



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF SECOND HALF-YEAR AND FULL YEAR RESULTS

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

	The Group			The Group		
	2nd Half Year Ended		change	Twelve Months Ended		change
	31-May-20	31-May-19		31-May-20	31-May-19	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
<b>Revenue</b>	52,294	48,738	7.3	107,262	88,244	21.6
Cost of sales	(40,702)	(40,754)	(0.1)	(85,421)	(72,954)	17.1
<b>Gross profit</b>	11,592	7,984	45.2	21,841	15,290	42.8
<b>Other income</b>	1,659	2,599	(36.2)	3,078	3,706	(16.9)
<b>Expenses</b>						
Marketing and distribution costs	(106)	(169)	(37.3)	(214)	(299)	(28.4)
Administrative expenses	(6,454)	(8,302)	(22.3)	(12,950)	(15,580)	(16.9)
Finance costs	(2,018)	(1,301)	55.1	(3,377)	(2,579)	30.9
Other credit/(expenses)	281	83	238.6	75	(206)	N.M.
Share of results of associates	(28)	-	N.M.	(29)	(154)	(81.2)
<b>Profit before tax</b>	4,926	894	451.0	8,424	178	4,632.6
Tax expense	(1,932)	(1,143)	69.0	(3,600)	(2,106)	70.9
<b>Profit/(loss) after tax</b>	2,994	(249)	N.M.	4,824	(1,928)	N.M.
<b>Profit/(loss) attributable to:</b>						
Owners of the Company	2,890	(444)	N.M.	4,696	(2,134)	N.M.
Non-controlling interests	104	195	(46.7)	128	206	(37.9)
	2,994	(249)	N.M.	4,824	(1,928)	N.M.

Profit/(loss) before tax includes the following items :

	The Group			The Group		
	2nd Half Year Ended		change	Twelve Months Ended		change
	31-May-20	31-May-19		31-May-20	31-May-19	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Audit fees payable to:						
- Auditors of the Company	(156)	(118)	32.2	(244)	(216)	13.0
Allowance for expected credit loss	(166)	(16)	937.5	(166)	(16)	937.5
Amortisation of intangible assets - customer relationship	(152)	(152)	-	(305)	(732)	(58.3)
Amortisation of land use rights	-	(53)	N.M.	-	(104)	N.M.
Bad debts written off	(3)	-	N.M.	(8)	-	N.M.
Depreciation of property, plant and equipment	(7,798)	(4,379)	78.1	(15,381)	(8,951)	71.8
Fair value gain on contingent consideration	-	1,983	N.M.	-	1,983	N.M.
Fair value loss on financial assets	(116)	(165)	(29.7)	(79)	(355)	(77.7)
Gain on disposal of property, plant and equipment	26	10	160.0	40	9	344.4
Gain on disposal of investment in associate	-	-	N.M.	-	538	N.M.
Gain on disposal of investment in subsidiary	20	-	N.M.	314	-	N.M.
Impairment loss on goodwill	-	(1,912)	N.M.	-	(1,912)	N.M.
Interest expenses	(1,980)	(1,408)	40.6	(3,279)	(2,579)	27.1
Interest income	80	28	185.7	143	48	197.9
Legal and professional fees	(122)	(64)	90.6	(275)	(327)	(15.9)
Property, plant and equipment written off	-	(227)	N.M.	-	(227)	N.M.
Net foreign exchange gain/(loss)	281	83	238.6	75	(206)	N.M.

N.M. denotes not meaningful.



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

---



---

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

---



---

1 (a)(i) Consolidated Statement of Comprehensive Income for the year ended 31 May 2020

	The Group			The Group		
	2nd Half Year Ended		change	Twelve Months Ended		change
	31-May-20	31-May-19		31-May-20	31-May-19	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit/(loss) after tax</b>	2,994	(249)	N.M.	4,824	(1,928)	N.M.
<b>Other comprehensive income, net of tax</b>						
Foreign currency translation	371	220	68.6	(121)	(775)	(84.4)
Net change in fair value of cash flow hedges	(1,532)	-	N.M.	(2,036)	-	N.M.
Share of foreign currency translation of associates	-	1	N.M.	-	(67)	N.M.
Other comprehensive income for the year, net of tax	(1,161)	221	N.M.	(2,157)	(842)	156.2
<b>Total comprehensive income for the year</b>	<u>1,833</u>	<u>(28)</u>	N.M.	<u>2,667</u>	<u>(2,770)</u>	N.M.
<b>Attributable to:</b>						
Owners of the Company	1,679	(260)	N.M.	2,572	(2,823)	N.M.
Non-controlling interests	154	232	(33.6)	95	53	79.2
<b>Total comprehensive income for the year</b>	<u>1,833</u>	<u>(28)</u>	N.M.	<u>2,667</u>	<u>(2,770)</u>	N.M.

N.M. denotes not meaningful.



