
Non-controlling interests	6,168	5,680	-	-
<b>Total equity</b>	<b>82,613</b>	<b>80,725</b>	<b>77,098</b>	<b>74,691</b>
<b>Total liabilities and equity</b>	<b>110,237</b>	<b>113,527</b>	<b>79,384</b>	<b>76,735</b>

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

### Amount repayable in one year or less, or on demand

Group			
As at 30/06/2018		As at 30/06/2017	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
5,160	-	8,236	-

### Amount repayable after one year

Group			
As at 30/06/2018		As at 30/06/2017	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

### Details of any collateral

#### Land Loan

The Group has a land loan facility ("Facility") of \$4,128,000 obtained for property development project in Singapore. Deadline for the Facility was extended to 30 November 2018. As at 30 June 2018, the Group has an outstanding land loan of \$3,360,000.

The Facility is secured and guaranteed by the following:

- First legal mortgage over the acquired property in Singapore and the proposed development to be erected thereon;
- Fixed deposit of \$779,000 pledged with the bank;
- Existing legal assignment of all rights, title and interests in the construction contract, insurance policies performance bonds (if any), tenancy agreements and sales and purchase agreements in respect of the proposed development;
- A corporate guarantee for \$4,128,000 by Starland Holdings Limited, an indirect subsidiary.

#### Money Market Loan

The Group has a Money Market Loan ("MML") of \$1,800,000 from United Overseas Bank for general working capital purposes. The Group has an outstanding balance of \$1,800,000 as at 30 June 2018.

The MML is secured and guaranteed by the following:

- Standby Letter of Credit for not less than RMB10,000,000 (approximately \$2,058,500) issued by United Overseas Bank (China) Limited, Chengdu Branch;
- A corporate guarantee of \$1,800,000 by Starland Holdings Limited, an indirect subsidiary; and
- Fixed deposits of RMB10,839,000 (approximately \$2,231,000) pledged with the Bank.

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

	The Group	
	\$'000	
	12 months ended 30/06/2018	12 months ended 30/06/2017
<b>Operating activities:</b>		
Profit (loss) before income tax	910	(11,979)
<b>Adjustments for:</b>		
Depreciation and amortisation	231	451
Impairment loss on available-for-sale investment	-	275
Interest income	(700)	(289)
Interest expenses	248	235
(Gain) Loss on disposal of property, plant and equipment	(170)	(118)
(Gain) Loss on disposal of available-for-sale investment	(812)	(33)
Allowance for inventories	158	272
Write off of inventories	27	-
Write back of allowance for inventories	(66)	-
Write back of doubtful trade receivables	(1)	(45)
Write back of doubtful non-trade receivables	(3,226)	(155)
Allowance for doubtful non-trade receivables	1,161	3,129
Impairment loss on properties held for sale	-	3,209
Non-cash portion of other income (Note 1)	(621)	-
Unrealised foreign exchange loss	718	331
<b>Operating cash flows before movements in working capital</b>	<b>(2,143)</b>	<b>(4,717)</b>
Trade receivables	1,778	(1,244)
Other receivables & prepayments	895	(576)
Inventories	148	726
Properties held for sale	13,907	17,731
Development properties	(368)	(171)
Trade payables	(433)	(124)
Other payables	(911)	(496)
<b>Cash generated from operating activities</b>	<b>12,873</b>	<b>11,129</b>
Income taxes paid	(456)	(7,275)
<b>Net cash generated from operating activities</b>	<b>12,417</b>	<b>3,854</b>
<b>Investing activities:</b>		
Proceeds from disposal of property, plant and equipment	215	118
Proceeds from disposal of available-for-sale investment	591	111
Purchase of property, plant and equipment	(153)	(284)
Investment in long term available-for-sale investment	(2,500)	-
Short term loan issued	(1,161)	(2,100)
Collection of short term loan	2,100	-
Interest received	700	289
<b>Net cash (used in) investing activities</b>	<b>(208)</b>	<b>(1,866)</b>
<b>Financing activities:</b>		
Net proceeds from issue of shares	-	13,252
Interest paid	(248)	(235)
Dividends paid	(120)	-
Repayment of bank loans	(4,032)	(2,916)
New Loan	841	3,977
Contribution by non-controlling interest	158	-
Decrease (increase) in bank deposits pledged	5,075	(5,279)
<b>Net cash generated from financing activities</b>	<b>1,674</b>	<b>8,799</b>
<b>Net increase in cash and cash equivalents</b>	<b>13,883</b>	<b>10,787</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>32,567</b>	<b>21,864</b>
<b>Effect of foreign exchange rate changes on the balance of cash held in foreign currencies</b>	<b>301</b>	<b>(84)</b>
<b>Cash and cash equivalents at end of year (Note 2)</b>	<b>46,751</b>	<b>32,567</b>

