



WISH沃析

生命在沃，健康早析
问健康，找沃析

- 高通量阵列生物蛋白筛选
- 高通量质谱阵列6全基因组检测
- 质谱组 (PMAS) 大健康解决方案

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莱弗士品牌有限公司
Raffles Brands Pte Ltd

Raffles 莱富士
Coffee 士

新瑞记
SING SWEET



品牌文化
爱与感谢 共创美好
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ANNUAL REPORT 2020



GS HOLDINGS LIMITED

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	PROXY FORM

The annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

CORPORATE PROFILE



GS Holdings Limited ("GS Holdings" or the "Company" and together with its subsidiaries, the "Group"), has a diversified business model with an aim to create continuous streams of income.

GS Holdings was listed on the Catalist Board of the SGX-ST on 18 January 2016.

Initially, the Group was principally involved in the business of providing end-to-end cleaning services for Singapore's food and beverage ("F&B") industry with a focus on centralised commercial dishware washing services. The Group ceased its dishware washing services following the disposal of the loss-making dishware washing business which was completed in mid-January 2020.

Since 2019, the Group ventured into the following 2 new businesses with the aim of diversifying our business model and creating additional streams of income:

- (1) F&B business
- (2) Branding, Operation and Procurement Services



OUR BUSINESS

1) F&B BUSINESS

Through our wholly-owned subsidiaries, Hao Kou Wei Pte. Ltd., Rasa Sayang Village Pte. Ltd. and Sing Swee Kee Pte. Ltd. (formerly known as Chicken Supremo Pte Ltd), the Group is in the business

of operating and managing food courts, coffee shops and eating houses.

Currently, the Group has 4 F&B establishments which include 2 food courts/food

centres, a halal eating house located in Singapore and a famous chicken rice restaurant under the "Sing Swee Kee" brand name.



Stalls operated by Hao Kou Wei within these F&B establishments:

- Drinks
- Seafood
- Economical Rice
- Chicken rice
- Indian food
- Western food

In addition to operating F&B establishments, the Group is also involved in developing and managing new and existing F&B brands, concepts and franchises. With an experienced team in branding and franchising to spearhead new growth

opportunities in Singapore and Asia, the Group has entered into a franchise agreement to launch its halal chicken rice brand, RASA CHICKEN by SING SWEE KEE, in Brunei in November 2019.

To further expand its F&B business presence, the Group has entered into a joint venture to establish Raffles Brands Pte. Ltd. ("Raffles Brands") and Sing Global Brands Pte. Ltd. ("Sing Global"), which are primarily in the business of developing, franchising and management of various F&B brands, primarily for the Chinese and other overseas markets.

OUR BUSINESS



2) BRANDING, OPERATION AND PROCUREMENT ("BOP") SERVICES

Through the Company's 80%-owned subsidiary, Wish Hospitality Holdings Private Limited, the Group provides branding, operation and procurement services to its clients in China, particularly to companies that are in the F&B and health-care industry.

The BOP Business entails, among others, the provision of BOP services relating to (i) branding management, (ii) operational support, (iii) central procurement, (iv) recruitment, customised training and development of human resource.

The Group will be providing the BOP services "under one roof", which offers clients a comprehensive and integrated solution to their business needs, and confers them with the following advantages:

- (a) the Group, as BOP service provider, can assist clients to secure more contracts and/or to gain more customers through the branding and marketing services and referrals provided by the Group, by leveraging on the Group's extensive business network;
- (b) the clients can achieve cost savings through bulk purchasing and shared business services which will be sourced and coordinated by the Group as the BOP service provider;
- (c) the Group provides public relation services by assisting the client in the management of its media, roadshow and marketing matters, as well as liaising with local authorities and regulatory bodies relevant to the client's business; and
- (d) the BOP services is convenient and time-efficient for the clients, as it limits the number of service providers the clients have to communicate with, as the Group will be taking the lead in coordinating all services that are to be provided to the clients.



CHAIRMAN'S MESSAGE



DEAR SHAREHOLDERS

On behalf of the Board of Directors of GS Holdings Limited ("**GS Holdings**" or the "**Company**") and together with its subsidiaries, the "**Group**") and our Chief Executive Officer, it is my pleasure to present to you GS Holdings' Annual Report for the financial year ended 31 December 2020 ("**FY2020**").

In my inaugural message to you in last year, I mentioned that we wanted to accelerate organic growth in markets which we operate for the F&B business and BOP services business which the Group has developed since early 2019. For our F&B business segment, we said that

the Group would continue to pursue expansion plans through the opening of more F&B outlets, development of new F&B brands, concepts and selling of franchise rights locally and overseas. For the BOP service business segment, we said that we would diversify our business of providing BOP services beyond the F&B industry and expand the business through securing more BOP service contracts. In short, we wanted to focus on building a portfolio of cash generative businesses.

However, the unfortunate and unexpected outbreak of Covid-19 pandemic since early 2020 and its on-going effect till today have significant adverse impact on

our businesses as well as the Singapore and global economy. The Group has therefore pushed back most of the expansion plans as mentioned earlier.

In FY2020, our F&B revenue was seriously impacted since the circuit breaker measures were implemented in full from April 2020 onwards where dine-ins were not permitted and closure of borders to tourists. Dining-in at F&B outlets with a restriction on the number of diners per table as part of safe distancing measures was only allowed from 18 June 2020 following the Singapore Government's announcement of Phase 2 & 3 of the country's re-opening. Our BOP customers closed their business in most

CHAIRMAN'S MESSAGE

part of the first half of FY2020 due to the outbreak of Covid-19 pandemic. They re-opened their business in mid-May 2020 but were experiencing slow business in most part of the second half of FY2020. In view of the business conditions faced by the BOP customers and with a view towards building a long term working relationship with them, the Group granted 5 months of BOP service fee waiver in the first half of FY2020 and further agreed to reduce the BOP service fee in the 3rd and 4th quarter of FY2020.

As a result of the above, the Group reported a significant decrease in both revenue and earnings for FY2020 as compared to the revenue and earnings of FY2019. Revenue decreased substantially by approximately S\$22.09 million from S\$35.67 million in FY2019 to S\$13.58 million in FY2020, while net profit decreased from approximately S\$17.9 million in FY2019 to S\$1.7 million in FY2020. The details are discussed in the Operations and Financial Review section.

As announced by the Group on or around end April 2021, the Group has collected an aggregate amount of RMB100.0 million from its BOP customers as payment of the aggregate outstanding BOP service fee of RMB135.87 million due from them as at 31 December 2020. However, as at the date of this Chairman's Message, there remains an encumbrance on the RMB100 million to be discharged.

Subject to the successful discharge of the encumbrance, the Group will have a cash balance of approximately S\$26.0 million as at the date of this report. Part of the cash will be used to pursue our expansion plans which we have pushed back since the outbreak of Covid-19. The Group is currently exploring and evaluating other business opportunities to complement its existing businesses so as to cushion the financial impact that the Group may suffer in the financial year ending 2021 ("FY2021") due to negative impact from the ongoing COVID-19 situation. Where opportunities arise, the Group will look to capitalise on these opportunities with its strong cash position.

NEW DISTRIBUTION BUSINESS

As announced by the Group on 29 January 2021 and 8 June 2021, the Group entered into a master distribution rights agreement with Kaifeng Jufeel Biotechnology Co., Ltd. ("Kaifeng Jufeel") to undertake the distribution of some of Kaifeng Jufeel's products in the People's Republic of China, ASEAN countries, and countries in the African continent. The Board believes that the Group's undertaking of the distribution business, subject to relevant shareholders' approval being obtained at an Extraordinary General Meeting to be held, is in the best interests of the Company as the distribution business is expected to reduce the Group's dependence on any particular

existing business segment. The diversification into the distribution business is currently put on hold.

DIVIDENDS

The Group had declared an interim dividend of S\$0.01 per ordinary share in August 2020. The interim dividend was paid in September 2020. The directors do not recommend final dividend due to the substantial reduction in the net profits earned by the Group in FY2020 as compared to the net profits earned in FY2019.

A NOTE OF APPRECIATION

In these uncertain times, I would specially like to take this opportunity to thank all valued customers and business partners for their unwavering support and trust. I would also like to thank our management and staff for their hard work and commitment, as well as my fellow Board members for their valuable advice and guidance. To our shareholders, thank you for your trust and confidence in GS Holdings, and we look forward to your continued support as we prepare for next phase of growth.

ZHANG RONGXUAN

*Non-Independent and
Non-Executive Chairman*

OPERATIONS & FINANCIAL REVIEW



FINANCIAL PERFORMANCE

(A) CONTINUING OPERATIONS REVENUE

Revenue decreased substantially by approximately S\$22.09 million from S\$35.67 million in FY2019 to S\$13.58 million in FY2020. The decrease is mainly attributable to lower BOP service fee income earned during the year, of which BOP service fee of approximately RMB36.67 million (approximately S\$7.37 million) was earned in FY2020 as compared to BOP service fee income of approximately RMB150.0 million (approximately S\$29.4 million) earned in FY2019, a reduction of approximately RMB113.33 million (approximately S\$22.03 million).

The substantial reduction in the BOP service fee earned in FY2020 is mainly due to the following factors:

- a. Closure of business of our BOP customers in most part of the first half of FY2020 due to the outbreak of Covid-19, resulted in the granting of 5 months of BOP service fee waiver amounting to RMB83.33 million (approximately S\$16.67 million) by the Group to the BOP customers in the first half of FY2020.
- b. The Group further agreed to reduce the BOP service fee in the 3rd and 4th quarter of FY2020, a reduction in the aggregate BOP service

fee of RMB80.0 million (approximately S\$16.0 million) for the months of July to December 2020, as all of our BOP customers were experiencing slow business since the re-opening of their business in mid-May 2020 as a result of the negative impact from the on-going Covid-19 situation.

COST OF SALES AND GROSS PROFIT

Overall, cost of sales increased by approximately S\$0.67 million, mainly due to cost of sales incurred by Hao Kou Wei Pte. Ltd. ("**HKW**") and its subsidiary, Rasa Sayang Village Pte. Ltd. ("**RASA**"), and Sing Swee Kee Pte. Ltd. ("**SSK**") and Wish Hospitality Holdings Private Limited ("**Wish**") from January to December 2020 amounting to S\$6.22 million was included in the current financial year, whereas only approximately S\$5.60 million of cost of sales incurred from April to December 2019 by HKW, Rasa, Wish and SSK (from July to December 2019) was included in FY2019. The main components in the cost of sales are food and beverage cost, personnel expenses, subcontractors' expenses and depreciation of property, plant and equipment, amounting to approximately S\$2.0 million, S\$2.12 million, S\$0.25 million and S\$0.93 million respectively for the current financial year.

OTHER INCOME

Overall, other income increased by approximately S\$0.94 million, mainly due to receipt of additional government grants and rental rebates from landlords amounting to S\$0.85 million and S\$0.31 million respectively in the current financial year as a result of measures taken by the Singapore government to help companies impacted negatively by the Covid-19 outbreak. The increase was partially offset by rental income amounting to S\$0.15 million previously charged to HKW was eliminated at Group level in the current financial year following the completion of the acquisition of HKW by the Group on 1 April 2019.

NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Net impairment losses on financial assets relate to the allowance made for doubtful trade and other receivables. The Company made an allowance for doubtful receivables of S\$0.5 million in the current financial year which relates to the balance of the purchase price payable by the purchaser of GreatSolutions of S\$1.1 million as at 31 December 2020. The Company has received requests from the purchaser to consider a reduction of S\$0.5 million in the final tranche of the consideration and to allow the purchaser to make payment of the balance of S\$0.6 million by 31 July 2021

OPERATIONS & FINANCIAL REVIEW

as their business was badly affected by the outbreak of the Covid-19 in FY2020 and the on-going Covid-19 situation. In view of the severe negative impact faced by the purchaser on both its operations and financial since they took over GreatSolutions in early 2020, the Board has agreed to reduce the final tranche of the consideration by S\$0.5 million. The Company has recently received an additional payment of S\$0.2 million from the purchaser. The balance of consideration of S\$0.4 million is expected to be received by 31 July 2021.

ADMINISTRATIVE EXPENSES

Overall, administrative expenses increased by approximately S\$0.58 million, mainly due to the following factors:

a. Administrative expenses such as staff expenses, amortisation of intangible assets, legal and professional fees, etc. incurred by HKW, RASA, SSK and Wish amounting to S\$1.82 million from January to December 2020 were included in the current financial year as compared to administrative expenses amounting to only S\$1.50 million incurred by HKW, Rasa, SSK and Wish from April to December 2019 were included in FY2019.

- b. Staff expenses amounting to S\$0.50 million were no longer shared by the GreatSolutions and its subsidiary in the current financial year.
- c. Share options expenses increased by S\$1.20 million in the current financial year.
- d. Fair value loss on investment properties increased by S\$0.20 million in the current financial year.

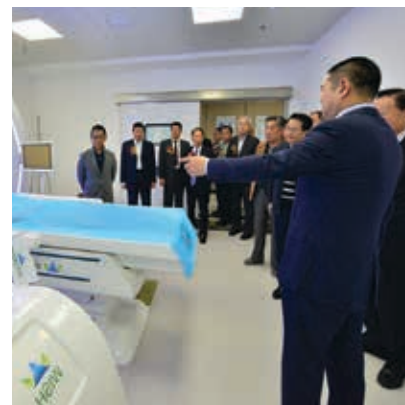
The increase of the above items amounting to S\$2.14 million was offset by the absence of a transaction cost amounting to approximately S\$1.56 million in relation to the warrants issued to an introducer as a consideration for the introductory services in relation to the RMB68.0 million (or approximately S\$13.60 million) convertible loan facilities obtained by the Company in FY2019.

FINANCE COSTS

Finance costs decreased by approximately S\$0.11 million, mainly due to the absence of unwind of discount on convertible loan amounting to approximately S\$0.11 million which was incurred by the Group in FY2019.

(B) DISCONTINUED OPERATIONS

Discontinued operations relate to GreatSolutions Pte.



Ltd. ("**GreatSolutions**") and its subsidiaries, GS Hospitality Services Pte. Ltd. ("**GHS**") GS Cleaning Services Pte. Ltd. ("**GCS**") and GS Equipment Supply Pte. Ltd. ("**GES**"). The disposal of GreatSolutions and its subsidiary, GHS was completed on 14 January 2020 while the disposal of GCS and GES was completed on 15 July 2020.

In accordance with SFRS (1) 5, *Non-Current Assets Held-for-Sale and Discontinued Operations*, the results of GreatSolutions and its subsidiaries, GCS and GES have been presented separately on the consolidated income statement as Discontinued Operations.

The Company made a net gain of approximately S\$255,000 from the disposal of these subsidiaries, offset by operating loss of approximately S\$39,000 incurred by GCS and GES from January to June 2020.

FINANCIAL POSITION

NON-CURRENT ASSETS

Property, plant and equipment ("**PPE**") decreased by S\$0.77 million from approximately S\$2.52 million as at 31 December 2019 to approximately S\$1.75 million as at 31 December 2020, mainly due to PPE depreciation charge of S\$0.94 million, offset by the acquisition of PPE and recognition of right-of-use assets by the Group amounting to approximately S\$0.07 million and S\$0.10 million respectively during the year.



OPERATIONS & FINANCIAL REVIEW

Investment properties decreased by S\$0.63 million, mainly due to fair value loss during the year.

Intangible assets decreased by S\$0.21 million, mainly due to the amortisation during the year.

CURRENT ASSETS

Trade receivables increased by S\$2.87 million, mainly due to the following items:

- Additional outstanding BOP service fee and franchise fee income amounting to RMB36.67 million (approximately S\$7.33 million) and S\$0.08 million respectively earned during the year.
- Currency translation differences arising from consolidation of approximately S\$0.76 million due to appreciation of RMB against SGD.

The increase of the above items amounting to S\$8.18 million was offset partially by the receipt of BOP service fee amounting to RMB20.80 million (approximately S\$4.16 million) and transfer of RMB6.0 million (approximately S\$1.20 million) from trade debtors to other debtors as BOP outlets' performance deposits during the year.

Other receivables increased by S\$2.04 million, mainly due to the following items:

- The purchase consideration owing from the purchaser of GreatSolutions amounting to S\$0.60 million, net of allowance for doubtful receivables of S\$0.50 million.
- Currency translation differences arising from consolidation of approximately S\$0.09 million due to appreciation of RMB against SGD.
- Additional grant receivables from government amounting approximately S\$0.15 million.
- Transfer of RMB6.0 million (approximately S\$1.20 million) from trade debtors to other debtors in respect of performance deposits placed with the BOP outlets.

As at 31 December 2020, included in the Group's trade and other receivables are trade receivables of RMB118.67 million (approximately S\$23.73 million) and other receivables of RMB14.0 million (approximately S\$2.80 million) owing from 14 BOP outlets to Wish. Such amount comprises:

- The remaining outstanding BOP service fee of RMB96.0 million (approximately S\$19.20 million) was due as at 31 December 2019, and
- Service fee of RMB36.67 million (approximately S\$7.33 million) were billed in FY2020 and are currently due and payable as at 31 December 2020.

As at the date of this report, all the remaining outstanding BOP service fee of RMB96.0 million due as at 31 December 2019 has been received by Group. The Group has also received RMB4.0 million out of the RMB36.67 million of service fee billed in FY2020.

Cash and cash equivalent decreased by S\$0.02 million during the year. Reasons for the decrease are provided below under the Cash Flows section.

NON-CURRENT LIABILITIES

Non-current loans and borrowings increased by S\$0.62 million, mainly due to additional bank borrowings and recognition of lease liabilities amounting to S\$2.30 million and S\$0.05 million respectively during the year. The increase was partially offset by progressive repayment of bank loans and lease liabilities and rental rebates from landlords amounting to S\$1.18 million, S\$0.26 million and S\$0.31 million respectively during the year.

CURRENT LIABILITIES

Trade payable decreased by S\$0.14 million, mainly due to the elimination of trade payables amounting to S\$0.09 million in relation to the disposal of GCS and GES during the year.

Other payables decreased by S\$0.24 million, mainly due to following items:

- The final tranche of the purchase consideration of S\$0.40 million paid to the vendors of SSK.
- The elimination of other payables amounting to S\$0.41 million in relation to the disposal of GCS and GES during the year.

The decrease of the above items amounting to S\$0.81 million was offset partially by interim dividend payable to non-controlling interest amounting to S\$0.5 million declared by Wish in December 2020.

Tax payables increased by S\$1.35 million, mainly due to the additional tax provision made for the BOP service fee income earned during the year.

Current loans and borrowings decreased by S\$0.91 million, mainly due to progressive repayment of bank loans and lease liabilities amounting to S\$0.70 million (including repayment of bank overdraft amounting to S\$0.40 million) and S\$0.26 million respectively during the year. The decrease was partially offset by additional recognition of lease liabilities amounting to S\$0.05 million during the year.

CASH FLOWS

Overall, the Group reported a net decrease in cash and cash equivalents of S\$0.02 million from S\$5.62 million as at 31 December 2019 to S\$5.60 million as at 31 December 2020. The decrease was mainly due to the following items:

- Dividend paid to non-controlling interest and Company's equity holders amounting to S\$0.80 million and S\$1.85 million respectively.
- Final tranche of the purchase consideration of S\$0.40 million paid to the vendor of SSK.

OPERATIONS & FINANCIAL REVIEW

The above decreases were offset by the cash flow generated from the following items:

- a. Net cash of approximately S\$2.56 million generated from operating activities which was principally attributable to the receipt of BOP service fee of approximately S\$4.0 million during the year.
- b. Net cash inflow of approximately S\$0.45 million from disposal of subsidiaries.

OPERATIONS PERFORMANCE

As the disposal of the dishwashing cleaning business was completed in mid-January 2020, the revenue and earnings of the Group for FY2020 were primarily generated from the F&B business and the BOP service business.

(i) F&B business

The Group's F&B companies are currently all operating in Singapore. Our F&B revenue were seriously impacted since the circuit breaker measures were implemented in full from April 2020 onwards where dine-ins were not permitted and closure of border to tourists. Dining-in at F&B outlets with a restriction on the number of diners per table as part of safe distancing measures was only allowed from 18 June 2020 following the Singapore Government's announcement of Phase 2 & 3 of the country's re-opening. However, due to various measures rolled out by the government such as Jobs Support Scheme, rental rebates from landlords and foreign workers levy waiver and rebates, losses suffered by our F&B companies were substantially reduced. During this period, our F&B companies have introduced online order channels in their websites as well as in some

social networking and food delivery platforms in order to increase our online food sales.

Following the acquisition of the famous chicken rice restaurant under the brand name "Sing Swee Kee", the Group launched its halal chicken rice brand, "Rasa Chicken by Sing Swee Kee" in Brunei. We have also released a brand-new product, Premium Chicken Collagen Broth (additive-free), to ride on the wave of health-conscious sentiments amidst the pandemic.

Given the evolving nature of the Covid-19 pandemic and uncertainties in the local and global economic recovery, the Group has pushed back most of its expansion plans for its F&B segment in FY2020.

