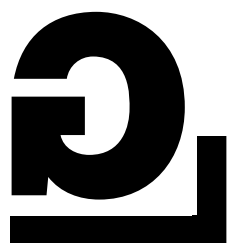


**MAXIMISIN
POTENTIAL
MAXIMISING
RETURNS**

GOODLAND GROUP LIMITED ANNUAL REPORT 2011



GOODLAND GROUP LIMITED





At Goodland, our experience enables us to improve the way our customers live, work and play. With this in mind, we build properties that leverage on the surrounding natural attributes, so that our customers derive the greatest returns out of them.

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This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088

CORPORATE INFORMATION

Board of Directors

Ben Tan Chee Beng
Executive Chairman

Alvin Tan Chee Tiong
Chief Executive Officer and
Group Managing Director

Melanie Tan Bee Bee
Executive Director

Wong Ming Kwong
Non-Executive Director

Dr Wu Chiaw Ching
Lead Independent Director

Raymond Lye Hoong Yip
Independent Director

Audit Committee

Dr Wu Chiaw Ching (Chairman)
Wong Ming Kwong
Raymond Lye Hoong Yip

Nominating Committee

Raymond Lye Hoong Yip (Chairman)
Wong Ming Kwong
Dr Wu Chiaw Ching

Remuneration Committee

Dr Wu Chiaw Ching (Chairman)
Wong Ming Kwong
Raymond Lye Hoong Yip

Company Secretary

Shirley Lim Guat Hua, ACIS

Registered Office

18 Roberts Lane
#02-01/02 Goodland Building
Singapore 218297
Tel: +65 6289 0003
Fax: +65 6289 3818
www.goodlandgroup.com.sg

Share Registrar

B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

Sponsor

PrimePartners Corporate Finance Pte. Ltd.
20 Cecil Street
#21-02 Equity Plaza
Singapore 049705

Auditors

Moore Stephens LLP
Certified Public Accountants
10 Anson Road
#29-15 International Plaza
Singapore 079903

Audit Partner-in-charge

Neo Keng Jin
(a member of the Institute of Certified Public
Accountants of Singapore)
Date of Appointment: 28 March 2009

CHAIRMAN'S REPORT

“

We are confident that our Group has built a strong foundation for achieving its strategic growth, and this is seen in our recommendation for a final dividend of 1 cent per share. This year's performance has undoubtedly increased shareholders' value, as reflected in our share price performance for the year.

”



Ben Tan Chee Beng - Executive Chairman

Dear Shareholders,

In FY2011, our Group continued to grow on an annual basis, and achieved a significant growth in revenue and profitability. Revenue increased by 47.3% to S\$12.1 million, and profit before tax increased by 201.9% to S\$3.2 million.

Our Group's performance this year is a testament of its clear focus and timely project implementation. Gross profit increased to S\$3.7 million for FY2011, from S\$1.4 million for FY2010, and earnings per share increased to 1.72 cents for FY2011, from 0.70 cents for FY2010. As at 30 September 2011, our cash and bank balances stood at S\$12.9 million, as compared to S\$2.1 million for FY2010. Our financial position remains robust, with good liquidity and free cash flow.

We are confident that our Group has built a strong foundation for achieving its strategic growth, and this is seen in our recommendation for a final dividend of 1 cent per share. This year's performance has undoubtedly increased shareholders' value, as reflected in our share price performance for the year.

The Year Ahead

The outlook of the Singapore property market in the latter half of 2011 has been cautious, certain segments of the property market have shown signs of moderation, in particular, the high end property market segment. Statistics released by the Urban Redevelopment Authority show that the demand from genuine home-buyers continues to be firm amidst a low interest rate and ample liquidity environment. However, property prices have seen slight moderation, suggesting caution accompanied by increasing concerns in the macro-economic environment. Going forward, the board of directors of the Company believes that home sales could see a moderation in demand in view of the volatile economic conditions. Besides given the uncertainties in the global economic environment, property prices may continue to further moderate or remain stable.

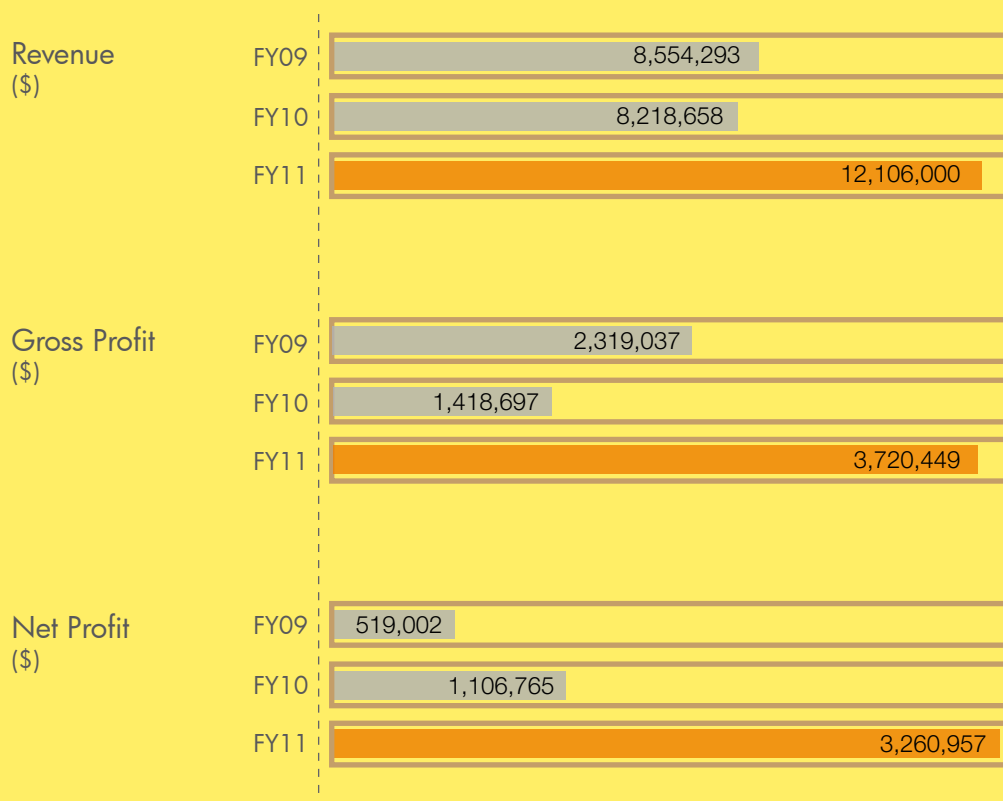
2012 will be a challenging year, both globally, and locally with Singapore's economic forecasts pointing to a slower year-on-year growth. However, with a proven business strategy, prudent financial planning and cash reserves, our Group is confident of tiding over the current wave of uncertainty. Nevertheless, our Group will continue to exercise caution before making any further investments.

On behalf of the Board, we would like to take this opportunity to thank our esteemed shareholders for their belief in the Group. We are confident that our investments will further enhance shareholders' value in the coming year 2012.

Ben Tan Chee Beng

Executive Chairman

FINANCIAL HIGHLIGHTS



	FY2009 \$	FY2010 \$	FY2011 \$
Revenue	8,554,293	8,218,658	12,106,000
Profit Before Income Tax	462,473	1,073,053	3,239,762
Profit After Income Tax	519,002	1,106,765	3,260,957
Profit Attributable to Equity Holders	483,610	1,113,451	3,259,956
Total Assets	22,598,893	49,239,661	101,320,506
Total Liabilities	12,051,617	34,173,243	77,668,410
Shareholders' Equity	10,547,276	15,066,418	23,652,096
EPS Basic	0.85 cents	0.70 cents	1.72 cents
EPS Diluted	0.85 cents	0.70 cents	1.26 cents
Net Asset Value per share	8.05 cents	9.36 cents	12.26 cents

FINANCIAL REVIEW

Revenue

In FY2011, the Group sold four development properties that are of higher value as compared to one development property sold in FY2010. This contributed to the increase in revenue by 47.3%, from \$8.2 million reported in FY2010 to \$12.1 million in FY2011.

Business Segments

Taking a closer look into the Group's revenue based on its business segments, sale of development properties realised a revenue of \$12.1 million in FY2011 as compared to \$2.2 million in FY2010. In FY2010, the Group also provided construction services of \$6.0 million while in FY2011, the revenue of \$12.0 million generated from these services was eliminated at the Group's level as they were provided to the companies within the Group.

Cost of sales and Gross profit

Cost of sales increased from \$6.8 million in FY2010 to \$8.4 million in FY2011, which was in line with the increase in revenue. Gross profit for FY2011 was \$3.7 million as compared to \$1.4 million in FY2010. Gross profit margin improved from 17.3% to 30.7% due to the higher margin contribution from the sale of development properties and the higher selling prices of the development properties sold in FY2011.

Other operating income

The increase of \$1.2 million in other operating income was mainly attributable to the fair value gain in investment properties of \$2.2 million and rental income of \$0.4 million. In FY2010, the Group recorded a fair value gain of \$1.0 million and rental income of \$0.5 million.

Administrative expenses

Administrative expenses increased by \$0.2 million from \$2.4 million in FY2010 to \$2.7 million in FY2011. The increase was mainly due to higher salaries, bonus and related costs of employing additional manpower and qualified management staff.

Associated companies

The Group recorded a share of losses from associated companies of \$0.06 million, largely due to the operating losses in Goodland Sunny Pte Ltd and AG Capital Pte Ltd, as compared to the gain of \$1.0 million recorded in FY2010 from AG Development (Mar Thoma) Pte Ltd.

FINANCIAL REVIEW

Profit before income tax

Profit before income tax was \$3.2 million in FY2011 as compared to \$1.1 million in FY2010. This was mainly due to the higher revenue and higher gross margin as well as the higher fair value gain in investment properties as compared to FY2010. The increase in operating profit was offset by higher administrative expenses, higher finance costs and the share of losses from associated companies.

Balance Sheet

Trade and other receivables increased by about \$2.8 million, to \$8.6 million as at 30 September 2011 as compared to \$5.8 as at 30 September 2010. The increase was due to higher amount of receivables from the sale of the development properties. This was offset partially by the collection of amount due from associated companies.

Development properties for sale which are expected to obtain Temporary Occupation Permit ("TOP") and to be sold in the next 12 months grew by \$2.2 million, from \$13.2 million as at 30 September 2010 to \$15.4 million as at 30 September 2011. Non-current development properties for sale were \$35.7 million higher, from \$8.6 million as at 30 September 2010 to \$44.3 million as at 30 September 2011.

Investment properties increased from \$13.4 million as at 30 September 2010 to \$15.5 million as at 30 September 2011 due to the fair value gain of \$2.2 million.

Investments in associated companies decreased by \$0.6 million from \$2.4 million as at 30 September 2010 as compared to \$1.8 million as at 30 September 2011, mainly due to the distribution of dividends received from AG Development (Mar Thoma) Pte Ltd and the share of losses from Goodland Sunny Pte Ltd.

Trade and other payables increased from \$8.1 million as at 30 September 2010 to \$19.0 million as at 30 September 2011 as the Group received deposits and progress payments from purchasers of the sold units of the development projects.

Finance lease and borrowings increased by \$32.0 million as at 30 September 2011 as the Group obtained higher financing for the purchase of land banks, construction cost and working capital.

Income tax payable amount increased from \$0.4 million as at 30 September 2010 to \$0.9 million due to higher income tax provided for the year and offset by the amount of tax paid during the year.

The Group had a positive working capital of \$0.2 million as at 30 September 2011 as compared to a negative working capital of \$1.5 million as at 30 September 2010.

FINANCIAL REVIEW

Capital and reserves

Share capital increased from \$4.3 million as at 30 September 2010 to \$8.7 million as at 30 September 2011 due to the issuance of 31,888,000 new shares at \$0.1405 each pursuant to the placement exercise on 27 October 2010 and offset by \$0.17 million of related shares issue expenses against the share capital.

The Company had on 22 February 2011 allotted and issued 115,048,800 warrants at \$0.01 for each warrant carrying the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of \$0.16 for each new ordinary share. In addition, 250,000 warrants had been exercised and converted into ordinary shares.

Total retained earnings increased from \$11.2 million as at 30 September 2010 to \$14.4 million as at 30 September 2011, mainly due to profits earned for FY2011.

Cash Flow

Cash and cash equivalents increased from \$3.6 million as at 30 September 2010 to \$12.9 million as at 30 September 2011, mainly due to deposits and progress payments received from purchasers of the sold units of the development properties.

The net cash flow used in operating activities was \$27.4 million in FY2011 as compared to \$17.4 million in FY2010. The cash used for the purchase of land banks and development of properties in FY2011 was \$36.8 million as compared to \$18.5 million in FY2010. In FY2011, the amount of cash used was partially reduced by the higher trade and other payables.

The net cash generated from investing in activities in FY2011 was \$0.5 million, mainly due to the dividends received from investments and associated companies of \$0.5 million. In FY2010, the net cash used in investing activities was \$1.5 million due to investment in Goodland Sunny Pte Ltd of \$1.0 million and purchase of property, plant and equipment of \$0.7 million.

The net cash generated from financing activities of \$37.7 million in FY2011 was mainly from the net proceeds of \$4.4 million from the issuance of 31,888,000 new shares from the placement exercise, net proceeds of \$1.0 million from issuance of 115,048,800 warrants and net proceeds from borrowings of \$33.5 million with interest of \$1.5 million being paid. In FY2010, net cash generated from financing activities of \$21.7 million was mainly from the net proceeds of \$3.4 million pursuant to the Initial Public Offering of the Company, net proceeds from borrowings of \$17.7 million and advances from associated companies of \$1.6 million.



Well-Positioned

With a portfolio of distinctive residences and commercial properties coupled with a large, mixed land bank of landed and non-landed properties, we are well-positioned for strategic stability.

FEATURED PROJECTS



The Shoreline Residences I & II
Inggu Road & Wak Hassan Drive

Suites@Topaz
3 Topaz Road

The wonders of nature blend seamlessly with contemporary chic at the Shoreline Residences.

Boasting 16 gorgeous landed terrace houses, this prestigious new development is strictly for families who enjoy the finer things in life.

Located just a stone's throw from Sembawang Beach, The Shoreline Residences offers a unique lifestyle that very few developments can match in Singapore's concrete jungle. You can frolic on the beach and enjoy the wonders within a few minutes away.

Getting to a park for an evening stroll is also a breeze at Sembawang Park. Enjoy all that life has to offer with major shopping centres all within a short ride from your home. The Shoreline Residences – an irresistible combination offering the best of both worlds.

Showcasing 46 exclusive freehold apartments with a perfect blend of modernity and tranquility. Strategically located near MRT Station, major expressways and shopping mall, from shopping and dining to entertainment, everything is just a stone's throw away, delivering a perfect combination of convenience and exclusivity. The well-furnished 5-storey residential flat with attic and mechanised car park also allows residents to take a refreshing dip in the swimming pool or sweat it out in the gym, displaying great stature and sophistication, while captivating at every glance.

COMPLETED PROJECTS



Jalan Waringin

Location : 15 Jalan Waringin
Tenure : Freehold
Type : 3-storey intermediate terrace house with roof terrace



Penefather Road

Location : 27 and 29 Penefather Road
Tenure : Freehold
Type : A pair of 3-storey semi-detached houses with an attic and roof terrace



Jalan Tanjong

Location : 6 Jalan Tanjong
Tenure : Freehold
Type : 3-storey intermediate terrace house with roof terrace



Jalan Senang

Location : 79A Jalan Senang
Tenure : Freehold
Type : 3-storey intermediate terrace house with roof terrace

ON-GOING PROJECTS



Suites@Topaz

Location : 3 Topaz Road
Tenure : Freehold
Type : 5 storey residential flat with attic of 46 units with swimming pool, gym and mechanised car park



Royce Residences

Location : 8 Lorong 6 Geylang
Tenure : Freehold
Type : 5 storey residential flat of 40 units with mechanical carpark and communal facilities



The Shoreline Residences I

Location : 51, 53, 55, 57, 59 & 61 Inggū Road
Tenure : Leasehold
Type : Residential terrace houses development



The Shoreline Residences II

Location : 60, 62, 64, 66, 68, 70, 72, 74, 76 & 78 Wak Hassan Drive
Tenure : Leasehold
Type : Residential terrace houses development



The Aristo @ Amber ⁽¹⁾

Location : 23 Amber Road
Tenure : Freehold
Type : 18-storey residential apartment building of 54 residential units and 2 units for an existing conservation house, with basement, mechanical carpark, swimming pool and communal facilities




Vibes @ East Coast ⁽²⁾

Location : 308 Telok Kurau Road
Tenure : Freehold
Type : 5-storey residential flat with attic (total 117 units) with 1st storey commercial shops (total 28 units), with mechanical carpark, swimming pool and communal facilities

(1) Project with Ascender Investment Pte Ltd

(2) Project with Oxley Holdings Limited



Primed for the Future

Our expertise in construction and development paired with adept management, gives us the capacity to ride the winds of change and propel our growth.

UPCOMING PROJECTS



Projects	Location	No of units	Description	Tenure
Kim Chuan Lane	3 Kim Chuan Lane	TBA	8-Storey Industrial Building	Freehold
The Shoreline Bungalows	219, 219A, 219B & 219C Ponggol Seventeenth Avenue	4	Proposed 4 Units of 2 Storey Cluster Bungalows with communal facilities and a swimming pool	Freehold
Poh Huat Road	26A Poh Huat Road	1	Proposed 3 storey corner terrace house with roof terrace	Leasehold 940 years
Poh Huat Road	26C Poh Huat Road	1	Proposed 3 storey intermediate terrace house with roof terrace	Leasehold 940 years
Robey Crescent	1 Robey Crescent	TBA	TBA	Leasehold 999 years
Jln Dr Lim Chwee Leong (Penang, Malaysia) ⁽¹⁾	Nos. 204/206/208 Jalan Dr. Lim Chwee Leong	3	Commercial Shop Houses	Freehold

⁽¹⁾ Pending for planning approval
TBA: To be advised

BOARD OF DIRECTORS



Standing from left to right : Wong Ming Kwong, Melanie Tan Bee Bee, Raymond Lye Hoong Yip and Dr Wu Chiaw Ching
Seated from left to right : Alvin Tan Chee Tiong and Ben Tan Chee Beng

Ben Tan Chee Beng
Executive Chairman

Appointed as the Executive Director on 6 May 2004, Mr Ben Tan is the Chairman of the Board of Directors, and is primarily responsible for overseeing the strategic direction of the Group.