Note 1 - Non-cash portion of other income

This pertained to the recovery of expenses previously incurred by Starland Holdings Limited in relation to expenses incurred for the potential acquisition of ayondo Holding AG. The recovery takes the form of 6.5 million ayondo shares, which amounted to \$1.7 million. This is partially offset by an impairment loss of \$1.1 million.

Note 2 - Cash and cash equivalents is derived from:

	The Group	
	\$'000	
	12 months ended 30/06/2018	12 months ended 30/06/2017
Cash and bank balances	49,776	40,666
Less: Pledged cash placed with bank	(3,025)	(8,099)
	46,751	32,567

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

Group	Share capital	Asset revaluation reserve	Statutory reserve	Currency translation reserve	Accumulated profits	Attributable to equity holders of the company	Non-controlling interests	Total
\$'000								
<b>Latest Period</b>								
<b>Balance at 1/07/2017</b>	72,502	3,411	97	(4,660)	3,695	75,045	5,680	80,725
<i>Total comprehensive income for the year</i>								
- Profit for the year	-	-	-	-	873	873	450	1,323
- Other comprehensive income/(loss) for the year	-	(321)	-	848	-	527	-	527
<i>Transactions with owner, recognised directly in equity</i>								
- Dividend paid	-	-	-	-	-	-	(120)	(120)
- Issue of shares	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	22	-	(22)	-	-	-
Non-controlling interests arising from acquisition of subsidiary	-	-	-	-	-	-	158	158
<b>Balance at 30/06/2018</b>	<b>72,502</b>	<b>3,090</b>	<b>119</b>	<b>(3,812)</b>	<b>4,546</b>	<b>76,445</b>	<b>6,168</b>	<b>82,613</b>
<b>Previous Corresponding Period</b>								
<b>Balance at 1/07/2016</b>	59,250	3,411	52	(4,567)	18,912	77,058	62	77,120
<i>Total comprehensive income for the year</i>								
- Loss for the year	-	-	-	-	(9,574)	(9,574)	20	(9,554)
- Other comprehensive loss for the year	-	-	-	(93)	-	(93)	-	(93)
<i>Transactions with owner, recognised directly in equity</i>								
- Issue of dividend in-specie	-	-	-	-	(5,598)	(5,598)	-	(5,598)
- Issue of shares	13,252	-	-	-	-	13,252	-	13,252
- Non-controlling interests upon issue of dividend in-specie	-	-	-	-	-	-	5,598	5,598
Transfer to statutory reserve	-	-	45	-	(45)	-	-	-
<b>Balance at 30/06/2017</b>	<b>72,502</b>	<b>3,411</b>	<b>97</b>	<b>(4,660)</b>	<b>3,695</b>	<b>75,045</b>	<b>5,680</b>	<b>80,725</b>

The Company	Share capital	Asset revaluation reserve	Accumulated profits	Total
\$'000				
<b>Latest Period</b>				
<b>Balance at 1/07/2017</b>	72,502	3,061	(872)	74,691
<i>Total comprehensive income for the year , represented by</i>				
- Profit for the year	-	-	2,728	2,728
- Other comprehensive loss for the year	-	(321)	-	(321)
<b>Balance at 30/06/2018</b>	<b>72,502</b>	<b>2,740</b>	<b>1,856</b>	<b>77,098</b>
<b>Previous Corresponding Period</b>				
<b>Balance at 1/07/2016</b>	59,250	3,061	6,064	68,375
<i>Total comprehensive income for the year , represented by</i>				
- Loss for the year	-	-	(1,338)	(1,338)
'- Issue of shares	13,252	-	-	13,252
- Issue of dividend in-specie	-	-	(5,598)	(5,598)
<b>Balance at 30/06/2017</b>	<b>72,502</b>	<b>3,061</b>	<b>(872)</b>	<b>74,691</b>