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

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

	The Group		The Company	
	Unaudited 31-May-20 S\$'000	Audited 31-May-19 S\$'000	Unaudited 31-May-20 S\$'000	Audited 31-May-19 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	129,800	114,845	321	88
Land use rights	-	4,480	-	-
Intangible assets	5,563	4,836	-	-
Investments in subsidiaries	-	-	47,959	47,959
Investment in associate	997	14	-	-
Financial assets at fair value through profit or loss	313	285	207	285
Other receivables	-	-	3,859	4,202
Prepayments	-	1,040	-	-
<b>Total non-current assets</b>	<b>136,673</b>	<b>125,500</b>	<b>52,346</b>	<b>52,534</b>
<b>Current assets</b>				
Inventories	340	395	-	-
Trade and other receivables	35,247	31,471	15,738	10,293
Prepaid operating expenses	1,336	986	27	143
Short-term deposit - pledged	2,392	2,351	-	-
Cash and cash equivalents	20,708	9,310	6,459	2,988
<b>Total current assets</b>	<b>60,023</b>	<b>44,513</b>	<b>22,224</b>	<b>13,424</b>
<b>Total assets</b>	<b>196,696</b>	<b>170,013</b>	<b>74,570</b>	<b>65,958</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	85,145	78,165	85,145	78,165
Treasury shares	(1,062)	(672)	(1,062)	(672)
Accumulated losses	(6,251)	(9,208)	(30,696)	(30,341)
Other reserves	(1,072)	534	(97)	(97)
<b>Equity attributable to owners of the Company</b>	<b>76,760</b>	<b>68,819</b>	<b>53,290</b>	<b>47,055</b>
Non-controlling interests	4,818	4,933	-	-
<b>Total equity</b>	<b>81,578</b>	<b>73,752</b>	<b>53,290</b>	<b>47,055</b>
<b>Non-current liabilities</b>				
Other liabilities	2,722	3,032	-	-
Borrowings	55,223	59,995	-	-
Lease liabilities	13,307	-	130	-
Deferred tax liabilities	562	433	-	-
Finance lease liabilities	-	2,453	-	2
<b>Total non-current liabilities</b>	<b>71,814</b>	<b>65,913</b>	<b>130</b>	<b>2</b>
<b>Current liabilities</b>				
Trade and other payables	15,701	13,897	20,155	17,906
Other liabilities	6,561	5,136	959	973
Derivative financial liabilities	2,036	-	-	-
Lease liabilities	8,010	-	36	-
Borrowings	9,689	9,295	-	-
Finance lease liabilities	-	1,194	-	22
Tax payable	1,307	826	-	-
<b>Total current liabilities</b>	<b>43,304</b>	<b>30,348</b>	<b>21,150</b>	<b>18,901</b>
<b>Total liabilities</b>	<b>115,118</b>	<b>96,261</b>	<b>21,280</b>	<b>18,903</b>
<b>Total equity and liabilities</b>	<b>196,696</b>	<b>170,013</b>	<b>74,570</b>	<b>65,958</b>



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

---

---

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

---

---

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

	The Group		The Group	
	As at 31 May 2020		As at 31 May 2019	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
(a) Amount repayable in one year or less, or on demand				
Finance lease	1,477	-	1,194	-
Borrowings	9,689	-	9,295	-
(b) Amount repayable after one year				
Loan from non-controlling interests	-	1,231	-	591
Finance lease	2,261	-	2,453	-
Borrowings	55,223	-	59,995	-

(c) Details of any collateral

The loans from non-controlling interests repayable in one year or on demand are entered into for the financing of the construction of the warehouse in Yangshan Shanghai, China and working capital purpose of Van Der Horst (Shanghai) Logistics Co., Ltd. The loans from non-controlling interests are unsecured.

Finance lease are entered into for certain motor vehicles, trailers, forklifts, lifting equipment and prime movers that are secured by the lessor's charge over the leased assets and are secured by corporate guarantee from GKE Corporation Limited ("GKEC") and non-controlling interests.

Borrowings repayable in one year or less and the borrowings repayable after one year were obtained for the acquisition of warehouses located at 6 Pioneer Walk, 7 Kwong Min Road, 39 Benoi Road, the construction of the warehouse in Yangshan Shanghai, China and the working capital of Wuzhou Xing Jian Readymix Co., Ltd..

Borrowings are secured by proportional corporate guarantee from GKEC and the non-controlling interests, first legal mortgage over the properties located at 6 Pioneer Walk, 7 Kwong Min Road and 39 Benoi Road, charge on property, plant and equipment of Wuzhou Xing Jian Readymix Co., Ltd and Cenxi Xing Jian Readymix Co., Ltd and fixed charge over 100% shareholdings in the share capital of a subsidiary, Van der Horst (Shanghai) Logistics Co., Ltd..