Prior to joining the Group, Mr Tan worked as a civil engineer with the Housing and Development Board of Singapore. In July 1994, he became a director of Goodland Development Pte Ltd, which commenced operations as a civil engineering company undertaking public infrastructure works. Together with the other co-founder, Mr Alvin Tan, he expanded the company's business operations to include property development.

Since October 2003, he has been the director of Farmart Centre Pte Ltd, a company involved in the operation of mini farm businesses.

Mr Tan holds a Bachelor of Engineering (Civil) from the National University of Singapore.

Alvin Tan Chee Tiong
Chief Executive Officer

Mr Alvin Tan was appointed as the Executive Director on 6 May 2004, and is the Chief Executive Officer. He is primarily responsible for the overall management of the Group, and is responsible for overseeing its business operations. Under his leadership, the Group has seen a significant expansion in its holdings, and a substantial increase in capital base.

He is also the director of Banyan Housing Development, a company overseeing the expansion of the Group's business in Malaysia.

Mr Tan holds a First Class (Honours) in Construction Management from the Royal Melbourne Institute of Technology, Australia.

Melanie Tan Bee Bee
Executive Director

Ms Melanie Tan was appointed as the Executive Director on 19 August 2009. Ms Tan has an accounting background, and is responsible for overseeing the finances of the Group, its strategic investments, acquisitions and finance, including the Company's initial public offering. She joined the Group as Financial Controller in 1995.

Ms Tan also oversees the Group's human resource and administration, and drives service innovation within the Group.

Wong Ming Kwong
Non-Executive Director

Mr Wong Ming Kwong was appointed as our non-executive Director on 11 June 2009. Mr Wong established Key Elements Consulting Group in 1999, providing consultancy services for companies, especially small and medium enterprises in Singapore. He is now the President of Key Elements Consulting Pte Ltd. He is also currently the director of Key Elements Consulting Pte Ltd, Kitchen Agenda Pte Ltd and A List Advisory Pte Ltd. Prior to that, he was the marketing communications manager for the motors group in Inchcape Sendirian Berhad in 1990 and subsequently, the business development manager till 1993. Mr Wong spearheaded business development as a sales and marketing manager in Singapore National Printers Pte Ltd (now known as SNP Corporation Ltd) from 1993 to 1995. Following that, he became the marketing director of APV Asia Pte Ltd, part of the Invensys PLC global technology and controls group, before being promoted to the position of managing director (Greater China Division) in 1997, a position he held till 1998.

From March 2006 to 2008, Mr Wong held the position of non-executive director of Natural Cool Holdings Limited, a company listed at SGX-ST. He also held the position of executive director for China Fashion Holdings Limited from Dec 2009 to May 2011. Currently, he is the non-executive director of Goodland Group Limited and Mary Chia Holdings Limited, independent director of Old Chang Kee Limited. All these companies are listed on the SGX Catalist.

Mr Wong holds a Bachelor of Arts (Second Upper Honours)(Chinese Studies) and Bachelor of Arts (Economics and Statistics) degree from the National University of Singapore. In addition, he holds a Graduate Diploma in Marketing from the Marketing Institute of Singapore.

BOARD OF DIRECTORS

Dr Wu Chiaw Ching Lead Independent Director

Dr Wu Chiaw Ching was appointed as the Independent Director on 19 August 2009. Since 1987, Dr Wu has been the proprietor-auditor of Wu Chiaw Ching & Company. Dr Wu is a fellow member of the Singapore Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, United Kingdom and Certified Public Accountants, Australia. In addition, Dr Wu is a member of the Singapore Institute of Directors. Dr Wu is presently an independent director of Natural Cool Holdings Ltd, a company listed on the Catalist and LHT Holdings Limited, a company listed on the Main Board of the SGX-ST.

Raymond Lye Hoong Yip Independent Director

Mr Raymond Lye was appointed as the Independent Director on 19 August 2009. Mr Lye holds a Bachelor of Laws (Hons) from the National University of Singapore and has been in legal practice since 1990. He is an executive director of CitiLegal LLC since April 2010. Prior to that, Mr Lye served as a Magistrate and Deputy Registrar before going into private practice.

His areas of expertise are civil and criminal litigation, corporate and commercial work, building and construction law, family law and intellectual property rights. Mr Lye also serves as an independent director on the board of an environmental services company listed on the SGX-ST. He is also active in community and

public service. Mr Lye is currently the Chairman of the English Programme Advisory Committee of the Media Development Authority and a member of the Strata Titles Board. He is also a Resource Panel member of the Government Parliamentary Committee on Defence and Foreign Affairs, and the Chairman of the Punggol East Citizens Consultative Committee. He was also conferred the Public Service Medal (PBM) and the Public Service Star (BBM) by the President of Singapore in the 1998 and 2008 National Day Awards.

KEY MANAGEMENT

Lim Bee Bee Chief Financial Officer

Ms Lim Bee Bee was appointed as the Chief Financial Officer in October 2009. She is responsible for overseeing the overall financial and accounting matters of the Group.

Ms Lim has more than 10 years of experience in the financial and accounting profession. Prior to joining the Group, she worked as Vice President, Finance with Asia Pacific CIS, a US multinational company. She headed the finance and accounting functions of the group and her duties included overseeing these functions in United States, Europe, China, Thailand and Singapore.

Ms Lim graduated from the Association of Chartered Certified Accountants and is a member of the Institute of Certified Public Accountants of Singapore.

Jennifer Galon Teologo Human Resource and Public Relations Officer

Ms Jennifer Galon Teologo is the Human Resource and Public Relations Officer, and is responsible for recruiting, orienting and training of staff. She provides guidance and direction to ensure that public relations and communications programs reflect corporate objectives.

Ms Teologo has a Bachelor of Science in Accountancy from the University of St. La Salle, the Philippines, and a Masters in Business Administration from the University of Negros Occidental - Recoletos, the Philippines. Ms Teologo is also a member of the Philippine Institute of Certified Public Accountants.

Mindy Tan Associate Director (Property)

As the Associate Director (Property), Ms Mindy Tan has been overseeing the Group's property arm since July 2009. Prior to joining the Group, Ms Tan was an Associate Director at Cushman & Wakefield (S) Pte Ltd, where she was responsible for sourcing new investment sales business opportunities, involved in the sale of residential and commercial sites, and in the implementation of marketing campaigns.

Ms Tan has more than 10 years of experience in the property industry, and has been successful in conceptualising the design, and marketing of the Group's portfolio of properties.

Ms Tan is a registered appraiser, licensed by the Inland Revenue Authority of Singapore. She holds a Bachelor of Science (Honours) in Estate Management from the University of Reading, United Kingdom.

Raj Nainani Associate Director (Projects And Contracts)

Mr Raj Nainani was appointed as Associate Director (Projects And Contracts) in February 2010. Mr Raj Nainani has previously worked with the Building and Construction Authority, Singapore, and also has diverse experience in the real estate industry in India.

His expertise includes contract administration, project management, cost planning, procurement and cost management of building projects.

Mr Raj holds a Bachelor of Architecture from Bangalore University, India, and also a First Class (Honours) in Construction Management from the Royal Melbourne Institute of Technology, Australia.

FINANCIAL CONTENTS

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The Board of Directors (the “**Board**”) of Goodland Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is committed to high standards of corporate governance, to promote corporate transparency and to protect and enhance shareholders’ interests, and is guided by the principles and guidelines of the Singapore Code of Corporate Governance 2005 (the “**Code**”) issued by the Singapore Council on Corporate Disclosure and Governance.

This report outlines the Group’s corporate governance practices and activities in line with the Code for the financial year ended 30 September 2011 (“**FY2011**”).

Board Matters

1. The Board’s Conduct of its Affairs

Principle 1: Effective Board to lead and control the company

The Board has the responsibility for the overall management of the Group. It reviews the Group’s financial performance, establishes the corporate strategies, sets overall business direction and goals and monitors the performance of these goals to enhance shareholders’ value. The Board also has separate and independent access to the Company’s senior management.

The Board is responsible for the overall corporate governance of the Group. The Board has formed three committees: (i) the Audit Committee, (ii) the Remuneration Committee and (iii) the Nominating Committee, to assist it in the execution of its responsibility. The Board delegates specific responsibilities to the three committees. These committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis.

The Board will meet at least once every quarter, with optional meetings scheduled as and when necessary. Board approval is specifically required for the below matters:

- Financial results announcements;
- Annual report and accounts;
- Dividend payment to shareholders;
- Interested person transactions;
- Major acquisition or disposal;
- Corporate strategies and financial restructuring; and
- Transactions of a material nature.

The Company’s Articles of Association allows the Board meetings to be conducted in the form of telephone conferencing and through other electronic communication equipments.

During the financial year under review, the number of Board and Board Committee meetings held and the attendance of each Board member were as follows:-

Name of Director	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended
Ben Tan Chee Beng	4	4	NA	NA	NA	NA	NA	NA
Alvin Tan Chee Tiong	4	4	NA	NA	NA	NA	NA	NA
Melanie Tan Bee Bee	4	4	NA	NA	NA	NA	NA	NA
Dr Wu Chiaw Ching	4	4	4	4	1	1	1	1
Wong Ming Kwong	4	4	4	4	1	1	1	1
Raymond Lye Hoong Yip	4	4	4	4	1	1	1	1

NA : Not applicable

Corporate Governance Report

All Board members are provided with regular updates on the changes in the relevant laws and regulations and financial reporting standards to enable them to make well-informed decisions and to ensure they are competent in carrying out their expected roles and responsibilities.

Newly appointed Director will be provided with briefing and orientation programmes to familiarise them with the business activities and operations of the Group.

2. Board Composition and Balance

Principle 2: Strong and independent Board

The Board currently has six members, of whom two are independent Directors, thereby fulfilling the Code's recommendation that independent directors make up at least one-third of the Board. The Independent Directors, namely Dr Wu Chiaw Ching and Mr Raymond Lye Hoong Yip, have confirmed that they do not have any relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent judgment of the Group's affairs with a view to the best interest of the Company. The independence of the Independent Directors will be reviewed annually by the Nominating Committee based on the guidelines set forth in the Code. The Nominating Committee has reviewed and determined that the said Directors are independent.

The Board comprises the following members:

Ben Tan Chee Beng	Executive Chairman
Alvin Tan Chee Tiong	Chief Executive Officer and Group Managing Director
Melanie Tan Bee Bee	Executive Director
Wong Ming Kwong	Non-Executive Director
Dr Wu Chiaw Ching	Lead Independent Director
Raymond Lye Hoong Yip	Independent Director

The Board members comprise seasoned professionals with management, financial, accounting and industry backgrounds. Its composition enables the management to benefit from a diverse and objective external perspective on issues raised before the Board. The Board considers that its Directors possess the necessary competencies to lead and govern the Company effectively.

The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board is appropriate in facilitating effective decision making.

The Nominating Committee is of the view that the present Board comprises persons who as a group provide capabilities required for the Board to be effective. Key information regarding the Directors is set out on pages 16 to 18 of the Annual Report.

3. Chairman and Chief Executive Officer

Principle 3: Clear division of responsibilities to ensure a balance of power and authority

The Company has a separate Chairman and Chief Executive Officer ("**CEO**"). Mr Ben Tan Chee Beng is the Chairman of the Board and Mr Alvin Tan Chee Tiong, brother of Mr Ben Tan Chee Beng, is the CEO.

The Chairman leads the Board discussions and deliberation and also ensures that the Board meetings are held when necessary. He sets the meeting agenda and ensures that the Directors are provided with complete, adequate and timely information. He also assists in ensuring compliance with the Group's guidelines on corporate governance.

The CEO is responsible for the day-to-day management of the business. He has executive responsibilities in the business directions and operational efficiency of the Group. He also oversees the execution of the Group's corporate and business strategy set out by the Board and ensures the Directors are kept updated and informed of the Group's business.

Although the Chairman and the CEO are siblings, the Board is of the view that the process of decision making by the Board is independent and with the establishment of the various Board Committees which are chaired by Independent Directors, there are adequate accountability safeguards to ensure an appropriate balance of power and authority for good corporate governance.

For good corporate governance, the Board has appointed Dr Wu Chiaw Ching as the Lead Independent Director of the Company to address the concerns of the shareholders and employees in the event the normal interactions with the Executive Chairman and CEO or Chief Financial Officer could not satisfactorily resolve their concerns or where such channel of communications is considered inappropriate.

4. Board membership

Principle 4: Formal and transparent process for appointment of new directors

The Nominating Committee (“**NC**”) comprises Mr Raymond Lye Hoong Yip, Mr Wong Ming Kwong and Dr Wu Chiaw Ching, where the majority, including the Chairman, is independent. The Chairman of the NC is Mr Raymond Lye Hoong Yip. He is not directly associated with a substantial shareholder of the Company.

The NC is responsible for:

- (a) Appointment of new Directors with the appropriate profile having regards to their expertise, experiences, industry background, track record and competencies;
- (b) Re-nomination / re-election of the Directors having regard to the Director’s contribution and performance;
- (c) Determining on an annual basis whether or not a Director is independent; and
- (d) Deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director.

The NC decides on how the Board’s performance is to be evaluated and proposes objective performance criteria, subject to the approval of the Board, which address how our Board has enhanced long-term shareholders’ value.

The NC establishes the process for assessing the effectiveness of the Board and for assessing the contribution by each individual Director to the effectiveness of the Board. Each member of the NC shall abstain from voting on any resolutions and making any recommendations or participating in any deliberations in respect of the assessment of his performance or re-nomination as Director.

Where a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC in consultation with the Board, determines the selection criteria and selects candidates with appropriate expertise and experience. The search and nomination process for new Directors, if any, will be through contacts and recommendations that go through the normal selection process for the right candidate. Upon the review and recommendations of the NC to the Board, the new Directors will be appointed by way of board resolution.

All Directors are subject to re-nomination and re-election at regular intervals of at least once every three years. At each annual general meeting of the Company (“**AGM**”), at least one third (or the number nearest to a third) of the Directors are required to retire from office and to submit themselves for re-election. However, a retiring Director is eligible for re-election at the meeting at which he retires.

The NC recommended to the Board that Mr Raymond Lye Hoong Yip and Mr Wong Ming Kwong be nominated for re-election at the forthcoming AGM. Mr Raymond Lye Hoong Yip will, upon re-election as a Director of the Company, remain as the Chairman of the NC and member of the Audit and Remuneration Committees.

In making the recommendation, the NC had considered the said Directors’ overall contributions and performance.

The NC meets at least once a year. Meetings of the NC can also be in the form of telephone conferencing and through other electronic communication equipments.

5. Board performance

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each director

The NC evaluates the performance of the Board and that of the individual Directors based on performance criteria set by the Board.

Corporate Governance Report

The criteria for assessing the Board's performance include Board composition and size, board processes, accountability, standard of conduct and performance of its principal functions and fiduciary duties, and guidance to and communication with the management. The level of contribution to Board meetings and other deliberations are also considered.

The NC has assessed the current Board's performance to-date and is of the view that the performance of the Board as a whole was satisfactory. Although some of the Board members have multiple board representations, the NC is satisfied that sufficient time and attention have been given by the Directors to the Group.

6. Access to information

Principle 6: Provision of complete, adequate and timely information prior to board meetings and on an on-going basis

Management provides the Board with complete, adequate and timely information prior to Board meetings and on an on-going basis. Where a decision has to be made, the necessary information is provided to the Directors to enable them to make informed decisions.

The Board has separate and independent access to senior management and the Company Secretary at all times. The Company Secretary is present at all Board meetings to ensure that Board's procedures are followed and the relevant rules and regulations are complied with. The management deals with requests for information from the Board promptly and consults the Board members regularly whenever necessary and appropriate.

Should the Directors, whether individually or as a group, require independent advice on specific issues, they may engage independent professionals at the Company's expense to enable them to discharge their duties with adequate knowledge on the matters being deliberated.

7. Remuneration Matters

Principle 7: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors.

The Remuneration Committee ("RC") comprises Dr Wu Chiaw Ching, Mr Raymond Lye Hoong Yip and Mr Wong Ming Kwong, where the majority of whom, including the Chairman is independent. The Chairman of the RC is Dr Wu Chiaw Ching.

The RC recommends to the Board a framework of remuneration for the Directors and executive officers, and determines specific remuneration packages for the Executive Chairman and each Executive Director. The RC submits its recommendations to the Board for endorsement. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind are covered by the RC. Each member of the RC shall abstain from voting on any resolutions and making recommendations or participating in any deliberations in respect of his remuneration package.

8. Level and mix of remuneration

Principle 8: Appropriate remuneration to attract, retain and motivate directors but should avoid paying more for this purpose.

The RC performs an annual review and ensures that the remuneration packages are comparable within the industry and with similar companies and will also take into consideration the Group's relative performance and the contributions and responsibilities of the individual Directors.

Executive Directors do not receive directors' fees. The Executive Directors are paid a basic salary and a performance related bonus for their contributions.

The Non-Executive Directors and Independent Directors are compensated based on fixed directors' fees taking into consideration their contributions, responsibilities and time spent. Their fees are recommended to shareholders for approval at the AGM and paid after the necessary approval has been obtained.

On 24 September 2009, the Company entered into separate service agreements with Mr Ben Tan Chee Beng, Mr Alvin Tan Chee Tiong and Ms Melanie Tan Bee Bee in relation to their appointment as Chairman, CEO and Executive Director respectively. The service agreements are valid for an initial period of three years from the date the Company is admitted to the Official List of Catalist, being 8 October 2009, and thereafter shall be renewed annually on such terms and conditions as may be mutually agreed between the parties.