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

Share Capital	12 months ended 30/06/2018	12 months ended 30/06/2017		12 months ended 30/06/2018	12 months ended 30/06/2017
	No of ordinary shares	No of ordinary shares		S\$	S\$
Issued and paid up: At 1 July	193,701,610	139,520,044		72,501,544	59,249,784
Issue of rights shares	-	54,156,566		-	13,539,142
Rights issue expenses	-	-		-	(293,632)
Exercise of warrants	-	25,000		-	6,250
Balance before Share Consolidation	193,701,610	193,701,610		72,501,544	72,501,544
Share Consolidation	-	-		-	-
At 30 June	193,701,610	193,701,610		72,501,544	72,501,544

Warrants	12 months ended 30/06/2018	12 months ended 30/06/2017
	No of warrants	
At 1 July	54,131,566	-
Issue of warrants	-	54,156,566
Exercise of warrants	-	(25,000)
Unexercised warrants expired on 29 November 2017	(54,131,566)	-
At 30 June	-	54,131,566

No shares were issued during the year ended 30 June 2018. The 54,131,566 unexercised warrants expired on 29 November 2017.

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

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

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

Not applicable.

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

During the current financial year, the Group and the Company have adopted all the new and revised Financial Reporting Standards ("FRS"s) and interpretation of FRSs ("INT FRS"s) that are relevant to its operation and effective for the year beginning on or after July 1, 2017. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

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

Not applicable.

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

	12 months ended 30/06/2018	12 months ended 30/06/2017
Earnings per ordinary share attributable to the owners of the company for the year		
(i) Based on weighted average number of ordinary share in issue (Cents)	0.45	(5.59)
(ii) On a fully diluted basis (Cents)	0.45	(5.59)
Computed based on the following weighted average number of shares		
(i) Basic	193,701,610	171,134,424
(ii) Diluted	193,701,610	171,134,424

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

	30/6/2018	30/06/2017
	Cents	
The Group	39.47	38.74
The Company	39.80	38.56

Net asset value per share attributable to the owners of the company is calculated based on 193,701,610 (30 June 2017: 193,701,610) ordinary shares issued at the end of the current year under review and of the immediately preceding financial year.

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

#### **Statement of comprehensive income**

The Group revenue of \$29.6 million for year ended 30 June 2018 ("FY2018"), is 13.9% lower than the \$34.4 million revenue for previous corresponding year ended 30 June 2017 ("FY2017"). Revenue for Hose and Marine segment declined by \$1.1 million and Property segment dropped by \$4.1 million. These declines are partially offset by a \$0.4 million increased revenue generated by the Measuring Instrument segment .

The lower revenue in Hose and Marine segment is largely due to continual weak demand in FY2018 as protracted weakness in the offshore and marine industry has yet to recover. The property segment is reaching its tail end as remaining unsold units as at 30 June 2018 are 47 residential units, 32 shop units and 183 car park lots.

The Group's gross profit decreased by 11.1% to \$4.7 million in FY2018 from \$5.3 million in FY2017. Gross profit for Hose and Marine segment decreased by \$0.5 million to \$1.4 million in FY2018 from \$1.9 million in FY2017, as a result of the lower revenue in FY2018. Gross loss for property segment widened by \$0.4 million to \$0.9 million in FY2018 as compared to \$0.5 million in FY2017. The gross loss of \$0.9 million is after taking into account a \$5.3 million adjustment to restate the cost of properties sold from historical cost to fair value as the properties held for sale had been previously fair valued at date of acquisition of Starland Holdings Limited ("Starland"), a 83.17%-owned indirect subsidiary of the Company. These declines are partially offset by \$0.3 million gross profit improvement in the Measuring Instrument segment.