(ii) BOP service business

The BOP services provided by the Group offer a one-stop solution to setting up and management of F&B outlets, the healthy lifestyle centres and/or the healthcare-related industry in PRC. By using our services, our clients can focus on growing their brands and revenue, while outsourcing the administrative, marketing, operation and procurement tasks to the Group.

As mentioned earlier, our BOP customers closed their business in most part of the first half of FY2020 due to the outbreak of Covid-19. They re-opened their business in mid-May 2020 but were experiencing slow business in most part of the second half of FY2020 as a result of the negative impact from the on-going Covid-19 situation.

Although the unprecedented nature and adverse impact

of the COVID-19 pandemic has derailed the Group's BOP business and plans, we have continued to work closely with our existing customers to ensure the continuity and sustainability of the BOP business.

Pursuant to a review of the current BOP business operations and discussions with all the BOP outlets, there have been some modifications that have been (or will be) implemented to the commercial terms of the contracts entered into by Wish with the existing BOP Outlets. Accordingly, Wish has on 31 March 2021 entered into new agreements (each now referred to as a "Health Management Service Agreement" instead of BOP Service Agreement, and the BOP services provided thereunder now referred to as "health management services" instead of "BOP services") with 8 out of the 14 existing BOP outlets to reflect such new commercial terms. Under the Health Management Service Agreements, the aggregate amount that will be payable by these 8 existing BOP outlets on a quarterly basis comprise, in effect, the higher of (i) service fees, and (ii) variable fees to be accrued in proportion to the revenue derived by such BOP Outlets from products sales, such fees to be in the form of a commission (the "Commission"), if any.

The Group is still in discussions with the remaining 6 out of the 14 existing BOP outlets as to the entry into a new Health Management Service Agreement with each of them and will update shareholders once there is any material development on the same.

BOARD OF DIRECTORS



ZHANG RONGXUAN

NON-INDEPENDENT AND
NON-EXECUTIVE CHAIRMAN

Mr Zhang was appointed to our Board on 3 September 2019. He is currently the President, Chief Executive and Director of Jufeel International Group. Mr Zhang is also a director and sole shareholder of Henan Jufeel Technology Group Co. Ltd. ("Henan Jufeel"). The principal activity of Henan Jufeel relates to the development and sale of aloe vera related-health products and beverages. Mr Zhang established China's largest aloe vera planting base in Hainan province and is regarded in China as an expert in the aloe vera industry.

Mr Zhang graduated from Wuhan University with a Bachelor Degree in accountancy. He is also an undergraduate from the School of Chinese Medical of Nanjing University. He is also an adjunct professor at the School of Pharmaceutical and Life Sciences of Changzhou University.



PANG POK

EXECUTIVE DIRECTOR AND
CHIEF EXECUTIVE OFFICER

Mr Pang Pok was appointed to the Board on 19 September 2014. He was last re-elected as a Director at the Annual General Meeting on 25 June 2020. Mr Pang Pok is responsible for the Group's overall management, including overseeing its operations, setting directions for new growth areas and developing business strategies. Mr Pang brings with him over 20 years of experience in the F&B industry and has led the expansion and innovation of our business and operations. He has been instrumental in our Group's growth, having founded four out of the five of our Group's companies in 2012, and having served since 1999 as a director on the board of Hawkerway Pte. Ltd.

Mr Pang was awarded the Public Service Medal by the Singapore President's Office in 2011 and the Long Service Award by the People's Association in 2013. He also serves as Assistant Treasurer of the Hainan Business Club, Honorary Deputy Treasurer of the Yuying Secondary School Management Committee, Vice Chairman of the Qinghai Association (Singapore) and Vice President of the Guang Wu Club.

BOARD OF DIRECTORS



CHONG ENG WEE

LEAD INDEPENDENT DIRECTOR

Mr Chong Eng Wee was appointed to our Board on 10 January 2019.

Mr Chong is Head of the corporate team at Kennedys Legal Solutions with deep expertise spanning corporate and securities laws, capital markets, mergers and acquisitions, private equity, China, banking and finance, corporate restructuring, joint ventures, corporate and commercial contracts, regulatory compliance, corporate governance advisory and corporate secretarial work.

Mr Chong has 15 years of experience practising at leading law firms in Singapore and as in-house counsel advising major companies listed on the main board of Singapore Exchange Securities Trading Limited. He gained a good working knowledge of foreign investment laws in People's Republic of China ("PRC") while acting as the Representative for the Shanghai Representative Office of a previous law firm, and was also previously joint Company Secretary for three SGX-ST Mainboard listed companies.

Mr Chong has advised listed companies, issue managers, underwriters and placement agents, private equity funds, multinational corporations, high net-worth individuals and small and medium enterprises on a wide range of corporate, capital markets and private equity transactions including initial public offerings, pre-IPO investment, dual listings, reverse takeovers, public takeovers, de-listings, rights and warrants issues, placements, local and cross border acquisitions and disposals of shares and assets,

downstream investment and compliance by private equity funds, joint ventures, corporate restructuring and various corporate actions by listed companies.

Mr Chong has advised on various cross-border transactions with PRC elements, and frequently advises listed companies on their regulatory compliance and corporate governance issues.

Mr Chong has acted for borrowers on facility loans and security documents and has also been involved on corporate real estate transactions involving sale and lease back of land and buildings, and acquisitions and disposals of office, commercial and residential buildings.

Other than his directorship at GS Holdings Limited, Mr Chong is currently the lead independent and non-executive director at Heatec Jietong Holdings Limited (listed on SGX-ST Catalist Board), independent and non-executive director at KTL Global Limited (listed on SGX-ST Mainboard) and OEL (Holdings) Limited (listed on SGX-ST Catalist Board), the company secretary for China Vanadium Titanomagnetite Mining Company Limited (listed on the Mainboard of Hong Kong Stock Exchange) and the joint company secretary of LHN Limited (listed on the SGX-ST Catalist Board and the Mainboard of Hong Kong Stock Exchange).

Mr Chong has also been ranked as one of Singapore's Top 40 Most Influential Lawyers aged under 40 by Singapore Business Review in 2015.

BOARD OF DIRECTORS



LIM KEE WAY IRWIN
INDEPENDENT DIRECTOR

Lim Kee Way Irwin is our Independent Director and was appointed to our Board on 3rd May 2019. He is currently the Operating Partner of Novo Tellus Capital Partners, a private equity firm, focusing on industrial and technology investments. Mr Lim also serves as a lead independent director, chairman of the audit committee and member of the nominating committee and remuneration committee for MS Holdings Ltd, which is listed on the Catalist Board of the SGX. Mr Lim is also a director with Inflexion Ventures Private Ltd and a non-executive director with Novoflex Group.

Mr Lim began his career in 1990 as a senior development officer with the Economic Development Board of Singapore. In 1993, he joined Technomic International Inc., a United States headquartered consulting firm specialising in market penetration and investment strategies, initially as an associate and was promoted to senior associate in 1995. Subsequently in 1996, Mr Lim joined Transpac Capital Pte Ltd, a venture capital and private equity firm, as a senior investment manager, responsible for investment and portfolio management in the Asia Region.

In 2000, he joined Murray Johnstone Private Equity as associate director, and later in the same year joined Asiavest Partners, TCW/YFY (S) Private Ltd, as executive director where he headed the firm's investment in the South East Asia region.

Mr Lim joined United Test and Assembly Center Ltd in 2003, as the group vice-president of corporate development, where he helped spearhead the listing of the company in 2004. He subsequently assumed the role of group chief financial officer from 2007 to 2013 where he was responsible for the M&A as well as the financial, treasury, legal, corporate communications and investor relations functions of the group.

Mr Lim holds a Master of Science in Management from the Imperial College, University of London, and a Bachelor of Science from Columbia University in the city of New York.

BOARD OF DIRECTORS



CHAN CHUN KIT
INDEPENDENT DIRECTOR

Mr Chan Chun Kit was appointed as an independent non-executive Director of our Board on 3 May 2019. Mr Chan is a certified public accountant with over 13 years' experience in financial reporting, financial management, corporate governance and audit in several listed companies and professional firm.

Mr Chan was the chief financial officer of Sino Grandness Food Industry Group Limited in 2020, listed on the Mainboard of Singapore Stock Exchange (Stock Code: T4B) and is responsible for strategies and tactics planning, implementation, long-range forecasting and control of finance activities. Prior to joining Sino Grandness, he held finance in-charge positions in two other listed companies on the Mainboard of Singapore Stock Exchange for 9 years. From 2018 and 2020, he was the regional financial controller of KTL Global Limited (Stock Code: EB7) and between 2011 to 2018, he has been the chief financial officer and company secretary at China Flexible Packaging Holdings Limited (Stock Code: CFLX). Aside to these positions in these listed companies, he was also engaged as the financial and IPO consultant by several Hong Kong and PRC based companies including Gold Bless International Invest Limited, Country Dragon Group Limited and Hong Kong Carbon Assets Management Limited during the period from 2012 to 2018. Mr Chan began his career by working in an international audit firm as an auditor in 2006 and held supervisory auditing position when he left in 2011.

Concurrently, Mr Chan serves as an Independent Non-Executive Director (also acting as Audit Committee Chairman) of (i) Universe Printshop Holdings Limited, listed on the GEM Board of Hong Kong Stock Exchange (Stock Code: 8448) since 2017, (ii) Shenzhen Mingwah Aohan High Technology Corporation Limited listed, listed on the GEM Board of Hong Kong Stock Exchange (Stock Code: 8301) since 2020, and; (iii) Raffles Financial Group Limited, listed on the Canadian Securities Exchange since 2020. In the past, he was also the Independent Non-Executive Director (also the Audit Committee Chairman) of Hua Han Health Industry Holdings Limited, listed on the Mainboard of Hong Kong Stock Exchange (Stock Code: 0587) from 2017 to 2018.

Mr Chan is a Certified Public Accountant and a member of the Hong Kong Institute of Certified Public Accountants. He is also a Chartered Governance Professional and Chartered Company Secretary, as well as members of the Chartered Governance Institute and the Hong Kong Institute of Chartered Secretaries. He is also a member of the Singapore Institute of Directors. He graduated from the Hong Kong Polytechnic University with a Master's Degree in Corporate Governance and a Bachelor Degree in Accountancy.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Chong Eng Wee and Mr Chan Chun Kit are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 July 2021 ("AGM") (each, a "Retiring Director" and collectively, the "Retiring Directors").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7F to the Listing Manual Section B: Rules of Catalist of the SGX-ST is as follows:

	MR CHONG ENG WEE	MR CHAN CHUN KIT
Date of Appointment	10 January 2019	3 May 2019
Date of last re-appointment	26 April 2019	25 June 2020
Age	41	38
Country of principal residence	Singapore	Hong Kong
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Chong Eng Wee for re-appointment as Independent Director of the Company. The Board have reviewed and concluded that Mr Chong Eng Wee possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Chan Chun Kit for re-appointment as Independent Director of the Company. The Board have reviewed and concluded that Mr Chan Chun Kit possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g.) Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, Chairman of the Nominating Committee and member of the Remuneration Committee and Audit and Risk Committee	Independent Director, Chairman of the Remuneration Committee and member of the Nominating Committee and Audit and Risk Committee

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
Professional qualifications	<p>Advocate and Solicitor of Supreme Court of Singapore</p> <p>Barrister and Solicitor of High Court of New Zealand</p> <p>Lawyer of the Supreme Court of New South Wales</p> <p>Solicitor of High Court of Hong Kong</p>	<p>Master in Corporate Governance and Bachelor Degree in Accountancy from the Hong Kong Polytechnic University</p> <p>Certified Public Accountant and a member of the Hong Kong Institute of Certified Public Accountants (HKICPA)</p> <p>Chartered Company Secretary and members of the Hong Kong Institute of Chartered Secretaries (HKICS) and the Institute of Chartered Secretaries and Administrators (ICSA)</p>
Working experience and occupation(s) during the past 10 years	<p>2017 to Present: Partner and Head of Corporate at Kennedys Legal Solutions.</p> <p>2015 to 2017: Partner & Deputy Head, Capital Markets & International China Practice (South East Asia) at RHTLaw Taylor Wessing LLP</p> <p>2011 to 2015: Associate Director & Representative of Shanghai Representative office at Duane Morris & Selvam LLP</p> <p>2009 to 2011: Associate at KhattarWong LLP</p>	<p>April 2020 to May 2020: Chief Financial Officer of Sino Grandness Food Industry Group Limited</p> <p>2018 to 2020: Regional Financial Controller of KTL Global Limited</p> <p>2011 to 2018: Chief Financial Officer and Company Secretary of China Flexible Packaging Holdings Limited</p> <p>2012 to 2015: Financial Consultant of Hong Kong Carbon Assets Management Limited</p> <p>2006 to 2011: Senior Associate 2 of BDO Limited (formerly known as Grant Thornton)</p>
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	1. RHTLaw Taylor Wessing LLP (now known as RHTLaw Asia LLP)	1. Hua Han Health Industry Holdings Limited
Past (for the last 5 years)	2. Innopac Holdings Limited 3. CW Group Holdings Limited	2. Treasure Connects Holdings Limited
Present	<u>Within the Group</u> Nil <u>Outside the Group</u> 1. Kennedys Legal Solutions Pte. Ltd. 2. Legal Solutions LLC 3. Heatec Jietong Holdings Ltd. 4. KTL Global Limited 5. OEL (Holdings) Limited	<u>Within the Group</u> Nil <u>Outside the Group</u> 1. Universe Printshop Holdings Limited 2. Shenzhen Mingwah Aohan High Technology Corporation Limited 3. Raffles Financial Group Limited

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</p>		
a) Whether at any time during the last 10 years, an application or petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or any time within 2 years from the date he ceased to be a partner?	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or whether that entity is the trustee of a business trust, that business trust, on the group of insolvency?	No	No
c) Whether there is any unsatisfied judgement against him?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p>	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR CHONG ENG WEE	MR CHAN CHUN KIT
<p>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>		
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No	No

KEY MANAGEMENT



CHONG PAW LONG
CHIEF FINANCIAL OFFICER

Mr Chong first joined the Group in March 2018 as the Financial Controller and was promoted to Chief Financial Officer in March 2019. He is responsible for all the financial and accounting functions and corporate matters of the Company and the Group.

Mr Chong has more than 25 years of working experience gained in different industries with various corporations and public listed companies in Singapore and overseas. Mr Chong graduated with a Bachelor of Accountancy degree.



ELISS PANG
DIRECTOR OF OPERATIONS

Ms Pang joined the Group as Special Projects Manager in 2015 and was promoted to Director of Operations in June 2018.

As Director of Operations, Ms Pang is responsible for the overall planning, operations management and business development of our Group's food and beverages business. Ms Pang has previous experience in the food and beverage industry, managing a chain of food kiosks.

Ms Pang graduated with a Bachelor of Social Sciences from National University of Singapore and holds a Masters of Social Sciences in Professional Counselling from Swinburne of Technology Australia.



JASON LAM CHEE SENG
GENERAL MANAGER (F&B)

Mr Lam first joined the Group in August 2019 as Business and Franchise Development Manager. He was promoted to General Manager of Hao Kou Wei Pte Ltd, overseeing the food and beverages business operation of the Group.

Mr Lam has more than 15 years of experience in the food and beverages industry in China, Japan and South East Asia. During this period, he has had more than 600 corporate and franchise stores under his responsibility, representing global brands, acquiring as well as creating new brands.



FU WEN XING
GENERAL MANAGER (BOP)

Mr Fu is the Group's General Manager (BOP) and he is responsible for managing the operations team and overseeing the daily operations of Wish Hospitality's business activities in China. In addition, Mr Fu's role include planning, management and formulating policies in the area of branding, operations, procurement, recruitment and training to better serve our customers and meet their business objectives.

Before joining the Company, Mr. Fu operated several other China-based businesses in health care, security, electrical appliances, beverages and other industries. Mr. Fu has also a wealth of experience in managing large scale operations, business negotiations, long term market planning, developing sales networks, and strategic positioning through media.

Mr Fu graduated with a Master of Business Administration degree from the Malaysian University of Science and Technology.

CORPORATE INFORMATION

BOARD OF DIRECTORS

ZHANG RONGXUAN

Non-Independent and Non-Executive Chairman

PANG POK

Executive Director, Chief Executive Officer

CHONG ENG WEE

Lead Independent Director

LIM KEE WAY IRWIN

Independent Director

CHAN CHUN KIT

Independent Director

AUDIT AND RISK COMMITTEE

LIM KEE WAY IRWIN (*Chairman*)
CHONG ENG WEE
CHAN CHUN KIT

NOMINATING COMMITTEE

CHONG ENG WEE (*Chairman*)
LIM KEE WAY IRWIN
CHAN CHUN KIT

REMUNERATION COMMITTEE

CHAN CHUN KIT (*Chairman*)
LIM KEE WAY IRWIN
CHONG ENG WEE

COMPANY SECRETARY

ONG LE JING

REGISTERED OFFICE

680 Upper Thomson Road #02-01
Singapore 787103

PRINCIPAL PLACE OF BUSINESS

680 Upper Thomson Road #02-01
Singapore 787103

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

IN. CORP CORPORATE SERVICES PTE. LTD.
(FORMERLY KNOWN AS RHT CORPORATE ADVISORY PTE. LTD.)
30 Cecil Street #19-08
Prudential Tower
Singapore 049712

INDEPENDENT AUDITORS

BAKER TILLY TFW LLP
Public Accountants and Chartered Accountants
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778

Partner-in-charge:

Mr Gilbert Lee Chee Sum

(Date of appointment:

Since financial year ended

31 December 2018)

PRINCIPAL BANKERS

DBS BANK LTD.

12 Marina Boulevard
Tower 3 Marina Bay
Financial Centre
Singapore 018982

UNITED OVERSEAS BANK LIMITED

80 Raffles Place
UOB Plaza
Singapore 048624

SPONSOR

UOB KAY HIAN PRIVATE LIMITED

8 Anthony Road #01-01
Singapore 229957

CORPORATE GOVERNANCE

DISCLOSURE TABLE FOR ANNUAL REPORT IN COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE 2018 AND CATALIST RULES

The Board of Directors (the "**Board**") of GS Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This corporate governance report, set out in tabular form, outlines the Company's corporate governance structures and practices that were in place during the financial year ended 31 December 2020 ("**FY2020**"), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**").

The Board and the Management of the Company (the "**Management**") have taken steps to align the governance framework with the principles of the Code, and where there are deviations from the provisions in the Code, appropriate explanations are provided.