9. Disclosure on Remuneration

Principle 9: Clear disclosure on remuneration policy, level and mix of remuneration.

The details of the remuneration packages of the Directors and executive officers for FY2011 are as follows:

Remuneration of Directors

Directors	Salary %	Bonus %	Fees %	Other Benefits %	Total %
\$250,000 to below \$500,000					
Ben Tan Chee Beng	85	15	–	–	100
Alvin Tan Chee Tiong	86	14	–	–	100
Melanie Tan Bee Bee	85	15	–	–	100
Below \$250,000					
Dr Wu Chiaw Ching	–	–	100	–	100
Wong Ming Kwong	–	–	100	–	100
Raymond Lye Hoong Yip	–	–	100	–	100

Remuneration of executive officers

The top five executives of the Group (excluding CEO in the above table) in each remuneration band are:

Key Executives	Salary %	Bonus %	Fees %	Other Benefits %	Total %
Below \$250,000					
Koh Chin Kim	82	18	–	–	100
Mindy Tan	84	16	–	–	100
Lim Bee Bee	90	10	–	–	100
Jennifer Galon Teologo	87	13	–	–	100
Rajesh Kannaya Nainani	87	13	–	–	100

In the above table, Mdm Koh Chin Kim is the mother, and Ms Mindy Tan is the sister, of the Executive Directors, Mr Ben Tan Chee Beng, Mr Alvin Tan Chee Tiong and Ms Melanie Tan Bee Bee.

Save as the above-mentioned, none of the employees who are immediate family members of a Director or the CEO received remuneration exceeding S\$150,000 during the financial year.

The Company does not have any employee share option scheme.

10. Accountability

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

The Board is accountable to shareholders and disseminates information on the Group's performance, position and prospects through the half year and full year results announcement and the annual reports. The Board also furnishes timely information and ensures full disclosure of material information to shareholders.

The management currently provides the Board with management accounts of the Group's performance, position and prospects on quarterly basis.

The auditors of the Company's subsidiaries and associated companies are disclosed in note 14 and 15 to the financial statements in this annual report. The Company confirms that Rule 715 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst ("Catalist Rules") is complied with.

Corporate Governance Report

11. Audit Committee

Principle 11: Establishment of an Audit Committee with written terms of reference.

The Audit Committee (“AC”) comprises Dr Wu Chiaw Ching, Mr Wong Ming Kwong and Mr Raymond Lye Hoong Yip, the majority of whom, including the Chairman, is independent. The Chairman of the AC is Dr Wu Chiaw Ching.

The Board is of the view that the members of the AC have sufficient accounting and financial management expertise and experience to discharge the AC’s functions. The AC carried out its functions in accordance with the Companies Act, Cap. 50 of Singapore (“**Companies Act**”) and its terms of reference.

The AC assists the Board in discharging its responsibility to safeguard the Group’s assets, maintain adequate accounting records, and develop and maintain effective systems of internal control, with the overall objective of ensuring that the management creates and maintains an effective control environment in the Group. The AC provides a channel of communication between the Board, management and external auditors on matters relating to audit.

The AC meets at least once every quarter to discuss and review the following where applicable:

- (a) Reviews with the external auditors, the audit plan, the evaluation of the system of internal accounting controls, the audit report, the assistance given by the Company’s officers to the external auditors and the scope and results of the audit procedures;
- (b) Reviews the annual consolidated financial statements of the Group and balance sheet of the Company before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;
- (c) Reviews the internal control procedures and ensures co-ordination between the external auditors and the management, review the assistance given by the management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management, where necessary);
- (d) Reviews and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group’s operating results or financial position, and the management’s response;
- (e) Considers the appointment or re-appointment of the external auditors and matters relating to the resignation or dismissal of the auditors;
- (f) Reviews interested person transactions (if any) and potential conflicts of interest (if any) falling within the scope of Chapter 9 of the Catalist Rules;
- (g) Undertakes such other reviews and projects as may be requested by the Board, and reports to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- (h) Generally undertakes such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time; and
- (i) Reviews the Group’s key financial risk areas, with a view to provide independent oversight on the Group’s financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNET.

In addition, all transactions with related parties shall comply with the requirements of the Catalist Rules. The Directors shall abstain from voting in any contract or arrangement or proposed contract or proposed arrangement in which he has a personal material interest.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group’s operating results or financial position or both.

The AC also has the power to investigate any matter brought to its attention, within its terms of reference, with the power to retain professional advice at the Company's expense.

The AC has full access to and co-operation of management, has full discretion to invite any Director or executive officer to attend the meetings and has been given reasonable resources to enable it to discharge its functions.

The AC meets with the external auditors, without the presence of the Company's management, at least once a year.

The Company has appointed a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit. Moore Stephens LLP was appointed as the Company's external auditors on 28 March 2009. Mr Neo Keng Jin is the audit engagement partner in charge of the audit of the Company since 28 March 2009. The Company confirms that Rule 712 of the Catalist Rules is complied with.

The AC is satisfied with the independence and objectivity of the external auditor and recommends to the Board the nomination of Moore Stephens LLP for re-appointment at the forthcoming AGM. The AC is also satisfied with the level of co-operation rendered by management to the external auditors and the adequacy of the scope and quality of their audits.

The AC has incorporated "whistle blowing" procedures as part of the Company's system of internal controls. This is to provide a channel for employees of the Group to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting and other matters. The objective of the policy is to ensure that there is independent investigation of such matters and that appropriate follow up actions will be taken.

12. Internal Controls

Principle 12: Sound system of internal controls

The AC will ensure that a review of the effectiveness of the Group's material internal controls, including financial, operational, compliance controls and risk management is conducted annually. The AC will review the audit plans, and the findings of the auditors and will ensure that the Group follows up on auditors' recommendations raised, if any, during the audit process. In its review of the external auditors' examination and evaluation of the system of internal controls, no significant weakness in the system has come to the attention of the AC to cause to believe that the system of internal controls is inadequate.

The Company believes that the system of internal controls maintained by the management and that was in place throughout the financial year under review and up to the date of this report provides reasonable, but not absolute assurance against material financial misstatements or loss, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with relevant legislation, regulations and best practices, and the identification and containment of business risk.

The Board, with the concurrence of the AC, is of the view that, in the absence of any evidence to the contrary, the system of internal controls, including financial, operational and compliance controls, and risk management systems maintained by the Group's management, and that was in place throughout the financial year up to the date of this report, is adequate to meet the needs of the Group in its current business environment.

13. Internal Audit

Principle 13: Establishment of an internal audit function that is independent of the function it audits.

The AC is aware of the need to establish a system of internal controls within the Group to safeguard the shareholders' interests and the Group's assets, and to manage risk.

The size of the operations of the Group does not warrant the Group having an in-house internal audit function.

The internal audit function is outsourced to a professional consultancy firm, Crowe Horwath First Trust Risk Advisory Pte. Ltd.. The AC decides on the timing of the commissioning of the internal audit function from time to time and ensures that adequate resources are directed to carry out those plans.

Corporate Governance Report

The Company's internal auditors have conducted an annual review in accordance with their audit plans, of the effectiveness of the Company's material internal controls, including financial, operational and compliance controls, and risk management. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC. The AC has also reviewed the effectiveness of actions taken by the management on the recommendations made by the internal auditors in this respect. The AC is satisfied that the internal audit is adequately resourced and has the appropriate standing within the Group.

14. Communication with Shareholders

Principle 14: Regular, effective and fair communication with shareholder

Principle 15: Greater shareholder participation at AGMs

The Board is mindful of its obligation to provide timely and fair disclosure of material information to shareholders. Shareholders are kept abreast of results and other material information concerning the Group through regular and timely dissemination of information via SGXNET announcements, annual reports, and various other announcements made during the year.

All shareholders of the Company will receive the notice of the AGM and the notice will also be advertised in the newspaper. The Chairman and the other Directors will attend the AGM and are available to answer questions from the shareholders. The external auditors will also be present to assist the Directors in addressing any relevant queries from shareholders. The Board considers the AGM as the main forum where dialogue with shareholders can be effectively conducted.

The Company ensures that there are separate resolutions at general meetings on each distinct issue.

The Company's Articles of Association allow a member of the Company to appoint one or two proxies to attend and vote at its general meetings.

Dealing in Company's Securities

In line with Rule 1204(19) of the Catalist Rules, the Group has adopted an internal code of conduct to provide guidance to its Directors, management and executive officers with regard to dealings in the Company's securities. Directors and executive officers of the Company should not deal in Company's securities on short term considerations or when they are in possession of unpublished price sensitive information. They are also not allowed to deal in the Company's securities during the period of one month prior to the announcement of the Company's half year and full year financial results and ending on the date of the announcement of the financial results. The Directors and officers are also required to adhere to the provisions of the Companies Act, and any other relevant regulations with regard to their securities transactions.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported to the AC which will review, at least quarterly to ensure that they are carried out at arm's length, not prejudicial to the interest of the Group and its minority interests and in accordance with the established procedures. When a potential conflict of interest arises, the Director concerned will not participate in discussions and will refrain from exercising any influence over other members of the Board.

The Group does not have general mandate for recurrent interested person transactions.

The interested person transactions transacted for FY2011 by the Group are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000.00 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalyst Rules)	Description of the transaction entered into with the interested person during the financial year under review	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalyst Rules (excluding transactions less than S\$100,000.00)
Koh Chin Kim ⁽¹⁾ / Melanie Tan Bee Bee ⁽²⁾ / Mindy Tan Bee Leng ⁽¹⁾	\$524,800	Sale of property known as Royce Residences at \$524,800	Not applicable
Raymond Lye Hoong Yip ⁽³⁾	\$484,300	Sale of property known as Royce Residences at \$484,300	Not applicable

Notes:

- (1) Mdm Koh Chin Kim is the mother, and Ms Mindy Tan is the sister, of the Executive Directors of the Company, namely Mr Ben Tan Chee Beng, Mr Alvin Tan Chee Tiong and Ms Melanie Tan Bee Bee.
- (2) Ms Melanie Tan Bee Bee is the Executive Director of the Company.
- (3) Mr Raymond Lye Hoong Yip is the Independent Director of the Company.

Material Contracts

Except as disclosed in section on Interested Person Transactions above, there was no material contract or loan entered into between the Company and any of its subsidiaries involving interests of any the CEO, Director or controlling shareholder, either still subsisting at the end of FY2011 or if not then subsisting, entered into since the end of the previous financial year.

Use of Proceeds from Rights Issue Exercise

The Company issued 115,048,800 warrants at a price of S\$0.01 per warrant pursuant to the completion of the warrants exercise on 22 February 2011.

Pursuant to the above, the Company received total gross proceeds of S\$1.15 million and as at the date of this Annual Report, the gross proceeds have been utilised as follows:

Intended Use	Allocation (S\$'000)	Utilised Amount (S\$'000)	Unutilised Amount (S\$'000)
Future local and regional expansion	855	855	–
General working capital	95	95	–
Rights issue expenses	200	161	39
Total	1,150	1,111	39

The Board has approved to allocate the remaining unutilised amount of S\$39,000 for general working capital purposes.

Corporate Governance Report

Non-Sponsor Fees

The nature of non-sponsor services that were rendered by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd., to the Group and their related fees for FY2011 is as follows:

Manager to the rights issue of warrants	S\$55,000
-----------------------------------------	-----------

Non-Audit Fees

There was no non-audit service provided by the Company's auditors, Moore Stephens LLP to the Group.

The directors present their report to the members together with the audited consolidated financial statements of Goodland Group Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the financial year ended 30 September 2011 and the audited balance sheet of the Company as at 30 September 2011.

1. Directors

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

Ben Tan Chee Beng
Alvin Tan Chee Tiong
Melanie Tan Bee Bee
Dr Wu Chiaw Ching
Wong Ming Kwong
Raymond Lye Hoong Yip

2 Arrangements to Enable Directors to Acquire Shares or Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3 Directors’ Interests in Shares or Debentures

According to the Register of Directors’ Shareholdings kept by the Company under Section 164 of the Companies Act, Chapter 50 (the “Act”), particulars of interests of directors who held office at the end of the financial year in shares or debentures of the Company and its related corporations are as follows:

	Direct Interest		Deemed Interest	
	At 1.10.2010	At 30.09.2011	At 1.10.2010	At 30.09.2011
The Company (No. of Ordinary shares)				
Ben Tan Chee Beng	31,220,000	31,220,000	92,271,200	92,271,200
Alvin Tan Chee Tiong	31,220,000	31,220,000	92,271,200	92,271,200
Melanie Tan Bee Bee	15,271,200	15,271,200	108,220,000	108,220,000
Wong Ming Kwong	4,760,000	4,760,000	–	–

There was no change in any of the above mentioned interests between the end of the current financial year and 21 October 2011.

Mr Ben Tan Chee Beng, Mr Alvin Tan Chee Tiong and Ms Melanie Tan Bee Bee, who by virtue of their interest in not less than 20% of the issued share capital of the Company, are deemed to have an interest in the shares of the subsidiaries held by the Company.

Except as disclosed in this report, no directors who held office at the end of the financial year had an interest in the shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning or at the end of the financial year.

4 Directors' Contractual Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit 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 as disclosed in the financial statements.

5 Options Granted

During the financial year, no options to take up unissued shares of the Company or its subsidiaries were granted.

6 Options Exercised

During the financial year, there were no shares of the Company or its subsidiaries issued by virtue of the exercise of options to take up unissued shares.

7 Options Outstanding

At the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

8 Audit Committee

The Audit Committee ("AC") comprises Dr Wu Chiaw Ching, Mr Wong Ming Kwong and Mr Raymond Lye Hoong Yip, the majority of whom, including the Chairman, are independent. The Chairman of the AC is Dr Wu Chiaw Ching.

The AC carried out its functions in accordance with Section 201B(5) of the Companies Act, Cap. 50. In performing those functions, the AC:

- (a) reviews with the external auditors, the audit plan, the evaluation of the system of internal accounting controls, the audit report, the assistance given by the Company's officers to the external auditors and the scope and results of the audit procedures;
- (b) reviews the annual consolidated financial statements of the Group and balance sheet of the Company before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules") and any other relevant statutory or regulatory requirements;
- (c) reviews the internal control procedures and ensures co-ordination between the external auditors and the management, reviews the assistance given by the management to the auditors, and discusses problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management, where necessary);
- (d) reviews and discusses with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (e) considers the appointment or re-appointment of the external auditors and matters relating to the resignation or dismissal of the auditors;
- (f) reviews interested person transactions (if any) and potential conflicts of interest (if any) falling within the scope of Chapter 9 of the Catalist Rules;

8 Audit Committee (cont'd)

- (g) undertakes such other reviews and projects as may be requested by the Board, and reports to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- (h) generally undertakes such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time; and
- (i) reviews the Group's key financial risk areas, with a view to provide independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGX-NET.

The AC has recommended to the directors the nomination of Moore Stephens LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

Further details regarding the AC are disclosed in the Corporate Governance Report.

9 Independent Auditors

Moore Stephens LLP, Public Accountants and Certified Public Accountants, have expressed their willingness to accept re-appointment as independent auditors.

On behalf of the Board of Directors

Ben Tan Chee Beng

Alvin Tan Chee Tiong

Singapore

27 December 2011

Statement by Directors

30 September 2011

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 36 to 85 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2011, and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors

Ben Tan Chee Beng

Alvin Tan Chee Tiong

Singapore

27 December 2011

We have audited the accompanying financial statements of Goodland Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), as set out on pages 36 to 85, which comprise the balance sheets of the Company and of the Group as at 30 September 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 profit and loss accounts and balance sheets 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 judgment, 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 controls 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 controls. 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.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet 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 state of affairs of the Group and the Company as at 30 September 2011 and the results, changes in equity and cash flows of the Group 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 those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Moore Stephens LLP
Public Accountants and
Certified Public Accountants

Singapore

27 December 2011

Consolidated Statement of Comprehensive Income

For the Financial Year Ended 30 September 2011

	Note	Group	
		2011	2010
		S\$	S\$
Revenue	4	12,106,000	8,218,658
Cost of sales		(8,385,551)	(6,799,961)
Gross profit		3,720,449	1,418,697
Other operating income	5	2,744,741	1,505,342
Interest income		4,112	3,812
Administrative expenses		(2,667,933)	(2,448,455)
Other operating expenses		(3,261)	(88,845)
Finance costs	6	(496,536)	(309,364)
Share of results of associated companies, net of tax	15	(61,810)	991,866
Profit before income tax	7	3,239,762	1,073,053
Income tax credit	9	21,195	33,712
Total profit for the year		3,260,957	1,106,765
Other comprehensive (expense)/income, net of tax:			
Exchange difference arising from consolidation		(15,408)	16,543
Total comprehensive income for the year		3,245,549	1,123,308
Profit attributable to:			
Equity holders of the Company		3,259,956	1,113,451
Non-controlling interests		1,001	(6,686)
		3,260,957	1,106,765
Total comprehensive income attributable to:			
Equity holders of the Company		3,248,549	1,118,267
Non-controlling interests		(3,000)	5,041
		3,245,549	1,123,308
Earnings per share - Basic (cents per share)	10	1.72	0.70
- Diluted (cents per share)		1.26	0.70