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

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

	The Group		The Group	
	2nd Half Year Ended 31-May-20	31-May-19	Twelve Months Ended 31-May-20	31-May-19
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flow from operating activities</b>				
Profit before tax	4,926	894	8,424	178
Adjustments for:				
Allowance for expected credit loss	166	16	166	16
Amortisation of intangible assets - customer relationship	152	152	305	732
Amortisation of land use rights	-	53	-	104
Bad debts charged	3	-	8	-
Depreciation of property, plant and equipment	7,798	4,379	15,381	8,951
Fair value gain on contingent consideration	-	(1,983)	-	(1,983)
Fair value loss on financial assets	116	165	79	355
Gain on disposal of property, plant and equipment	(26)	(10)	(40)	(9)
Gain on disposal of subsidiary	(20)	-	(314)	-
Gain on disposal of investment in associate	-	-	-	(538)
Impairment loss on goodwill	-	1,912	-	1,912
Interest expense	1,980	1,408	3,279	2,579
Interest income	(80)	(28)	(143)	(48)
Property, plant and equipment written off	-	227	-	227
Share of results of associates	28	-	29	154
Effect of exchange rate changes	(222)	(84)	(5)	290
<b>Operating cash flows before changes in working capital</b>	<b>14,821</b>	<b>7,101</b>	<b>27,169</b>	<b>12,920</b>
<b>Changes in working capital:</b>				
Inventories	(28)	23	55	74
Trade and other receivables	(612)	(5,472)	(4,858)	(6,734)
Prepaid operating expenses	(276)	(1,104)	(343)	(1,476)
Trade and other payables	1,188	2,335	2,744	5,489
Other liabilities	955	(813)	1,407	(1,954)
<b>Cash flows from operations</b>	<b>16,048</b>	<b>2,070</b>	<b>26,174</b>	<b>8,319</b>
Interest received	80	28	143	48
Income tax paid	(1,480)	(1,503)	(2,992)	(2,168)
<b>Net cash flows from operating activities</b>	<b>14,648</b>	<b>595</b>	<b>23,325</b>	<b>6,199</b>
<b>Investing activities</b>				
Capital contribution into investment in associate	(391)	(14)	(1,013)	(14)
Net cash outflow from disposal of subsidiary <sup>(1)</sup>	-	-	(185)	-
Proceeds from disposal of investment in associate	-	2,528	-	2,821
Purchase of financial assets at fair value through profit or loss	-	-	(105)	-
Proceeds from disposal of property, plant and equipment	170	26	263	152
Purchase of property, plant and equipment	(1,455)	(1,040)	(1,909)	(2,323)
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(1,676)</b>	<b>1,500</b>	<b>(2,949)</b>	<b>636</b>
<b>Financing activities</b>				
Dividends paid to non-controlling interests	-	-	(210)	(360)
Interest paid	(1,167)	(1,408)	(2,466)	(2,579)
Issuance of ordinary shares, net	-	-	6,980	-
Placement in short-term deposit - pledged	(41)	(34)	(41)	(171)
Loan from non-controlling interests	366	-	633	-
Proceeds from loans and borrowings	2,517	511	4,300	3,388
Purchase of treasury shares	(390)	-	(390)	-
Repayment of obligations under finance leases	-	(735)	-	(1,616)
Repayment of principal portion of lease liabilities	(5,105)	-	(9,218)	-
Repayment of loans and borrowings	(5,251)	(3,382)	(8,707)	(8,874)
<b>Net cash used in financing activities</b>	<b>(9,071)</b>	<b>(5,048)</b>	<b>(9,119)</b>	<b>(10,212)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,901</b>	<b>(2,953)</b>	<b>11,257</b>	<b>(3,377)</b>
Cash and cash equivalents at the beginning of financial year	16,603	12,176	9,310	12,640
Effect of exchange rate changes on cash and cash equivalents	204	87	141	47
Cash and cash equivalents at the end of financial year <sup>(2)</sup>	<b>20,708</b>	<b>9,310</b>	<b>20,708</b>	<b>9,310</b>



**GKE CORPORATION LIMITED**  
(Company Registration No. 200001941G)

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

Explanatory Notes:

(1) The Group disposed of G-Chem Logistics Pte Ltd, a wholly-owned subsidiary, on 18 June 2019. The value of assets and liabilities of G-Chem Logistics Pte Ltd recorded in the financial statements as at disposal date, and the cash flow effect of the disposal, were as follows:

	<b>Total S\$'000</b>
Property, plant and equipment	455
Trade and other receivables	588
Prepaid operating expenses	1
Cash and cash equivalents	185
	<u>1,229</u>
Trade and other payables	(1,249)
Finance lease liabilities	(294)
<b>Carrying value of net assets</b>	<u><u>(314)</u></u>
Total consideration *	-
Cash and cash equivalent of the subsidiary	(185)
<b>Net cash outflow on disposal of the subsidiary</b>	<u><u>(185)</u></u>

\* Total consideration is S\$1.

(2) Cash and cash equivalents in the cash flow statement comprise of the following:-

	<b>The Group</b>		<b>The Group</b>	
	<b>2nd Half Year Ended</b>		<b>Twelve Months Ended</b>	
	<b>31-May-20</b>	<b>31-May-19</b>	<b>31-May-20</b>	<b>31-May-19</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Cash at banks and on hand	20,708	9,310	20,708	9,310
Short-term deposit - pledged	2,392	2,351	2,392	2,351
	<u>23,100</u>	<u>11,661</u>	<u>23,100</u>	<u>11,661</u>
Fixed deposits pledged with bank	(2,392)	(2,351)	(2,392)	(2,351)
<b>Cash and cash equivalents</b>	<u><u>20,708</u></u>	<u><u>9,310</u></u>	<u><u>20,708</u></u>	<u><u>9,310</u></u>