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
BOARD MATTERS		
The Board's Conduct of Affairs		
Principle 1	The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.	The Company is headed by an effective Board, which is collectively responsible and works with the Management for the long-term success of the Company. Please refer to Provisions 1.1 to 1.7 below for more details and instances of the Company's compliance with such principle.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation														
Provision 1.1	Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.	<p>Currently, the Board has five (5) Directors, three of whom are Independent Non-Executive Directors. The Directors of the Company as at the date of this statement are:-</p> <table border="1" data-bbox="746 696 1422 1126"> <thead> <tr> <th colspan="2" data-bbox="746 696 1422 745">Table 1.1 - Composition of the Board⁽¹⁾</th> </tr> <tr> <th data-bbox="746 752 1046 801">Name of Director</th> <th data-bbox="1051 752 1422 801">Designation</th> </tr> </thead> <tbody> <tr> <td data-bbox="746 808 1046 882">Pang Pok</td> <td data-bbox="1051 808 1422 882">Chief Executive Officer and Executive Director</td> </tr> <tr> <td data-bbox="746 889 1046 963">Zhang Rongxuan</td> <td data-bbox="1051 889 1422 963">Non-Independent and Non-Executive Chairman</td> </tr> <tr> <td data-bbox="746 969 1046 1019">Chong Eng Wee</td> <td data-bbox="1051 969 1422 1019">Lead Independent Director</td> </tr> <tr> <td data-bbox="746 1025 1046 1075">Lim Kee Way Irwin</td> <td data-bbox="1051 1025 1422 1075">Independent Director</td> </tr> <tr> <td data-bbox="746 1081 1046 1126">Chan Chun Kit</td> <td data-bbox="1051 1081 1422 1126">Independent Director</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Mr Liu Changsheng resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p> <p>The Board is collectively entrusted to lead and oversee the Company, with the fundamental principle to act in the best interests of the Company. In addition to its statutory duties, the Board's principle functions are:</p> <ul style="list-style-type: none"> (a) supervising the overall management of the business and affairs of the Group and approving the Group's corporate and strategic objectives and direction; (b) overseeing the process for evaluating the adequacy of internal control, risk management, financial reporting and compliance; (c) reviewing the performance of management and overseeing succession planning for management; 	Table 1.1 - Composition of the Board⁽¹⁾		Name of Director	Designation	Pang Pok	Chief Executive Officer and Executive Director	Zhang Rongxuan	Non-Independent and Non-Executive Chairman	Chong Eng Wee	Lead Independent Director	Lim Kee Way Irwin	Independent Director	Chan Chun Kit	Independent Director
Table 1.1 - Composition of the Board⁽¹⁾																
Name of Director	Designation															
Pang Pok	Chief Executive Officer and Executive Director															
Zhang Rongxuan	Non-Independent and Non-Executive Chairman															
Chong Eng Wee	Lead Independent Director															
Lim Kee Way Irwin	Independent Director															
Chan Chun Kit	Independent Director															

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(d) setting the Company's value and standards, and ensure that obligations to shareholders of the Company ("Shareholders") and other stakeholders are understood and met; and</p> <p>(e) providing overall corporate governance of the Company.</p> <p>All Directors exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.</p> <p>All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with the Company, Directors recuse themselves from participating in any discussion and decision on the matter.</p>
Provision 1.2	<p>Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.</p>	<p>The Company ensures that incoming new Directors are provided with a formal letter of appointment setting out their duties and obligations. They are given guidance and orientation including onsite visits to get them familiarised with the Group's businesses, organisation structure, corporate strategies and policies and corporate governance practices upon their appointment and to facilitate the effective discharge of their individual duties.</p> <p>For new Directors who do not have prior experience as a director of a public listed company in Singapore, they will attend training courses organised by the Singapore Institute of Directors ("SID") or other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties and at the Company's expense.</p>

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>In this regard, all relevant directors of the Company, who did not have prior experience as a director of a public listed company in Singapore, have completed the prescribed mandatory training with SID in FY2020.</p> <p>Directors are updated regularly on any new developments or changes in applicable regulatory, legal and accounting frameworks that are of relevance to the Group during Board meetings or via electronic mail, and through participation in training courses, seminars and workshops at the Company's expense.</p> <p>New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are circulated to the Board. Directors are also informed of upcoming conferences and seminars relevant to their roles as directors of the Company.</p> <p>The Board is briefed by the External Auditors ("EA") on recent changes and amendments to the accounting standards, including amendments to the Singapore Financial Reporting Standards, and receive regulatory updates on a half yearly basis.</p> <p>The Chief Executive Officer ("CEO") updates the Board at each meeting on business and strategic developments of the Group.</p>

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 1.3	The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.	<p>Matters that require the Board's approval, as decided by the Board, include, amongst others, the following:</p> <ul style="list-style-type: none"> (a) approval of the Group's strategic objectives; (b) changes relating to the Group's capital structure including reduction of capital, share issues and share buy backs; (c) major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals; (d) approval of the interim and full year's results announcements and release of annual reports; (e) approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend; (f) approval of material investments, divestments or capital expenditure; (g) approval of resolutions and corresponding documentation to be put forward to Shareholders at a general meeting including approval of all circulars, prospectuses, etc; and (h) any decision likely to have a material impact on the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational matters.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																
Provision 1.4	Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.	<p>Board Committees, namely the Audit and Risk Committee (the "ARC"), the Remuneration Committee (the "RC"), the Nominating Committee (the "NC") (collectively the "Board Committees") have been constituted to assist the Board in the discharge of its responsibilities and each report back to the Board. The duties, authorities and responsibilities of each committee are set out in their respective terms of reference. The terms of references are reviewed on a regular basis to ensure their continued relevance.</p> <p>The compositions of the Board Committees are as follows:</p> <table border="1" data-bbox="746 1066 1428 1285"> <caption data-bbox="751 1077 1233 1099">Table 1.4 - Composition of Board Committees⁽¹⁾</caption> <thead> <tr> <th></th> <th>ARC</th> <th>NC</th> <th>RC</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Lim Kee Way Irwin</td> <td>Chong Eng Wee</td> <td>Chan Chun Kit</td> </tr> <tr> <td>Member</td> <td>Chan Chun Kit</td> <td>Chan Chun Kit</td> <td>Chong Eng Wee</td> </tr> <tr> <td>Member</td> <td>Chong Eng Wee</td> <td>Lim Kee Way Irwin</td> <td>Lim Kee Way Irwin</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) Mr Liu Changsheng, who was previously a member of the ARC, the NC and the RC, resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p> <p>Information on the ARC, RC, and NC, their respective terms of reference, summaries of their activities and any delegation to them by the Board of its decision-making authority can be found in the subsequent sections of this Annual Report.</p>		ARC	NC	RC	Chairman	Lim Kee Way Irwin	Chong Eng Wee	Chan Chun Kit	Member	Chan Chun Kit	Chan Chun Kit	Chong Eng Wee	Member	Chong Eng Wee	Lim Kee Way Irwin	Lim Kee Way Irwin
	ARC	NC	RC															
Chairman	Lim Kee Way Irwin	Chong Eng Wee	Chan Chun Kit															
Member	Chan Chun Kit	Chan Chun Kit	Chong Eng Wee															
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CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																																																																							
Provision 1.5	Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.	<p>The Board meets quarterly and more often when required to address any specific significant matters which may arise.</p> <p>The Company's constitution (the "Constitution") allows for meetings to be held through audio visual communication equipment. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circulating resolutions.</p> <p>The Board met 4 times in FY2020 in person and through means of video conference or other forms of telecommunication, in line with government advisories amidst the COVID-19 pandemic. The number of Board and Board Committee meetings held and the attendance of each board member at the meetings for FY2020 are as follows:-</p> <table border="1" data-bbox="743 1290 1430 1693"> <caption data-bbox="743 1290 1430 1323">Table 1.5 - Attendance of Directors at Company Meetings</caption> <thead> <tr> <th rowspan="2">Name of Director</th> <th colspan="2">Board</th> <th colspan="2">ARC</th> <th colspan="2">NC</th> <th colspan="2">RC</th> </tr> <tr> <th>No. of Meetings Held</th> <th>No. of Meetings Attended</th> <th>No. of Meetings Held</th> <th>No. of Meetings Attended</th> <th>No. of Meetings Held</th> <th>No. of Meetings Attended</th> <th>No. of Meetings Held</th> <th>No. of Meetings Attended</th> </tr> </thead> <tbody> <tr> <td>Pang Pok</td> <td>4</td> <td>4</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Chan Chun Kit</td> <td>4</td> <td>4</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Chong Eng Wee</td> <td>4</td> <td>4</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Liu Changsheng⁽¹⁾</td> <td>4</td> <td>4</td> <td>4</td> <td>3</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Lim Kee Way Irwin</td> <td>4</td> <td>4</td> <td>4</td> <td>4</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Zhang Rongxuan</td> <td>4</td> <td>4</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p data-bbox="743 1738 799 1760">Note:</p> <p data-bbox="743 1771 1430 1883">(1) Mr Liu Changsheng, who was previously a member of the ARC, the NC and the RC, resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p>	Name of Director	Board		ARC		NC		RC		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	Pang Pok	4	4	-	-	-	-	-	-	Chan Chun Kit	4	4	4	4	1	1	1	1	Chong Eng Wee	4	4	4	4	1	1	1	1	Liu Changsheng ⁽¹⁾	4	4	4	3	1	1	1	1	Lim Kee Way Irwin	4	4	4	4	1	1	1	1	Zhang Rongxuan	4	4	-	-	-	-	-	-
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CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 1.6	Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.	<p><u>Provision of information on an on-going basis</u></p> <p>Management provides the Board with relevant, complete, adequate and accurate information in a timely manner relating to matters to be brought before the Board on an on-going basis. Management ensures that the Company Secretary is provided with the relevant board papers to be circulated to the Board from time to time or to be submitted at Board meetings. Board papers adhere to a standard format which includes background information, issues for deliberation, and risk mitigation measures.</p> <p><u>Provision of information prior to meetings</u></p> <p>To give Directors sufficient time to prepare for Board and Board Committee meetings, the agenda and board papers are circulated by the Company Secretary to the Board at least one week before the relevant meeting. Directors can access these materials via their personal computers, laptops, smartphones and other mobile devices prior to, during and after meetings. Hard copies of these materials are also distributed to the Directors at the meetings. Members of Management who prepared the Board papers and can provide additional insights into matters at hand would be present at the relevant meeting.</p> <p>At the Board meetings, the Management provides the Board with quarterly reports on the Group's financial and business performance, and such explanation and information as the Board may require, to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. The Board is also apprised of any significant developments on business initiatives, industry developments and regulatory updates.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 1.7	Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.	Mr Chong Eng Wee, the Lead Independent Director, is a director of Kennedys Legal Solutions Pte Ltd, which provides corporate secretarial services on a retainer basis and certain legal services to the Company. Notwithstanding the foregoing, where the Directors, whether individually or collectively, require independent professional advice in furtherance of their duties, the Company Secretary may assist in appointing a professional advisor to render the advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company. The appointment and the removal of the Company Secretary are subject to the approval of the Board as a whole. The Directors have non-restricted access to Management.
Board Composition and Guidance		
Principle 2	The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.	The Board considers that it has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company. Please refer to Provisions 2.1 to 2.5 below for more details and instances of the Company's compliance with such principle.
Provision 2.1	An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.	The Board consists of five (5) members, four (4) of whom are Non-executive Directors, and of the four (4) Non-executive Directors, three (3) of them are Independent Directors. As such, majority of the Board consists of Non-executive Directors and more than half of the Board consists of Independent Directors. Please refer to Provision 4.4 below for more information on the NC's determination of the independence for Independent Directors.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 2.2	Independent directors make up a majority of the Board where the Chairman is not independent.	In view that Mr. Zhang Rongxuan, the Chairman of the Board, is not an independent director, the Board comprises a majority of three (3) Independent Directors (out of a five (5) member Board) who are Independent Directors.
Provision 2.3	Non-executive directors make up a majority of the Board.	The Board consists of a majority of four (4) non-executive Directors (out of a five (5) member Board).
Provision 2.4	The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report.	<p>The Board has adopted the following steps to maintain or enhance its balance and diversity:</p> <ul style="list-style-type: none"> (a) Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary to enhance the efficacy of the Board; and (b) Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board. <p>The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent Directors.</p> <p>Taking into account the nature and scope of the Group's business, in concurrence with the NC, the Board believes that the current size of the Board and Board Committees is appropriate, and that the composition of the Board and Board Committees (as set out in Tables 1.1 and 1.4 above) provide sufficient diversity without interfering with efficient decision making.</p> <p>The Board's primary consideration in identifying Directors' nominees is to have an appropriate mix of members with core competencies such as accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management.</p>

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																																				
		<p>The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:</p> <table border="1" data-bbox="743 696 1430 1554"> <thead> <tr> <th colspan="3" data-bbox="743 696 1430 745">Table 2.4 - Balance and Diversity of the Board</th> </tr> <tr> <th data-bbox="743 752 1099 871"></th> <th data-bbox="1104 752 1259 871">Number of Directors</th> <th data-bbox="1264 752 1430 871">Proportion of Board (%)</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="743 878 1430 927">Core Competencies</td> </tr> <tr> <td data-bbox="743 934 1099 983">- Accounting or finance</td> <td data-bbox="1104 934 1259 983">2</td> <td data-bbox="1264 934 1430 983">40</td> </tr> <tr> <td data-bbox="743 990 1099 1039">- Business management</td> <td data-bbox="1104 990 1259 1039">5</td> <td data-bbox="1264 990 1430 1039">100</td> </tr> <tr> <td data-bbox="743 1046 1099 1122">- Legal or corporate governance</td> <td data-bbox="1104 1046 1259 1122">3</td> <td data-bbox="1264 1046 1430 1122">60</td> </tr> <tr> <td data-bbox="743 1128 1099 1205">- Relevant industry knowledge or experience</td> <td data-bbox="1104 1128 1259 1205">3</td> <td data-bbox="1264 1128 1430 1205">60</td> </tr> <tr> <td data-bbox="743 1211 1099 1288">- Strategic planning experience</td> <td data-bbox="1104 1211 1259 1288">5</td> <td data-bbox="1264 1211 1430 1288">100</td> </tr> <tr> <td data-bbox="743 1294 1099 1370">- Customer based experience or knowledge</td> <td data-bbox="1104 1294 1259 1370">2</td> <td data-bbox="1264 1294 1430 1370">40</td> </tr> <tr> <td colspan="3" data-bbox="743 1377 1430 1426">Gender</td> </tr> <tr> <td data-bbox="743 1433 1099 1482">- Male</td> <td data-bbox="1104 1433 1259 1482">5</td> <td data-bbox="1264 1433 1430 1482">100</td> </tr> <tr> <td data-bbox="743 1489 1099 1538">- Female</td> <td data-bbox="1104 1489 1259 1538">0</td> <td data-bbox="1264 1489 1430 1538">0</td> </tr> </tbody> </table>	Table 2.4 - Balance and Diversity of the Board				Number of Directors	Proportion of Board (%)	Core Competencies			- Accounting or finance	2	40	- Business management	5	100	- Legal or corporate governance	3	60	- Relevant industry knowledge or experience	3	60	- Strategic planning experience	5	100	- Customer based experience or knowledge	2	40	Gender			- Male	5	100	- Female	0	0
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Provision 2.5	Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.	<p>The Non-Executive Directors discuss and/or meet as often as is needed, based on the Group's needs from time to time, without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning as well as leadership development and the remuneration of the Executive Directors.</p> <p>The Non-Executive Directors had held periodic conference calls and/or meetings in the absence of key management personnel in FY2020. In FY2020, such meetings were conducted through means of video conference or other forms of telecommunication.</p>																																				

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Chairman and Chief Executive Officer		
Principle 3	There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.	The Board is of the view that there is a clear division of responsibilities between the leadership of the Board and the Management, and no one individual has unfettered powers of decision-making. Please refer to Provisions 3.1 to 3.3 below for more details and instances of the Company's compliance with such principle.
Provision 3.1	The Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.	Mr Pang Pok is the Executive Director and CEO of the Company, and Mr Zhang Rongxuan is the Non-Executive Chairman of the Company. Accordingly, in FY2020, the position of Chairman and the CEO are held by two separate persons in order to maintain effective checks and balances. This promotes greater accountability from Management and allows the Board to exercise its independence in its oversight of and deliberations with Management.
Provision 3.2	The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.	There is a clear separation of the roles and responsibilities between the Chairman and the CEO. The Non-Executive Chairman, Mr Zhang Rongxuan, provides strategic advice and guidance and taps on his network and connections in facilitating the growth of the Group's business. The CEO and Executive Director, Mr Pang Pok, is responsible for our Group's overall management, including overseeing the Group's operations, setting directions for new growth areas and developing business strategies. The Chairman and CEO are not related.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 3.3	The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.	Mr. Chong Eng Wee is the Lead Independent Director of the Company. As the Lead Independent Director, he is available to the Shareholders where they have concerns relating to matters which contact through normal channels via the Chairman, CEO or the Management has failed to resolve or for which such contact is inappropriate, as well as at any of the Company's general meeting (in the event such general meetings are to be held physically).
Board Membership		
Principle 4	The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.	The Board is of the view that it has a formal and transparent process for the appointment and reappointment of Directors, taking into account the need for progressive renewal of the Board. Please refer to Provisions 4.1 to 4.5 below for more details and instances of the Company's compliance with such principle.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 4.1	<p>The Board establishes a NC to make recommendations to the Board on relevant matters relating to:</p> <ul style="list-style-type: none"> (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors; (c) the review of training and professional development programmes for the Board and its directors; and (d) the appointment and re-appointment of directors (including alternate directors, if any). 	<p>The Board has established the NC, which holds at least one (1) meeting in each financial year.</p> <p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> (a) recommend to the Board on board appointments, including succession plans and re-nominations of existing Directors for re-election in accordance with the Company's Constitution, taking into account the Director's contribution and performance; (b) recommend and review succession plans, including the appointment and/or replacement of the Chairman, the CEO and key management personnel; (c) review and approve any new employment of related persons and proposed terms of their employment; (d) determine on an annual basis, and as and when circumstances require, whether or not a director of our Company is independent; (e) in respect of a Director who has multiple board representations on various companies, if any, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments; (f) recommend to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold; (g) decide whether or not the Director is able to and has been adequately carrying his duties as a Director of the Company;

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(h) develop a process for evaluation of the performance of the Board, its committees and the Directors and propose objective performance criteria, as approved by the Board that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value;</p> <p>(i) if an external facilitator has been used in assessing the effectiveness of the Board, its Board Committees and each directors, to ensure that existing relationships, if any, between the Company and its appointed facilitator will not affect the independence and objectivity of the facilitator; and</p> <p>(j) review training and professional development programmes for our Board.</p>
Provision 4.2	The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.	<p>Currently, the NC comprises of three (3) Directors, all of whom are Independent Directors, as follows:</p> <p>(a) Mr. Chong Eng Wee (Lead Independent Director);</p> <p>(b) Mr. Chan Chun Kit (Independent Director); and</p> <p>(c) Mr. Lim Kee Way Irwin (Independent Director).</p> <p>The chairman of the NC is Mr. Chong Eng Wee, who is the Lead Independent Director.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																		
Provision 4.3	The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report.	<p>Table 4.3(a) - Process for the Selection and Appointment of New Directors</p> <table border="1"> <tbody> <tr> <td data-bbox="740 651 804 1003">1.</td> <td data-bbox="809 651 1034 1003">Determination of selection criteria</td> <td colspan="2" data-bbox="1038 651 1442 1003">The NC, in consultation with the Board, would identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board.</td> </tr> <tr> <td data-bbox="740 1010 804 1279">2.</td> <td data-bbox="809 1010 1034 1279">Search for suitable candidates</td> <td colspan="2" data-bbox="1038 1010 1442 1279">The NC would consider candidates proposed by the Directors, key management personnel or substantial Shareholders, and may engage external search consultants where necessary.</td> </tr> <tr> <td data-bbox="740 1285 804 1451">3.</td> <td data-bbox="809 1285 1034 1451">Assessment of shortlisted candidates</td> <td colspan="2" data-bbox="1038 1285 1442 1451">The NC would meet and interview the shortlisted candidates to assess their suitability.</td> </tr> <tr> <td data-bbox="740 1458 804 1765">4.</td> <td data-bbox="809 1458 1034 1765">Appointment of director</td> <td colspan="2" data-bbox="1038 1458 1442 1765">The NC would recommend the selected candidate to the Board for consideration and approval. The Board is also advised by the Sponsor on appointment of directors as required under Catalist Rule 226(2)(d).</td> </tr> </tbody> </table>			1.	Determination of selection criteria	The NC, in consultation with the Board, would identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board.		2.	Search for suitable candidates	The NC would consider candidates proposed by the Directors, key management personnel or substantial Shareholders, and may engage external search consultants where necessary.		3.	Assessment of shortlisted candidates	The NC would meet and interview the shortlisted candidates to assess their suitability.		4.	Appointment of director	The NC would recommend the selected candidate to the Board for consideration and approval. The Board is also advised by the Sponsor on appointment of directors as required under Catalist Rule 226(2)(d).	
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CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation									
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2.	Re-appointment of director	<ul style="list-style-type: none"> • Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval. 									