The accompanying notes form an integral part of the financial statements

Note	Group			Company		
	30.09.2011	30.09.2010	01.10.2009	2011	2010	
	S\$	S\$	S\$	S\$	S\$	
ASSETS						
Non-current assets						
Property, plant and equipment	11	1,605,485	1,625,805	1,030,622	-	-
Investment properties	12	15,505,884	13,355,254	15,247,427	-	-
Development properties for sale	13	44,301,975	8,646,668	-	-	-
Investments in subsidiaries	14	-	-	-	5,541,076	2,641,077
Investments in associated companies	15	1,797,333	2,362,143	370,277	-	-
Deferred tax assets	24	937,015	141,000	-	-	-
		<u>64,147,692</u>	<u>26,130,870</u>	<u>16,648,326</u>	<u>5,541,076</u>	<u>2,641,077</u>
Current assets						
Cash and bank balances	16	12,949,838	3,648,214	1,418,588	177,050	3,189
Financial assets, at fair value through profit or loss	17	114,095	156,853	134,378	-	-
Trade and other receivables	18	8,578,013	5,757,647	2,262,651	4,791,487	1,386,188
Other current assets	19	97,493	292,078	2,134,950	12,198	-
Development properties for sale	13	15,433,375	13,253,999	-	-	-
		<u>37,172,814</u>	<u>23,108,791</u>	<u>5,950,567</u>	<u>4,980,735</u>	<u>1,389,377</u>
Total assets		<u>101,320,506</u>	<u>49,239,661</u>	<u>22,598,893</u>	<u>10,521,811</u>	<u>4,030,454</u>
LIABILITIES						
Non-current liabilities						
Finance lease liabilities	21	62,906	61,455	65,212	-	-
Trade and other payables	22	3,378,960	-	-	-	-
Borrowings	23	37,283,054	9,493,806	6,213,671	-	-
		<u>40,724,920</u>	<u>9,555,261</u>	<u>6,278,883</u>	<u>-</u>	<u>-</u>
Current liabilities						
Finance lease liabilities	21	34,534	26,524	16,524	-	-
Trade and other payables	22	15,654,092	8,070,432	2,786,996	1,663,045	167,428
Borrowings	23	20,363,150	16,106,009	2,234,290	-	-
Income tax payable		891,714	415,017	734,924	-	-
		<u>36,943,490</u>	<u>24,617,982</u>	<u>5,772,734</u>	<u>1,663,045</u>	<u>167,428</u>
Total liabilities		<u>77,668,410</u>	<u>34,173,243</u>	<u>12,051,617</u>	<u>1,663,045</u>	<u>167,428</u>
EQUITY						
Share capital and reserves attributable to equity holders of the Company						
Share capital	25	8,665,611	4,311,914	916,080	8,665,611	4,311,914
Reserves	26	14,888,940	10,653,959	9,535,692	193,155	(448,888)
		<u>23,554,551</u>	<u>14,965,873</u>	<u>10,451,772</u>	<u>8,858,766</u>	<u>3,863,026</u>
Non-controlling interests		97,545	100,545	95,504	-	-
Total equity		<u>23,652,096</u>	<u>15,066,418</u>	<u>10,547,276</u>	<u>8,858,766</u>	<u>3,863,026</u>
Total liabilities and equity		<u>101,320,506</u>	<u>49,239,661</u>	<u>22,598,893</u>	<u>10,521,811</u>	<u>4,030,454</u>

The accompanying notes form an integral part of the financial statements

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 September 2011

Note	← Attributable to equity holders of the Company →							Non-controlling Interests	Total
	Share Capital	Merger Reserve	Currency Translation Reserve	Warrants Reserve	Retained Earnings	Subtotal			
	S\$	S\$	S\$		S\$	S\$	S\$		
Group									
Balance at 1 October 2010									
(previously reported)	4,311,914	(485,076)	(17,528)	-	10,850,231	14,659,541	100,545	14,760,086	
Effect of changes of accounting policy of deferred tax (Note 2(a))	-	-	-	-	306,332	306,332	-	306,332	
Balance at 1 October 2010 (restated)	4,311,914	(485,076)	(17,528)	-	11,156,563	14,965,873	100,545	15,066,418	
Issuance of Ordinary Shares pursuant to the Shares Placement exercise	25(c) 4,480,264	-	-	-	-	4,480,264	-	4,480,264	
Share issue expenses	25(c) (169,067)	-	-	-	-	(169,067)	-	(169,067)	
Issuance of warrants	-	-	-	1,150,488	-	1,150,488	-	1,150,488	
Issuance of Ordinary Shares upon exercise of warrants	25(d) 42,500	-	-	(2,500)	-	40,000	-	40,000	
Warrants issue expenses	-	-	-	(161,556)	-	(161,556)	-	(161,556)	
Net profit for the year	-	-	-	-	3,259,956	3,259,956	1,001	3,260,957	
Other comprehensive loss for the year:									
- Exchange differences arising from consolidation	-	-	(11,407)	-	-	(11,407)	(4,001)	(15,408)	
Total comprehensive (loss)/income for the year	-	-	(11,407)	-	3,259,956	3,248,549	(3,000)	3,245,549	
Balance at 30 September 2011	8,665,611	(485,076)	(28,935)	986,432	14,416,519	23,554,551	97,545	23,652,096	

The accompanying notes form an integral part of the financial statements

Consolidated Statement of Changes in Equity (cont'd)

For the Financial Year Ended 30 September 2011

	← Attributable to equity holders of the Company →						Non- controlling Interests	Total
	Share Capital	Merger Reserve	Currency Translation Reserve	Retained Earnings	Subtotal			
	S\$	S\$	S\$	S\$	S\$	S\$		
Group								
Balance at 1 October 2009 (previously reported)	916,080	(485,076)	(22,344)	9,736,780	10,145,440	95,504	10,240,944	
Effect of changes of accounting policy of deferred tax (Note 2(a))	-	-	-	306,332	306,332	-	306,332	
Balance at 1 October 2009 (restated)	916,080	(485,076)	(22,344)	10,043,112	10,451,772	95,504	10,547,276	
Issuance of Ordinary Shares pursuant to the Initial Public Offering exercise	6,000,000	-	-	-	6,000,000	-	6,000,000	
Share issue expenses	(2,604,166)	-	-	-	(2,604,166)	-	(2,604,166)	
Net profit/(loss) for the year	-	-	-	1,113,451	1,113,451	(6,686)	1,106,765	
Other comprehensive income for the year:								
- Exchange differences arising from consolidation	-	-	4,816	-	4,816	11,727	16,543	
Total comprehensive income for the year	-	-	4,816	1,113,451	1,118,267	5,041	1,123,308	
Balance at 30 September 2010 (restated)	4,311,914	(485,076)	(17,528)	11,156,563	14,965,873	100,545	15,066,418	

The accompanying notes form an integral part of the financial statements

Consolidated Statement of Cash Flows

For the Financial Year Ended 30 September 2011

	Group	
	2011	2010
	S\$	S\$
Cash Flows from Operating Activities		
Profit before income tax	3,239,762	1,073,053
Adjustments for:		
Fair value gain on investment properties	(2,150,630)	(960,504)
Depreciation of property, plant and equipment	125,478	79,478
Loss on disposal of plant and equipment	-	11,655
Fair value loss/(gain) on financial assets, at fair value through profit or loss	42,758	(22,474)
Gain on disposal of financial assets, at fair value through profit or loss	(1,627)	(512)
Allowance for impairment of trade receivables	-	25,280
Bad debts written off for other receivables	3,261	51,910
Interest expense	496,536	309,364
Interest income	(4,112)	(3,812)
Dividend income	(7,162)	(4,250)
Share of results of associated companies, net of tax	61,810	(991,866)
Operating cash flow before working capital changes	1,806,074	(432,678)
Trade and other receivables and other current assets	(2,739,003)	(1,933,715)
Trade and other payables	10,676,120	3,920,249
Development properties for sale	(36,839,637)	(18,508,006)
Cash used in operations	(27,096,446)	(16,954,150)
Interest received	4,112	3,812
Income tax paid (net)	(298,123)	(427,195)
Net cash flow used in operating activities	(27,390,457)	(17,377,533)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(65,158)	(679,316)
Proceeds from disposal of plant and equipment	-	23,000
Investment in an associated company	-	(1,000,000)
Purchase of financial assets, at fair value through profit or loss	(76,000)	(50,742)
Proceeds from disposal of financial assets, at fair value through profit or loss	77,627	51,253
Decrease in fixed deposits with a maturity of more than 3 months	39,992	200,740
Dividend received	510,162	4,250
Net cash flow generated from/(used in) investing activities	486,623	(1,450,815)

The accompanying notes form an integral part of the financial statements

Consolidated Statement of Cash Flows (cont'd)
For the Financial Year Ended 30 September 2011

	Group	
	2011	2010
	S\$	S\$
Cash Flows from Financing Activities		
Net proceeds from issuance of ordinary shares	4,351,197	3,395,834
Net proceeds from issuance of warrants	988,932	–
Proceeds from borrowings	40,116,517	22,723,617
Repayment of borrowings	(6,638,123)	(5,066,602)
Pledged deposits	9,358	(89,932)
Repayment of finance lease liabilities	(30,539)	(23,757)
Advances from associated companies, net	396,461	1,573,842
Interest paid	(1,491,582)	(849,348)
Net cash generated from financing activities	37,702,221	21,663,654
Net increase in cash and cash equivalents	10,798,387	2,835,306
Cash and cash equivalents at the beginning of the year	2,071,525	(774,070)
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	(15,408)	10,289
Cash and cash equivalents at the end of the year (Note 16)	12,854,504	2,071,525

The accompanying notes form an integral part of the financial statements

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1 General Information

Goodland Group Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company’s registered office address and its principal place of business is 18 Roberts Lane, #02-01/02 Goodland Building, Singapore 218297.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are disclosed in Note 14.

The ultimate controlling parties of the Company are Mr Ben Tan Chee Beng (“Ben Tan”), Mr Alvin Tan Chee Tiong (“Alvin Tan”), Ms Melanie Tan Bee Bee (“Melanie Tan”) and Mdm Koh Chin Kim.

The financial statements for the financial year ended 30 September 2011 were authorised for issue in accordance with a resolution of the directors dated on the date of the Statement by Directors.

2 Significant Accounting Policies

(a) Basis of Preparation

The financial statements which are expressed in Singapore Dollars (“S\$”), have been prepared in accordance with the provisions of the Singapore Companies Act, Cap 50. (the “Act”) and Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 3 to the financial statements.

Adoption of New/Revised FRS

For the financial year ended 30 September 2011, the Group has adopted the following amendments to FRS that are mandatory for application in the said year and which are relevant to the Group as follows:

Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets
Amendments to FRS 103	Business Combinations

The adoption of these amended FRS did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the early adoption of the amendments to FRS 12.

Amendments to FRS 12

Deferred Tax: Recovery of Underlying Assets

The amendments provide that where investment properties are measured using the fair value model in FRS 40 *Investment Property*, then there is a rebuttable presumption that the carrying amount will be recovered through sale and where non-depreciable assets are measured using the revaluation model under FRS 16, *Property, Plant and Equipment*, that the tax rate must be applied in determining any deferred tax assets or liability is that to be recovered through sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 October 2012 with early adoption permitted.

2 Significant Accounting Policies (cont'd)

(a) Basis of Preparation (cont'd)

Amendments to FRS 12

Deferred Tax: Recovery of Underlying Assets (cont'd)

The Group has early adopted the amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on 1 October 2010. Previously, the Group accounted for deferred tax on fair value gains on investment property on the basis that the asset would be recovered through use. Upon adoption of the amendment, such deferred tax is measured on the basis of recovery through sale.

The effects on adoption are as follows:

	Consolidated balance sheet		
	At	At	At
	30 September 2011	30 September 2010	1 October 2009
	S\$	S\$	S\$
	Increase/(Decrease)		
Deferred tax liabilities	(464,000)	(306,332)	(306,332)
Retained earnings	464,000	306,332	306,332
	<hr/>		
		Consolidated statement of comprehensive income for year ended 30 September	
		2011	2010
		S\$	S\$
		Increase/(Decrease)	
Income tax expense		(157,668)	-
Profit attributable to:			
Equity holdings of the Company		157,668	-
Earnings per share - Basic (cents per share)		0.08	-
- Diluted (cents per share)		0.06	-
		<hr/>	

Amendments to FRS 103

Business Combination

The amendments to FRS 103 clarifies:

- the choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets, applies only to the instruments that represent present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interests are measured at fair value unless another measurement basis is required by a FRS.
- contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of the amendments to FRS 103 are to be accounted for in accordance with the guidance in the previous version of FRS 103, at initial recognition, i.e., contingent consideration is recognised at fair value if it is deemed to be probable of payment and can be measured reliably at the date of the acquisition. All subsequent changes in the contingent consideration are adjusted against the cost of the combination.

Under the amendments to FRS 103, at initial recognition, a contingent consideration is now required to be recognised at fair value even if it is deemed not to be probable of payment at the date of the acquisition. All subsequent changes in debt contingent consideration are recognised in the income statement, rather than against goodwill.

The Group has applied Amendments to FRS 103 prospectively to all business combinations from 1 October 2010. The application of this standard does not have a material impact on the financial position or financial performance of the Group.

2 Significant Accounting Policies (cont'd)

(a) Basis of Preparation (cont'd)

New/Revised FRS/INT FRS Issued But Not Yet Effective

At the date of authorisation of these financial statements, the relevant new FRS that have been issued but not yet effective are as follows:

INT FRS 115	Agreements for the Construction of Real Estate
FRS 24 (revised)	Related Party Disclosures
Amendments to FRS 107	Financial Instruments: Disclosures
FRS 27 (revised)	Separate Financial Statements
FRS 28 (revised)	Investments in Associates and Joint Ventures
FRS 110	Consolidated Financial Statements
FRS 112	Disclosure of Interests in Other Entities
FRS 113	Fair Value Measurements

INT FRS 115

Agreements for the Construction of Real Estate

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate units should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses. The interpretation applies retrospectively for annual periods beginning on or after 1 October 2011 but earlier application is permitted.

The Group currently recognises revenue from the sale of development properties using the completion method. The impact of the application of this standard on the Group's financial statements in the period of initial application is not reasonably estimable.

FRS 24 (revised)

Related Party Disclosures

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application and provides partial exemption for government-related entities. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised FRS 24 applies retrospectively for annual periods beginning on or after 1 October 2011 but earlier application is permitted. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented.

Amendments to FRS 107

Financial Instruments: Disclosures

The amendments to FRS 107 include removal of the requirement to disclose the carrying amount of renegotiated financial assets that would be past due or impaired if not for the renegotiation. Clarification that disclosure of the amount that best represents the maximum exposure to credit risk is not required when this amount is presented by the carrying amount of the financial instrument and the requirement to disclose fair value of collateral and other credit enhancements is replaced with a description to disclose the financial effect of collateral and other credit enhancements. The changes are effective for accounting periods beginning on or after 1 October 2011. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented.

FRS 27 (revised)

Separate Financial Statements

The revised FRS 27 will now solely address separate financial statements, the requirements for which are substantially unchanged. It is effective for annual periods beginning on or after 1 October 2013 and will not have any impact on the financial position or the financial performance of the Group when implemented.

2 Significant Accounting Policies (cont'd)

(a) Basis of Preparation (cont'd)

New/Revised FRS/INT FRS Issued But Not Yet Effective (cont'd)

FRS 28 (revised)

Investments in Associates and Joint Ventures

The revised FRS 28 changes in scope as a result of the issuance of FRS 111 *Joint Arrangements*. It continues to prescribe the mechanics of equity accounting. It is effective for annual periods beginning on or after from 1 October 2013 and will not have any impact on the financial position or the financial performance of the Group when implemented.

FRS 110

Consolidated Financial Statements

FRS 110 supersedes FRS 27 *Consolidated and Separate Financial Statements* and INT FRS 12 *Consolidation – Special Purpose Entities*, which is effective for annual periods beginning on or after 1 October 2013. It changes the definition of control and applies it to all investees to determine the scope of consolidation. FRS 110 requirements will apply to all types of potential subsidiary. FRS 110 requires an investor to reassess the decision whether to consolidate an investee when events indicate that there may be a change to one of the three elements of control, i.e. power, variable returns and the ability to use power to affect returns. The Group is currently determining the impact of these amendments.

FRS 112

Disclosure of Interests in Other Entities

FRS 112 which is effective from 1 October 2013 combines the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities within a comprehensive disclosure standard. FRS 112 specifies minimum disclosures that an entity must provide. It requires for an entity to provide summarised financial information about the assets, liabilities, profit or loss and cash flows of each subsidiary that has non-controlling interests that are material to the reporting entity and to disclose the nature of its interests in unconsolidated structured entities and the nature of the risks it is exposed to as a result, a schedule of the impact on parent equity is required for changes in the ownership interest in a subsidiary without a loss of control; detail of any gain/loss recognised on loss of control, and the line item in the statement of comprehensive income in which it is recognised; year ends of subsidiaries, joint arrangements or associates if different from the parent's that are consolidated using different year ends and the reasons for using a different date. As this is a disclosure standard, it will not have any impact on the financial performance or the financial position of the Group when implemented.

FRS 113

Fair Value Measurements

FRS 113 provides guidance on how to measure fair values including those for both financial and non-financial items and introduces significantly enhanced disclosures about fair values. It does not address or change the requirements on when fair values should be used. When measuring fair value, an entity is required to use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. It establishes a fair value hierarchy for doing this. This FRS is to be applied for annual periods beginning on or after 1 October 2013. The Group is in the process of assessing the impact on the financial statements. As for the disclosures, it will not have any impact on the financial performance or the financial position of the Group when implemented.

(b) Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Management has determined the functional currency of the Company and the Group to be Singapore dollar ("S\$"), as it best reflects the economic substance of the underlying events and circumstances relevant to the entities. Sales prices and major costs of providing goods and services including major operating expenses are primarily influenced by fluctuation in S\$. The consolidated financial statements are presented in S\$.

2 Significant Accounting Policies (cont'd)

(b) Currency Translation (cont'd)

Transactions and Balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign entities and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency translation reserve within equity in the consolidated financial statements.

Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the date when the fair value was determined.

Currency translation differences on non-monetary items, whereby the gains or losses are recognised in profit or loss, such as equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on non-monetary items whereby the gains or losses are recognised directly in equity are included in the fair value reserve.

Translation of Group Entities' Financial Statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for the balance sheet presented are translated at the closing rate at the reporting date;
- Income and expenses are translated at an average exchange rate (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the currency translation reserves within the statement of changes in equity.