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

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

Statement of Changes in Equity

The Group	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>Balance as at 1 June 2019, previously reported</b>	78,165	(672)	(9,208)	534	68,819	4,933	73,752
Effect of adopting of SFRS(I) 16	-	-	(1,221)	-	(1,221)	-	(1,221)
<b>Adjusted balance as at 1 June 2019</b>	78,165	(672)	(10,429)	534	67,598	4,933	72,531
Profit for the year	-	-	4,696	-	4,696	128	4,824
<u>Other comprehensive income:</u>							
Net change in fair value of cash flow hedges	-	-	-	(2,036)	(2,036)	-	(2,036)
Foreign currency translation	-	-	-	(88)	(88)	(33)	(121)
<b>Other comprehensive income for the year, net of tax</b>	-	-	-	(2,124)	(2,124)	(33)	(2,157)
<b>Total comprehensive income for the year</b>	-	-	4,696	(2,124)	2,572	95	2,667
<u>Contributions by and distributions to owners:</u>							
Dividends paid to non-controlling interests	-	-	-	-	-	(210)	(210)
Issuance of ordinary shares, net	6,980	-	-	-	6,980	-	6,980
Purchase of treasury shares	-	(390)	-	-	(390)	-	(390)
<b>Total contributions by and distributions to owners</b>	6,980	(390)	-	-	6,590	(210)	6,380
<b>Total transactions with owners in their capacity as owners</b>	6,980	(390)	-	-	6,590	(210)	6,380
<u>Others</u>							
Transfer to statutory reserve	-	-	(518)	518	-	-	-
<b>Closing balance at 31 May 2020</b>	85,145	(1,062)	(6,251)	(1,072)	76,760	4,818	81,578

The Group	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>Balance as at 31 May 2018, previously reported</b>	78,165	(672)	(11,261)	16,490	82,722	5,543	88,265
Effect of adopting SFRS (I)	-	-	4,113	(15,193)	(11,080)	(303)	(11,383)
<b>Balance at 31 May 2018, restated</b>	78,165	(672)	(7,148)	1,297	71,642	5,240	76,882
Effect of adopting SFRS (I) 9	-	-	298	(298)	-	-	-
<b>Balance as at 1 June 2018</b>	78,165	(672)	(6,850)	999	71,642	5,240	76,882
(Loss)/profit for the year	-	-	(2,134)	-	(2,134)	206	(1,928)
<u>Other comprehensive income:</u>							
Foreign currency translation	-	-	-	(622)	(622)	(153)	(775)
Share of foreign currency translation of associates	-	-	-	(67)	(67)	-	(67)
<b>Other comprehensive income for the year, net of tax</b>	-	-	-	(689)	(689)	(153)	(842)
<b>Total comprehensive income for the year</b>	-	-	(2,134)	(689)	(2,823)	53	(2,770)
<u>Contributions by and distributions to owners:</u>							
Dividends paid on ordinary shares	-	-	-	-	-	(360)	(360)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	(360)	(360)
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	-	-	(360)	(360)
<u>Others</u>							
Transfer to statutory reserve	-	-	(224)	224	-	-	-
<b>Closing balance at 31 May 2019</b>	78,165	(672)	(9,208)	534	68,819	4,933	73,752



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

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

**Statement of Changes in Equity**

The Company	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total equity S\$'000
Balance as at 1 June 2019	78,165	(672)	(30,341)	(97)	47,055
Loss for the year	-	-	(355)	-	(355)
<b>Total comprehensive income for the year</b>	-	-	(355)	-	(355)
<u>Contributions by and distributions to owners:</u>					
Issuance of ordinary shares, net	6,980	-	-	-	6,980
Purchase of treasury shares	-	(390)	-	-	(390)
<b>Total contributions by and distributions to owners</b>	6,980	(390)	-	-	6,590
<b>Closing balance at 31 May 2020</b>	85,145	(1,062)	(30,696)	(97)	53,290

The Company	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total equity S\$'000
Balance as at 1 June 2018, previously reported	78,165	(672)	(24,774)	201	52,920
Effect of adopting of SFRS (I) 9	-	-	298	(298)	-
<b>Balance as at 1 June 2018, restated</b>	78,165	(672)	(24,476)	(97)	52,920
Loss for the year, representing total comprehensive income for the year	-	-	(5,865)	-	(5,865)
<b>Closing balance at 31 May 2019</b>	78,165	(672)	(30,341)	(97)	47,055



---

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

---

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

**Details of any changes in the Company's issued share capital**

Total number of issued shares (excluding treasury shares):	Group and the Company	
	31-May-20	31-May-19
Total number of issued shares		
At beginning and end of financial year	694,700,540	694,700,540
Issue of new shares <sup>(1)</sup>	100,000,000	-
At end of financial year	<u>794,700,540</u>	<u>694,700,540</u>
Treasury shares		
At beginning of financial year	(6,168,650)	(6,168,650)
Share buyback	(7,059,300)	-
At beginning and end of the year	<u>(13,227,950)</u>	<u>(6,168,650)</u>
<b>Total</b>	<u>781,472,590</u>	<u>688,531,890</u>

(1) During the year under review, the Company has issued 100,000,000 ordinary shares at \$0.07 per share. Please refer to the Company's announcements dated 6 May 2019, 21 May 2019, 21 May 2019, 17 July 2019 and 22 July 2019 relating to the placement of 100,000,000 ordinary shares in the capital of the Company for more information.

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

Please refer to 1(d)(ii).

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or used of treasury shares as at end of the current financial period reported on.

Please refer to 1(d)(ii).

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

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been reviewed or audited.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter).

Not applicable

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

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

The Group has applied the same accounting policies and method of computation in the financial statements for the current financial year compared with those of the audited financial statements as at 31 May 2019, except for SFRS(I) 16 Leases as disclosed in paragraph 5 below.



**GKE CORPORATION LIMITED**  
(Company Registration No. 200001941G)

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

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

SRFS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group adopted SRFS(I) 16 using the modified retrospective approach with the cumulative effect of initially applying the standard as an adjustment to the opening retained earnings at the date of initial application, 1 June 2019, with no restatement of comparative information.