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<ul style="list-style-type: none"> • All Directors submit themselves for re-nomination and re-appointment at regular intervals of at least once every three years. Article 113 of the Company's Constitution provides that one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not lesser than one-third) shall retire from office by rotation and be eligible for re-election at the Company's Annual General Meeting ("AGM"). According to Article 113, Mr Chong Eng Wee and Mr Chan Chun Kit will be retiring at the Company's forthcoming AGM and shall be eligible for re-election. Mr Chong Eng Wee and Mr Chan Chun Kit will be seeking re-election at the forthcoming AGM. • In making the recommendations, the NC had considered the Directors' overall contribution and performance, with reference to the results of the assessment of the performance of individual Directors.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<ul style="list-style-type: none"> • Mr. Chong Eng Wee will, upon re-election as a Director, remain as the chairman of the NC, and member of the RC and ARC. • Mr. Chan Chun Kit will, upon re-election as a Director, remain as the chairman of the RC, and member of the ARC and NC. <p>The key information of the Directors are set out on pages 10 to 13 of this Annual Report. The shareholdings of the individual directors of the Company are set out on page 82 of this Annual Report. None of the directors hold shares in the subsidiaries of the Company. Directors who are seeking re-appointment at the forthcoming AGM to be held on 29 July 2021 are stated in the Notice of AGM set out on pages 195 to 202 of this Annual Report.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 4.4	<p>The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.</p>	<p>The independence of each Director is assessed and reviewed annually by the NC in accordance with criterion based on the guidelines stated in the Code, in particular, the NC undertakes rigorous review on the continued independence of any Independent Director who has served for more than nine (9) years from the date of their first appointment. Currently, none of the Independent Directors on the Board serves for a period exceeding nine years from the date of his first appointment.</p> <p>The Board considers an "Independent" Director as one who has no relationship with the Company, its related corporations, its 5% Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.</p> <p>The Independent Directors, Mr. Chong Eng Wee, Mr. Lim Kee Way Irwin and Mr. Chan Chun Kit have confirmed their independence in accordance with the Code. Mr Chong Eng Wee, who is a director of Kennedys Legal Solutions Pte Ltd, is independent notwithstanding the relationship between the Company and Kennedys Legal Solutions Pte Ltd, which provides corporate secretarial services on a retainer basis and certain legal services to the Company. The total fees including ad-hoc services for FY2020 and aggregated over any financial year payable from the Company to Kennedys Legal Solutions Pte. Ltd. did not exceed S\$200,000, pursuant to Practice Guidance 2 of the Code.</p> <p>The Independent Directors do not have any relationship as stated in the Code that would otherwise deem any of them not to be independent.</p> <p>For the reasons above, the Board, having taken into account and concurring with the views of the NC, has determined that the Independent Directors remained independent in character and judgment, and that there were no relationships or circumstances which are likely to affect, or could appear to affect, the Independent Directors' judgement.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 4.5	<p>The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitment of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.</p>	<p>The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his or her other listed company board directorships and other principal commitments, and not guided by a numerical limit. Where a Director has multiple board representations, the NC will evaluate whether or not the Director is able to carry out and has been adequately carrying out his/her duties as a Director of the Company taking into consideration time and resources allocated to the affairs of the Company. The NC is of the view that all the Directors are able to devote to the Company's affairs notwithstanding their other commitments.</p> <p>The Board also notes that currently, none of the Directors holds more than four (4) Board representations in listed companies. The considerations in assessing the capacity of Directors include the following:</p> <ul style="list-style-type: none"> (a) Expected and/or competing time commitments of Directors; (b) Geographical location of Directors; (c) Size and composition of the Board; and (d) Nature and scope of the Group's operations and size. <p>The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any), and is satisfied that all Directors have discharged their duties adequately for FY2020.</p>
Board Performance		
Principle 5	<p>The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.</p>	<p>The Board has undertaken a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual Directors. Please refer to Provisions 5.1 to 5.2 below for more details and instances of the Company's compliance with such principle.</p>

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation												
Provision 5.1	The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board.	<p>Table 5.1 below sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director and Chairman to the effectiveness of the Board for the financial year ending 31 December 2021:</p> <table border="1" data-bbox="743 842 1426 1839"> <thead> <tr> <th colspan="3" data-bbox="743 842 1426 898">Table 5.1 - Performance Criteria</th> </tr> <tr> <th data-bbox="743 904 911 987">Performance Criteria</th> <th data-bbox="916 904 1179 987">Board and Board Committees</th> <th data-bbox="1184 904 1426 987">Individual Directors</th> </tr> </thead> <tbody> <tr> <td data-bbox="743 994 911 1675">Qualitative</td> <td data-bbox="916 994 1179 1675"> <ol style="list-style-type: none"> 1. Size and composition 2. Conduct of Meetings 3. Access to information 4. Board processes and accountability 5. Strategic planning 6. Risk management and Internal Control 7. CEO Performance/ Succession Planning 8. Compensation 9. Communication with Shareholders </td> <td data-bbox="1184 994 1426 1675"> <ol style="list-style-type: none"> 1. Commitment of time 2. Candor 3. Participation 4. Knowledge and abilities 5. Teamwork 6. Independence 7. Overall effectiveness </td> </tr> <tr> <td data-bbox="743 1682 911 1839">Quantitative</td> <td data-bbox="916 1682 1179 1839"> <ol style="list-style-type: none"> 1. Measuring and monitoring performance 2. Financial Reporting </td> <td data-bbox="1184 1682 1426 1839"> <ol style="list-style-type: none"> 1. Attendance at Board and Board Committees meetings </td> </tr> </tbody> </table>	Table 5.1 - Performance Criteria			Performance Criteria	Board and Board Committees	Individual Directors	Qualitative	<ol style="list-style-type: none"> 1. Size and composition 2. Conduct of Meetings 3. Access to information 4. Board processes and accountability 5. Strategic planning 6. Risk management and Internal Control 7. CEO Performance/ Succession Planning 8. Compensation 9. Communication with Shareholders 	<ol style="list-style-type: none"> 1. Commitment of time 2. Candor 3. Participation 4. Knowledge and abilities 5. Teamwork 6. Independence 7. Overall effectiveness 	Quantitative	<ol style="list-style-type: none"> 1. Measuring and monitoring performance 2. Financial Reporting 	<ol style="list-style-type: none"> 1. Attendance at Board and Board Committees meetings
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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 5.2	The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.	<p>The NC conducts annual assessment to evaluate the effectiveness of the Board as a whole, its Board Committees and the contribution of each individual Director to the effectiveness of the Board. In this regard, the directors are required to complete evaluation questionnaires in respect of their individual performance, the effectiveness and performance of the Board as a whole and of each board committee (which such director is a member of). The NC then reviews the results of the foregoing evaluation questionnaires and identifies any areas for improvement.</p> <p>The Board has not engaged any external facilitator to conduct an assessment of the performance of the Board, the Board Committees and each individual Director. Where relevant and when the need arises, the NC will consider such an engagement.</p>
REMUNERATION MATTERS		
Procedures for Developing Remuneration Policies		
Principle 6	The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.	The Board is of the view that it has a formal and transparent procedure for developing policies on Director's and executive's remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration. Please refer to Provisions 6.1 to 6.4 below for more details and instances of the Company's compliance with such principle.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 6.1	<p>The Board establishes a Remuneration Committee to review and make recommendations to the Board on:</p> <p>(a) a framework of remuneration for the Board and key management personnel; and</p> <p>(b) the specific remuneration packages for each director as well as for the key management personnel.</p>	<p>The Board has established the RC, which is guided by key terms of reference as follows:</p> <p>(a) review and recommend the framework of remuneration for the Board and key management personnel;</p> <p>(b) review and recommend the specific remuneration packages for each Executive Director and key management personnel, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind;</p> <p>(c) review annually the remuneration packages of the employees who are related to any of the Directors or any substantial Shareholder of the Company;</p> <p>(d) review the design of all long term and short term incentive plans including option plans, stock plans and/or other equity based plans that the Group proposes to implement and oversee the administration of GS Holdings Employee Share Option Scheme (the "GS Holdings ESOS") and GS Holdings Performance Share Plan ("GS Holdings PSP"); and</p> <p>(e) consider and approve termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to each key management personnel.</p>
Provision 6.2	<p>The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.</p>	<p>The RC comprises of three (3) Directors, all of whom are Independent Directors, as follows:</p> <p>(a) Mr. Chong Eng Wee (Lead Independent Director);</p> <p>(b) Mr. Chan Chun Kit (Independent Director); and</p> <p>(c) Mr. Lim Kee Way Irwin (Independent Director).</p> <p>The chairman of the RC is Mr. Chan Chun Kit, who is an Independent Director.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 6.3	The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.	The RC reviews the Company's obligations arising in the event of termination under the contracts of service of the Executive Directors and key management personnel to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; and if necessary, will seek expert advice inside the Company and/or outside professional advice on remuneration of all directors and to ensure that existing relationships, if any, between the Company and its appointed consultants will not affect the independence and objectivity of the consultants.
Provision 6.4	The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.	No remuneration consultants were engaged by the Company in FY2020.
Level and Mix of Remuneration		
Principle 7	The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.	The Board is of the view that the level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company. Please refer to Provisions 7.1 to 7.3 below for more details and instances of the Company's compliance with such principle.
Provision 7.1	A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company.	<p>In determining the level of remuneration, the RC undertakes the following:</p> <ul style="list-style-type: none"> (a) give due consideration to the Code's principles and guidance notes on the level and mix of remuneration, to ensure that the level of remuneration is appropriate to attract, retain and motivate the Directors to run the Company successfully; (b) ensure that a proportion of the remuneration is linked to corporate and individual performance; and

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(c) design remuneration packages in such manner as to align the interests of the executive directors and key management personnel with those of Shareholders.</p> <p>Annual review is carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel is commensurate with the Company's and their respective performances, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO is reviewed periodically by the RC and the Board. The Company also has a remuneration policy in place. Please refer to Provision 8.1 for more details on the Group's remuneration policy.</p>
Provision 7.2	The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.	Directors' fees are recommended by the Board for approval by the Shareholders at the AGM of the Company. The Board concurred with the RC that the proposed directors' fees, including that of the Non-Executive Directors, for the year ending 31 December 2021 is appropriate and that all the Directors receive directors' fees in accordance with their level of contributions, taking into account factors such as effort and time spent for serving on the Board and Board Committees (if any), as well as the responsibilities and obligations of the Directors. Each of the Directors will receive his directors' fees in cash. The Company recognises the need to pay competitive fees to attract, motivate and retain directors without being excessive to the extent that their independence might be compromised.
Provision 7.3	Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.	To enhance its remuneration so as to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel, the Company has adopted long-term incentive schemes, including the GS Holdings ESOS and GS Holdings PSP since 17 December 2015.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>The GS Holdings ESOS serves as a long-term incentive scheme for the Directors and employees of the Company. The GS Holdings PSP serves to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance and to align the interests of Directors with the interests of Shareholders. Both GS Holdings ESOS and GS Holdings PSP are administered by the RC.</p>
<p>Disclosure on Remuneration</p>		
Principle 8	<p>The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.</p>	<p>The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation. Please refer to Provisions 8.1 to 8.3 below for more details and instances of the Company's compliance with such principle.</p>
Provision 8.1	<p>The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:</p>	<p>The Company's remuneration policy is one that seeks to attract, retain and motivate employees to achieve the Company's long-term growth and prosperity and to create value for our Shareholders. The Company believes in aligning its level and structure of remuneration with the interest of Shareholders to promote the long-term success of the Company. To initiate this, the GS Holdings ESOS and GS Holdings PSP have been adopted to link rewards to eligible employees and Directors, especially key executives based on corporate and individual performance and align their interests with those of Shareholders. The remuneration received by the Executive Directors and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2020. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																																																															
	(a) each individual director and the CEO; and	<p>The breakdown for the remuneration of the individual Directors for FY2020 is as follows:</p> <table border="1" data-bbox="746 658 1433 965"> <caption>Table 8.1(a) - Directors' Remuneration</caption> <thead> <tr> <th>Name</th> <th>Remuneration Band⁽¹⁾</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Benefits-in-kind (%)</th> <th>Directors Fees (%)</th> <th>Consultancy Fees (%)</th> <th>Share Incentives Scheme (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td>Pang Pok</td> <td>B</td> <td>87</td> <td>13</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Chan Chun Kit</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Chong Eng Wee</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Lim Kee Way Irwin</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Liu Changsheng⁽²⁾</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>23</td> <td>77</td> <td>-</td> <td>100</td> </tr> <tr> <td>Zhang Rongxuan</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>-</td> <td>-</td> <td>100</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Remuneration Bands: (a) Band A: Compensation from S\$0 to S\$250,000 per annum. (b) Band B: Compensation from S\$250,001 to S\$500,000 per annum.</p> <p>(2) Mr Liu Changsheng resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p> <p>After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of the amount of remuneration of each Director, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment. In any event, the Company has disclosed the remuneration of each Director in bands no wider than S\$250,000 and a breakdown of their remuneration, to ensure transparency in the level and mix of remuneration, in compliance with Principle 8.</p> <p>There are no termination, retirement, post-employment benefits that may be granted to the Directors, save for the standard contractual notice period termination payment in lieu of service.</p>	Name	Remuneration Band ⁽¹⁾	Salary (%)	Bonus (%)	Benefits-in-kind (%)	Directors Fees (%)	Consultancy Fees (%)	Share Incentives Scheme (%)	Total (%)	Pang Pok	B	87	13	-	-	-	-	100	Chan Chun Kit	A	-	-	-	100	-	-	100	Chong Eng Wee	A	-	-	-	100	-	-	100	Lim Kee Way Irwin	A	-	-	-	100	-	-	100	Liu Changsheng ⁽²⁾	A	-	-	-	23	77	-	100	Zhang Rongxuan	A	-	-	-	100	-	-	100
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	(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel	<p>Currently, the Group only has five (5) top key management personnel for FY2020. The total remuneration paid to the top five (5) key management personnel for FY2020 was S\$576,207.</p> <p>The breakdown for the remuneration of the Group's top five (5) key management personnel (who are not Directors or the CEO) for FY2020 is as follows:</p> <table border="1" data-bbox="743 882 1430 1216"> <caption>Table 8.1(b) - Remuneration of Key Management Personnel</caption> <thead> <tr> <th>Name</th> <th>Remuneration Band⁽⁵⁾</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Benefits-in-kind (%)</th> <th>Share incentive scheme</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td>Chong Paw Long</td> <td>A</td> <td>85</td> <td>15</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Pang Yiling Eliss⁽¹⁾</td> <td>A</td> <td>87</td> <td>13</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Ang Siew Kiock⁽²⁾</td> <td>A</td> <td>92</td> <td>8</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Lam Chee Seng⁽³⁾</td> <td>A</td> <td>100</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Fu Wenxing⁽⁴⁾</td> <td>A</td> <td>100</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Ms Pang Yiling Eliss is Director of Operations. Ms Pang is the daughter of Pang Pok, the CEO and Executive Director.</p> <p>(2) Ms Ang Siew Kiock was appointed as a key management personnel, and the executive director of Hao Kou Wei Pte. Ltd., being the Company's subsidiary, on 1 July 2019. Ms. Ang Siew Kiock is a substantial shareholder and the wife of Mr. Pang Pok, the CEO and Executive Director.</p> <p>(3) Mr. Lam Chee Seng was appointed as General Manager and a key executive officer of the Company on 14 February 2020.</p> <p>(4) Mr Fu Wenxing was appointed as general manager of Wish Hospitality Holdings Private Limited, and as an Executive Officer of the Group on 3 July 2020.</p> <p>(5) Remuneration Bands: Band A: Compensation from S\$0 to S\$250,000 per annum.</p> <p>The above remuneration for FY2020 has been pro-rated according to the individuals' date of appointment or date of resignation (where applicable). After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of the amount of remuneration of each key management personnel, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment.</p>	Name	Remuneration Band ⁽⁵⁾	Salary (%)	Bonus (%)	Benefits-in-kind (%)	Share incentive scheme	Total (%)	Chong Paw Long	A	85	15	-	-	100	Pang Yiling Eliss ⁽¹⁾	A	87	13	-	-	100	Ang Siew Kiock ⁽²⁾	A	92	8	-	-	100	Lam Chee Seng ⁽³⁾	A	100	-	-	-	100	Fu Wenxing ⁽⁴⁾	A	100	-	-	-	100
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		There are no termination, retirement, post-employment benefits that may be granted to the foregoing key management personnels, save for the standard contractual notice period termination payment in lieu of service.																									
Provision 8.2	The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	<p>Save as provided for below, there was no other employee of the Group who was a substantial Shareholder of the Company, or an immediate family member of a Director or the CEO, or substantial Shareholder of the Company, whose remuneration exceeds S\$100,000 during the year.</p> <table border="1" data-bbox="743 972 1428 1507"> <thead> <tr> <th colspan="5" data-bbox="743 972 1428 1126">Table 8.2 - Remuneration of Employees who are substantial Shareholders of the Company, or immediate family members of a Director, CEO or substantial Shareholder of the Company</th> </tr> <tr> <th data-bbox="743 1133 994 1352">Name</th> <th data-bbox="999 1133 1090 1352">Salary (%)</th> <th data-bbox="1094 1133 1185 1352">Bonus (%)</th> <th data-bbox="1190 1133 1321 1352">Benefits-in-kind/ Share incentive scheme (%)</th> <th data-bbox="1326 1133 1428 1352">Total (%)</th> </tr> </thead> <tbody> <tr> <td colspan="5" data-bbox="743 1359 1428 1406">S\$100,000 - S\$199,999</td> </tr> <tr> <td data-bbox="743 1413 994 1453">Pang Yiling Eliss⁽¹⁾</td> <td data-bbox="999 1413 1090 1453">87</td> <td data-bbox="1094 1413 1185 1453">13</td> <td data-bbox="1190 1413 1321 1453">-</td> <td data-bbox="1326 1413 1428 1453">100</td> </tr> <tr> <td data-bbox="743 1460 994 1500">Ang Siew Kiock⁽²⁾</td> <td data-bbox="999 1460 1090 1500">92</td> <td data-bbox="1094 1460 1185 1500">8</td> <td data-bbox="1190 1460 1321 1500">-</td> <td data-bbox="1326 1460 1428 1500">100</td> </tr> </tbody> </table> <p data-bbox="743 1554 810 1574">Notes:</p> <p data-bbox="743 1585 1428 1664">(1) Daughter of Mr Pang Pok, CEO and Executive Director of the Company. Ms. Pang Yiling Eliss is the Director of Operations of the Group.</p> <p data-bbox="743 1675 1428 1776">(2) Substantial shareholder of the Company and wife of Pang Pok, who is the CEO and Executive Director of the Company. Ms. Ang Siew Kiock is executive director of Hao Kou Wei Pte Ltd, a subsidiary of the Company.</p>	Table 8.2 - Remuneration of Employees who are substantial Shareholders of the Company, or immediate family members of a Director, CEO or substantial Shareholder of the Company					Name	Salary (%)	Bonus (%)	Benefits-in-kind/ Share incentive scheme (%)	Total (%)	S\$100,000 - S\$199,999					Pang Yiling Eliss ⁽¹⁾	87	13	-	100	Ang Siew Kiock ⁽²⁾	92	8	-	100
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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 8.3	The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.	<p>The Company has adopted the GS Holdings ESOS (the "Scheme") and the GS Holdings PSP (the "Plan"). The Scheme and the Plan will provide eligible participants with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. The Scheme and the Plan form an integral component of our compensation plan and are designed to primarily reward and retain Directors and employees whose services are vital to the growth and performance of our Company and/or our Group. The Scheme and the Plan are currently administered by the RC in accordance with the rules of the Scheme and the Plan respectively. Information on the Plan is disclosed in the Directors' Statements on pages 82 to 85 of this Annual Report.</p> <p>Save as disclosed in Table 8.1(a) and Table 8.1(b) above, there are no other forms of remuneration and other payments and benefits, paid by the Group to Directors and/or key management personnel of the Company.</p>
ACCOUNTABILITY AND AUDIT		
Risk Management and Internal Controls		
Principle 9	The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.	The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders. Please refer to Provisions 9.1 to 9.2 below for more details and instances of the Company's compliance with such principle.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 9.1	<p>The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.</p>	<p>The Board has not set up a specific Board Risk Committee, but for the purposes of risk management and internal controls, is assisted by the ARC. Together, they oversee the management in the area of risk management and internal control system and also determines the Company's risk appetite and tolerance level. The Board regularly reviews and improves the Company's business and operational activities to identify areas of significant risks and their respective risk exposure and tolerance ratings as well as mitigating control measures and reported to the ARC and the Board annually.</p> <p>In addition, Management highlights to and discusses salient risk management matters (if any) with the Board on a quarterly basis. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks.</p>
Provision 9.2	<p>The Board requires and discloses in the company's annual report that it has received assurance from:</p> <p>(a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and</p> <p>(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.</p>	<p>The Board has received assurance from:</p> <p>(a) the CEO and the CFO that the Group's financial records have been properly maintained and the financial statements for the period under review give a true and fair view of the Group's operations and finances; and</p> <p>(b) the CEO, the CFO, the Director of Operations and the General Manager (collectively "key management personnel") that the system of risk management and internal controls in place within the Group is adequate and effective in addressing the risks which the Group considers relevant and material to its business operations.</p> <p>The key management personnel has obtained similar assurances from the heads of operational and corporate departments in the Group on the risk management and internal control systems within their respective scope, to support their assurance statement to the Board.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
General	The Board's annual review of the internal controls and risk management systems	<p>As mentioned in Provision 9.1 above, in assessing the need to establish a separate risk committee to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies, the Board, after having discussed with the members of the ARC (previously named the Audit Committee) and the Board members, resolved that the function of the risk committee is best carried out by the ARC with the assistance of the IA and in this connection in line with its enhanced role, the Audit Committee was renamed ARC in 2017.</p> <p>During FY2020, the following were performed to review the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls:</p> <ul style="list-style-type: none"> (a) Board Committee meetings were held with the key management personnel to discuss and review the financial and operational (including compliance issues) performance of the Group. Internal control issues, where applicable, were discussed and addressed during such meetings; (b) An internal audit was performed by the Internal Auditors (the "IA") and significant internal control matters were highlighted to the CFO and key management personnel and appropriately addressed. The results of the internal audit were presented and approved by the ARC; (c) An external audit was performed by the EA and control gaps in financial controls were highlighted to the CFO and key management personnel and appropriately addressed. The controls gaps were presented and reviewed by the ARC; (d) Discussions were held between the ARC, IA and EA in the absence of the key management personnel to address any potential concerns; and