Other losses of \$0.3 million for FY2018 pertained to a \$1.1 million impairment loss on available-for-sale investment, partially offset by a \$0.8 million gain on disposal of available-for-sale investment. The FY2017 losses of \$3.5 million related to impairment loss of \$3.2 million on properties held for sale and \$0.3 million impairment loss on available-for-sale investment.

Other operating income increased by \$2.1 million in FY2018 as compared to FY2017. This is mainly due to a \$1.8 million recovery of expenses relating to proposed acquisition of the equity interest of ayondo Holding AG ("ayondo") previously incurred by Starland and a \$0.4 million increase in interest income in FY2018 as compared to FY2017. This is largely due to interest income recovered from a loan previously granted to ayondo.

Distribution costs increased by 10.8% on a year-on-year comparison. The increase is mainly due to higher selling and distribution expenses incurred by the Measuring Instrument segment, in line with their increased revenue generated in FY2018.

Administrative expenses decreased by \$8.3 million to \$3.9 million in FY2018 from \$12.2 million in FY2017. The decrease is due to a \$3.2 million writeback of doubtful non-trade receivables, partially offset by a provision for doubtful non-trade receivable of \$1.2 million pertaining to a short term loan granted to a third party towards a reverse take over acquisition of assets.

Included in FY2017 administrative expenses were \$3.1 million allowance for doubtful non-trade receivables, a \$1.6 million expenses relating to proposed ayondo acquisition and a \$0.5 million provision for reinstatement obligation.

Finance costs decreased by 10.5% in FY2018 as compared to FY2017. This is mainly due to lower bank charges incurred by the property business in FY2018.

Consequently, the Group generated a profit before tax of \$0.9 million in FY2018 as compared to loss before tax of \$12.0 million in FY2017.

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

The Group's financial position remains healthy with current ratio of around 4.8 times at the end of June 2018 ("FY2018") as compared to 4.5 times at the end of June 2017 ("FY2017"). As at 30 June 2018, the Group had cash and bank balances amounting to \$49.8 million. This is \$9.1 million higher than the balances as at 30 June 2017. The increase is largely due to a \$12.4 million net cash generated from operating activities, partially offset by \$2.5 million investment in redeemable convertible preference shares in Energiser Enterprise Sdn Bhd and a \$1.2 million short term loan granted to a third party towards a reverse take over acquisition of assets in FY2018.

Trade receivables decreased by \$1.8 million to \$2.4 million on 30 June 2018 from \$4.2 million on 30 June 2017. This decrease is in line with the lower revenue generated by the Property and Hose and Marine segment in year ended 30 June 2018.

Available-for-sale investment increased by \$0.5 million from \$0.4 million in FY2017 to \$0.9 million in FY2018. The increase is largely due to 6.5 million new ayondo shares issued to Starland Holdings Limited ("Starland") as payment for expenses previously incurred by Starland pertaining to the acquisition of equity interest in ayondo Holding AG ("ayondo").

Properties held for sale decreased by \$8.1 million in FY2018 as compared to FY2017. This is a result of a sale of \$13.9 million worth of properties held for sale, partially offset by a \$5.8 million reclassification from development properties to properties held for sale following the completion of construction of development property project in Singapore during the year under review.

Development properties decreased by \$5.5 million in FY2018 as compared to FY2017. This is a result of the reclassification of development property project in Singapore to properties held for sale, following the completion of the construction during FY2018.

Long term available-for-sale investment related to investment in 15,250 redeemable convertible preference shares in Energiser Enterprise Sdn Bhd, a pre-IPO investment opportunity.

Bank loans decreased by \$3.1 million from \$8.2 million in FY2017 to \$5.2 million in FY2018 as a result of \$4.0 million repayment of bank loans partially offset by a new loan of \$0.8 million.

Trade payables decreased by \$0.4 million from \$1.2 million in FY2017 to \$0.8 million in FY2018, in line with the lower revenue generated by the Hose and Marine segment.

Other payables decreased by \$0.9 million from \$6.2million in FY2017 to \$5.3 million in FY2018 as a result of payment of expenses relating to proposed ayondo acquisition by Starland during FY2018.