On the adoption of SRFS(I) 16, the Group chose, on a lease-by-lease basis, to measure the ROU asset at either:

- i. its carrying amount as if SRFS(I) 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 June 2019; or
- ii. an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in balance sheet immediately before 1 June 2019.

In addition, the Group elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SRFS(I) 16 to all contracts that were previously identified as leases;
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1 June 2019; and
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

Impact on Consolidated Profit and Loss Account

The expenses related to operating leases previously shown in the Consolidated Profit and Loss Account under "Cost of Sale" are replaced by depreciation of ROU assets and finance charges on lease liabilities.

Impact on Statements of Financial Position (in S\$'000)

	As at 1 June 2019 Increase/(decrease) The Group
<u>Equity</u>	
Accumulated loss	(1,221)
<u>Liabilities</u>	
Lease liabilities (non-current)	19,327
Lease liabilities (current)	7,965
Rental amortisation	(294)
Finance lease liabilities (non-current)	(2,453)
Finance lease liabilities (current)	(1,194)
<u>Assets</u>	
Property, plant and equipment	26,610
Land use rights	(4,480)

ROU assets are included in property, plant and equipment.

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

	The Group			
	2nd Half Year Ended 31-May-20	31-May-19	Twelve Months Ended 31-May-20	31-May-19
Profit/(Loss) per share, total (in SGD cent)				
- Basic <sup>(1)</sup>	0.37	0.09	0.61	(0.31)
- Fully diluted <sup>(2)</sup>	0.37	0.09	0.61	(0.31)
(1) Calculated based on weighted average number of shares	784,780,898	688,531,890	773,927,815	688,531,890
(2) Calculated based on weighted average number of shares for diluted earnings	784,780,898	688,531,890	773,927,815	688,531,890



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

---

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

---

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	31-May-20	31-May-19	31-May-20	31-May-19
Net assets (S\$'000)	76,760	68,819	53,290	47,055
Net asset value per share (in SGD cents)	9.82	10.00	6.82	6.83
Number of shares used in calculating NAV	781,472,590	688,531,890	781,472,590	688,531,890

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

8 (a) REVIEW OF THE PERFORMANCE OF THE GROUP

**INCOME STATEMENT**

**Review for FY2020 vs FY2019**

**Revenue**

For the financial year ended 31 May 2020 ("FY20"), the Group's revenue increased by 21.6% year-on-year to S\$107.3 million, up from S\$88.2 million in the financial year ended 31 May 2019 ("FY19"). The increase was mainly attributed to higher revenue contribution from (i) higher utilisation of warehouse space; (ii) increase in trucking volume, and (iii) higher revenue from ready-mix concrete plant.

**Cost of sales**

Cost of sales increased by 17.1% from S\$73.0 million in FY19 to S\$85.4 million in FY20, in tandem with the increase in revenue.

**Gross profit**

Gross profit increased by 42.8% from S\$15.3 million in FY19 to S\$21.8 million in FY20. The Group's gross margin increased from 17.3% in FY19 to 20.4% in FY20, mainly due to higher gross margin from ready-mix concrete manufacturing plant and government support schemes.

**Other income**

Other income decreased by 16.9% from S\$3.7 million in FY19 to S\$3.1 million in FY20. This was mainly due to an absence of a fair value gain on contingent consideration of S\$2.0 million and gain on disposal of investment in associate S\$0.5 million in FY19 and was offset by the gain on disposal of subsidiary S\$0.3 million and government support schemes in FY20.

**Marketing and distribution costs**

Marketing and distribution expenses decreased by 28.4% from \$0.3 million in FY2019 to S\$0.2 million in FY20. This was mainly due to lower expenses incurred on marketing from Wuzhou Xing Jian.

**Administrative expenses**

Administration expenses decreased by 16.9% from S\$15.6 million in FY19 to S\$12.9 million in FY20. The decrease in FY20 was mainly due to absence of impairment loss on goodwill amounting to S\$1.9 million in FY19, decrease in amortisation of intangible assets by S\$0.4 million and reduction in the fair value loss on financial assets.

**Finance costs**

Finance costs increased by 30.9% from S\$2.6 million in FY19 to S\$3.4 million in FY20. The increase was mainly due to interest on lease liabilities by S\$0.8 million in FY20 as a result of adopting of SFRS(I) 16.

**Other credit/(expenses)**

Other credit of S\$75,000 in FY20 was mainly due to net foreign exchange gain, a reversal from other expenses of S\$206,000 due to net exchange loss in FY19.

**Share of results of associates**

The reduction in share of loss from associates from S\$154,000 in FY19 to S\$29,000 in FY20 was due to GKE Metal Logistics Pte Ltd, disposed in FY19.

**Tax expense**

Tax expense in FY20 and FY19 were derived from profitable subsidiaries. The increase was due to better performance for the overseas subsidiary which attracted a higher income tax.

**Profit/(Loss) for the year attributable to owners of the Company**

Taking into account of the above, the Group recorded a net gain attributable to owners of the Company of S\$4.7 million in FY20, compared with a net loss attributable to owners of the Company of S\$2.1 million in FY19.

**Other comprehensive income**

Other comprehensive income mainly comprises change in fair value of cash flow hedges and foreign currency translation of subsidiaries and associates.



GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

---

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

---

**Review for 2H FY2020 vs 2H FY2019**

**Revenue**

The Group's revenue grew 7.3% to S\$52.3 million for the 2nd half year ended 31 May 2020 ("2H FY20") from S\$48.7 million for the 2nd half year ended 31 May 2019 ("2H FY19"). The increase was mainly attributed to higher revenue contribution from (i) higher utilisation of warehouse space; and (ii) higher revenue from ready-mix concrete plant.

**Cost of sales**

Cost of sales decreased marginally by 0.1% from S\$40.8 million in 2H FY19 to S\$40.7 million in 2H FY20. The decrease mainly due to receipt of government support schemes.

**Gross profit**

The Group's gross profit increased by 45.2% from S\$8.0 million in 2H FY19 to S\$11.6 million in 2H FY20 which was mainly due to higher revenue contributed from Wuzhou Xing Jian. The gross margin increased by 16.4% in 2H FY19 to 22.2% in 2H FY20. The increase was mainly due to improvement in gross margin from Wuzhou Xing Jian and better utilisation of the warehouse.

**Other income**

Other income decreased by 36.2% from S\$2.6 million from 2H FY19 to S\$1.7 million in 2H FY20. The decrease was mainly due to an absence of a fair value gain on contingent consideration which was offset by lower fair value loss on financial assets and government support schemes.

**Marketing and distribution expenses**

Marketing and distribution expenses decreased by 37.3% from S\$169,000 in 2H FY19 to S\$106,000 in 2H FY20, mainly due to lower sales and marketing expenses for Wuzhou Xing Jian.

**Administrative expenses**

Administrative expenses decreased by 22.3% from S\$8.3 million in 2H FY19 to S\$6.5 million in 2H FY20. The decrease was mainly due to the impairment loss on goodwill amounting to S\$1.9 million in 2H FY19.

**Finance costs**

Finance costs increased from S\$1.3 million in 2H FY19 to S\$2.0 million in 2H FY20, mainly due to the inclusion of interest on lease liabilities as a result of the adopting of SFRS(I) 16.

**Other expenses**

Other expenses incurred in 2H FY20 and 2H FY19 was mainly due to net foreign exchange gain.

**Share of results of associates**

The share of results of associates in 2H FY20 was due to cost incurred in the associate, Cenxi Haoyi Recycling Co., Ltd, in China.

**Tax expenses**

Tax expenses in 2H FY20 and 2H FY19 were derived from profitable subsidiaries.

**Profit/(loss) attributable to owners of the Company**

As a result of the above, the Group recorded a net profit attributable to owners of the Company of \$2.9 million in 2H FY20 as compared with a loss of S\$0.4 million in 2H FY19. The improvement in the result in profit was due to higher revenue contributed from Wuzhou Xing Jian, better utilisation of the warehouse and government support schemes.

**Other comprehensive income**

Other comprehensive income mainly comprises change in fair value of cash flow hedges and foreign currency translation of subsidiaries and associates.

**8 (b) REVIEW OF THE FINANCIAL POSITION AND CASH FLOW OF THE GROUP**

**STATEMENT OF FINANCIAL POSITION**

Non-current assets increased from S\$125.5 million as at 31 May 2019 to S\$136.7 million as at 31 May 2020. This was mainly due to the adopting of SFRS(I) 16 resulting in the recognition of operating leases amounting to S\$16.2 million as property, plant and equipment, investment in an associate, Cenxi Haoyi Recycling Co., Ltd in China, and acquiring land use rights by Cenxi Xing Jian Readymix Co., Ltd. This was offset by the decrease of depreciation and amortisation of property, plant and equipment.

Current assets increased by S\$15.5 million or 34.8% from S\$44.5 million as at 31 May 2019 to S\$60.0 million as at 31 May 2020. This was mainly due to the increase in trade and other receivables from Wuzhou Xing Jian and increase in cash and cash equivalents from S\$9.3 million as at 31 May 2019 to S\$20.7 million as at 31 May 2020.

Non-current liabilities increased by S\$5.9 million or 8.9% from S\$65.9 million as at 31 May 2019 to S\$71.8 million as at 31 May 2020. The increase was mainly due to the adopting of new SFRS(I) 16 resulting in the recognition of future operating lease payment amounting to S\$13.3 million as non-current lease liabilities, offset by the repayment of borrowings.

Current liabilities increased by S\$13.0 million or 42.7% from S\$30.3 million as at 31 May 2019 to S\$43.3 million as at 31 May 2020. This was mainly due to the adopting of SFRS(I) 16 resulting in the recognition of future operating lease payment amounting to S\$8.0 million as current lease liabilities and derivative financial liabilities of S\$2.0 million.

Total equity increased from S\$73.8 million as at 31 May 2019 to S\$81.6 million as at 31 May 2020 due to the issuance of 100,000,000 new ordinary shares during the year and the profit for the year, partially offset by purchase of treasury shares and effect of the change in fair value of cash flow hedges.



**GKE CORPORATION LIMITED**  
(Company Registration No. 200001941G)

---

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

---

**STATEMENT OF CASH FLOWS**

**FY2020 vs FY2019**

The Group's net cash generated from operating activities in FY20 was S\$23.3 million. This comprised positive operating cash flows before changes in working capital of S\$27.2 million, adjusted by a decrease in net working capital flow of S\$1.0 million, interest received and income tax paid of S\$0.1 million and S\$3.0 million, respectively.