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(e) Key management personnel regularly evaluates, monitors and reports to the ARC on material risks and a set of risk registers is maintained, updated and presented to the ARC annually.</p> <p>The Board has also received assurance from the CEO, CFO and key management personnel as set out in Provision 9.2 above.</p> <p>Based on the internal controls established and maintained by the Group, work performed by the IA and EA, and reviews performed by management and various Board Committees, the Board, with the concurrence of the ARC, is of the opinion that the internal controls and risk management systems, addressing financial, operational, compliance and information technology risks, were adequate and effective for the FY2020 after considering the needs of the Group in its current business development.</p> <p>However, the ARC and the Board wish to highlight the following:</p> <p>(1) As disclosed by the Company on 13 June 2021, the Board (save for Mr. Zhang, the Company's Non-Executive Chairman) was not aware of the Relevant Encumbrance over the amount of RMB100 million received by Wish Shanghai as payment of the Outstanding Service Fee for FY2019 and partial payment of outstanding service fee for FY2020. The Relevant Encumbrance was arranged by Mr. Zhang and Mr. Liu Changsheng, a consultant to the Group and a director and legal representative of Wish Shanghai and Wish. Shareholders may refer to the Company's announcement dated 13 June 2021 as to Mr Zhang's reasons for not notifying the Board earlier of the Relevant Encumbrance.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(2) As disclosed on 17 June 2021, the Company has implemented certain internal control measures in respect of the Relevant Bank Account, in which the RMB100 million is kept. However, the ARC noted that Mr. Liu Changsheng is as at the date of this report, the only authorised signatory to the Relevant Bank Account.</p> <p>In response, the ARC has:</p> <p>(1) directed Mr Zhang to, in future, promptly notify the Board of any matter or development in relation to the collection of Outstanding Service Fee as and when any new information is received and/or a new decision is to be taken. The ARC has also reviewed the relevant procedures in respect of the disclosure of material information and considered implementing further guidelines; and</p> <p>(2) proposed the following actions to improve the Group's internal controls and risk management:</p> <p>(a) (i) upon the release of the Relevant Encumbrance, to undertake necessary steps to transfer a part of or the full amount of the Outstanding Service Fees of RMB100 million collected, from the Relevant Bank Account to the other existing Bank Account of Wish Shanghai, where authorised signatories for all transactions to be approved via the bank token are the CFO and Mr. Liu Changsheng, in order to minimise the amount held in the Relevant Bank Account; and</p> <p>(ii) in the meantime, to find an appropriate and safe way for the second bank token, which will be issued after the appointment of Mr. Fu Wen Xing, the executive officer of the Company, as a second authorised signatory to the Relevant Bank Account, to be sent to Singapore for the management's safekeeping, to the extent allowed under the applicable laws of PRC;</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>(b) upon the issuance of the second bank token, all transactions in respect of the Relevant Bank Account shall be approved by both bank tokens, including the existing bank token held by Mr. Liu Changsheng as the existing authorised signatory of the Relevant Bank Account; and</p> <p>(c) CEO and/or CFO to travel to PRC to take the necessary administrative steps to be added as authorised signatories of the Relevant Bank Account once travel restrictions has eased. The Company also intends for Mr. Pang to be added as an authorised signatory for the other existing bank account of Wish Shanghai.</p> <p>Although the Board acknowledges that it is responsible for the overall internal control framework, it also recognises that no cost effective internal control system will preclude all errors and irregularities. A system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.</p>
Audit Committee		
Principle 10	The Board has an Audit Committee which discharges its duties objectively.	The Board has established the ARC in compliance with Principle 10. Please refer to Provisions 10.1 to 10.5 below for more details and instances of the Company's compliance with such principle.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 10.1	<p>The duties of the AC include:</p> <ul style="list-style-type: none"> (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance; (b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems; (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements; (d) making recommendations to the Board on: <ul style="list-style-type: none"> (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; 	<p>The ARC was tasked by the Board to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies.</p> <p>The duties and roles of the ARC are guided by the following key terms of reference:</p> <ul style="list-style-type: none"> (a) assist the Board in discharge of its responsibilities on financial reporting matters; (b) review, with the EA and IA, the audit plans, scope of work, their evaluation of the system of internal accounting controls including financial, operational, compliance and information technology controls and risk management, their management letter and our management's response, and results of our audits compiled by the EA and IA; (c) review the interim and annual financial statements and results announcements 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 financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements; (d) reviewing annually the effectiveness and adequacy of the internal control and procedures, addressing financial, operational, compliance and information technology risks and ensure co-ordination between IA and EA, and the management, review the assistance given by 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 management where necessary);

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
	<p>(e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and</p> <p>(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.</p>	<p>(e) review the adequacy, effectiveness, scope and results of the external audit and internal audit function, and the independence and objectivity of the EA;</p> <p>(f) review and discuss with the EA any suspected fraud or irregularity, of 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;</p> <p>(g) make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the EA, and approving the remuneration and terms of engagement of the EA;</p> <p>(h) review significant financial reporting issues and judgments with the Head of Finance and the EA so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to the Board;</p> <p>(i) review and report to the Board at least annually the adequacy and effectiveness of the Group's material internal controls with the Head of Finance and the IA and EA, including financial, operation, compliance and information technology controls via reviews carried out by the IA;</p> <p>(j) review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalyst Rules (if any);</p> <p>(k) review any potential conflicts of interest;</p> <p>(l) review and approve all hedging policies and instruments (if any) to be implemented by the Group;</p>

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation				
		<p>(m) review the assurance from the CEO and the CFO on the financial records and the financial statements;</p> <p>(n) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;</p> <p>(o) review and establish procedures for receipt, retention and treatment of complaints received by the Group such as criminal offences involving our Group or its employees, questionable accounting, improprieties in financial reporting, auditing, business, safety or other matters that impact negatively on the Group;</p> <p>(p) 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 and/or financial position; and</p> <p>(q) generally undertake such other functions and duties as may be required by statute or the Catalyst Rule, and by such amendments made thereto from time to time.</p> <p>The Company has incorporated a whistle-blowing policy. The Company's staff may and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the ARC Chairman:-</p> <table border="1" data-bbox="746 1883 1425 1993"> <thead> <tr> <th data-bbox="754 1895 1078 1939">Name</th> <th data-bbox="1083 1895 1417 1939">Email Address</th> </tr> </thead> <tbody> <tr> <td data-bbox="754 1946 1078 1991">Lim Kee Way Irwin</td> <td data-bbox="1083 1946 1417 1991">irwinlim@yahoo.com</td> </tr> </tbody> </table>	Name	Email Address	Lim Kee Way Irwin	irwinlim@yahoo.com
Name	Email Address					
Lim Kee Way Irwin	irwinlim@yahoo.com					

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>The ARC has ensured that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. The details of the policy have also been disseminated and made available to all parties concerned in the Company's code of conduct.</p> <p>There was no reported incident pertaining to whistle-blowing for FY2020.</p>
Provision 10.2	The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.	<p>The ARC comprises of three (3) Directors, all of whom are Independent Directors, as follows:</p> <p>(a) Mr. Chong Eng Wee (Lead Independent Director);</p> <p>(b) Mr. Chan Chun Kit (Independent Director); and</p> <p>(c) Mr. Lim Kee Way Irwin (Independent Director).</p> <p>The chairman of the ARC is Mr. Lim Kee Way Irwin, who is an Independent Director. At least two of the ARC members, being the Chairman Mr. Lim Kee Way Irwin and Mr. Chan Chun Kit, have recent and relevant accounting or related financial management expertise and/or experience.</p>
Provision 10.3	The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.	None of the members of the ARC (a) is a former partner or director of the Company's existing auditing firm or auditing corporation within the previous two years or (b) hold any financial interest in the auditing firm or auditing corporation.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 10.4	The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.	<p>The Company's internal audit function is outsourced to an independent and established international auditing firm, BDO Advisory Pte Ltd, which reports directly to the ARC (who decides on the appointment, termination and remuneration). The ARC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit.</p> <p>The outsourced internal audit team is headed by a partner who has more than 25 years of experience in audit and advisory services, and is a Chartered Accountant of the Institute of Singapore Chartered Accountants ("ISCA") and Certified Internal Auditor of the Institute of Internal Auditors ("IIA"). The ARC is satisfied that the outsourced internal audit function is adequately staffed by suitably qualified and experienced professionals. The IA have unrestricted access to the ARC.</p>
Provision 10.5	The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.	The ARC meets with the EA and IA in the absence of key management personnel to review any matter that might be raised in FY2020 as required.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																		
General	ARC's annual review of the independence/re-appointment of the EA.	<p>The ARC reviews the independence of the EA annually. The ARC has conducted an annual review of the non-audit services provided by the EA as part of the ARC's assessment of the EA's independence.</p> <p>The ARC is satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the EA, and is satisfied with the EA's confirmation of their independence. Baker Tilly TFW LLP will not be seeking a re-appointment as EA of the Company at the forthcoming AGM. The aggregate amount of audit fees paid/payable to the EA in FY2020 are as follows:</p> <table border="1" data-bbox="746 1066 1428 1485"> <caption data-bbox="759 1081 1415 1144">Table 10.5 - Fees Paid/Payable to the EA for FY2020</caption> <thead> <tr> <th data-bbox="746 1160 1074 1211"></th> <th data-bbox="1078 1160 1249 1211">S\$</th> <th data-bbox="1254 1160 1428 1211">% of total</th> </tr> </thead> <tbody> <tr> <td data-bbox="746 1218 1074 1270">Audit fees</td> <td data-bbox="1078 1218 1249 1270">117,000</td> <td data-bbox="1254 1218 1428 1270">80</td> </tr> <tr> <td data-bbox="746 1276 1074 1328">Non-audit fees</td> <td data-bbox="1078 1276 1249 1328"></td> <td data-bbox="1254 1276 1428 1328"></td> </tr> <tr> <td data-bbox="746 1335 1074 1386">- Tax compliance</td> <td data-bbox="1078 1335 1249 1386">20,000</td> <td data-bbox="1254 1335 1428 1386">14</td> </tr> <tr> <td data-bbox="746 1393 1074 1444">- Sustainability report</td> <td data-bbox="1078 1393 1249 1444">10,000</td> <td data-bbox="1254 1393 1428 1444">6</td> </tr> <tr> <td data-bbox="746 1451 1074 1485">Total</td> <td data-bbox="1078 1451 1249 1485">147,000</td> <td data-bbox="1254 1451 1428 1485">100</td> </tr> </tbody> </table>		S\$	% of total	Audit fees	117,000	80	Non-audit fees			- Tax compliance	20,000	14	- Sustainability report	10,000	6	Total	147,000	100
	S\$	% of total																		
Audit fees	117,000	80																		
Non-audit fees																				
- Tax compliance	20,000	14																		
- Sustainability report	10,000	6																		
Total	147,000	100																		
General	What are the ARC's activities or the measures it has taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements?	The ARC keeps abreast of relevant changes to accounting standard and other issue through attendance at relevant seminars or talks, articles and news circulated by the management and updates by the EA and IA at ARC meetings.																		

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
STAKEHOLDER RIGHTS AND ENGAGEMENT		
Shareholders' Rights and Conduct of General Meetings		
Principle 11	The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.	The Company has complied with Principle 11. Please refer to Provisions 11.1 to 11.6 below for more details and instances of the Company's compliance with such principle.
Provision 11.1	The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.	<p><u>Effective participation at meetings</u></p> <p>The Company's corporate governance practices promote the fair and equitable treatment to all Shareholders. To facilitate Shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and on-going basis via SGXNET, as well as through the AGM, especially information pertaining to the Company's business development and financial performance which could have a material impact on the price or value of its shares, so as to enable Shareholders to make informed decisions in respect of their investments in the Company particularly during general meetings. The Company's general meetings in FY2020 were conducted through live web-cast in light of the COVID-19 pandemic, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and guidance from ACRA, the Monetary Authority of Singapore, and/or SGX-ST on the conduct of general meetings.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>Shareholders are informed of general meetings through reports or circulars published on the SGXNet and the corporate website of the Company and the Company's announcements via SGXNET on a timely basis. In order to provide ample time for the Shareholders to review the matters to be discussed in the meetings, the notice of general meetings, together with the Annual Report, is published on the SGXNET at least 14 days (if no special resolution) before the scheduled meeting date. All registered Shareholders are invited to attend and participate actively in the general meetings and are given the opportunity to seek clarification or question the Group's strategic direction, business, operations, performance and proposed resolutions to be debated and decided upon. For meetings held in FY2020, Shareholders were encouraged to submit any queries in relation to any meeting agenda item as set out in the respective notices to the Company through email, prior to the meeting.</p> <p><u>Voting at meetings</u></p> <p>All Shareholders are entitled to vote in accordance with the established voting rules and procedures. All resolutions are put to vote by poll, and the results of the poll voting on each resolution tabled at general meeting, including the number of votes cast for and against of each resolution and the respective percentages, are announced after each general meeting, via SGXNET. In FY2020, there was no physical voting conducted in the meetings and all votes were counted on the basis of the proxy forms submitted prior to such meetings.</p>

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p><u>Informing Shareholders of general meeting rules</u></p> <p>In FY2020, the rules governing general meetings of Shareholders, including the voting process, were explained to Shareholders in the respective notice of meeting.</p>
Provision 11.2	The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.	Resolutions submitted at the Shareholders' meetings are separate and not bundled or made inter-conditional on each other, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Company will explain the reasons and material implications. The tabling of separate resolutions gives Shareholders the right to express their views and exercise their voting rights on each resolution separately. Information is also provided on each resolution to enable Shareholders to exercise their vote on an informed basis.
Provision 11.3	All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.	The Company requires all Directors (including each respective chairman of the Board Committees) to be present at all general meetings of Shareholders, unless in the event of exigencies. For FY2020, all Directors and the EA were present at general meetings held via live web-cast. The Company also sought the EA's response on any Shareholders' queries about the conduct of audit and the preparation and content of the auditors' report, in the event such queries were submitted ahead of the general meetings.

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Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation																																												
		<p>The number of General meetings held and the attendance of each board member at the General meetings for FY2020 are as follows:-</p> <table border="1" data-bbox="746 696 1428 1173"> <thead> <tr> <th colspan="5" data-bbox="746 696 1428 734">Table 11.3 - Attendance of Directors at General Meetings</th> </tr> <tr> <th data-bbox="746 734 970 831" rowspan="2">Name of Director</th> <th colspan="2" data-bbox="970 734 1198 831">Extraordinary/ Special General Meeting</th> <th colspan="2" data-bbox="1198 734 1428 831">Annual General Meeting</th> </tr> <tr> <th data-bbox="970 831 1082 913">No. of Meetings Held</th> <th data-bbox="1082 831 1198 913">No. of Meetings Attended</th> <th data-bbox="1198 831 1310 913">No. of Meeting Held</th> <th data-bbox="1310 831 1428 913">No. of Meeting Attended</th> </tr> </thead> <tbody> <tr> <td data-bbox="746 913 970 958">Pang Pok</td> <td data-bbox="970 913 1082 958">1</td> <td data-bbox="1082 913 1198 958">1</td> <td data-bbox="1198 913 1310 958">1</td> <td data-bbox="1310 913 1428 958">1</td> </tr> <tr> <td data-bbox="746 958 970 1003">Chan Chun Kit</td> <td data-bbox="970 958 1082 1003">1</td> <td data-bbox="1082 958 1198 1003">1</td> <td data-bbox="1198 958 1310 1003">1</td> <td data-bbox="1310 958 1428 1003">1</td> </tr> <tr> <td data-bbox="746 1003 970 1048">Chong Eng Wee</td> <td data-bbox="970 1003 1082 1048">1</td> <td data-bbox="1082 1003 1198 1048">1</td> <td data-bbox="1198 1003 1310 1048">1</td> <td data-bbox="1310 1003 1428 1048">1</td> </tr> <tr> <td data-bbox="746 1048 970 1093">Liu Changsheng⁽¹⁾</td> <td data-bbox="970 1048 1082 1093">1</td> <td data-bbox="1082 1048 1198 1093">1</td> <td data-bbox="1198 1048 1310 1093">1</td> <td data-bbox="1310 1048 1428 1093">1</td> </tr> <tr> <td data-bbox="746 1093 970 1137">Lim Kee Way Irwin</td> <td data-bbox="970 1093 1082 1137">1</td> <td data-bbox="1082 1093 1198 1137">1</td> <td data-bbox="1198 1093 1310 1137">1</td> <td data-bbox="1310 1093 1428 1137">1</td> </tr> <tr> <td data-bbox="746 1137 970 1173">Zhang Rongxuan</td> <td data-bbox="970 1137 1082 1173">1</td> <td data-bbox="1082 1137 1198 1173">1</td> <td data-bbox="1198 1137 1310 1173">1</td> <td data-bbox="1310 1137 1428 1173">1</td> </tr> </tbody> </table> <p data-bbox="746 1223 799 1245">Note:</p> <p data-bbox="746 1256 1428 1330">(1) Mr Liu Changsheng resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p>	Table 11.3 - Attendance of Directors at General Meetings					Name of Director	Extraordinary/ Special General Meeting		Annual General Meeting		No. of Meetings Held	No. of Meetings Attended	No. of Meeting Held	No. of Meeting Attended	Pang Pok	1	1	1	1	Chan Chun Kit	1	1	1	1	Chong Eng Wee	1	1	1	1	Liu Changsheng ⁽¹⁾	1	1	1	1	Lim Kee Way Irwin	1	1	1	1	Zhang Rongxuan	1	1	1	1
Table 11.3 - Attendance of Directors at General Meetings																																														
Name of Director	Extraordinary/ Special General Meeting		Annual General Meeting																																											
	No. of Meetings Held	No. of Meetings Attended	No. of Meeting Held	No. of Meeting Attended																																										
Pang Pok	1	1	1	1																																										
Chan Chun Kit	1	1	1	1																																										
Chong Eng Wee	1	1	1	1																																										
Liu Changsheng ⁽¹⁾	1	1	1	1																																										
Lim Kee Way Irwin	1	1	1	1																																										
Zhang Rongxuan	1	1	1	1																																										
Provision 11.4	The company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.	As the authentication of Shareholders' identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax. Notwithstanding the foregoing, Shareholders may appoint up to two proxies to attend and vote on their behalf. Pursuant to the introduction of the multiple proxies regime under the Companies Act, Shareholders who are relevant intermediaries includes corporations holding licenses in providing nominee and custodial services and Central Provident Fund Board which purchases shares on behalf of the Central Provident Fund investors are allowed to appoint more than two proxies to attend, speak and vote at general meetings, but each proxy must be appointed to exercise the rights attached to a different share or shares held by the relevant Shareholder.																																												

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
		<p>For FY2020, in light of the COVID-19 pandemic, there was no physical voting conducted in the meetings and all votes were counted on the basis of the proxy forms submitted prior to such meetings. Shareholders (including members who were relevant intermediaries) entitled to vote at such meetings and who wished to exercise their voting rights at the meetings were able to appoint the Chairman of the meeting as their proxy to vote on his/her/its behalf at the meeting according to their specific instructions.</p> <p>The Company had put in place measures to allow for the submission of proxy forms by Shareholders either in hard copy form at the registered office of the Company, or electronically by mail, in accordance with government advisories.</p>
Provision 11.5	The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.	The proceedings of the general meetings are properly recorded, including all comments and/or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management to such comments and/or queries. All minutes of general meetings will be posted on the Company's website as soon as practicable. The Company also ensures that all material information relating to the Group is disclosed in an accurate and timely manner through publication on SGXNET and is made available to everyone, including Shareholders.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 11.6	The company has a dividend policy and communicates it to shareholders.	<p>The Company does not have a fixed dividend policy. Nonetheless, in considering dividend declaration, the Company will take into account the following factors:</p> <ul style="list-style-type: none"> (a) Group's financial position, results of operations and cash flow; (b) ability of the subsidiaries to make dividends payments to the Company; (c) expected working capital requirements to support Group's future growth; (d) actual and projected financial performance; (e) general economic conditions and such other external factors that the Directors believe to have an impact on the business operations of the Group; and (f) any other factors deemed relevant by the Directors at the material time. <p>In this regard, the Company had considered the foregoing factors and declared an interim dividend of S\$0.01 per share, as announced on 14 August 2020.</p>
Engagement with Shareholders		
Principle 12	The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.	The Company is of the view that it has communicated regularly with its shareholders and facilitated the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company, in accordance with Principle 12. Please refer to Provisions 12.1 to 12.3 below for more details and instances of the Company's compliance with such principle.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
Provision 12.1	The company provides avenues for communication between the Board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.	Information will first be disseminated through SGXNET and where relevant, followed by news release and the Company's website such as to ensure periodic communication with the Shareholders throughout the financial year. The Company will also make announcements from time to time to update investors and Shareholders on developments that are of interest to them. The Company strives to supply Shareholders with reliable and timely information so as to strengthen the relationship with its Shareholders based on trust and accessibility. The Board also encourages Shareholders' participation at the AGMs as explained in Provision 11.1 above.
Provision 12.2	The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.	The Company does not have an investor relation policy in place. Nonetheless, the Board's policy is that all Shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNET on an immediate basis, in line with the Group's disclosure obligations pursuant to the Catalyst Rules and the Companies Act. There is no dedicated investor relations team in place as the Board was of the view that the current communication channels are sufficient and cost-effective. The Company's investor relations function is led by the CFO who has the strategic management responsibility to integrate finance, accounting, corporate communication to enable effective communication between the Company and all shareholders, stakeholders, analysts and media. The Company has also engaged a public relations firm, 8PR Asia, which assists the Company in releasing press releases and other market communications, from time to time and on ad-hoc basis.
Provision 12.3	The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.	Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website. The Company have procedures in place for responding to investors' queries.