Consolidation Adjustments

On consolidation, currency exchange differences arising from the net investment in foreign entities and borrowings and other currency instruments designated as hedges of such investments are recognised in currency translation reserves. Additionally, when a foreign operation is disposed of, such currency exchange differences are recognised in profit or loss as part of the gain or loss on disposal.

(c) Subsidiaries

Consolidation

Subsidiaries are entities over which the Group has power to govern the financial and operating policies, generally accompanied by a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing the Group has control over another entity. Subsidiaries are consolidated from the date when control is transferred to the Group to the date when the control ceases.

2 Significant Accounting Policies (cont'd)

(c) Subsidiaries (cont'd)

Consolidation (cont'd)

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the subsidiaries' financial statements to ensure consistency of accounting policies with that of the Group.

Investments in subsidiaries are stated at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are then recognised in profit or loss.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Acquisition of Businesses

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

Disposals of Subsidiaries or Businesses

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained investment at the date when control is lost and its fair value is recognised in profit or loss.

Transactions with Non-Controlling Interests

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the equity holders of the Company.

2 Significant Accounting Policies (cont'd)

(d) Investments in Associated Companies

Associated companies are entities over which the Group has significant influence, but no control over, and generally accompanied by a shareholding giving rise to between and including 20% and 50% of the voting rights. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and the share of post-acquisition movements in reserves are recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in the associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the associated companies' financial statements to ensure consistency of accounting policies with that of the Group.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal and restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation is calculated on a straight-line basis to write off the cost (net of residual value) of the property, plant and equipment over their estimated useful lives. Freehold land has an unlimited useful life and therefore is not depreciated. The estimated useful lives are as follows:

Freehold building	- 50 years
Leasehold land and building	- 57 years
Renovation	- 5 years
Plant and equipment	- 3 to 5 years
Motor vehicles	- 5 years

The residual values, estimated useful lives and depreciation method of the property, plant and equipment are reviewed and adjusted as appropriate, at each balance sheet date. The effects of any revisions are recognised in profit or loss when changes arise.

2 Significant Accounting Policies (cont'd)

(f) Investment Properties

Investment properties are properties that are currently held either to earn rental or for capital appreciation or both. Investment properties are initially recognised at cost, including transaction costs and subsequently measured at fair value, based on directors' valuation and/or valuations performed by an independent professional valuer. Changes in fair values are recognised in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as an addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements is charged to profit or loss when incurred.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between the net disposal proceeds and the carrying amount of the investment property.

Transfers are made to or from investment property only when there is a change in use. For transfer from investment property carried at fair value to development properties for sale, the deemed cost for subsequent accounting is the fair value at the date of change in use.

(g) Development Properties for Sale

Development properties for sale are properties being constructed or developed for future sale. Costs capitalised include the cost of land and other directly related development expenditure including borrowing costs incurred in developing the properties. They are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

Development properties for sale are classified as current assets when they are intended to be sold within the next twelve months.

(h) Impairment of Non-financial Assets (excluding Goodwill)

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. If such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash generating units ("CGU") to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in profit or loss unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in the profit or loss, a reversal of that impairment is also recognised in profit or loss.

2 Significant Accounting Policies (cont'd)

(i) Financial Assets and Liabilities

Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss at inception is not revocable.

Financial assets are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument. When financial assets are recognised initially, they are measured at their fair values.

Purchases and sales of financial assets are recognised on trade-date - the date - on which the Group commits to purchase or sell the asset. A financial asset is derecognised where the contractual rights to receive cash flows from the asset has expired or has been transferred and the Group has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities within the scope of FRS 39 are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(j) Financial Assets, at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss (financial assets held for trading and those designated at fair value through profit or loss) are initially recognised at fair value and subsequently also carried at fair value. Realised and unrealised gains and losses arising from the changes in fair value, interest and dividends are included in profit or loss in the period in which they arise. The fair values of quoted financial assets are based on quoted market prices, which are the current bid prices.

(k) Construction Contracts

Construction contracts are stated at the lower of cost plus attributable profit less anticipated losses and progress billings, and net realisable value. Cost comprises material costs, direct labour, borrowing costs and relevant overheads. Provision for total anticipated losses on construction contracts is recognised in the financial statements when the loss is foreseeable.

Provision for liquidated damages for late completion of projects are made where there is a contractual obligation and written notice is received from customers, and where in management's opinion an extension of time is unlikely to be granted.

At the balance sheet date, the aggregated costs incurred with the addition of recognised profit (less recognised loss) on each contract is compared against the progress billings. Where such costs exceed the progress billings amount, the balance is presented as due from customers on construction contracts within 'trade and other receivables'. Where the progress billings amount exceeds costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within 'trade and other payables'.

Progress billings which are not paid by customers and retentions are classified as 'trade and other receivables'. Whereas advances received are classified as 'trade and other payables'.

2 Significant Accounting Policies (cont'd)

(l) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are presented as 'trade and other receivables' and 'cash and cash equivalents' on the balance sheet.

Trade and Other Receivables

Trade and other receivables, which are normally settled within 30 to 90 days, are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less allowance for impairment.

An allowance for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance 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. When the asset becomes uncollectible, it is written off against the allowance account.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at bank and short-term deposits with financial institutions that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in values. For the purposes of the consolidated statement of cash flows, cash and cash equivalents are shown net of restricted bank deposits and bank overdraft.

(m) Trade and Other Payables

Trade and other payables, which are normally settled within 30 to 90 days, are initially measured at fair value and subsequently at amortised cost using the effective interest method.

(n) Borrowings

Borrowing costs incurred to finance the development of properties and property, plant and equipment are capitalised for the period of time that is required to complete and prepare the asset for its intended use. The amount of borrowing cost capitalised on that asset is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings. Other borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(o) Financial Guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of the borrowings.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2 Significant Accounting Policies (cont'd)

(p) Leases

Finance Lease

Finance leases are leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as property, plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

Operating Leases

Operating leases are office premises' leases where a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to profit or loss on a straight-line basis over the term of the leases.

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

(q) Revenue Recognition

Sale of Development Properties

The Group recognises income on property development projects based on the completion of construction method when the risks and ownership of the properties have been transferred to the customers and the Group does not have a substantial continuing involvement with the properties.

Construction Revenue

When the outcome of the construction contract can be estimated reliably, contract revenue and costs are recognised in profit or loss in proportion to the stage of completion of the contract.

When the outcome of the construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims, to the extent that it is probable that those additions will result in revenue and can be measured reliably. The stage of completion of the contract is measured by reference to the surveys of work performed.

Rendering of Services

Revenue from the rendering of services, including management fees is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

2 Significant Accounting Policies (cont'd)

(q) Revenue Recognition (cont'd)

Interest Income

Interest income, including income arising from finance leases and other financial instruments, is recognised on an accrual basis based on the effective interest method.

Rental Income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

Dividend Income

Dividend income is recognised when the right to receive payment is established.

(r) Income Taxes

Income tax expense represents the sum of the income tax currently payable and deferred income tax.

Income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;
- In respect of temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and
- In respect of deductible temporary differences and carry-forward of unutilised tax losses, if it is not probable that taxable profits will be available against which those deductible temporary differences and carry-forward of unutilised tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

(s) Employee Benefits

Obligations for contributions to defined contribution retirement benefit plans are recognised as an expense in profit or loss as and when they are incurred. Contributions made to government managed retirement benefit plan such as the Central Provident Fund which specifies the employer's obligations are dealt with as defined contribution retirement benefit plans.

2 Significant Accounting Policies (cont'd)

(t) Equity Instruments

Equity instruments are classified as equity in accordance with the substance of the contractual arrangements.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(u) Segment Reporting

A business segment is a distinguishable component of the Group engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

3 Critical Accounting Estimates, Assumptions and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosure made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, 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.

(i) Critical accounting estimates and assumptions

Estimated Useful Life of Property, Plant & Equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Group's management estimates the useful lives of these property, plant and equipment to be within 3 to 57 years. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of a similar nature and function. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The carrying amount of the Group's depreciable property, plant and equipment as at 30 September 2011 was S\$1,206,326 (2010: S\$1,226,646).

A 10% differences in the expected useful life of these assets from management's estimates would result in increasing/decreasing the Group's depreciable property, plant and equipment by approximately S\$12,500 (2010: S\$7,900).

3 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

- (ii) Critical judgements made in applying accounting policies

Impairment of Trade and Other Receivables

Management reviews its receivables annually for objective evidence of impairment. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgements as to whether there is observable data indicating that there has been a significant change in the debtor's ability to pay, or whether there have been significant changes with an adverse effect in the technological, market, economic or legal environment in which the debtor operates.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded in profit or loss. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. During the financial year ended 30 September 2011, the Group write off bad debts of other receivables of S\$3,261 (2010: S\$51,910) and recognised allowances for impairment of trade receivables of Nil (2010: S\$25,280).

The carrying amount of trade and other receivables of the Group as at 30 September 2011 is S\$8,578,013 (2010: S\$5,757,647).

Classification of Development Properties for Sale

The Group recognises revenue on property development projects based on the completion method, when the risks and ownership of the properties have been transferred to the customers and the Group does not have a substantial continuing involvement with the properties. These usually coincide upon the receipt of the temporary occupation permit. In determining this, management makes judgements to the expected date of completion of the project and when the risks and ownership for the Group's development properties will be transferred to third parties.

The carrying amount of the Group's development properties which will be realised within the next 12 months and after 12 months as at 30 September 2011 is S\$15,433,375 (2010: S\$13,253,999) and S\$44,301,975 (2010: S\$8,646,668) respectively.

4 Revenue

	Group	
	2011	2010
	S\$	S\$
Sale of development properties	12,106,000	2,200,000
Construction revenue	–	5,992,177
Others	–	26,481
	12,106,000	8,218,658

5 Other Operating Income

	Group	
	2011	2010
	S\$	S\$
Dividend income	7,162	4,250
Fair value gain on investment properties (Note 12)	2,150,630	960,504
Fair value gain on financial assets, at fair value through profit or loss	–	22,474
Gain on disposal of financial assets, at fair value through profit or loss	1,627	512
Management fees	24,000	24,000
Rental income	432,548	470,237
Forfeit of deposit received for sale of development properties for sale	94,721	–
Others	34,053	23,365
	<u>2,744,741</u>	<u>1,505,342</u>

6 Finance Costs

	Group	
	2011	2010
	S\$	S\$
Interest expense on:		
- finance lease liabilities	5,910	5,412
- borrowings	490,626	303,952
	<u>496,536</u>	<u>309,364</u>

7 Profit before Income Tax

This is arrived at after charging the following items:

	Group	
	2011	2010
	S\$	S\$
Cost of development properties for sale	8,079,317	1,595,407
Administrative expenses:		
- Depreciation of property, plant and equipment	125,478	79,478
- Fair value loss/(gain) on financial assets, at fair value through profit or loss	42,758	(22,474)
- Exchange loss	5,163	–
Other operating expenses:		
- Bad debts written off for other receivables	3,261	51,910
- Allowance for impairment loss on trade receivables	–	25,280
- Loss on disposal of property, plant and equipment	–	11,655

8 Employee Benefits Cost

	Group	
	2011	2010
	S\$	S\$
Salaries and related costs	2,376,781	1,508,635
Contributions to defined contribution plans	330,810	201,772
	2,707,591	1,710,407

9 Income Tax

	Group	
	2011	2010
	S\$	S\$
<i>Current year's income tax expense:</i>		
Current income tax	885,810	134,833
Deferred income tax (Note 24)	(796,015)	(141,000)
	89,795	(6,167)
<i>Prior year overprovision:</i>		
Income tax	(110,990)	(27,545)
	(21,195)	(33,712)

A reconciliation of income tax calculated at the applicable corporate tax rate in Singapore with income tax expense is as follows:

	Group	
	2011	2010
	S\$	S\$
Profit before income tax	3,239,762	1,073,053
Add/(Less): Share of results of associated companies, net of tax	61,810	(991,866)
	3,301,572	81,187
Tax at statutory rate of 17% (2010: 17%)	561,267	13,802
Effect of:		
- different tax rates in other countries	320	(1,859)
- partial tax exemption and tax relief	(155,550)	(25,925)
- expenses not deductible for tax purposes	52,228	238,504
- income not subject to tax	(372,890)	(136,337)
- utilisation of previously unrecognised deferred tax benefits on tax losses	(7,480)	(99,652)
- deferred tax benefits on tax losses not recognised	11,900	5,300
- over provision in prior year	(110,990)	(27,545)
	(21,195)	(33,712)

9 Income Tax (cont'd)

Unrecognised deferred tax assets

The following deferred tax assets have not been recognised at the reporting date:

	Group	
	2011	2010
	S\$	S\$
Tax losses	11,900	7,480

As at 30 September 2011, the Group has unutilised tax losses amounting to approximately S\$70,000 (2010: S\$44,000) that are available for offset against future taxable profits, subject to the agreement of the tax authorities and compliance with the relevant provisions of the Singapore Income Tax Act. The deferred tax assets arising from these unutilised tax losses has not been recognised because it is not probable that future taxable profits will be available against which the Group can utilise the tax loss.

10 Earnings Per Share

	Group	
	2011	2010
<i>Basic earnings per share:</i>		
Net profit for the year attributable to equity holders of the Company (S\$)	3,259,956	1,113,451
Weighted average number of ordinary shares for the purposes of basic earnings per share	189,505,704	159,449,041
Basic earnings (cents per share)	1.72	0.70
<i>Diluted earnings per share:</i>		
Net profit for the year attributable to equity holders of the Company (S\$)	3,259,956	1,113,451
Weighted average number of ordinary shares for the purposes of diluted earnings per share	259,136,210	159,449,041
Diluted earnings (cents per share)	1.26	0.70

(a) Basic earnings per share

Earnings per share is calculated on the Group's net profit for the financial year attributable to equity holders of the Company divided by the weighted average number of ordinary shares issued during the financial year.

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

During the financial year ended 30 September 2011, the Company issued 115,048,800 warrants which are dilutive potential ordinary shares. The warrants were issued at an issue price of S\$0.01. Each warrant will, subject to the terms and conditions of the Deed Poll, entitle its holder to subscribe for one ordinary share in the capital of the Company at an exercise of S\$0.16 (the "exercise price") for each new ordinary share, on the basis of three warrants for every five existing ordinary share in the capital of the Company, at any time during the period commencing 22 February 2011 and expiring on 21 February 2015. The warrants are listed and quoted on the catalyst board of the SGX-ST.

11 Property, Plant and Equipment

	Freehold Land S\$	Freehold Building S\$	Leasehold Land and Building S\$	Renovation S\$	Plant and Equipment S\$	Motor Vehicles S\$	Total S\$
Group							
2011							
<u>Cost</u>							
At 1 October 2010	399,159	572,138	572,896	95,230	471,073	247,030	2,357,526
Additions	-	-	-	-	27,898	77,260	105,158
At 30 September 2011	399,159	572,138	572,896	95,230	498,971	324,290	2,462,684
<u>Accumulated depreciation</u>							
At 1 October 2010	-	125,342	6,700	67,324	373,566	158,789	731,721
Charge for the year	-	30,065	10,051	6,157	39,613	39,592	125,478
At 30 September 2011	-	155,407	16,751	73,481	413,179	198,381	857,199
<u>Net book value</u>							
At 30 September 2011	399,159	416,731	556,145	21,749	85,792	125,909	1,605,485
2010							
<u>Cost</u>							
At 1 October 2009	399,159	572,138	-	64,447	420,778	234,123	1,690,645
Additions	-	-	572,896	30,783	50,295	55,342	709,316
Disposal	-	-	-	-	-	(42,435)	(42,435)
At 30 September 2010	399,159	572,138	572,896	95,230	471,073	247,030	2,357,526
<u>Accumulated depreciation</u>							
At 1 October 2009	-	125,342	-	64,447	339,525	130,709	660,023
Disposal	-	-	-	-	-	(7,780)	(7,780)
Charge for the year	-	-	6,700	2,877	34,041	35,860	79,478
At 30 September 2010	-	125,342	6,700	67,324	373,566	158,789	731,721
<u>Net book value</u>							
At 30 September 2010	399,159	446,796	566,196	27,906	97,507	88,241	1,625,805

The Group acquired property, plant and equipment with an aggregate cost of S\$105,158 (2010: S\$709,316) during the current financial year ended 30 September 2011. Included in additions in the consolidated financial statements are property, plant and equipment acquired under finance leases amounting to S\$40,000 (2010: S\$30,000) and cash payments amounting to S\$65,158 (2010: S\$679,316).

The carrying amount of property, plant and equipment acquired under finance lease arrangements for the Group as at 30 September 2011 amounted to S\$125,899 (2010: S\$76,797).

As at 30 September 2011, freehold and leasehold land and buildings with carrying amounts of S\$1,372,035 (2010: S\$1,412,151) were pledged to certain banks to secure credit facilities for the Group.

11 Property, Plant and Equipment (cont'd)

The properties held by the Group as at 30 September 2011 are as follows:

Location	Tenure	Use of Property
18 Roberts Lane, Goodland Building, Singapore	Freehold	Corporate Headquarters
7030 Ang Mo Kio Avenue 5 #03-62 Northstar@AMK, Singapore	Leasehold	Office

12 Investment Properties

	Group	
	2011	2010
	S\$	S\$
<i>At fair value:</i>		
Balance at beginning of year	13,355,254	15,247,427
Fair value gain (Note 5)	2,150,630	960,504
Transfer to development properties for sale (Note 13)	–	(2,852,677)
Balance at end of year	<u>15,505,884</u>	<u>13,355,254</u>

Investment properties are carried at fair values at the balance sheet date based on directors' valuations supported by independent professional valuations by valuers who have the appropriate qualification and recent experience in the valuation of properties in the relevant locations. In determining the fair value, the valuers have employed valuation techniques such as the market comparison method and estimates have been applied towards the valuation method based on the directors and valuers' judgement. In relying on the independent professional valuation reports, management has exercised their judgement and is satisfied that the fair value is reflective of current market conditions.