Net cash used in investing activities was S\$2.9 million in FY20. This was mainly due to the cash outlay for the purchase of property, plant and equipment of S\$1.9 million, capital contribution into investment in associate company, Cenxi Haoyi Recycling Co., Ltd in China, of S\$1.0 million and net cash outflow of S\$0.2 million from the disposal of a subsidiary. This was offset with the proceeds from disposal of property, plant and equipment.

Net cash used in financing activities was S\$9.1 million in FY20. This was mainly due to the payment of principal portion of lease liabilities of S\$9.2 million, purchase of treasury shares of S\$0.4 million, repayment of loans, and interest expenses which was offset by the proceeds of approximately S\$7.0 million from the issuance of 100,000,000 ordinary shares by placement and proceeds from bank borrowings of S\$4.3 million.

**2H FY2020 vs 2H FY2019**

The Group's net cash generated from operating activities for 2H FY20 was S\$14.6 million. This comprised positive operating cash flows before changes in working capital of S\$14.8 million, adjusted by an increase in net working capital flow of S\$1.2 million, and interest received and income tax paid of S\$80,000 and S\$1.5 million, respectively.

Net cash used in investing activities of S\$1.7 million in 2H FY20. This was mainly due to cash outlay for the purchase of property, plant and equipment of S\$1.5 million and capital contribution into investment in associate company, Cenxi Haoyi Recycling Co., Ltd in China, of S\$0.4 million. This was offset by the proceeds from disposal of property, plant and equipments.

Net cash used in financing activities of S\$9.1 million in 2H FY20 was mainly due to the repayment of loans, lease liabilities, interest paid and the purchase of treasury shares of S\$0.4 million offset by the proceeds from bank borrowings of S\$2.5 million.

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

There were no forecast or prospect statement made.

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

In Singapore, despite the Covid-19 situation, the Company has remained operational and adjusted itself to the current business environment. Barring any unforeseen circumstances, the Company is sanguine about the prospect of warehousing segment as we have received an increased number of enquiries. However, the current pandemic has presented headwinds to the transportation segment due to the reduction in import and export activities.

In China, as the country has started to recover from Covid-19 and is anticipated to invest in 'new infrastructure' to pull the economy out of post-Covid-19 doldrums, the demand for such construction materials should remain healthy. The Group continues in its execution of its new projects, being a recycling plant for production of construction raw materials and a readymix concrete plant.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

**(c) Date Payable**

Not applicable.

**(d) Books Closure Date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect and reason(s) for the decision.**

After deliberation, the board has adopted a prudent approach to conserve cash amidst the current challenging business environment. As such, no final dividend has been proposed for FY20.



GKE CORPORATION LIMITED

(Company Registration No. 200001941G)

UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or half year results)

13. Segmental revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

(a) Operating Segments

	Investment Holding	Third Party Logistics	Infrastructural Logistics	Eliminations	Total
31 May 2020	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
- External customers	-	70,375	36,887	-	107,262
- Inter-segment <sup>(1)</sup>	-	216	-	(216)	-
<b>Total revenue</b>	-	70,591	36,887	(216)	107,262
<b>Results:</b>	(383)	18,843	8,805	(298)	26,967
Depreciation and amortisation	(96)	(14,185)	(1,100)	-	(15,381)
Allowance for expected credit loss	-	(16)	(150)	-	(166)
Bad debts written off	-	(8)	-	-	(8)
Fair value loss on financial assets	(79)	-	-	-	(79)
(Loss)/gain on disposal of subsidiary	(300)	-	-	614	314
Gain/(loss) on disposal of property, plant and equipment	53	(13)	-	-	40
Share of results of associates	-	-	(29)	-	(29)
Dividend income	490	-	-	(490)	-
Interest income	490	650	9	(1,006)	143
Finance costs	(608)	(3,469)	(306)	1,006	(3,377)
<b>Segment (loss)/profit</b>	(433)	1,802	7,229	(174)	8,424
Tax expense					(3,600)
<b>Profit for the year</b>					4,824
<b>Assets:</b>					
Investments in associates	-	14	983	-	997
Additions to non-current assets <sup>(2)</sup>	329	2,403	1,891	-	4,623
<b>Segment assets</b> <sup>(3)</sup>	76,872	167,846	34,442	(82,464)	196,696
<b>Segment liabilities</b> <sup>(3)</sup>	21,281	117,374	18,433	(43,839)	113,249
Unallocated liabilities:					
Tax payable					1,307
Deferred tax liabilities					562
<b>Total liabilities</b>					115,118

(1) Inter-segment revenues are eliminated on consolidation.

(2) Consist of additions to property, plant and equipment and right-of-use assets.

(3) Inter-segment assets and liabilities are eliminated to arrive at the total assets and liabilities reported in the consolidated balance sheet.