Income tax payable increased by \$2.0 million and deferred tax liabilities decreased by \$2.7 million in FY2018 as compared to FY2017. The increase in income tax payable and the decrease in deferred tax liabilities is mainly due to reclassification from deferred tax liabilities to income tax payable as a result of dividend declaration within Starland Group during FY2018. Prior to the dividend declaration, withholding tax on the undistributed profits was provided as deferred tax liabilities in the book of Starland Group. With the dividend declaration by the subsidiaries of Starland, the withholding tax is reclassified to income tax payable in FY2018.

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

No forecast or prospect statement has been issued previously.

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

The Group does not envisage a quick rebound for the offshore and marine sector customers served by our Hose and Marine and Measuring Instrument businesses. The lower utilisation of their assets and prudence in the capital and operational spending will still remain. As for the property business, the market still remains challenging.

**11. Dividend**

(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Final one-tier tax exempt
Dividend Type	Cash
Dividend Rate	0.005

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Rate	Not applicable

(c) Date payable

To be determined.

(d) Books closure date

To be determined.

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

Not applicable.

## 13. Interested person transactions

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

Interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into by the Group or by the Company during the year ended 30 June 2018 is as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Luminor Capital Pte Ltd - Rental expenses recovered	245,316	-
ayondo Holding AG - Interest income to GRP Limited	164,178	-
- Interest income to Starland	76,889	-
Total interest income	241,067	-

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

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

Use of Net Proceeds	Allocation of Net Proceeds \$'000	Net Proceeds utilised as at the date of this announcement \$'000	Balance of Net Proceeds as at the date of this announcement \$'000
<b>2013 Rights issues</b>			
Proceeds from rights issue:			
- Proposed new business	28,000	(28,000)	-
- General working capital	5,000	(672)	4,328
	33,000	(28,672)	4,328
Proceeds from exercise of warrants:			
- Proposed new business	8,974	(8,974)	-
Total	41,974	(37,646)	4,328
Breakdown of general working capital is as follows:			
Rental expenses		(34)	
Professional fees		(125)	
General administrative expenses		(513)	
Total		(672)	
<b>2016 Rights issues</b>			
Proceeds from rights issue:			
- Proposed new business	12,348	(2,500)	9,848
- General working capital	841		841
	13,189	(2,500)	10,689
Proceeds from exercise of warrants:			
- Proposed new business	6		6
Total	13,195	(2,500)	10,695

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

(I) Business Segments

S\$'000	Hose & Marine		Measuring instruments / metrology		Property		Inter-segment elimination		Group	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenue</b>										
External sales	2,869	3,978	13,333	12,896	13,422	17,513	-	-	29,624	34,387
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>2,869</b>	<b>3,978</b>	<b>13,333</b>	<b>12,896</b>	<b>13,422</b>	<b>17,513</b>	-	-	<b>29,624</b>	<b>34,387</b>
<b>Result</b>										
Segment gross contribution	1,373	1,863	4,203	3,932	(868)	(501)	-	-	4,708	5,294
Other losses	-	-	-	-	(269)	(3,484)	-	-	(269)	(3,484)
Other operating income	16	24	55	27	2,568	470	-	-	2,639	521
Direct expenses	(776)	(832)	(2,172)	(1,997)	(2,703)	(5,707)	-	-	(5,651)	(8,536)
<b>Segment net contribution</b>	<b>613</b>	<b>1,055</b>	<b>2,086</b>	<b>1,962</b>	<b>(1,272)</b>	<b>(9,222)</b>	-	-	<b>1,427</b>	<b>(6,205)</b>
Direct expenses - Corporate									(517)	(5,774)
<b>Profit/(Loss) before income tax</b>									<b>910</b>	<b>(11,979)</b>
Income tax expense									413	2,425
<b>Profit/(Loss) for the year</b>									<b>1,323</b>	<b>(9,554)</b>