As at 30 September 2011, investment properties with carrying amounts of S\$15,505,884 (2010: S\$13,355,254) were pledged to certain banks to secure credit facilities for the Group.

Investment properties of the Group are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's profit or loss.

	Group	
	2011	2010
	S\$	S\$
Rental income	432,548	470,237
Direct operating expenses arising from investment properties that generated rental income	28,872	43,967
Direct operating expenses arising from investment properties that did not generate rental income	<u>5,673</u>	<u>–</u>

12 Investment Properties (cont'd)

The investment properties held by the Group as at 30 September 2011 are as follows:

Description and Location	Tenure	Approximate Land Area (sq m)	Approximate Floor Area (sq m)	Existing Use
6-storey commercial cum residential building, 18 Roberts Lane Goodland Building, Singapore	Freehold	189.4 ⁽¹⁾	762.0 ⁽¹⁾	Commercial cum residential
2-storey terrace dwelling house with an attic, 12B,12C,12D & 12E Andrews Avenue, Singapore	Freehold	299.2	351.0	Shophouses
2-storey terrace dwelling house with an attic, 67/67A Brighton Crescent, Singapore	Freehold	110.6	197.4	Shophouses

(1) Land and floor area excluded areas used for corporate headquarters.

13 Development Properties for Sale

	Group	
	2011 S\$	2010 S\$
Balance at beginning of year	21,900,667	-
Transfer from investment properties (Note 12)	-	2,852,677
Additions		
- Interest capitalised	995,046	539,984
- Other costs	44,918,954	20,103,413
Disposal	(8,079,317)	(1,595,407)
Balance at end of year	<u>59,735,350</u>	<u>21,900,667</u>
Classified as:		
Non-current assets	44,301,975	8,646,668
Current assets	15,433,375	13,253,999
	<u>59,735,350</u>	<u>21,900,667</u>

As at 30 September 2011, development properties for sale with a total carrying value of S\$59,388,931 (2010: S\$21,528,985) were pledged to certain banks to secure credit facilities for the Group.

During the financial year ended 30 September 2011, borrowing costs of S\$995,046 (2010: S\$539,984), arising from borrowings obtained specifically for the development properties for sale were capitalised under "Development Properties for Sale". The rate used to determine the amount of borrowing costs eligible for capitalisation was 2.38% to 4.25% (2010: 2.30% to 4.25%) per annum, which is the effective interest rate of the specific borrowings.

As at 30 September 2011, S\$251,378 (2010: Nil) employees benefits costs are capitalised to development properties for sale.

13 Development Properties for Sale (cont'd)

The development properties for sale as at 30 September 2011 comprise the following:

Name of Properties	Stage of completion	Expected date of completion	Approximate land area (sq m)	Approximate floor area (sq m)	Description	Effective ownership interest held by the Group %
<i>Goodland Development Pte Ltd</i>						
No. 3 Topaz Road, Singapore (Suites @ Topaz)	70%	1st quarter 2012	1,506.7	2,300	Residential apartment units	100
No. 8 Lorong 6 Geylang, Singapore (Royce Residences)	0%	4th quarter 2013	622.8	1,900	Residential apartment units	100
3 Kim Chuan Lane Singapore	5%	2nd quarter 2013	1,550.1	3,857	Industrial building	100
No. 6 Jalan Tanjong Singapore	100%	Completed	189.6	400	Residential terrace house	100
<i>Goodland Investments Pte Ltd</i>						
No. 219/219A/219B/219C Ponggol Seventeenth Avenue, Singapore	0%	4th quarter 2014	842.4	800	4 units, 2-storey strata detached landed housing	100
26A Poh Huat Road, Singapore	0%	3rd quarter 2012	159.1	300	Residential corner terrace house	100
<i>Banyan Housing Development Sdn Bhd</i>						
No. 204/206/208 Jalan Dr. Lim Chwee Leong, Penang, Malaysia	0%	Pending for planning approval	489.7	1,500	Commercial shop houses/offices	72
<i>Goodland Homes Pte Ltd</i>						
51, 53, 55, 57, 59 & 61 Inggū Road, Singapore (The Shoreline Residences I)	35%	1st quarter 2013	972.2	1,900	Residential terrace houses development	100
60, 62, 64, 66, 68, 70, 72, 74, 76 & 78 Wak Hassan Drive, Singapore (The Shoreline Residences II)	30%	1st quarter 2013	1,669.8	3,400	Residential terrace houses development	100

14 Investments in Subsidiaries

	Company	
	2011	2010
	S\$	S\$
Investment in unquoted shares, at cost	5,541,076	2,641,077

Details of investments in subsidiaries as at 30 September 2011 and 2010 are as follows:

Name and country of incorporation/operation	Principal activities	Effective ownership interest		Cost of investment	
		2011	2010	2011	2010
		%	%	S\$	S\$
Goodland Development Pte Ltd. (Singapore) ⁽¹⁾	Real estate development	100	100	1,000,000	1,000,000
Goodland Investments Pte Ltd. (Singapore) ⁽¹⁾	Investment holding and real estate development	100	100	1,000,000	1,000,000
Goodland Capital Pte. Ltd. (Singapore) ^{(1) (4)}	Investment holding	100	100	40	40
Goodland Homes Pte. Ltd. (Singapore) ⁽¹⁾	Investment holding and real estate development	100	100	1,000,038	40
Goodland Group Construction Pte. Ltd. (Singapore) ⁽¹⁾	Building construction including major upgrading works	100	100	1,071,998	171,998
GPM Builders Pte. Ltd. (Singapore) ⁽¹⁾	General building contractors, housekeeping cleaning and maintenance services	100	100	446,999	446,999
Banyan Housing Development Sdn. Bhd. (Malaysia) ⁽²⁾	Real estate development	72	72	22,000	22,000
Goodland Ventures Pte. Ltd. (Singapore) ^{(1) (3)}	Investment holding and real estate activities	100	-	1,000,000	-
Goodland Global Pte. Ltd. (Singapore) ^{(1) (3) (4)}	Investment holding and real estate activities	100	-	1	-
				5,541,076	2,641,077

(1) Audited by Moore Stephens LLP, Singapore

(2) Audited by Moore Stephens, Malaysia

(3) Newly incorporated during the financial year

(4) Dormant during the financial year

15 Investments in Associated Companies

	Group	
	2011 S\$	2010 S\$
Equity investment, at cost:		
Balance at beginning of year	2,000,000	1,000,000
Additions during the year	–	1,000,000
Balance at end of year	<u>2,000,000</u>	<u>2,000,000</u>
Share of results:		
Balance at beginning of year	362,143	(629,723)
Share of results for the year	(61,810)	991,866
Dividends declared	(503,000)	–
Balance at end of year	<u>(202,667)</u>	<u>362,143</u>
Total	<u>1,797,333</u>	<u>2,362,143</u>

Name and country of incorporation/operation	Principal activities	Effective ownership interest		Cost of investment	
		2011	2010	2011	2010
		%	%	S\$	S\$
AG Capital Pte. Ltd. (Singapore) ⁽²⁾	Real estate development	50	50	500,000	500,000
AG Development (Mar Thoma) Pte. Ltd. (Singapore) ⁽²⁾	Real estate development	50	50	500,000	500,000
Goodland Sunny Pte. Ltd. ⁽¹⁾ (Singapore)	Real estate investment and development	50	50	1,000,000	1,000,000
				<u>2,000,000</u>	<u>2,000,000</u>

(1) Audited by Moore Stephens LLP, Singapore

(2) Audited by Moore Stephens LLP, Singapore for Group consolidation purposes

In May 2010, Goodland Sunny entered into a shareholders' agreement to incorporate Oxley Module Pte. Ltd. ("Oxley Module"). The initial paid up capital was S\$3 and subsequently, it was increased to S\$1,000,000. As at 30 September 2011 and 2010, Goodland Sunny has a 34% shareholding interest in Oxley Module Pte Ltd amounting to S\$340,000. The results of Oxley Module have been equity accounted for in Goodland Sunny's financial statements.

The summarised financial information of associated companies, not adjusted for the percentage of equity interest held by the Group, is as follows:

	Group	
	2011 S\$	2010 S\$
Assets	36,525,311	44,086,441
Liabilities	(32,930,648)	(39,362,155)
Net assets	<u>3,594,663</u>	<u>4,724,286</u>
Income	35,598	17,393,985
Expenses	(159,221)	(15,410,253)
(Loss)/ Profit for the year	<u>(123,623)</u>	<u>1,983,732</u>

16 Cash and Bank Balances

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Cash at bank and on hand	11,853,258	3,503,530	177,050	3,189
Fixed and pledged deposits	1,096,580	144,684	-	-
	12,949,838	3,648,214	177,050	3,189

As at 30 September 2011, fixed deposits had an average maturity of 3 – 12 months (2010: 12 months) and earned interest at an average rate of 0.48% (2010: 0.44%) per annum.

For the purposes of presenting the consolidated statement of cash flows, cash and bank balances comprise the following:

	Group	
	2011	2010
	S\$	S\$
Cash and bank balances (as above)	12,949,838	3,648,214
Less: Bank overdraft (Note 23)	-	(1,432,005)
Less: Fixed deposits with maturity more than 3 months	(14,760)	(54,752)
Less: Pledged fixed deposits	(80,574)	(89,932)
Cash and cash equivalents per consolidated statement of cash flows	12,854,504	2,071,525

As at 30 September 2011 and 2010, pledged fixed deposits are used to secure a letter of guarantee for GST registration and to secure bank borrowings (Note 23).

17 Financial Assets, at Fair Value through Profit or Loss

	Group	
	2011	2010
	S\$	S\$
Quoted investments	114,095	156,853

18 Trade and Other Receivables

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Trade receivables				
– Third parties	6,168,770	2,206,996	–	–
Less: Allowance for impairment loss	–	(25,280)	–	–
	6,168,770	2,181,716	–	–
– Related parties	146,554	245,456	–	–
– Associated companies	121,891	1,488,871	–	–
Construction contracts:				
– Retention receivables	–	604,758	–	–
– Due from customers (Note 20)	127,235	–	–	–
Other receivables				
– Third parties	797,163	129,314	–	–
– Related companies	–	–	4,791,487	1,386,188
– Associated companies	480,197	590,158	–	–
Deposits	736,203	517,374	–	–
	8,578,013	5,757,647	4,791,487	1,386,188

The trade amounts due from related parties comprise mainly an ultimate controlling shareholder and companies which are controlled or significantly influenced by key management personnel of the Group.

The non-trade amounts due from related companies and associated companies are unsecured, interest-free and repayable in cash on demand.

The carrying amount of the Group's trade and other receivables determined to be impaired and the movement of the allowance for impairment of trade receivables are as follows:

	Group	
	2011	2010
	S\$	S\$
Trade receivables	–	25,280
Less: Allowance for impairment loss	–	(25,280)
	–	–
Movement of allowance for impairment loss:		
Balance at beginning of year	25,280	–
(Write off)/allowance for impairment loss	(25,280)	25,280
Balance at end of year	–	25,280

19 Other Current Assets

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Prepayments	97,493	292,078	12,198	–

20 Construction Contracts

	Group	
	2011	2010
	S\$	S\$
Costs incurred	127,235	413,964
Add: Attributable profits	–	86,036
	127,235	500,000
Less: Progress billings	–	(500,000)
	127,235	–

21 Finance Lease Liabilities

The Group leases certain plant and equipment and motor vehicles from third parties under finance leases. The effective rates of interest for finance leases for the Group as at 30 September 2011 is 5.0% to 6.2% (2010: 5.9% to 6.2%) per annum.

	Group	
	2011	2010
	S\$	S\$
Minimum lease payments due:		
– less than one year	41,079	27,180
– between one to five years	75,380	80,318
Total minimum lease payments	116,459	107,498
Less: Future finance charges	(19,019)	(19,519)
Present value of total minimum lease payments	97,440	87,979
Classified as:		
Non-current liabilities	62,906	61,455
Current liabilities	34,534	26,524
	97,440	87,979

Finance lease liabilities of the Group are secured by certain plant and equipment as disclosed in Note 11.

22 Trade and Other Payables

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Trade payables to:				
– Third parties	1,263,107	729,907	–	–
Construction contracts:				
– Retention payables	146,380	1,035,658	–	–
Other payables to:				
– Third parties	219,030	426,662	802	107,428
– Related companies	–	–	1,599,995	–
– Related parties	4,920	178	–	–
– Associated companies	2,336,122	2,049,622	–	–
Advances/deposits received	14,197,742	3,349,969	–	–
Accrued operating expenses	865,751	478,436	62,249	60,000
	<u>19,033,052</u>	<u>8,070,432</u>	<u>1,663,046</u>	<u>167,428</u>

The non-trade payables due to related companies, related parties and associated companies are unsecured, interest-free and repayable in cash on demand.

Related parties comprise mainly of companies which are controlled or significantly influenced by the key management personnel of the Group.

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Classified as:				
Non-current liabilities	3,378,960	–	–	–
Current liabilities	15,654,092	8,070,432	1,663,045	167,428
	<u>19,033,052</u>	<u>8,070,432</u>	<u>1,663,045</u>	<u>167,428</u>

23 Borrowings

	Group	
	2011	2010
	S\$	S\$
Non-current liabilities:		
Bank borrowings	37,283,054	9,493,806
Current liabilities:		
Bank borrowings	20,363,150	14,674,004
Bank overdrafts (Note 16)	–	1,432,005
	<u>20,363,150</u>	<u>16,106,009</u>
Total	<u>57,646,204</u>	<u>25,599,815</u>

23 Borrowings (cont'd)

(a) Bank Borrowings

	Group	
	2011	2010
	S\$	S\$
Secured bank borrowings due:		
– within one year	20,363,150	14,674,004
– between one to five years	25,927,973	4,571,176
– after five years	11,355,081	4,922,630
	57,646,204	24,167,810
Undrawn borrowing facilities	35,487,209	10,038,540
Average effective rates of interest at the balance sheet date:		
– bank borrowings	2.38% – 4.25% 2.30% – 4.55%	

Bank borrowings are secured by:

- (i) Mortgages on the borrowing subsidiaries' property, plant and equipment, investment properties and development properties for sale;
- (ii) Assignment of all rights, titles and benefits with respect to these properties;
- (iii) Joint and several guarantees by directors;
- (iv) Corporate guarantee by Goodland Group Limited;
- (v) Charge of cash deposit;
- (vi) Deed of subordination of all shareholders' and directors' loans for all monies up to the full retirement of the credit facilities;
- (vii) Assignment of performance bond, insurances, proceeds and construction contract; and
- (viii) Credit agreement

(b) Bank Overdrafts

Bank overdrafts of the Group are secured by the following:

- (i) Legal mortgage on the Group's investment properties and property, plant and equipment;
- (ii) Assignment of all rights, titles and benefits with respect to the property;
- (iii) Deed of subordination of all shareholders' and directors' loans for all monies up to the full retirement of the credit facilities;
- (iv) Corporate guarantee by Goodland Group Limited; and
- (v) Joint and several guarantees from certain directors.

During the current financial year ended 30 September 2011, interest on the bank overdrafts are on a fixed rate basis of 2% to 5.25% per annum (2010: 0% to 1.5%), above the prevailing prime rate of the bank.

23 Borrowings (cont'd)

(c) Breach of Loan Covenants

During the previous financial year ended 30 September 2010, one of the subsidiaries of the Group entered into a loan agreement with a bank for the purpose of project financing. According to one of the conditions stated in the agreement, the Group had to commence construction of the proposed development by the 2nd quarter of year 2010. As at 30 September 2010, the Group did not commence construction as the Group planned to redevelop this property together with newly acquired properties acquired by the Group in 2011 in the same location.

As a result, the Group had breached a loan covenant in the bank loan as at 30 September 2010 and accordingly the bank loan amounting to approximately S\$1.66 million was reclassified as a current liability in the balance sheet as at 30 September 2010. In 2011, the bank has revised its construction timeline and amended the letter of offer with respect to the revisions of the commencement date of construction. As at 30 September 2011, the Group has classified the loan to current and non-current liabilities according to the repayment clauses in the loan agreement.

(d) Carrying Amounts and Fair Value Information

The fair values of borrowings at the balance sheet date are based on expected future cash flows, discounted using market rates of approximately 5% for similar instruments at the balance sheet date.

The following fair values are for information purposes only and are not recognised in the financial statements.