CORPORATE GOVERNANCE

Provisions/ Principles/ Rules	Code Description	Company's Compliance or Explanation
MANAGING STAKEHOLDER RELATIONSHIPS		
Engagement with Stakeholders		
Principle 13	The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.	The Board is of the view that it has adopted an inclusive approach by considering and balancing the needs and interests of material stakeholders, so as to ensure that the best interests of the Company are served. Please refer to Provisions 13.1 to 13.3 below for more details and instances of the Company's compliance with such principle.
Provision 13.1	The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.	The Company takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. A sustainability governance structure and framework was put in place to identify, engage with, and manage material environment, social and governance factors which are important to stakeholders and to the Group.
Provision 13.2	The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	More information on the Group's material stakeholders, sustainability efforts (including its strategy and key areas of focus), and performance in this regard has been disclosed in the sustainability report for FY2020 published on a standalone basis on 27 May 2021.
Provision 13.3	The company maintains a current corporate website to communicate and engage with stakeholders.	The Company maintains its corporate website at https://gsholdings.com.sg to communicate and engage with stakeholders.

CORPORATE GOVERNANCE

COMPLIANCE WITH APPLICABLE CATALIST RULES		
Catalist Rule	Rule Description	Company's Compliance or Explanation
711A and 711B	Sustainability Reporting	The sustainability report for financial year ended 31 December 2020 was published on a standalone basis on 27 May 2021.
712, 715 or 716	Appointment of auditors	The Company confirms its compliance to the Catalist Rules 712 and 715 in the appointment of its auditors.
1204(8)	Material contracts	In respect of material contracts which were entered into since the end of FY2020, as announced by the Company on 29 January 2021, Raffles Brands Pte. Ltd. (" Raffles Brands "), being an indirect subsidiary of the Company, has entered into a master distribution rights agreement with Kaifeng Jufeel Biotechnology Co., Ltd. (" Kaifeng Jufeel "). Mr. Zhang Rongxuan (" Mr. Zhang "), who is the Non-Executive and Non-Independent Chairman of the Company, holds 49% equity interest in Kaifeng Jufeel, with the remaining 51% equity interests held by Henan Jufeel Technology Co., Ltd. (" Henan Jufeel "), and Henan Jufeel is in turn 90% owned by Mr. Zhang. Mr. Zhang is also the legal representative of Kaifeng Jufeel. In addition, as announced by the Company on 8 June 2021, Raffles Brands, Kaifeng Jufeel and PMAS International Pte. Ltd. (" PMAS "), being a wholly-owned subsidiary of the Company, has entered into a deed of novation dated 8 June 2021, pursuant to which Raffles Brands shall transfer all its rights, obligations and liabilities under the master distribution rights agreement to PMAS, and PMAS shall be bound to the terms of the master distribution rights agreement from the date thereof, as though it had originally been named as a party thereto. Please refer to the announcements dated 29 January 2021, 8 June 2021 and 14 June 2021, for more information on the foregoing master distribution rights agreement.

CORPORATE GOVERNANCE

<u>Catalist Rule</u>	<u>Rule Description</u>	<u>Company's Compliance or Explanation</u>
		<p>In respect of material contracts which were still subsisting at the end of FY2020, Wish Hospitality Holdings Private Limited ("Wish"), a subsidiary of the Company, has entered into a master service agreement with Henan Jufeeel on 8 March 2019 (the "Master Service Agreement"), to secure, on a best effort basis, current and future food and beverages outlets located in various parts of the world within 2 years from the date of the Master Service Agreement, as customers in respect of the business, operation and procurement business of the Group. Please refer to the announcement dated 8 March 2019 for more information on Wish and the Master Service Agreement and announcement dated 31 March 2021 for the latest updates on the Master Service Agreement.</p> <p>In addition, Wish and the Company have also entered into certain agreements with Kaifeng Jufeeel in connection with the appointment of Kaifeng Jufeeel as authorised representative to collect outstanding service fees for FY2019 from 14 Brandings, operations and procurement ("BOP") service outlets, to which Wish has provided BOP services, and to transfer all collected Outstanding Service Fees to the relevant bank account of Wish Health Management (Shanghai) Co., Ltd. (being a wholly-owned subsidiary of Wish) within 90 days from 22 January 2021 (being the date of the performance guarantee agreement) or such extended time as the Group may consent to. Such agreements include securities and undertakings provided by Kaifeng Jufeeel and Mr. Zhang in favour of the Group. Please refer to the announcements dated, among others, 2 October 2020, 26 January 2021 and 27 April 2021 for more information on the aforesaid agreements.</p> <p>Save as otherwise disclosed above, there were no material contracts entered into by the Group involving the interest of the CEO, any Director, or controlling shareholder, which are either still subsisting at the end of FY2020 or if not then subsisting, entered into since the end of FY2020.</p>

CORPORATE GOVERNANCE

<u>Catalist Rule</u>	<u>Rule Description</u>	<u>Company's Compliance or Explanation</u>
1204(10)	Confirmation of adequacy of internal controls	<p>The Board and the ARC are of the opinion that the internal controls are effective and adequate to address the financial, operational, compliance and information technology risks based on the following:</p> <ul style="list-style-type: none"> • internal controls and the risk management system established by the Company; • work performed by the IA and EA; • assurance from the CEO and CFO; • assurance from the CEO and Key Management Personnel; and • reviews done by the various Board Committees and key management personnel. <p>However, the ARC and the Board wish to highlight the following:</p> <p>(1) As disclosed by the Company on 13 June 2021, the Board (save for Mr. Zhang, the Company's Non-Executive Chairman) was not aware of the Relevant Encumbrance over the amount of RMB100 million received by Wish Shanghai as payment of the Outstanding Service Fee for FY2019 and partial payment of outstanding service fee for FY2020. The Relevant Encumbrance was arranged by Mr. Zhang and Mr. Liu Changsheng, a consultant to the Group and a director and legal representative of Wish Shanghai and Wish. Shareholders may refer to the Company's announcement dated 13 June 2021 as to Mr Zhang's reasons for not notifying the Board earlier of the Relevant Encumbrance.</p> <p>(2) As disclosed on 17 June 2021, the Company has implemented certain internal control measures in respect of the Relevant Bank Account, in which the RMB100 million is kept. However, the ARC noted that Mr. Liu Changsheng is as at the date of this report, the only authorised signatory to the Relevant Bank Account.</p>

CORPORATE GOVERNANCE

		<p>In response, the ARC has:</p> <ol style="list-style-type: none"> (1) directed Mr Zhang to, in future, promptly notify the Board of any matter or development in relation to the collection of Outstanding Service Fee as and when any new information is received and/or a new decision is to be taken. The ARC has also reviewed the relevant procedures in respect of the disclosure of material information and considered implementing further guidelines; and (2) proposed the following actions to improve the Group's internal controls and risk management: <ol style="list-style-type: none"> (a) (i) upon the release of the Relevant Encumbrance, to undertake necessary steps to transfer a part of or the full amount of the Outstanding Service Fees of RMB100 million collected, from the Relevant Bank Account to the other existing Bank Account of Wish Shanghai, where authorised signatories for all transactions to be approved via the bank token are the CFO and Mr. Liu Changsheng, in order to minimise the amount held in the Relevant Bank Account; and (ii) in the meantime, to find an appropriate and safe way for the second bank token, which will be issued after the appointment of Mr. Fu Wen Xing, the executive officer of the Company, as a second authorised signatory to the Relevant Bank Account, to be sent to Singapore for the management's safekeeping, to the extent allowed under the applicable laws of PRC; (b) upon the issuance of the second bank token, all transactions in respect of the Relevant Bank Account shall be approved by both bank tokens, including the existing bank token held by Mr. Liu Changsheng as the existing authorised signatory of the Relevant Bank Account; and
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CORPORATE GOVERNANCE

		(c) CEO and/or CFO to travel to PRC to take the necessary administrative steps to be added as authorised signatories of the Relevant Bank Account once travel restrictions has eased. The Company also intends for Mr. Pang to be added as an authorised signatory for the other existing bank account of Wish Shanghai.																				
1204(10C)	ARC's comment on Internal Audit Function	The ARC assesses the adequacy and effectiveness of the internal audit function annually and is of the view that the internal audit function is independent, effective, adequately resourced and has appropriate standing within the company.																				
1204(16)	Information in respect of any employee share option (or share incentive) Scheme	The information required by Catalist Rules 1204(16) and 851 are set out in pages 82 to 85 of this Annual Report below.																				
Catalist Rule	Rule Description	Company's Compliance or Explanation																				
1204(17)	Interested persons transaction ("IPT")	<p>The Group has procedures governing all IPTs to ensure that they are properly documented and reported in a timely manner to the ARC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.</p> <p>The Group does not have a general mandate from shareholders for IPT.</p> <table border="1"> <thead> <tr> <th colspan="4">Table 1204(17)</th> </tr> <tr> <th>Name of Interested Person</th> <th>Nature of relationship</th> <th>Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</th> <th>Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</th> </tr> <tr> <td></td> <td></td> <th>S\$'000</th> <th>S\$'000</th> </tr> </thead> <tbody> <tr> <td>Pang Pok</td> <td>Note⁽¹⁾</td> <td>290</td> <td>-</td> </tr> <tr> <td>Liu Changsheng</td> <td>Note⁽²⁾</td> <td>115</td> <td>-</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) S\$290,000 relates to the rental paid/payable by Hao Kou Wei Pte Ltd ("HKW") to Mr. Pang Pok, the Company's Chief Executive Officer and Executive Director, from January to December 2020 pursuant to the lease agreement dated 7 December 2018.</p> <p>(2) Relates to consultancy fee paid to Mr Liu Changsheng, while he was the Company's Non-Independent and Non-Executive Director for his advisory services on the Group's BOP business. Mr Liu Changsheng resigned as Non-Executive and Non-Independent Director of the Company with effect from 11 February 2021.</p>	Table 1204(17)				Name of Interested Person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)			S\$'000	S\$'000	Pang Pok	Note ⁽¹⁾	290	-	Liu Changsheng	Note ⁽²⁾	115	-
Table 1204(17)																						
Name of Interested Person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)																			
		S\$'000	S\$'000																			
Pang Pok	Note ⁽¹⁾	290	-																			
Liu Changsheng	Note ⁽²⁾	115	-																			

CORPORATE GOVERNANCE

<u>Catalist Rule</u>	<u>Rule Description</u>	<u>Company's Compliance or Explanation</u>
1204(19)	Dealing in securities	<p>The Company has adopted an internal policy which prohibits the Company, its Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short term considerations and are prohibited from dealing in the Company's securities during the period beginning one month before the announcement of the Company's half-year and full-year financial statements respectively, and ending on the date of the announcement of the relevant results.</p> <p>Notwithstanding the foregoing, as disclosed in the Form 1 (Notification Form for Director/Chief Executive Officer in respect of Interests in Securities) released on 4 March 2021, Mr. Pang Pok, the Executive Director and Chief Executive Officer had instructed his banker at UOB Nominees Private Limited to transfer the 50,000,000 shares in the issued capital of the Company held via UOB Nominees Private Limited to the CDP account registered in his own name on 3 February 2021 ("Transfer"). Mr. Pang Pok was only aware on 3 March 2021 that the Transfer was completed on 3 February 2021. Notwithstanding the foregoing, there is no change in the aggregate interest in shares held by Mr. Pang Pok arising from the Transfer.</p>
1204(21)	Non-sponsor fees	No non-sponsor fees were paid to its sponsor, UOB Kay Hian Private Limited, for FY2020.

CORPORATE GOVERNANCE

<u>Catalist Rule</u>	<u>Rule Description</u>	<u>Company's Compliance or Explanation</u>																									
1204(22)	Use of proceeds	<p>(A) <u>Placement</u></p> <p>Pursuant to the placement of 26,675,555 new ordinary shares in the capital of the Company to Marvel Earn Limited and Chong Paw Long which was fully completed on 5 April 2019, the Company raised net proceeds of approximately S\$4.74 million ("Net Proceeds"). Please refer to the Company announcements dated 17 December 2018, 3 January 2019, 7 January 2019, 25 March 2019, 5 April 2019, 30 April 2019, 1 July 2019, 13 August 2019, 15 January 2020, 14 August 2020, 19 February 2021 and the circular dated 11 February 2019 for further details.</p> <p>As at the date of this Report, the Net Proceeds have been disbursed as follows:</p> <table border="1"> <thead> <tr> <th>Use of Net Proceeds</th> <th>Amount allocated pursuant to the re-allocation on 19 February 2021 S\$'000</th> <th>Amount Unutilised as at 19 February 2021 S\$'000</th> <th>Amount Utilised since the last update on 19 February 2021 till the date of this report S\$'000</th> <th>Amount Unutilised as at the date of this report S\$'000</th> </tr> </thead> <tbody> <tr> <td>Acquisition of companies and/or assets in the food & beverage business</td> <td>1,880</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>General working capital</td> <td>2,562</td> <td>820</td> <td>480⁽¹⁾</td> <td>340</td> </tr> <tr> <td>Capital expenditure for dishwashing business</td> <td>300</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>4,742</td> <td>820</td> <td>480</td> <td>340</td> </tr> </tbody> </table> <p>Note:</p> <p>(1) The utilised working capital of S\$480,000 since the last update on 19 February 2021 till the date of this report is mainly in respect of payment of professional fees, audit fees, directors' fees and other fees.</p>	Use of Net Proceeds	Amount allocated pursuant to the re-allocation on 19 February 2021 S\$'000	Amount Unutilised as at 19 February 2021 S\$'000	Amount Utilised since the last update on 19 February 2021 till the date of this report S\$'000	Amount Unutilised as at the date of this report S\$'000	Acquisition of companies and/or assets in the food & beverage business	1,880	-	-	-	General working capital	2,562	820	480 ⁽¹⁾	340	Capital expenditure for dishwashing business	300	-	-	-	Total	4,742	820	480	340
Use of Net Proceeds	Amount allocated pursuant to the re-allocation on 19 February 2021 S\$'000	Amount Unutilised as at 19 February 2021 S\$'000	Amount Utilised since the last update on 19 February 2021 till the date of this report S\$'000	Amount Unutilised as at the date of this report S\$'000																							
Acquisition of companies and/or assets in the food & beverage business	1,880	-	-	-																							
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CORPORATE GOVERNANCE

<u>Catalist Rule</u>	<u>Rule Description</u>	<u>Company's Compliance or Explanation</u>
		<p>(B) <u>Convertible Loan</u></p> <p>The Company refers to the Company's announcement dated 17 December 2018 on the entry into convertible loan agreement for an aggregate amount of RMB68 million (or approximately S\$13.6 million) and announcement dated 19 June 2020 on the entry into a supplemental agreement to vary certain terms of the Convertible Loan Agreement. As at the date of this Report, there is no disbursement of the convertible loan.</p>

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of GS Holdings Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2020.

In the opinion of the directors:

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 92 to 100 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2020 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ["SFRS(I)"]; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are:

Pang Pok
Chong Eng Wee (Zhang Yingwei)
Lim Kee Way Irwin
Chan Chun Kit
Zhang Rongxuan

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, 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.

DIRECTORS' STATEMENT

Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as follows:

Name of directors	Number of ordinary shares					
	Shareholdings registered in the name of the director			Shareholdings in which a director is deemed to have an interest		
	At 1.1.2020	At 31.12.2020	At 21.1.2021	At 1.1.2020	At 31.12.2020	At 21.1.2021
The Company						
Pang Pok	2,079,705	2,079,705	2,079,705	104,000,000 ⁽¹⁾	95,000,000 ⁽²⁾	95,000,000⁽²⁾

- (1) As at 1.1.2020, the director, Mr Pang Pok is deemed to have interest in the 50,000,000 and 40,000,000 ordinary shares through UOB Nominees Private Limited and BMO Private Bank respectively in the Company. By virtue of Section 164(15) of the Act, Mr Pang Pok is deemed to have an interest in 14,000,000 ordinary shares held by his spouse in the Company.
- (2) As at 31.12.2020 and 21.1.2021, the director, Mr Pang Pok is deemed to have interest in the 50,000,000 and 40,000,000 ordinary shares through UOB Nominees Private Limited and BMO Private Bank respectively in the Company. As at 31.12.2020 and 21.1.2021, by virtue of Section 164(15) of the Act, Mr Pang Pok is deemed to have an interest in 5,000,000 ordinary shares held by his spouse in the Company.

The director, Mr Pang Pok, by virtue of Section 7 of the Act is deemed to have interest in the shares held by the Company in its wholly-owned subsidiary corporations.

Mr Pang Pok, by virtue of his interest not less than 20% of the issued share capital of the Company is deemed to have an interest in the shares held by the Company in the following subsidiary corporations that are not wholly-owned by the Group:

	Number of ordinary shares		
	At 1.1.2020	At 31.12.2020	At 21.1.2021
	Wish Hospitality Holdings Private Limited	400	400
Raffles Brands Pte. Ltd.	51	51	51
Sing Global Brands Pte. Ltd.	-	10,200	10,200

Share options

The GS Holdings Employee Share Option Scheme (the "GS Holdings ESOS") as well as a performance share plan known as the GS Holdings Performance Share Plan (the "GS Holdings PSP") were first approved and adopted by the members at the Shareholders' meeting held on 17 December 2015. The GS Holdings ESOS and GS Holdings PSP were renewed at the annual general meeting held on 25 June 2020.

The GS Holdings ESOS and GS Holdings PSP were administered by Remuneration Committee comprising four directors, Chan Chun Kit, Liu Changsheng (resigned on 11 February 2021), Chong Eng Wee and Lim Kee Way Irwin. The Chairman of the Remuneration Committee is Chan Chun Kit. A member of the Remuneration Committee who is also a participant of the GS Holdings ESOS and GS Holdings PSP will not be involved in its deliberation in respect of awards granted or to be granted to him.

DIRECTORS' STATEMENT

Share options (Continued)

GS Holdings ESOS

Information regarding the GS Holdings ESOS is set out below:

- (a) The exercise price of the options is determined by Market Price equal to the average of the last dealt prices for a Share on the Official List of the SGX-ST for the five (5) consecutive market days immediately preceding the date on which an offer to grant an option is made or at a discount to the Market Price (subject to a maximum discount of 20%);
- (b) The options vest 12 months after the grant date and expire one year after vesting date unless cancelled or lapsed prior to that date.
- (c) Share options outstanding at the end of the financial year, details of the options granted under the scheme on the unissued shares of the Company are as follows:

Number of options to subscribe for ordinary shares of the Company

<u>Date of grant of option</u>	<u>Exercise price per share</u>	<u>Options outstanding at 1.1.2020</u>	<u>Options granted</u>	<u>Cancelled/ lapsed</u>	<u>Options outstanding at 31.12.2020</u>	<u>Exercisable period</u>
25 September 2019	\$0.418	3,300,000	-	-	3,300,000	25 September 2020 to 24 September 2021
6 January 2020	\$0.735	-	2,000,000	-	2,000,000	6 January 2021 to 5 January 2022
Total		<u>3,300,000</u>	<u>2,000,000</u>	<u>-</u>	<u>5,300,000</u>	

Except as disclosed, there were no unissued shares of the Company or its subsidiary corporations under options granted by the Company or its subsidiary corporations as at the end of the financial year.

DIRECTORS' STATEMENT

Share options (Continued)

GS Holdings ESOS (Continued)

- (d) The details of the movement of the share options awarded since commencement of the GS Holdings ESOS (aggregate) are as follows:

<u>GS Holdings ESOS participants</u>	Aggregate share options granted since commencement of GS Holdings ESOS to 31 December 2019	Share options granted during the financial year	Aggregate share options exercised since commencement of GS Holdings ESOS to 31 December 2020	Aggregate share options outstanding as at 31 December 2020
<i>Directors</i>				
Chong Eng Wee	500,000	-	-	500,000
Chan Chun Kit	500,000	-	-	500,000
Lim Kee Way Irwin	500,000	-	-	500,000
Liu Changsheng	600,000	-	-	600,000
Zhang Rongxuan	600,000	-	-	600,000
Pang Pok	-	1,400,000	-	1,400,000
Key executive of the Group	600,000	600,000	-	1,200,000
Total	<u>3,300,000</u>	<u>2,000,000</u>	<u>-</u>	<u>5,300,000</u>

The outstanding options represents approximately 2.86% of the Company's total number of issued shares as at 31 December 2020.

GS Holdings PSP

The GS Holdings PSP contemplates the award of fully paid shares free of charge to participants after pre-determined performance or service conditions are accomplished. Awards granted under the GS Holdings PSP will be principally performance-based, incorporating an element of stretched targets for senior executives and significantly stretched targets for key senior management and non-executive directors aimed at delivering long-term shareholder value.