**GKE CORPORATION LIMITED**

(Company Registration No. 200001941G)

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

**(a) Operating Segments (cont'd)**

	Investment Holding	Third Party Logistics	Infrastructural Logistics	Eliminations	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>31 May 2019</b>					
<b>Revenue</b>					
- External customers	-	63,769	24,475	-	88,244
- Inter-segment <sup>(1)</sup>	-	216	-	(216)	-
<b>Total revenue</b>	-	63,985	24,475	(216)	88,244
<b>Results:</b>	(914)	7,528	5,859	(575)	11,898
Depreciation and amortisation	(76)	(8,041)	(938)	-	(9,055)
Allowance for expected credit loss	-	(16)	-	-	(16)
(Loss)/gain on disposal of investment in associate	(368)	-	-	906	538
Property, plant and equipment written off	-	(227)	-	-	(227)
Fair value loss on financial assets	(355)	-	-	-	(355)
Impairment loss on investment in subsidiary	(4,000)	-	-	4,000	-
Fair value gain on contingent consideration	1,983	-	-	-	1,983
Impairment loss on goodwill	(1,912)	-	-	-	(1,912)
Gain on disposal of property, plant and equipment	-	9	-	-	9
Share of results of associates	-	(154)	-	-	(154)
Dividend income	840	-	-	(840)	-
Interest income	1	634	5	(592)	48
Finance costs	(593)	(2,636)	(108)	758	(2,579)
<b>Segment (loss)/profit</b>	<b>(5,394)</b>	<b>(2,903)</b>	<b>4,818</b>	<b>3,657</b>	<b>178</b>
Tax expense					(2,106)
<b>Loss for the year</b>					<b>(1,928)</b>
<b>Assets:</b>					
Investments in associates	-	14	-	-	14
Additions to non-current assets <sup>(2)</sup>	22	3,931	41	-	3,994
<b>Segment assets <sup>(3)</sup></b>	<b>69,021</b>	<b>154,453</b>	<b>20,126</b>	<b>(73,587)</b>	<b>170,013</b>
<b>Segment liabilities <sup>(3)</sup></b>	<b>3,049</b>	<b>101,246</b>	<b>8,678</b>	<b>(17,971)</b>	<b>95,002</b>
Unallocated liabilities:					
Tax payable					826
Deferred tax liabilities					433
<b>Total liabilities</b>					<b>96,261</b>

(1) Inter-segment revenues are eliminated on consolidation.

(2) Consist of additions to property, plant and equipment.

(3) Inter-segment assets and liabilities are eliminated to arrive at the total assets and liabilities reported in the consolidated balance sheet.

**(b) Geographical Segments**

	Revenue		Non-current assets <sup>(4)</sup>	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	70,348	62,951	110,812	100,866
People's Republic of China	36,914	25,293	24,551	23,295
	<b>107,262</b>	<b>88,244</b>	<b>135,363</b>	<b>124,161</b>

(4) Non-current assets information presented above consist of property, plant and equipment, land use rights, and intangible assets as presented in the consolidated balance sheet.



GKE CORPORATION LIMITED

(Company Registration No. 200001941G)

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Investment Holdings

The investment holding comprises primarily corporate service and investment activities. The investment holding segment in FY20 recorded a loss of S\$0.4 million which consist of its corporate services expenses, fair value loss on financial assets and loss on disposal of investment in subsidiary. In FY19, the investment holding segment incurred a loss of S\$5.4 million mainly due to impairment loss on investment in subsidiary and impairment loss on goodwill.

Third Party Logistics

Revenue increased from S\$64.0 million to S\$70.6 million mainly due to higher warehousing storage, trucking and trading services. The logistics segment in FY20 recorded a profit of S\$1.8 million mainly due to an increase in revenue as a result of higher utilisation of the warehouse, higher trucking services and government support schemes. In FY19, the logistics segment recorded a loss of S\$2.9 million mainly due to the higher depreciation expenses and property related expenses arising from the new warehouse at 39 Benoi Road, coupled with higher finance cost due to purchase of equipment and construction of 39 Benoi Road.

Infrastructural Logistics

Revenue increased from S\$24.5 million to S\$36.9 million as sales volume for Wuzhou Xing Jian increased coupled with higher average selling price. As a result, the segment recorded a higher segment profit of S\$7.2 million in FY20 compared to S\$4.8 million in FY19.

**15. A breakdown of sales**

	The Group		
	31 May 2020	31 May 2019	% Change
Sales reported for first half year	54,968	39,506	39.1
Operating profit/(loss) after tax before non-controlling interest reported for first half year	1,830	(1,679)	N.M.
Sales reported for second half year	52,294	48,738	7.3
Operating profit/(loss) after tax before non-controlling interest reported for second half year	2,994	(249)	N.M.

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

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary, tax exempt one tier	-	-





GKE CORPORATION LIMITED  
(Company Registration No. 200001941G)

---

---

**UNAUDITED SECOND HALF YEAR AND FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020**

---

---

17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such person, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and / substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Neo Hwee Lee	51	Sister of Mr Neo Cheow Hui (Chief Executive Officer and Executive Director)	Managing Director of GKE Warehousing & Logistics Pte Ltd since 1 June 2011	Nil
Chen Jiangnan	29	Son of Mr Chen Yonghua (Executive Chairman and Executive Director)	Vice President of GKE Express Logistics Pte Ltd since 22 October 2018	Nil

18. If the Group has obtained a general mandate from shareholders for Interested Person Transaction ("IPT"), the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained an IPT mandate. There are no interested person transactions exceeding \$100,000 during the financial year under review.

**19. Confirmation by the Board pursuant to Rule 720(1) of the listing manual**

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.

**BY ORDER OF THE BOARD**

Neo Cheow Hui  
Executive Director and Chief Executive Officer  
29 July 2020

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

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

*The details of the contact person for the Sponsor is:-*

*Name: Lay Shi Wei (Registered Professional, RHT Capital Pte. Ltd.)  
Address: 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619  
Tel: 6381 6966*