	Group	
	2011	2010
	S\$	S\$
Secured bank loans:		
Carrying amounts	57,646,204	24,167,810
Fair values	55,831,812	23,915,193

24 Deferred Tax Assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group		
	2011	2010	2009
	S\$	S\$	S\$
Deferred tax assets to be recovered:			
– within one year	686,259	141,000	–
– between one to five years	250,756	–	–
	937,015	141,000	–

24 Deferred Tax Assets (cont'd)

	← Deferred tax assets →			Net
	Deferred tax liability – fair value gain on investment properties	Tax losses	Unrealised profits on development properties for sale	
	S\$	S\$	S\$	
Group				
<u>30.09.2011</u>				
Balance at beginning of year (previously reported)	306,332	(141,000)	–	165,332
Effect of adoption of FRS 12 (Note 2(a))	(306,332)	–	–	(306,332)
Balance at beginning of year (restated)	–	(141,000)	–	(141,000)
Charged/(credited) to profit or loss (Note 9)	–	141,000	(937,015)	(796,015)
Balance at end of year	–	–	(937,015)	(937,015)
<u>30.09.2010</u>				
Balance at beginning of year (previously reported)	306,332	–	–	306,332
Effect of adoption of FRS 12 (Note 2(a))	(306,332)	–	–	(306,332)
Balance at beginning of year (restated)	–	–	–	–
Credited to profit or loss (Note 9)	–	(141,000)	–	(141,000)
Balance at end of year (restated)	–	(141,000)	–	(141,000)
<u>01.10.2009</u>				
Balance at beginning of year	464,167	–	–	464,167
Credited to profit or loss	(157,835)	–	–	(157,835)
	306,332	–	–	306,332
Effect of adoption of FRS 12 (Note 2(a))	(306,332)	–	–	(306,332)
Balance at end of year (restated)	–	–	–	–

25 Share Capital

	Group		Company	
	No. of shares	S\$	No. of shares	S\$
2011				
Balance at beginning of year	159,860,000	4,311,914	159,860,000	4,311,914
Issue of share capital:				
– shares placement	31,888,000	4,480,264	31,888,000	4,480,264
– exercise of warrants	250,000	42,500	250,000	42,500
Share issue expenses	–	(169,067)	–	(169,067)
Balance at end of year	191,998,000	8,665,611	191,998,000	8,665,611
2010				
Balance at beginning of year	129,860,000	916,080	129,860,000	916,080
Issue of share capital	30,000,000	6,000,000	30,000,000	6,000,000
Share issue expenses	–	(2,604,166)	–	(2,604,166)
Balance at end of year	159,860,000	4,311,914	159,860,000	4,311,914

25 Share Capital (cont'd)

- a) Ordinary shares have no par value.
- b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction at general meetings of the Company and rank equally with regard to the Company's residual assets.
- c) During the financial year ended 30 September 2011, pursuant to the completion of the share placement, 31,888,000 new ordinary shares have been issued at a price of S\$0.1405 per share. The share placement expenses of S\$169,067 has been presented as a deduction against share capital account.
- d) During the financial year ended 30 September 2011, the Company issued 115,048,800 warrants which are dilutive potential ordinary shares. The warrants were issued at an issue price of S\$0.01. Each warrant will, subject to the terms and conditions of the Deed Poll, entitle its holder to subscribe for one ordinary share in the capital of the Company at an exercise of S\$0.16 (the "exercise price") for each new ordinary share, on the basis of three warrants for every five existing ordinary shares in the capital of the Company, at any time during the period commencing 22 February 2011 and expiring on 21 February 2015. The net proceeds of the warrants issued amounting to S\$988,932, are included in the warrants reserve. There was an exercise of 250,000 warrants during the current financial year ended 30 September 2011 which resulted in a reduction of the warrants reserve by S\$2,500 from S\$988,932 to S\$986,432 (Note 26). As at 30 September 2011, the number of outstanding warrants amounted to 114,798,800.

26 Reserves

	Group			Company	
	30.09.2011	30.09.2010	01.10.2009	2011	2010
	S\$	S\$	S\$	S\$	S\$
Retained earnings/ Accumulated losses	14,416,519	11,156,563	10,043,112	(793,277)	(448,888)
Merger reserves	(485,076)	(485,076)	(485,076)	-	-
Currency translation reserve	(28,935)	(17,528)	(22,344)	-	-
Warrants reserve (Note 25(d))	986,432	-	-	986,432	-
	<u>14,888,940</u>	<u>10,653,959</u>	<u>9,535,692</u>	<u>193,155</u>	<u>(448,888)</u>

Merger reserve represents the difference between the value of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interests method.

Movements in reserves for the Group are set out in the consolidated statement of changes in equity.

27 Significant Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decision. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

In addition to the information disclosed elsewhere in the financial statements, during the financial year, the Group had significant transactions with related parties on terms agreed between the parties as follows:

	Group	
	2011	2010
	S\$	S\$
<u>With companies in which the directors have interests or common directors</u>		
<i>Expenses:</i>		
Consultancy services	6,000	–
<i>Asset:</i>		
Purchase of development properties for sale	–	264,766
<u>With shareholder</u>		
<i>Income:</i>		
Construction revenue	–	186,916
<i>Asset:</i>		
Purchase of development properties for sale	–	2,375,000
<i>Liability:</i>		
Deposit received for sale of development properties for sale	211,432	93,970
<u>With shareholder/a director/key management personnel</u>		
<i>Liability:</i>		
Deposit received for sale of development properties for sale	104,960	–
<u>With a director</u>		
<i>Liability:</i>		
Deposit received for sale of development properties for sale	96,860	–
<u>With associated companies</u>		
<i>Income:</i>		
Miscellaneous service fee	24,000	24,000
Construction revenue	–	5,805,100
Dividends received	503,000	–
<u>With family members related to key management personnel</u>		
<i>Liability:</i>		
Deposit received for sale of development properties for sale	200,625	22,292

Balances with related parties outstanding at the balance sheet date are disclosed in Notes 18 and 22.

27 Significant Related Party Transactions (cont'd)

Remuneration of Key Management Personnel

The remuneration of the directors and senior personnel, who are the key management personnel of the Group are as follows:

	Group	
	2011	2010
	S\$	S\$
Short-term employee benefits	1,456,550	1,120,499
Contributions to defined contribution plans	107,579	80,183
	1,564,129	1,200,682
Comprised amounts paid/payable to:		
Directors of the Company *	1,030,928	754,855
Other key management personnel	533,201	445,827
	1,564,129	1,200,682

* Includes directors' fees of S\$114,000 (2010: S\$108,000)

28 Commitments

(a) Purchase of Development Properties for Sale

	Group	
	2011	2010
	S\$	S\$
Purchase of development properties for sale contracted for but not provided for in the financial statements	8,550,000	8,550,000
	8,550,000	8,550,000

(b) Operating Lease Receipts

The future minimum lease receivables under non-cancellable operating leases, with varying terms and renewal rights contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group	
	2011	2010
	S\$	S\$
<u>Rental receivables</u>		
– within one year	352,960	280,793
– between one to five years	200,220	39,300
	553,180	320,093

29 Corporate Guarantees

As at 30 September 2011, the Company has corporate guarantees amounting to S\$93,133,413 (2010: S\$31,232,313) issued to banks for term loans and bank overdrafts of the Group's subsidiaries, of which S\$57,646,204 (2010: S\$24,071,772) has been drawn down. The fair value of the corporate guarantee is estimated to be insignificant as the loans are fully collateralised by the related mortgaged property and subsidiaries have the ability to generate sufficient cash flows from their operations to finance their continuing operations and repay the bank borrowings.

30 Financial Risks Management Policies

The Group's activities exposed it to a variety of financial risks, including the effects of interest rate risk, credit risk, currency risk and liquidity risk arising in the normal course of the Group's business. The Group's risk management policy seeks to minimise the potential adverse effects from these exposures. Management continuously monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors is responsible for setting the objectives, the underlying principles of financial risk management for the Group and establishing the policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved.

(a) Credit risk

Credit risk refers to the risk that the customer or counterparty failed to discharge an obligation which resulted in a financial loss to the Group.

As the Group does not hold any collateral, the maximum exposure to credit risk is the carrying amount of the related financial assets presented on the balance sheet, except as follows:

	2011 S\$	2010 S\$
Corporate guarantees provided to financial institutions on subsidiaries borrowings:		
– Total facilities	88,912,413	31,232,313
– Total outstanding	31,266,209	7,159,541

The Group's credit risk is primarily attributable to its trade and other receivables. The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. This allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Trade and other receivables balances are monitored on an ongoing basis and whether the trade and other receivables are recoverable are estimated by the Group's management based on prior experience and the current economic environment.

Cash and fixed deposits are placed with banks and financial institutions which are regulated.

30 Financial Risks Management Policies (cont'd)

(a) *Credit risk (cont'd)*

Significant concentrations of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's credit exposure is concentrated mainly in Singapore.

(i) *Financial assets that are neither past due nor impaired*

Trade and other receivables that are neither past due nor impaired are creditworthy companies or individuals with a good payment record with the Group. Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit ratings and no history of default.

(ii) *Financial assets that are past due but not impaired*

There are no other class of financial assets that is past due but not impaired except for trade and other receivables.

The age analysis of trade and other receivables past due but not impaired are as follows:

	Group	
	2011	2010
	S\$	S\$
Past due within 30 days	–	31
Past due within 31 to 60 days	300	–
Past due over 60 days	136,916	42,689
	<u>137,216</u>	<u>42,720</u>

There are no classes of trade and other receivables that are past due and impaired at the respective end of the financial years, except as disclosed in Notes 7 and 18.

(b) *Interest rate risk*

Interest rate risk arises on interest-bearing financial instruments recognised in the balance sheet. It is the risk that, changes in interest rates, will affect the Group's income or the value of its holdings of financial instruments. The Group's exposures to interest rate risk for changes in interest rates mainly arise from its borrowings and bank deposits. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group's policy is to obtain the most favorable interest rates available for its borrowings and bank deposits without increasing its foreign currency exposure. Bank deposits are placed where the interest rates are beneficial whilst mitigating the risk of market changes in interest rate.

30 Financial Risks Management Policies (cont'd)

(b) Interest rate risk (cont'd)

The following table sets out the carrying amounts as at year end, by maturity or repricing, whichever is earlier, of the financial instruments of the Group that are exposed to interest rate risk:

Group	Variable rates		Fixed rates		Non-Interest Bearing	Total
	Within 12 months	After 5 years	Within 12 months	After 5 years		
	S\$	S\$	S\$	S\$	S\$	S\$
At 30 September 2011						
Financial Assets						
Cash and bank balances	177,050	-	1,056,581	40,000	-	11,676,207
Trade and other receivables	-	-	-	-	-	8,578,013
Other financial assets	-	-	-	-	-	114,095
Total Financial Assets	177,050	-	1,056,581	40,000	-	21,641,946
Financial Liabilities						
Borrowings	20,363,150	25,927,973	-	-	-	57,646,204
Finance lease liabilities	-	-	34,534	62,906	-	97,440
Trade and other payables	-	-	-	-	-	4,835,310
Total Financial Liabilities	20,363,150	25,927,973	34,534	62,906	-	62,578,954
At 30 September 2010						
Financial Assets						
Cash and bank balances	3,190	-	144,684	-	-	3,500,340
Trade and other receivables	-	-	-	-	-	5,757,647
Other financial assets	-	-	-	-	-	156,853
Total Financial Assets	3,190	-	144,684	-	-	9,414,840
Financial Liabilities						
Borrowings	16,106,009	4,571,176	-	-	-	25,599,815
Finance lease liabilities	-	-	26,524	61,455	-	87,979
Trade and other payables	-	-	-	-	-	4,720,463
Total Financial Liabilities	16,106,009	4,571,176	26,524	61,455	-	30,408,257

30 Financial Risks Management Policies (cont'd)

(b) *Interest rate risk (cont'd)*

Company

	← Variable rates →			Non-Interest Bearing	Total
	Within 12 months	1 to 5 years	After than 5 years		
	S\$	S\$	S\$	S\$	S\$
At 30 September 2011					
Financial Assets					
Cash and bank balances	177,050	-	-	-	177,050
Trade and other receivables	-	-	-	4,791,487	4,791,487
Total Financial Assets	177,050	-	-	4,791,487	4,968,537
Financial Liabilities					
Trade and other payables	-	-	-	1,663,045	1,663,045
Total Financial Liabilities	-	-	-	1,663,045	1,663,045
At 30 September 2010					
Financial Assets					
Cash and bank balances	3,189	-	-	-	3,189
Trade and other receivables	-	-	-	1,386,188	1,386,188
Total Financial Assets	3,189	-	-	1,386,188	1,389,377
Financial Liabilities					
Trade and other payables	-	-	-	167,428	167,428
Total Financial Liabilities	-	-	-	167,428	167,428

Sensitivity Analysis

A change of 100 basis points in variable interest rate at the reporting date would (decrease)/increase profit after tax and equity by the amounts as shown below. This analysis assumes that all variables, including tax rates, remain constant.

	Group		Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Floating rate instruments				
- 100 basis point increase	(476,994)	(212,452)	1,470	26
- 100 basis point decrease	476,994	212,452	(1,470)	(26)

(c) *Currency risk*

Currency risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured.

The Group is not exposed to significant foreign currency risk on its operating activities as most transactions and balances are denominated in Singapore dollars, except for certain cash and bank balances, other receivables and payables which are denominated in Malaysia Ringgit ("RM") at Group level. The Company is not exposed to significant foreign currency risk as all the financial assets and financial liabilities are denominated in Singapore dollars.

30 Financial Risks Management Policies (cont'd)

(c) *Currency risk (cont'd)*

The Group did not use derivative financial instruments to protect against the volatility associated with foreign currency transactions. Exposure to foreign currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposure at an acceptable level.

	SGD	RM	Total
	S\$	S\$	S\$
Group			
2011			
<u>Financial Assets</u>			
Trade and other receivables	8,577,457	556	8,578,013
Cash and bank balances	12,898,983	50,855	12,949,838
Other financial assets	114,095	–	114,095
	<u>21,590,535</u>	<u>51,411</u>	<u>21,641,946</u>
<u>Financial Liabilities</u>			
Trade and other payables	4,796,933	38,377	4,835,310
Finance lease liabilities	97,440	–	97,440
Borrowings	57,646,204	–	57,646,204
	<u>62,540,577</u>	<u>38,377</u>	<u>62,578,954</u>
Net Financial (Liabilities)/Assets	<u>(40,950,042)</u>	<u>13,034</u>	<u>(40,937,008)</u>
2010			
<u>Financial Assets</u>			
Trade and other receivables	5,757,647	–	5,757,647
Cash and bank balances	3,568,844	79,370	3,648,214
Other financial assets	156,853	–	156,853
	<u>9,483,344</u>	<u>79,370</u>	<u>9,562,714</u>
<u>Financial Liabilities</u>			
Trade and other payables	4,663,454	57,009	4,720,463
Finance lease liabilities	87,979	–	87,979
Borrowings	25,599,815	–	25,599,815
	<u>30,351,248</u>	<u>57,009</u>	<u>30,408,257</u>
Net Financial (Liabilities)/Assets	<u>(20,867,904)</u>	<u>22,361</u>	<u>(20,845,543)</u>

The effects of a change of 5% (2010: 5%) (taking into consideration both the strengthening and weakening aspect) of the RM against S\$ at the balance sheet date on the Group's results are as shown below. The change assumes that all other variables, in particular interest and tax rates, remain constant, and the Group's profit for the year ended 30 September 2011 and 2010 would increase/(decrease) by:

	Group	
	2011	2010
	S\$	S\$
RM against S\$		
– strengthened	541	928
– weakened	(541)	(928)

30 Financial Risks Management Policies (cont'd)

(d) *Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and where required, and mitigate the effects of fluctuation in cash flows. The Group obtains additional funding through bank facilities.

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

	Carrying amount	Cash Flows			After 5 years
		Contractual cash flows	Within 1 year	1 to 5 years	
	S\$	S\$	S\$	S\$	S\$
Group					
As at 30 September 2011					
Trade and other payables	4,835,310	4,835,310	4,835,310	-	-
Finance lease liabilities	97,440	116,459	41,079	75,380	-
Borrowings	57,646,204	68,241,734	21,407,778	28,506,787	18,327,168
	<u>62,578,954</u>	<u>73,193,503</u>	<u>26,284,167</u>	<u>28,582,167</u>	<u>18,327,168</u>
As at 30 September 2010					
Trade and other payables	4,720,463	4,720,463	4,720,463	-	-
Finance lease liabilities	87,979	107,498	27,180	80,318	-
Borrowings	25,599,815	29,010,497	16,963,871	5,713,628	6,332,998
	<u>30,408,257</u>	<u>33,838,458</u>	<u>21,711,514</u>	<u>5,793,946</u>	<u>6,332,998</u>
Company					
As at 30 September 2011					
Trade and other payables	1,663,045	1,663,045	1,663,045	-	-
Financial guarantee contracts	93,133,413	93,133,413	93,133,413	-	-
	<u>94,796,458</u>	<u>94,796,458</u>	<u>94,796,458</u>	<u>-</u>	<u>-</u>
As at 30 September 2010					
Trade and other payables	167,428	167,428	167,428	-	-
Financial guarantee contracts	31,232,313	31,232,313	31,232,313	-	-
	<u>31,399,741</u>	<u>31,399,741</u>	<u>31,399,741</u>	<u>-</u>	<u>-</u>

(e) *Capital risk*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The Group's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future business developments. The Group funds its operations and growth through a mix of equity and debts. This includes the maintenance of adequate lines of credit and assessing the need to raise additional equity where required.

30 Financial Risks Management Policies (cont'd)

(e) *Capital risk (cont'd)*

In the management of capital risk, management takes into consideration the net debt equity ratio as well as the Group's working capital requirement. The net debt equity ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities less total income tax payable and cash and cash equivalents. Total equity comprises of share capital and reserves attributable to equity holders of the Company.

	Group		Company	
	2011 S\$	2010 S\$	2011 S\$	2010 S\$
Net debt	63,922,192	31,686,701	1,485,995	164,239
Total equity	23,554,551	14,965,873	8,858,766	3,863,026
Net debt against equity ratio	271%	212%	17%	4%

The Group is in compliance with all borrowing covenants for the financial year ended 30 September 2011 and 2010 except as disclosed in Note 23. There were no changes in the Group's approach to capital management during the financial years ended 30 September 2011 and 2010.

(f) *Fair values*

The fair value information presented represents the Group's best estimate of those values and may be subject to certain assumptions and limitations. The methodologies and assumptions used in the estimation of fair values depend on the terms and characteristics of the various financial instruments.

The following table presents assets measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets (Level 1);
- (b) inputs other than quoted prices included with Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset that are not based on observable market data (unobservable inputs) (Level 3)

	Level 1	Level 2	Level 3	Total
	S\$	S\$	S\$	S\$
Group				
<u>2011</u>				
Financial assets, at fair value through profit or loss	114,095	-	-	114,095
<u>2010</u>				
Financial assets, at fair value through profit or loss	156,853	-	-	156,853

The carrying amounts of other financial assets and liabilities recognised as at 30 September 2011 and 2010, with a maturity of less than one year approximate their fair values due to their short term maturities.

The fair values of long term borrowings and finance lease liabilities are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the balance sheet date. As at 30 September 2011 and 2010, the carrying amounts of the long term borrowings and finance lease liabilities approximate their fair values, except as disclosed in the consolidated financial statements.