The extension of the GS Holdings PSP to executive directors and employees of the Group, including those who are Controlling Shareholders and their Associates and non-executive directors (including our Independent Directors) of the Group allows the Group to have a fair and equitable system to reward directors and employees who have made and who continue to make significant contributions to the long-term growth of the Group.

The GS Holdings PSP shall continue in operation for a maximum period of 10 years commencing on the date on which the GS Holdings PSP is adopted, provided that the GS Holdings PSP may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

DIRECTORS' STATEMENT

Share options (Continued)

GS Holdings PSP (Continued)

The total number of shares which may be issued or transferred pursuant to the awards granted under the GS Holdings PSP, when added to (i) the number of shares issued or issuable and/or transferred or transferrable in respect of all awards granted thereunder; and (ii) all shares issued or issuable and/or transferred or transferrable under any other share incentive schemes adopted by the Company for the time being in force, shall not exceed 15% of the total issued share capital of the Company on the day preceding the relevant award date.

The details of the movement of the performance shares awarded since commencement of the GS Holdings PSP (aggregate) are as follows:

	Performance share awards granted during the financial year	Aggregate performance share awards granted since commencement of GS Holdings PSP to 31 December 2020	Performance share awards vested since commencement of GS Holdings PSP to 31 December 2020	Aggregate performance share awards outstanding as at 31 December 2020
GS Holdings PSP participants				
Former directors of the Group				
- Lee Dah Khang	-	42,000	42,000	-
- Chow Kek Tong	-	42,000	42,000	-
- Chua Kern	-	42,000	42,000	-
Existing director of the Group				
- Pang Pok	-	125,000	125,000	-
Key executives of the Group	-	302,000	302,000	-
Total	-	553,000	553,000	-

Since the commencement of the GS Holdings PSP to the financial year ended 31 December 2020:

- (a) restricted awards aggregating 126,000 shares have been granted to former directors of the Company as part of their directors' remuneration, and were vested immediately upon grant;
- (b) restricted awards aggregating 125,000 shares have been granted to Mr Pang Pok, director of the Company as part of his director's remuneration, and were vested immediately upon grant; and
- (c) restricted awards aggregating 302,000 shares have been granted to key executives of the Company as part of their key executives' remuneration, and were vested immediately upon grant.

During the financial year ended 31 December 2019, a total of 553,000 ordinary shares were issued pursuant to the GS Holdings PSP.

DIRECTORS' STATEMENT

Warrants

On 22 April 2019, the Company issued 35,000,000 warrants to Alto Vencap Pte. Ltd. ("Introducer") pursuant to the placement introducer agreement and convertible loan introducer agreement, each warrant carrying the right to subscribe for one (1) ordinary share in the capital of the Company at the exercise price of S\$0.18 per share pursuant to the Proposed Warrants Issue.

On 26 June 2019, the Company issued 11,764,705 warrants to Mr Pang Pok ("Director") pursuant to the Loan Capitalisation, each warrant carrying the right to subscribe for one (1) ordinary share in the capital of the Company at the exercise price of S\$0.255 per share pursuant to the Proposed Warrants Issue.

The movements of warrants during the financial year ended 31 December 2020 were as follows:

<u>Date of issue</u>	<u>Exercise price per share</u>	<u>Warrants outstanding at 1.1.2020</u>	<u>Warrants granted</u>	<u>Cancelled/ lapsed</u>	<u>Warrants outstanding at 31.12.2020</u>	<u>Exercisable period</u>
22 April 2019	\$0.18	35,000,000	-	-	35,000,000	22 April 2019 to 21 April 2021
26 June 2019	\$0.255	11,764,705	-	-	11,764,705	26 June 2019 to 25 June 2021
Total		<u>46,764,705</u>	<u>-</u>	<u>-</u>	<u>46,764,705</u>	

The outstanding convertible warrants represents approximately 25.3% of the Company's total number of issued shares as at 31 December 2020.

Audit and Risk Committee

The Audit and Risk Committee comprises four members, majority of whom are independent directors. The members of the Audit and Risk Committee for the financial year and at the date of this report are:

Lim Kee Way Irwin (Chairman)

Chong Eng Wee

Liu Changsheng

(Resigned on 11 February 2021)

Chan Chun Kit

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Act and performed the following functions:

- (a) assist Board of Directors ("Board") in the discharge of its responsibilities on financial reporting matters;
- (b) review, with the internal and external auditors, the audit plans, scope of work, their evaluation of the system of internal accounting controls including financial, operational, compliance and information technology controls and risk management, their management letter and our management's response, and results of audits compiled by internal and external auditors;

DIRECTORS' STATEMENT

Audit and Risk Committee (Continued)

- (c) review the interim and annual financial statements and results announcements 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 financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- (d) review the effectiveness and adequacy of our internal control and procedures, addressing financial, operational, compliance and information technology risks and ensure co-ordination between our internal and external auditors, and the management, review the assistance given by 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 our management where necessary);
- (e) review the scope and results of the external audit, and the independence and objectivity of the external auditor;
- (f) review and discuss with the external auditor 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;
- (g) make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
- (h) review significant financial reporting issues and judgements with the Head of Finance and the external auditor so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before submission to the Board;
- (i) review and report to the Board at least annually the adequacy and effectiveness of the Group's material internal controls with the Head of Finance and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditor;
- (j) review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- (k) review any potential conflicts of interest;
- (l) review and approve all hedging policies and instruments (if any) to be implemented by the Group;
- (m) undertake such other reviews and projects as may be requested by Board and report to Board its findings from time to time on matters arising and requiring the attention of Audit and Risk Committee;

DIRECTORS' STATEMENT

Audit and Risk Committee (Continued)

- (n) review and establish procedures for receipt, retention and treatment of complaints received by the Group, such as criminal offences involving our Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;
- (o) 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 and/or financial position; and
- (p) generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The Audit and Risk Committee is satisfied with the independence and objectivity of the independent auditor.

On behalf of the directors

Pang Pok
Director

Chong Eng Wee
Director

14 July 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GS HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of GS Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 92 to 191 which comprise the statements of financial position of the Group and of the Company as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Revenue recognition and trade and other receivables arising from Branding, Operations and Procurement ("BOP") services

During the financial year, the Group recognised revenue of \$7,373,000 (RMB36,667,000) arising from BOP services. As at 31 December 2020, the Group's trade and other receivables arising from BOP services amounted to \$27,500,000 (RMB135,868,000).

Subsequent to the financial year ended 31 December 2020, the Company announced that certain BOP outlets have in January 2021 and February 2021 recently moved their operations entirely to an online platform. The Company also announced that the Group received an amount of \$20,470,000 (RMB100,000,000) which management represented was for the repayment of the Group's outstanding trade and other receivables arising from BOP services. In the process of confirming with the bank on this receipt, we were made aware that there is an existing encumbrance on the amount of RMB100,000,000.

We are unable to obtain sufficient appropriate audit evidence and supporting documentation to satisfy ourselves or carry out alternative procedures to conclude whether the amount received of \$20,470,000 (RMB100,000,000) represents collections from the Group's customers for the trade and other receivables outstanding at 31 December 2020. We are also unable to satisfy ourselves as to whether there would be any implications arising from the encumbrance on the \$20,470,000 (RMB100,000,000) including any potential recourse to the Group with respect to the receipt. Accordingly, we are unable to conclude whether any allowance for expected credit losses are required for the Group's trade and other receivables arising from BOP services amounted to \$27,500,000 (RMB135,868,000) as at 31 December 2020.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GS HOLDINGS LIMITED

Report on the Audit of the Financial Statements (cont'd)

Basis for Disclaimer of Opinion (cont'd)

We are unable to conclude whether the BOP services contracts meet the criteria in accordance to *SFRS(I) 15 Revenue from Contracts with Customers*, that it is probable that the Group will be able to collect an amount of consideration in exchange of services, for revenue recognised during the financial year. We are also unable to satisfy ourselves that certain BOP outlets have only moved their operations entirely to an online platform in 2021 and not during 2020 and that such a move of operations will have no impact to revenue recognised by the Group from the BOP services contracts for the financial year ended 31 December 2020, in view that the Group's revenue recognised from BOP services relates to agreements signed with customers for BOP services provided to customers operating out of physical outlets. Accordingly, we are not able to determine if any adjustments are required to the revenue recognised during the financial year ended 31 December 2020.

Consequently, we are unable to determine whether any adjustments to the accompanying consolidated financial statements might be necessary in respect of these matters.

Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the accompanying financial statements in accordance with Singapore Standards on Auditing and to issue an independent auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GS HOLDINGS LIMITED

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Chee Sum Gilbert.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

14 July 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$'000	(Restated) 2019 \$'000
Continuing operations			
Revenue	4	13,583	35,672
Cost of sales		(6,235)	(5,564)
Gross profit		7,348	30,108
Other income	5	1,258	316
Administrative expenses		(5,147)	(4,564)
Finance costs	6	(267)	(382)
Net impairment loss on financial assets	29(b)	(505)	(13)
Profit before tax from continuing operations	7	2,687	25,465
Tax expense	9	(1,174)	(4,750)
Profit from continuing operations, net of tax		1,513	20,715
Discontinued operations			
Gain/(loss) from discontinued operations, net of tax	10	216	(2,835)
Profit for the financial year		1,729	17,880
Other comprehensive income/(loss)			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation		584	(50)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising on consolidation		145	(13)
Other comprehensive income/(loss) for the financial year, net of tax		729	(63)
Total comprehensive income for the financial year		2,458	17,817
Profit attributable to:			
Equity holders of the Company		657	13,101
Non-controlling interests		1,072	4,779
		1,729	17,880
Profit attributable to equity holders of the Company relates to:			
Profit from continuing operations, net of tax		441	15,936
Profit/(loss) from discontinued operations, net of tax		216	(2,835)
		657	13,101

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$'000	(Restated) 2019 \$'000
Profit attributable to non-controlling interests relates to:			
Profit from continuing operations, net of tax		1,072	4,779
Total comprehensive income attributable to:			
Equity holders of the Company		1,241	13,051
Non-controlling interests		1,217	4,766
		2,458	17,817
Total comprehensive income attributable to equity holders of the Company relates to:			
Total comprehensive income from continuing operations, net of tax		1,025	15,886
Total comprehensive income/(loss) from discontinued operations, net of tax		216	(2,835)
		1,241	13,051
Total comprehensive income attributable to non-controlling interests of the Company relates to:			
Total comprehensive income from continuing operations, net of tax		1,217	4,766
Earnings/(loss) per share for income/(loss) attributable to equity holders of the Company (expressed in cents per share)			
	11		
From continuing and discontinued operations			
<i>Basic</i>		0.36	7.68
<i>Diluted</i>		0.28	5.94
From continuing operations			
<i>Basic</i>		0.24	9.34
<i>Diluted</i>		0.19	7.22
From discontinued operations			
<i>Basic</i>		0.12	(1.66)
<i>Diluted</i>		0.09	(1.28)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2020

	Note	Group		Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Non-current assets					
Property, plant and equipment	12	1,753	2,518	5	-
Intangible assets	13	4,729	4,935	-	-
Investment in subsidiaries	14	-	-	9,012	9,012
Investment properties	15	3,050	3,680	-	-
Total non-current assets		9,532	11,133	9,017	9,012
Current assets					
Inventories	16	45	67	-	-
Trade and other receivables	17	28,743	23,832	2,696	113
Cash and cash equivalents		5,604	5,608	151	55
		34,392	29,507	2,847	168
Non-current asset classified as held for sale	18	-	-	-	1,917
Disposal group assets classified as held for sale	10	-	12,886	-	-
Total current assets		34,392	42,393	2,847	2,085
Total assets		43,924	53,526	11,864	11,097
Non-current liabilities					
Loans and borrowings	20	3,347	2,730	-	-
Deferred tax liabilities	21	58	91	-	-
Total non-current liabilities		3,405	2,821	-	-
Current liabilities					
Trade and other payables	22	2,285	2,662	395	1,140
Loans and borrowings	20	1,116	2,030	-	-
Tax payable		5,357	4,004	-	-
		8,758	8,696	395	1,140
Liabilities directly associated with disposal group classified as held for sale	10	-	10,751	-	-
Total current liabilities		8,758	19,447	395	1,140
Total liabilities		12,163	22,268	395	1,140
Net assets		31,761	31,258	11,469	9,957

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2020

	Note	Group		Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Equity					
Share capital	23	20,469	20,469	20,469	20,469
Reserves	24	8	729	5,126	3,931
Retained earnings/ (accumulated losses)		6,600	5,293	(14,126)	(14,443)
Equity attributable to equity holders of the Company, total		27,077	26,491	11,469	9,957
Non-controlling interests		4,684	4,767	-	-
Total equity		31,761	31,258	11,469	9,957

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Attributable to equity holders of the Company							Total equity \$'000		
	Share capital (Note 23) \$'000	Share options reserves (Note 24) \$'000	Warrants reserve (Note 24) \$'000	Currency translation reserve (Note 24) \$'000	Merger reserve (Note 24) \$'000	Asset revaluation reserve (Note 24) \$'000	Retained earnings \$'000		Non-controlling interests \$'000	
Group 2020										
At 1 January 2020	20,469	49	3,882	(50)	(6,071)	2,919	5,293	4,767	31,258	
Profit for the financial year	-	-	-	-	-	-	657	1,072	1,729	
Other comprehensive income	-	-	-	-	-	-	-	-	-	
Currency translation differences arising on consolidation	-	-	-	584	-	-	-	-	145	729
Total comprehensive income for the financial year	-	-	-	584	-	-	657	1,217	2,458	
Dividend paid (Note 28)	-	-	-	-	-	-	(1,850)	(1,300)	(3,150)	
Disposal of subsidiary	-	-	-	-	(2,500)	-	2,500	-	-	
Issue of share options [Note 25(i)]	-	1,195	-	-	-	-	-	-	1,195	
At 31 December 2020	20,469	1,244	3,882	534	(8,571)	2,919	6,600	4,684	31,761	

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Attributable to equity holders of the Company							Total equity \$'000		
	Share capital (Note 23) \$'000	Share options reserves (Note 24) \$'000	Warrants reserve (Note 24) \$'000	Currency translation reserve (Note 24) \$'000	Merger reserve (Note 24) \$'000	Asset revaluation reserve (Note 24) \$'000	(Accumulated losses)/retained earnings \$'000		Non-controlling interests \$'000	
Group										
2019										
At 1 January 2019	11,498	-	-	-	(6,071)	2,919	(7,794)	552	(13)	539
Profit for the financial year	-	-	-	-	-	-	13,101	13,101	4,779	17,880
Other comprehensive loss	-	-	-	-	-	-	-	-	-	-
Currency translation differences arising on consolidation	-	-	-	(50)	-	-	-	(50)	(13)	(63)
Total comprehensive (loss)/income for the financial year	-	-	-	(50)	-	-	13,101	13,051	4,766	17,817
Issue of ordinary shares (Note 23)	11,162	-	-	-	-	-	-	11,162	-	11,162
Shares issue expenses [Note 23(i)]	(2,326)	-	-	-	-	-	-	(2,326)	-	(2,326)
Issue of warrants [Note 25(ii)]	-	-	3,882	-	-	-	-	3,882	-	3,882
Issue of performance share awards [Note 23(iv)]	135	-	-	-	-	-	-	135	-	135
Issue of share options [Note 25(i)]	-	49	-	-	-	-	-	49	-	49
Acquisition of non-controlling interests without a change in control [Note 14(d)]	-	-	-	-	-	-	(14)	(14)	14	-
At 31 December 2019	20,469	49	3,882	(50)	(6,071)	2,919	5,293	26,491	4,767	31,258

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Share capital (Note 23) \$'000	Warrants reserve (Note 24) \$'000	Share options reserve (Note 24) \$'000	Accumulated losses \$'000	Total equity \$'000
Company					
2020					
At 1 January 2020	20,469	3,882	49	(14,443)	9,957
Profit and total comprehensive income for the financial year	-	-	-	2,167	2,167
Dividend paid (Note 28)	-	-	-	(1,850)	(1,850)
Issue of share options [Note 25(i)]	-	-	1,195	-	1,195
At 31 December 2020	20,469	3,882	1,244	(14,126)	11,469
2019					
At 1 January 2019	11,498	-	-	(5,940)	5,558
Loss and total comprehensive loss for the financial year	-	-	-	(8,503)	(8,503)
Issue of ordinary shares (Note 23)	11,162	-	-	-	11,162
Share issue expenses [Note 23(i)]	(2,326)	-	-	-	(2,326)
Issue of warrants [Note 25(ii)]	-	3,882	-	-	3,882
Issue of performance share awards [Note 23(iv)]	135	-	-	-	135
Issue of share options [Note 25(i)]	-	-	49	-	49
At 31 December 2019	20,469	3,882	49	(14,443)	9,957

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$'000	(Restated) 2019 \$'000
Cash flows from operating activities			
Profit before tax from continuing operations		2,687	25,465
Profit/(loss) before tax from discontinued operations	10	216	(2,835)
		2,903	22,630
Adjustments for:			
Amortisation of government grants		-	(148)
Amortisation of intangible assets	13(b)	197	366
Depreciation of property, plant and equipment	12	936	2,333
(Gain)/loss on disposal of property, plant and equipment		(1)	57
Gain on disposal of subsidiaries	10	(255)	-
Unwind of discount on convertible loan	6	-	107
Derecognition loss on convertible loan	7	-	832
Transaction costs relating to embedded derivative of convertible loan	7	-	725
Interest expenses	20	267	792
Impairment loss on non-current assets held for sale	10(iii)	-	719
Net impairment losses of financial assets	29(b)	505	310
Fair value loss on investment properties	7	635	420
Share options expenses	25(i)	1,195	49
Rent concessions from lessor	5	(311)	-
Operating cash flows before working capital changes		6,071	29,192
Changes in working capital:			
Inventories		10	9
Trade and other payables		954	306
Trade and other receivables		(4,467)	(23,262)
Currency translation adjustments		3	(22)
Cash generated from operations		2,571	6,223
Income tax paid		(10)	(860)
Net cash generated from operating activities		2,561	5,363
Cash flows from investing activities			
Purchases of intangible assets	13(b)	-	(13)
Purchase of investment property	15	(5)	-
Acquisition of subsidiaries, net of cash acquired	14(c)	(400)	(758)
Contribution from non-controlling interests		-	-*
Proceeds from disposal of property, plant and equipment		10	128
Proceeds from disposal of subsidiaries, net of cash paid	14(e)	450	-
Purchases of property, plant and equipment	12(ii)	(73)	(435)
Net cash used in investing activities		(18)	(1,078)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

		2020	2019
		\$'000	\$'000
Cash flows from financing activities			
Interest paid	20	(267)	(717)
Proceeds from convertible loan	20	-	1,607
Proceeds from issuance of new shares, net of expenses		-	3,444
Proceeds from bank loans	20	2,300	1,450
Repayment to a director		-	(200)
Repayment of lease liabilities	20	(517)	(1,834)
Repayment of bank loans	20	(1,462)	(2,140)
Repayment of convertible loans	20	-	(1,607)
Dividend paid to equity holders	28	(1,850)	-
Dividend paid to non-controlling interests		(800)	-
Acquisition of non-controlling interests without a change in control	14(d)	-	-*
Net cash (used in)/generated from financing activities		(2,596)	3
Net (decrease)/increase in cash and cash equivalents		(53)	4,288
Cash and cash equivalents at beginning of the financial year		5,626	1,328
Effects of foreign currency translation changes on cash and cash equivalents		33	10
Cash and cash equivalents at end of the financial year		5,606	5,626

For the purpose of presenting the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Note	2020	2019
		\$'000	\$'000
Cash and cash equivalents			
- Continuing operations		5,604	5,608
- Discontinued operations	10	-	431
		5,604	6,039
Less: Bank overdrafts	20	2	(413)
Cash and cash equivalents per consolidated statement of cash flows		5,606	5,626

* Amount below \$1,000

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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

1 CORPORATE INFORMATION

GS Holdings Limited (the "Company") (Co. Reg. No. 201427862D) is incorporated and domiciled in Singapore and is listed on the Catalist board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The registered office of the Company and principal place of business is at 680 Upper Thomson Road #02-01, Singapore 787103.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are presented in Singapore dollar ("S\$"), which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ("S\$'000") except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International) ["SFRS(I)"]. 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 SFRS(I) requires the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

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

There were no significant judgements made in applying accounting policies. The areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (Continued)

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations [“SFRS(I) INT”] that are relevant to its operations and effective for the current financial year. In addition, the Group has also early adopted the Amendment to SFRS(I) 16 *COVID-19 – Related Rent Concessions*. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial performance or position of the Group.