## (I)Business Segments

S\$'000	Hose & Marine		Measuring instrument		Property		Inter-segment elimination		Group	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Other information</b>										
Segment Assets	4,191	6,184	9,267	8,981	84,288	85,432	-	-	97,746	100,597
Inter-segment assets	361	361	-	-	-	-	(361)	(361)	-	-
Unallocated corporate assets									12,491	12,930
<b>Consolidated total assets</b>									<b>110,237</b>	<b>113,527</b>
Segment liabilities	246	302	782	1,176	24,672	29,642	-	-	25,700	31,120
Inter-segment liabilities	4,801	5,211	7,623	7,623	48,023	48,023	(60,447)	(60,857)	-	-
Unallocated corporate liabilities									1,924	1,682
<b>Consolidated total liabilities</b>									<b>27,624</b>	<b>32,802</b>
Capital expenditure	48	191	94	50	11	43	-	-	153	284
Depreciation and amortisation	40	24	49	57	142	370	-	-	231	451
Allowance for doubtful non-trade receivables	-	-	-	-	-	992	-	-	-	992
Corporate expenses - allowance for doubtful non-trade receivables	-	-	-	-	-	-	-	-	1,161	2,137
Corporate expenses -write back of allowance for doubtful non-trade receivables	-	-	-	-	-	(155)	-	-	(3,226)	(155)
(Writeback of)/Allowance for trade receivables	-	(45)	(1)	-	-	-	-	-	(1)	(45)
Allowance/(writeback of) for inventories	185	134	(66)	138	-	-	-	-	119	272
Impairment loss on available-for-sale investment	-	-	-	-	1,081	-	-	-	1,081	-
Impairment loss on unallocated assets	-	-	-	-	-	-	-	-	-	275
Impairment loss on properties held for sale	-	-	-	-	-	3,209	-	-	-	3,209



## (II) Geographical segments by location of customers

S\$'000	Revenue		Total non-current assets	
	2018	2017	2018	2017
Singapore	8,563	8,974	2,969	471
Malaysia	6,005	5,573	668	646
Myanmar	38	33	-	-
Indonesia	1,094	1,362	-	-
Other ASEAN countries	106	89	-	-
Other Asia countries	207	449	-	-
Middle Eastern countries	3	31	-	-
People's Republic of China	13,433	17,573	6,098	6,021
Others	175	303	-	-
<b>Total revenue</b>	<b>29,624</b>	<b>34,387</b>	<b>9,735</b>	<b>7,138</b>

Information about major customers

In 2018 and 2017, no single customer contributed to more than 10% of the group's total revenue.

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Explained in paragraph 8.

**17. A breakdown of sales**

	GROUP		
	S\$'000		
	12 months ended 30/06/2018	12 months ended 30/06/2017	% increase/ (decrease)
1. Sales reported for the first half year	17,776	13,661	30.12
2. (Loss)/Profit after income tax before deducting dividend for the first half year	-1,007	-2,778	-63.75
3. Sales reported for the second half year	11,848	20,726	-42.84
4. Profit/(Loss) after income tax before deducting dividend for the second half year	2,330	-6,776	NM

Note:

NM - Not meaningful.

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	Latest Full Year	Previous Full Year
S\$'000		
Ordinary	-	5,598
Preference	-	-
<b>Total:</b>	<b>-</b>	<b>5,598</b>

**19. Persons occupying managerial positions who are related to the Directors, Chief Executive Officer or substantial shareholders**

Name	Age	Family relationship with the CEO, any director, and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Kelvin Kwan Chee Hong	65	Brother of Mr Kwan Chee Seng, Executive Director/ Substantial Shareholder of GRP Limited	General Manager of Starland Holdings Limited  Date of appointment: 18 Feb 2016	Kelvin Kwan is appointed as General Manager of Starland Holdings Limited with effect from 18 Feb 2016. Prior to this appointment, Kelvin was the General Manager of Property Division, GRP Limited since 1 Jan 2014.

Besides Kelvin Kwan Chee Hong, Kwan Yu Wen, daughter of Mr Kwan Chee Seng, Executive Director/Substantial Shareholder of GRP Limited, is Consultant of GRP Limited with effect from 1 Jan 2017.

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

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

BY ORDER OF THE BOARD  
Kwan Chee Seng  
Executive Director  
16 August 2018