31 Segment Information

The Group's primary format for segment reporting is based on business segments. The business segments are determined based on the Group's management and internal reporting structure. Geographical segment is not presented as the Group operates predominantly in Singapore. The revenue for the financial year ended 30 September 2011 and 2010 are largely earned in Singapore and 99% of non-current assets are located in Singapore.

Inter-segment transactions are determined on an arm's length basis. During the financial year ended 30 September 2011, revenue was derived from four (2010: two) customers amounting to (2010: S\$8,005,100) which accounted for 100% (2010: 97%) of the Group's sales revenue.

Segment assets comprise primarily development properties for sale, construction and investment properties. Other assets and liabilities of the Group are utilised interchangeably between the different segments and there is no reasonableness to allocate such assets and liabilities of the Group between the different segments.

	Sale of Development Properties	Construction Revenue	Investment Properties	Others	Total
	S\$	S\$	S\$	S\$	S\$
2011					
Revenue and other operating income	12,106,000	11,981,228	2,583,178	161,563	26,831,969
Less: Elimination	–	(11,981,228)	–	–	(11,981,228)
	12,106,000	–	2,583,178	161,563	14,850,741
Segment results	4,026,683	(318,691)	2,499,001	–	6,206,993
Share of results of associated companies	(61,810)	–	–	–	(61,810)
Unallocated income					161,563
Unallocated expenses					(2,642,322)
Results from operating activities					3,664,424
Unallocated interest income					4,112
Unallocated finance costs					(428,774)
Profit before income tax					3,239,762
Income tax credit					21,195
Total profit for the year					3,260,957
<u>Other segment items</u>					
Investments in associated companies					1,797,333
Capital expenditure					
– Property, plant and equipment (unallocated)					105,158
Depreciation – Property, plant and equipment					
– allocated	–	10,051	–	–	10,051
– unallocated	–	115,427	–	–	115,427
	–	125,478	–	–	125,478
Fair value gain on investment properties	–	–	2,150,630	–	2,150,630
<u>Assets and Liabilities</u>					
Segment assets	66,954,667	928,602	15,512,364	–	83,395,633
Unallocated assets					17,924,873
Total assets					101,320,506
Segment liabilities	64,708,836	1,357,077	5,687,521	–	71,753,434
Unallocated liabilities					5,914,9776
Total liabilities					77,668,410

31 Segment Information (cont'd)

	Sale of Development Properties	Construction Revenue	Investment Properties	Others	Total
	S\$	S\$	S\$	S\$	S\$
2010					
Revenue and other operating income	2,200,000	8,344,661	1,430,741	101,082	12,076,484
Less: Elimination	–	(2,352,484)	–	–	(2,352,484)
	2,200,000	5,992,177	1,430,741	101,082	9,724,000
Segment results	604,593	780,505	1,307,990	–	2,693,088
Share of results of associated companies	991,866	–	–	–	991,866
Unallocated income					74,601
Unallocated expenses					(2,466,852)
Results from operating activities					1,292,703
Unallocated interest income					3,812
Unallocated finance costs					(223,462)
Profit before income tax					1,073,053
Income tax credit					33,712
Total profit for the year					1,106,765
<u>Other segment items</u>					
Investments in associated companies					2,362,143
Capital expenditure					
– Property, plant and equipment (unallocated)					709,316
Depreciation – Property, plant and equipment					
– allocated	–	6,701	–	–	6,701
– unallocated	–	72,777	–	–	72,777
	–	79,478	–	–	79,478
Fair value gain on investment properties	–	–	960,504	–	960,504
<u>Assets and Liabilities</u>					
Segment assets	24,538,144	2,924,854	13,496,254	–	40,959,252
Unallocated assets					8,280,409
Total assets					49,239,661
Segment liabilities	20,008,307	1,870,953	5,916,234	–	27,795,494
Unallocated liabilities					6,377,749
Total liabilities					34,173,243
<u>Unallocated other income and expenses</u>					

There is no reasonable basis to allocate foreign exchange loss, interest income, general finance cost and income tax expense to the different segments, and accordingly these items have been disclosed as unallocated income and unallocated costs. Unallocated costs also include administrative expenses of the Company, dormant subsidiaries and subsidiaries which are engaged in more than one business segments. There is no reasonable basis to allocate such administrative expenses to the respective segments.

31 Segment Information (cont'd)

Unallocated assets and liabilities

Certain assets of the Group that are shared between the different segments are not allocated. There is no reasonable basis to allocate certain assets and liabilities of the Group between the different segments and accordingly the assets and liabilities of the Group are disclosed as unallocated in the segment report.

The unallocated assets and liabilities are as follows:

	Group	
	2011	2010
	S\$	S\$
<i>Unallocated assets:</i>		
Property, plant and equipment	1,049,341	1,059,610
Investment in associated companies	1,797,333	2,362,143
Trade and other receivables	1,916,773	761,511
Other current assets	97,493	292,078
Financial assets, at fair value through profit or loss	114,095	156,853
Cash and bank balances	12,949,838	3,648,214
	17,924,873	8,280,409
<i>Unallocated liabilities:</i>		
Trade and other payables	3,425,822	2,942,748
Income tax payables	891,714	415,017
Finance lease liabilities	97,440	87,979
Borrowings	1,500,000	2,932,005
	5,914,976	6,377,749

32 Subsequent Events

- (i) Pursuant to an option to purchase agreement dated 18 July 2011, the Group exercised its option on 8 August 2011 to purchase a property at No. 26C Poh Huat Road Singapore for the total sum of S\$1,500,000 of which S\$75,000 deposit has been paid as at 30 September 2011. The transaction was completed on 14 November 2011. The acquisition was for the purposes of growing the Group's land bank and the property is intended for eventual redevelopment and sale.
- (ii) Pursuant to an option to purchase agreement dated 20 July 2011, the Group exercised its option on 16 August 2011 to purchase two properties at No. 1 Robey Crescent Singapore for the total sum of S\$7,500,000 of which S\$375,000 deposit has been paid as at 30 September 2011. The transaction was completed on 8 November 2011. The acquisition was for the purposes of growing the Group's land bank and the properties are intended for eventual redevelopment and sale.
- (iii) The Company granted an option to purchase to a third party on 16 November 2011 for the sale of the property at 6 Jalan Tanjong Singapore for S\$2,700,000.
- (iv) On 22 November 2011, the Group announced the incorporation of a wholly-owned subsidiary, Goodland Assets Pte. Ltd., with an issued and paid-up share capital of S\$1. Goodland Assets Pte. Ltd. will be principally engaged in real estate development and investment as well as leasing of commercial and industrial properties.
- (v) On 29 November 2011, the Company announced and proposed to declare a final tax-exempt (one-tier) of S\$0.01 per share for the financial year ended 30 September 2011.

33 Comparative Figures

As disclosed in Note 2(a) to the financial statements, the Group has early adopted FRS 12 *Deferred Tax: Recovery of Underlying Assets*. The amendment has been applied retrospectively. Accordingly, certain line items have been amended/reclassified on the face of the balance sheet and related notes to the financial statements as set out below:

	Previously reported	Effect of change of accounting policy/ reclassification	Restated
	S\$	S\$	S\$
Group			
<u>Balance Sheet</u>			
<u>30.09.2010</u>			
Deferred tax assets	–	141,000	141,000
Deferred tax liabilities	165,332	(165,332)	–
Reserves	10,347,627	306,332	10,653,959
<hr/>			
<u>01.10.2009</u>			
Deferred tax liabilities	306,332	(306,332)	–
Reserves	9,229,360	306,332	9,535,692
<hr/>			

Statistics of Shareholdings

As at 30 December 2011

ISSUED AND PAID-UP CAPITAL	:	S\$11,758,104
NO. OF SHARES ISSUED	:	191,998,000
CLASS OF SHARES	:	ORDINARY SHARES
NUMBER OF TREASURY SHARES	:	NIL
VOTING RIGHTS	:	ON SHOW OF HANDS: 1 VOTE FOR EACH MEMBER ON A POLL: 1 VOTE FOR EACH ORDINARY SHARE

DISTRIBUTION OF SHAREHOLDERS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	148	25.61	3,860	0.00
1,000 - 10,000	251	43.43	868,780	0.45
10,001 - 1,000,000	164	28.37	16,034,160	8.35
1,000,001 AND ABOVE	15	2.59	175,091,200	91.20
TOTAL	578	100.00	191,998,000	100.00

Based on the information provided to the Company as at 30 December 2011, approximately 33.20% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of the Catalist Rules is complied with.

TOP TWENTY SHAREHOLDERS AS AT 30 DECEMBER 2011

NAME	NO. OF SHARES	%
KOH CHIN KIM	45,780,000	23.84
TAN CHEE BENG	31,220,000	16.26
TAN CHEE TIONG	31,220,000	16.26
TAN BEE BEE	15,271,200	7.95
SNG SIEW LIN	9,000,000	4.69
HONG LEONG FINANCE NOMINEES PTE LTD	8,983,000	4.68
SEAH KHENG LUN	8,353,000	4.35
WONG MING KWONG	4,760,000	2.48
UOB KAY HIAN PTE LTD	4,331,000	2.26
KOH WEE MENG	4,000,000	2.08
CHAN HOE YIN @ CHAN PAK YIN	3,673,000	1.91
GUO LEI	2,800,000	1.46
FOO MOO PAO	2,613,000	1.36
QUEK SOON CHYE	1,887,000	0.98
CHUA CHAI TIANG	1,200,000	0.63
DMG & PARTNERS SECURITIES PTE LTD	880,000	0.46
STEPHANIE CHEO KAE YUH (ZHANG KAIYU)	811,000	0.42
NG KIM LAN	795,000	0.41
OCBC SECURITIES PRIVATE LTD	752,000	0.39
TAN KIM SENG	750,000	0.39
TOTAL	179,079,200	93.26

SUBSTANTIAL SHAREHOLDERS AS AT 30 DECEMBER 2011

NAME OF SUBSTANTIAL SHAREHOLDER	NUMBER OF SHARES REGISTERED IN THE NAME OF SUBSTANTIAL SHAREHOLDER	NUMBER OF SHARES IN WHICH SUBSTANTIAL SHAREHOLDER IS DEEMED TO HAVE AN INTEREST
Koh Chin Kim	45,780,000	77,711,200
Tan Chee Beng	31,220,000	92,271,200
Tan Chee Tiong	31,220,000	92,271,200
Tan Bee Bee	15,271,200	108,220,000

Note:

Tan Chee Beng, Tan Chee Tiong and Tan Bee Bee are siblings. Their mother is Koh Chin Kim. Each of Tan Chee Beng, Tan Chee Tiong, Tan Bee Bee and Koh Chin Kim is deemed interested in all the Shares held by their family members.

Statistics of Warrantholdings

As at 30 December 2011

DISTRIBUTION OF WARRANTHOLDERS

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 999	5	2.03	2,001	0.00
1,000 - 10,000	164	66.67	409,400	0.36
10,001 - 1,000,000	65	26.42	5,502,679	4.79
1,000,001 AND ABOVE	12	4.88	108,884,720	94.85
TOTAL	246	100.00	114,798,800	100.00

TOP TWENTY WARRANTHOLDERS AS AT 30 DECEMBER 2011

NAME	NO. OF WARRANTS	%
TAN CHEE BENG	18,732,000	16.32
TAN CHEE TIONG	18,732,000	16.32
SNG SIEW KHIM	15,319,000	13.34
UOB KAY HIAN PTE LTD	14,841,000	12.93
SEAH KHENG LUN	9,900,000	8.62
TAN BEE BEE	9,162,720	7.98
SNG SIEW LIN	5,944,000	5.18
UNITED OVERSEAS BANK NOMINEES PTE LTD	5,050,000	4.40
CHAN HOE YIN @ CHAN PAK YIN	3,306,000	2.88
STEPHANIE CHEO KAE YUH (ZHANG KAIYU)	3,305,000	2.88
WONG MING KWONG	2,856,000	2.49
WEE HUI HIAN	1,737,000	1.51
CHUA CHAI TIANG	794,000	0.69
NG KIM LAN	725,000	0.63
CIMB SECURITIES (SINGAPORE) PTE LTD	321,000	0.28
CHEO KAE JER (ZHANG KAIZHE)	293,000	0.26
YEO KOK HIONG	255,000	0.22
LIM YEN LING CAROLINE	224,000	0.20
ONG HUAY CHEW	199,000	0.17
LIM AI CHOO	184,000	0.16
TOTAL	111,879,720	97.46

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of the shareholders of Goodland Group Limited (the “**Company**”) will be held at Seletar Country Club, 101 Seletar Club Road, Seletar Room, Level 2, Singapore 798273 on Tuesday, 31 January 2012 at 9.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS:

1. To receive and adopt the Directors’ Report and Audited Accounts for the financial year ended 30 September 2011 together with the Auditors’ Report thereon.
Resolution 1
2. To declare a final tax-exempt (one-tier) dividend of 1.0 cent per ordinary share for the financial year ended 30 September 2011.
Resolution 2
3. To approve the payment of Directors’ fees of S\$126,000.00 for the financial year ending 30 September 2012 (2011: S\$114,000.00).
Resolution 3
4. To re-elect the following Directors of the Company retiring pursuant to Article 98 of the Articles of Association of the Company:-

Mr Wong Ming Kwong **Resolution 4**

Mr Raymond Lye Hoong Yip

Mr Raymond Lye Hoong Yip will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and Remuneration Committee and Chairman of the Nominating Committee and will be considered independent for the purpose of Rule 704(7) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalyst.
Resolution 5
5. To re-appoint Messrs Moore Stephens LLP as the auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
Resolution 6
6. To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolutions as Ordinary Resolution, with or without any modifications:-

7. Authority to allot and issue shares

That pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore (“Companies Act”) and Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (“**Rules of Catalyst**”), the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

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; and

- (b) notwithstanding that the authority conferred by this Resolution may have ceased to be in force, issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force,

Notice of Annual General Meeting

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution), to be issued pursuant to this Resolution shall not exceed one hundred per cent. (100%) of the total number of issued shares in the capital of the Company (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed fifty per cent. (50%) of the total number of issued Shares in the capital of the Company (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares) at the time this Resolution is passed, after adjusting for:-
 - (i) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (ii) new Shares arising from exercising of share options or vesting of share awards outstanding and/or subsisting at the time this Resolution is passed, provided that share options or share awards (as case may be) were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and
 - (iii) any subsequent bonus issue, consolidation or sub-division of shares.
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Articles of Association for the time being of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law and the Rules of Catalist to be held, whichever is the earlier.
[Explanatory Note]

Resolution 7

Explanatory Note:

The Resolution 7 in item 7, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to allot and issue Shares and convertible securities in the Company, without seeking any further approval from shareholders in general meeting but within the limitation imposed by this Resolution, for such purposes as the Directors may consider would be in the best interests of the Company. The number of Shares and convertible securities that the Directors may allot and issue under this Resolution would not exceed one hundred per cent. (100%) of the total number of issued Shares in the capital of the Company (excluding treasury shares) at the time of the passing of this Resolution. For issue of Shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed fifty per cent. (50%) of the total number of issued Shares in the capital of the Company (excluding treasury shares) at the time of the passing of this Resolution.

NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of Goodland Group Limited (the "Company") will be closed on 7 February 2012, for the purpose of determining members' entitlements to the final exempt (one-tier) dividend (the "Proposed Final Dividend") to be proposed at the Annual General Meeting of the Company ("AGM") to be held on 31 January 2012.

Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5.00 p.m. on 6 February 2012 by the Company's Share Registrar, B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758 will be registered to determine members' entitlements to the Proposed Final Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5.00 p.m. on 6 February 2012 will be entitled to such Proposed Final Dividend.

The Proposed Final Dividend, if approved by shareholders at the AGM to be held on 31 January 2012, will be paid on or about 15 February 2012.

BY ORDER OF THE BOARD

Shirley Lim Guat Hua
Company Secretary

Singapore: 16 January 2012

Notes:

1. A member of the Company entitled to attend and vote at the AGM may appoint not more than two proxies to attend and vote instead of him.
2. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.
3. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 18 Roberts Lane, #02-01/02 Goodland Building, Singapore 218297 not less than 48 hours before the time set for the AGM.

Goodland Group Limited
(Incorporated in the Republic of Singapore)
(Registration No: 200405522N)

IMPORTANT

1. For investors who have used their CPF monies to buy the Company's 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.

PROXY FORM
ANNUAL GENERAL MEETING

I/We _____

of _____

being a member/members of Goodland Group Limited (the "Company"), hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Annual General Meeting of the Company (the "Meeting") as my/our proxy/proxies to vote for me/us on my/our behalf at the Meeting to be held at Seletar Country Club, 101 Seletar Club Road, Seletar Room, Level 2, Singapore 798273 on Tuesday, 31 January 2012 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with an "X" within the box provided)

No.	Resolutions relating to:	For	Against
Ordinary Business			
1	Directors' Reports and Audited Accounts for the financial year ended 30 September 2011		
2	To declare a final tax-exempt (one-tier) dividend		
3	Approval of Directors' Fees of S\$126,000.00 for the financial year ending 30 September 2012		
4	Re-election of Mr Wong Ming Kwong as a Director of the Company		
5	Re-election of Mr Raymond Lye Hoong Yip as a Director of the Company		
6	Re-appointment of Moore Stephens LLP as Auditors of the Company		
Special Business			
7	Authority to allot and issue shares pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore		

Dated this _____ day of _____ 2012

Total number of Shares held

Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes:

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 Singapore 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, this form of proxy will be deemed to relate to all the shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Singapore Companies Act, Chapter 50.
6. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 18 Roberts Lane, #02-01/02 Goodland Building, Singapore 218297 not less than 48 hours before the time set for the Meeting.
7. 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. In addition, in the case of members of the Company whose shares are entered against their name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.



GOODLAND GROUP LIMITED

Company Registration Number: 200405522N

18 Roberts Lane
#02-01/02 Goodland Building
Singapore 218297

www.goodlandgroup.com.sg