During the financial year, the Group has elected to early adopt the Amendment to SFRS(I) 16: *COVID-19 – Related Rent Concessions* which provided practical relief for lessees in accounting for rent concessions. Under the practical expedient, the lessees are not required to assess whether a rent concession is a lease modification and instead are permitted to account for them as if they were not lease modifications, if all of the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all leases. As a result of applying the practical expedient, rent concessions of \$311,000 was recognised as other income in the profit or loss during the financial year. The amendment has no impact on retained earnings at 1 January 2020.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the reporting date but are not yet effective for the financial year ended 31 December 2020 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition

Franchise fee and royalty income

Franchise fee is generally recognised upon the transfer of pre-opening services to franchisees. Pre-opening services comprise delivery of recipe and operating manual, consultation and advice concerning site selection criteria, store design and layout, initial training to key employees, training materials, supply or assist on equipment and other materials that are separate from the license. These services provide distinct value to the franchisees, including business and industry insight and knowledge that transfers value apart from the license. Revenue associated with pre-opening services are recognised upon completion of the related performance obligations, generally when the store is opened.

The Group grants franchise license to its customer in return receive royalty income. Royalty income are recognised over time based on a percentage of monthly reported sales. The Group also recognises revenue from continuing supports such as sales of products and provides limited off-site support services to its customers. These continuing fees are recognised at a point-in-time when the products are delivered or when the support services are provided.

Rendering of dishwashing and automated cleaning services

The Group provides dishwashing services and automated cleaning services and solutions. Such services are recognised as a performance obligation satisfied over time. Revenue is recognised when the services are rendered as the customer simultaneously receives and consumes the benefits provided by the Group's cleaning services.

The Group will bill customer on monthly basis in accordance to the billing terms in the sales contract and customers are required to pay within 15-60 days from the invoice date. No element of financing is deemed present. Revenue is recorded based on the contracted price in the sales invoice and sales contract. A receivable (financial asset) is recognised on monthly basis when the cleaning services are rendered over time and the consideration is unconditional because only the passage of time is required before payment is due.

Sale of food and beverages

The Group sells food and beverage directly to customers at the food outlets. Revenue is recognised when control of the food and beverages has transferred and all criteria for acceptance have been satisfied, being at the point the food and beverage have been served or upon delivery to the customer at the food outlets. The amount of revenue recognised is based on the transaction price, which comprises the contractual price, net of sales discounts and refunds. Payment of the transaction price is either due immediately at the point the customer purchases the products or upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional because only the passage of time is required before the payment is due. No element of financing is deemed present.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition (Continued)

Provision of management consultancy services

The Group provides management consultancy services with relation to Branding, Operations and Procurement ("BOP") services to its customers and earns management consultancy services based on the agreements entered upon. Consultancy services include providing training and delivery service at all outlets, managing customer-experience and relationship management matters and evaluate the performance of each outlet and the related executives. The Group also helps in central buying of all related food and beverages products for outlets, designing and establishing a central procurement for all outlets, assisting outlets to match agents on procurement and logistic arrangement, and service procurement's operation and provide improvement recommendation. BOP services are recognised as performance obligation satisfied over time with measure of progress based on service report acknowledged by customers on the work performed that directly corresponds to the value of the Group's performance completed to date.

The Group will bill its customers at the start of every quarter in accordance to the billing terms in the agreement and customers are required to pay within the first three working days of the corresponding quarter. No element of financing is deemed present.

Contract liabilities relate to advance consideration received from customers and billings in excess of revenue recognised to-date. Contract liabilities are recognised as revenue as and when the Group satisfies the performance obligations under its contracts.

Rental income from foodstalls

Rental income from operating leases are recognised on a straight-line basis over the lease term.

Service income

Service income such as water and electricity usage, dishwashing services and other miscellaneous charges is recognised as a performance obligation satisfied over time. Revenue is recognised when the services are rendered as the customer simultaneously receives and consumes the benefits provided by the Group's services. No element of financing is deemed present.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting date. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. Under this method, the Company has been treated as the holding company of the subsidiaries as if the combination had occurred from the date the subsidiaries first came under the control of the same shareholders. Accordingly, the results of the Group include the results of the subsidiaries for the entire periods under review. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidary relationships were not established.

Pursuant to this:

- Assets and liabilities are reflected at their existing carrying amounts;
- No adjustments are made to reflect the fair values on the date of combination or recognise any new assets or liabilities;
- No additional goodwill is recognised as a result of the combination;
- Prior to the issue of shares by the Company, the aggregate equity of the subsidiaries held directly by the Company is shown as the Group's equity for financial years under review; and
- Any difference between the consideration paid by the Company and the equity "acquired" is reflected within the equity of the Group as merger reserve.

All other business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value 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 recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2(f). In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

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 profit or loss and other comprehensive income, statement of changes in equity and statement of financial position. 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.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquirers net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and any corresponding gain or loss, if any, is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When a change in the Company'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, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts 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 SFRS(I).

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investment in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(e) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment initially recognised 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.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation is calculated on a straight-line basis to write off the cost of the depreciable amounts of the property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Vehicles	2 – 10
Machineries and equipment	3 – 6
Furniture and fittings	3
Crockeries	3
Renovation	3 – 10
Foodstalls	1 – 5
Workspace	2 – 4

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment (Continued)

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

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(f) Intangible assets

Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units ("CGU") to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Acquired computer software

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Direct expenditure, which enhances or extends the performance of computer software beyond its original specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred.

Acquired computer software are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful life of 3 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Intangible assets (Continued)

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. These intangible assets are recognised separately from goodwill and are initially measured at their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and the expenditure is charged to profit or loss in the financial year in which the expenditure is incurred.

Intangible assets with a finite useful life are amortised on a straight-line basis over their estimated useful lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible asset with a finite useful life is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

The estimated useful lives are as follows:

	<u>Years</u>
Favourable lease agreements	3
Customer relationship	3
Brand name	20

(g) Investment properties

Investment properties are properties that are held to earn rentals and/or for capital appreciation, and/or right-of-use asset that are held to earn rental income or for long-term capital appreciation or both, rather than for use in the supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Investment properties (Continued)

Investment properties are initially measured at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

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

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

(h) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets at amortised cost.

The classification is based on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when, and only when, its business model for managing those assets changes.

Subsequent measurement

Debt instruments include cash and cash equivalents, trade and other receivables (excluding GST receivables, grants receivables and prepayments). These are subsequently measured at amortised cost based on the Group's business model for managing the asset and cash flow characteristics of the asset.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Cash and cash equivalents in the consolidated statement of cash flows

For the purposes of presentation in the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. Bank overdrafts are presented as current borrowings on the statement of financial position.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(l) Financial liabilities

Financial liabilities include trade and other payables (excluding deferred income and GST payable and deposit received) and borrowings. Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value. Other financial liabilities (except for the financial guarantees) are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences. A financial liability is derecognised when the obligation under the liability is extinguished.

Borrowings

Borrowings are recognised initially at the fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the profit or loss over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial liabilities (Continued)

Borrowings (Continued)

Borrowings which are due to be settled within 12 months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original terms was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Borrowings to be settled within the Group's normal operating cycle are classified as current. Other borrowings due to be settled more than twelve months after the end of the reporting period are included in non-current borrowings in the statements of financial position.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

(m) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

The Group recognises the estimated costs of dismantlement, removal or restoration items of assets arising from the acquisition or use of assets (Note 12). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value. Changes in the estimated timing or amount of the expenditure or discount rate is adjusted against the cost of the related asset unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(o) Merger reserve

Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the share capital issued as consideration for the acquisition.

(p) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

(q) Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs.

Subsequent to initial measurement, the financial guarantees are stated at the higher of the amount initially recognised less cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 and the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

(r) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented within "loans and borrowings" in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification such as a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets (except for those which meets the definition of an investment property) are presented within "property, plant and equipment" in the consolidated statement of financial position. Right-of-use assets which meets the definition of an investment property are presented within "investment properties" and accounted for in accordance with Note 2(g). The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(h).

When a Group entity is the lessor

Leases for which a Group entity is a lessor are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sub-lease is classified as an operating lease by reference to the right-of-use asset arising from the head lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

Employee leave entitlements

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

Equity-settled options scheme

Directors and employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share option reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account if new ordinary shares are issued. Upon expiry of the options, the balance in the share option reserve is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Share-based payments

Non-employee of the Group receives warrants to purchase ordinary shares as consideration for introductory services rendered. The cost of these equity-settled transactions with non-employee is measured by reference to the fair value of the service received when the fair value of service received cannot be reliably estimated, the Group measures the service received by reference to the fair value of the equity instrument granted, measured at the date when the counterparty renders service. This cost is recognised as expense in the consolidated statement of profit or loss and other comprehensive income or as incremental cost against financial asset or liability in the statements of financial position with a corresponding increase in the warrants reserve. No remeasurement is required at each reporting date.

When the warrants are subscribed, the proceeds received (net of transaction costs) and the related balance previously recognised in warrants reserve are credited to share capital account if new ordinary shares are issued. Upon expiry of the options, the balance in the warrants reserve is transferred to retained earnings.

(u) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Income taxes (Continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the reporting date.

Deferred income tax is measured based on the tax consequence that will follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

(v) Functional and foreign currencies

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 that entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

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.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

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 Group's presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the reporting date;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Functional and foreign currencies (Continued)

Translation of Group entities' financial statements (Continued)

- (ii) Income and expenses are translated at average exchange rates (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
- (iii) All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the currency translation reserve.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

(w) Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

(x) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

The assets are not depreciated or amortised while they are classified as held for sale.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

3 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting 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.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of non-financial assets (Continued)

When value-in-use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cash flows.

The carrying values of the Group's property, plant and equipment and intangible assets are disclosed in Notes 12 and 13 respectively. Details of the key assumptions applied in the impairment assessment of the Group's intangible assets are disclosed in Note 13. The carrying amounts of the Company's investment in subsidiaries and the details of the key assumptions applied in the Company's impairment assessment of its investment in subsidiaries are disclosed in Note 14. Changes in assumptions made and discount rate applied could affect the carrying values of these assets. The estimation relates to the forecast revenue and results of the CGUs and discount rates applied to future cash flow projections with the consideration of the impact of COVID-19 pandemic as disclosed in Notes 13 and 14.

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Included in the Group's trade and other receivables is an outstanding receivable for the provision of management consulting services from the BOP outlets in China as at 31 December 2020 amounting to \$27,500,000 (RMB135,868,000) [2019: \$23,485,000 (RMB120,000,000)]. As disclosed in Note 17, the Group has considered the safeguards and measures (including the FY2020 Securities) and assessed that no credit loss allowance is required on these receivables.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade receivables. Details of ECL measurement and carrying value of trade receivables at reporting date are disclosed in Notes 29(b) and 17 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Valuation of investment properties

The Group's investment properties are stated at fair values based on the valuation performed by independent firm of professional valuers. In determining fair values, the valuers have based their valuation on methods of valuation which involves certain estimates, including comparison with sale transactions of similar properties and expected future income stream to be achieved from the properties. The valuation methodologies, significant inputs used and details of the properties are disclosed in Note 15. As at 31 December 2020, the carrying amount of investment properties is disclosed in Note 15.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, the amount and timing of future taxable income and deductibility of certain expenditure. Accordingly, there are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on reasonable estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payable and deferred tax liabilities at the end of reporting period are \$5,357,000 (2019: \$4,004,000) and \$58,000 (2019: \$91,000) respectively.

Shared based compensation

The Group measures the cost of equity-settled transactions with employees and non-employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transaction requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 25.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

4 REVENUE

The following table provides a disaggregation disclosure of the Group's revenue by primary major customer types and timing of revenue recognition.

Group

	Franchise fee and royalty income \$'000	Sale of food and beverages \$'000	Provision of management consultancy services \$'000	Rental income from foodstalls \$'000	Service income \$'000	Total \$'000
<u>Continuing operations</u>						
2020						
Primary geographical markets						
Singapore	-	5,014	-	597	415	6,026
People's Republic of China ("PRC")	-	-	7,373	-	-	7,373
Brunei	184	-	-	-	-	184
	184	5,014	7,373	597	415	13,583
Timing of revenue recognition						
At a point in time	174	5,014	-	-	-	5,198
Over time	10	-	7,373	597	415	8,385
	184	5,014	7,373	597	415	13,583

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

4 REVENUE (CONTINUED)

Group

	Sale of food and beverages \$'000	Provision of management consultancy services \$'000	Rental income from foodstalls \$'000	Service income \$'000	Total \$'000
<u>Continuing operations</u>					
(Restated)					
<u>2019</u>					
Primary geographical markets					
Singapore	5,100	-	685	457	6,242
People's Republic of China (“PRC”)	-	29,430	-	-	29,430
	<u>5,100</u>	<u>29,430</u>	<u>685</u>	<u>457</u>	<u>35,672</u>
Timing of revenue recognition					
At a point in time	5,100	-	-	-	5,100
Over time	-	29,430	685	457	30,572
	<u>5,100</u>	<u>29,430</u>	<u>685</u>	<u>457</u>	<u>35,672</u>

5 OTHER INCOME

	Group	
	2020	(Restated) 2019
	\$'000	\$'000
<u>Continuing operations</u>		
Government grants ⁽¹⁾	895	45
Rental income	23	173
Rental concessions from lessor [Note 32(a)]	311	-
Commission	-	36
Others	29	62
	<u>1,258</u>	<u>316</u>

⁽¹⁾ Government grants of \$651,000 (2019: \$Nil) was recognised during the financial year under the Jobs Support Scheme (the “JSS”). Under the JSS, the Singapore Government will co-fund gross monthly wages paid to each local employee through cash subsidies with the objective of helping employers retain local employees during the period of economic uncertainty. In determining the recognition of the JSS grant income, management has evaluated and concluded that the period of economic uncertainty commenced in April 2020 when the COVID-19 pandemic started affecting the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

6 FINANCE COSTS

	Group	
		(Restated)
	2020	2019
	\$'000	\$'000
<u>Continuing operations</u>		
Interest expenses:		
- Lease liabilities	145	146
- Bank loans	122	58
- Convertible loan	-	71
Unwind of discount on convertible loan [Note 20]	-	107
	267	382

7 PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

	Group	
		(Restated)
	2020	2019
	\$'000	\$'000
Profit before tax from continuing operations is stated after charging:		
Audit fee paid/payable to the auditors of the Company		
- Current year	117	105
- under provision of prior years	3	-
Fees for non-audit services paid/payable to the auditor of the Company	26	15
Casual labour	2	4
Amortisation of intangible assets (Note 13)	195	364
Depreciation of property, plant and equipment (Note 12)	930	884
Fair value loss on investment properties (Note 15)	635	420
Staff costs (Note 8)	4,713	2,356
Rental expense [Note 32(a)]	415	100
Subcontractor expenses	253	190
Utilities	391	370
Derecognition loss on convertible loan [Note 20]	-	832
Transaction costs relating to convertible loan [Note 20]	-	725
Acquisition-related costs incurred	-	57

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

8 STAFF COSTS

	Group	
	2020	2019
	\$'000	\$'000
<u>Continuing operations</u>		
Salaries, bonuses and other benefits	3,061	1,968
Contribution to defined contribution plans	457	323
Share-based payments	1,195	65
	<u>4,713</u>	<u>2,356</u>

9 TAX EXPENSE

	Group	
	2020	2019
	\$'000	\$'000
Tax expense attributable to profits is made up of:		
<u>From continuing operations</u>		
Current income tax provision		
Singapore	1,207	4,812
Deferred tax (Note 21)	(33)	(62)
	<u>1,174</u>	<u>4,750</u>

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the Singapore statutory rate of income tax due to the following factors:

	Group	
	2020	2019
	\$'000	\$'000
Profit before tax from:		
Continuing operations	2,687	25,465
Discontinued operations	216	(2,835)
	<u>2,903</u>	<u>22,630</u>
Tax calculated at a tax rate of 17% (2019: 17%)	494	3,847
Singapore statutory stepped income exemption	-	(9)
Expenses not deductible for tax purposes	838	691
Income not subject to tax	(127)	(65)
Utilisation of deferred tax assets previously not recognised	-	(52)
Deferred tax asset not recognised	62	21
Other deductible temporary difference disregarded	(101)	317
Others	8	-
	<u>1,174</u>	<u>4,750</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

9 TAX EXPENSE (CONTINUED)

At 31 December 2020, the Group has potential deferred tax assets in respect of tax losses of \$390,000 (2019: \$702,000) and other deductible temporary differences of \$83,000 (2019: \$Nil) that are available for carry forward to offset against future taxable income subject to agreement by the tax authority and compliance with relevant provisions of the Singapore Income Tax Act. The potential deferred tax assets have not been recognised in the financial statements as it is not probable that future taxable profit will be sufficient to allow the related tax benefits to be utilised. The unutilised tax losses do not expire under current tax legislation.

On 15 July 2020, the Company completed the sale transaction to dispose its wholly-owned subsidiaries, GS Cleaning Services Pte. Ltd. and GS Equipment Supply Pte. Ltd. [Note 14(e)]. Included in unrecognised deferred tax assets as at 31 December 2019 were unutilised tax losses of \$595,000.

10 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

During the financial year ended 31 December 2020, the Group completed the disposal of GreatSolutions Pte. Ltd., GS Hospitality Services Pte. Ltd., GS Cleaning Services Pte. Ltd. and GS Equipment Supply Pte. Ltd. ("Disposal Group"), which previously contributed to the cleaning services segment. Accordingly, the results from the Disposal Group was presented separately on the consolidated statement of profit or loss and other comprehensive income as "Discontinued operations".

The gain/(loss) for the financial year from the discontinued operations was analysed as follows:

	2020	2019
	\$'000	\$'000
Loss of the Disposal Group	(39)	(2,835)
Gain on disposal of the Disposal Group	255	-
	216	(2,835)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

10 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

An analysis of the results of the discontinued operations and the results recognised on the remeasurement of Disposal Group is as follows:

	2020	(Restated) 2019
	\$'000	\$'000
Revenue*	1,086	8,507
Cost of sales	(1,274)	(8,862)
Gross loss	(188)	(355)
Other income [Note (i)]	305	661
Administrative expenses	(156)	(2,327)
Finance costs [Note (ii)]	-	(517)
Net impairment losses on financial assets	-	(297)
Loss before and after tax from discontinued operations [Note (iii)]	(39)	(2,835)

The impact of the discontinued operations on the cash flows of the Group are as follows:

	2020	2019
	\$'000	\$'000
Operating cash flows	10	2,922
Investing cash flows	-	(458)
Financing cash flows	-	(2,183)
Total cash inflows	10	281

* The Disposal Group has only one operating segment from the dishwashing and automated cleaning services. Such services are recognised as performance obligation satisfied over time. The Disposal Group's revenue from external customers are derived solely from customers in Singapore.

Details of Disposal Group classified as held for sale are as follows:

	2020	2019
	\$'000	\$'000
Property, plant and equipment [Note (v)]	-	10,920
Trade receivables	-	1,267
Other receivables	-	268
Cash and cash equivalents [Note 14(e)]	-	431
	-	12,886

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

10 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

Liabilities directly associated with Disposal Group classified as held for sale:

	2020	2019
	\$'000	\$'000
Trade payables	-	457
Other payables	-	1,200
Loans and borrowings [Note (vi)]	-	9,094
	-	10,751

(i) Other income

	2020	(Restated) 2019
	\$'000	\$'000
Government grants	305	348
Rental income	-	137
Other income	-*	176
	305	661

* Amount below \$1,000

(ii) Finance costs

	2020	(Restated) 2019
	\$'000	\$'000
Interest expense		
- Lease liabilities/finance lease	-	228
- Bank loans	-	289
	-	517

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

10 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

Liabilities directly associated with Disposal Group classified as held for sale (Continued):

(iii) Loss before and after tax from discontinued operations

Loss before and after tax of the Disposal Group is arrived at after charging:

	2020 \$'000	(Restated) 2019 \$'000
Audit fee paid/payable to the auditors of the Company	-	41
Audit fee paid/payable to other auditors	5	-
Fees for non-audit services paid/payable to the auditor of the Company	3	11
Amortisation of intangible assets (Note 13)	2	2
Depreciation of property, plant and equipment (Note 12)	6	1,449
Impairment loss on non-current assets held for sale (Note 18)	-	719
Loss on disposal of property, plant and equipment	-	57
Rental expense [Note 32(a)]	-	32
Subcontractor expenses	33	1,580
Utilities	-	762
Casual labour	-	584
Staff costs [Note (iv)]	1,361	5,025

(iv) Staff costs

	2020 \$'000	(Restated) 2019 \$'000
Salaries and bonuses	1,173	4,253
Contribution to defined contribution plans	188	772
	1,361	5,025

(v) Property, plant and equipment

Leased assets are pledged as security for the related lease liabilities.

The leasehold property with a carrying amount of \$6,871,000 at 31 December 2019 was mortgaged to secure with the Disposal Group's bank loan of \$5,724,000 as at 31 December 2019 under loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

10 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

Liabilities directly associated with Disposal Group classified as held for sale (Continued):

(vi) Loans and borrowings

The bank loans of Disposal Group were secured by:

- legal mortgage over the Disposal Group's leasehold property;
- legal mortgage over the Group's investment properties (Note 15);
- legal mortgage over certain personal properties of a director of the Group;
- assignment of rental proceeds and all rights of tenancy agreements;
- corporate guarantee by the Company and fellow subsidiaries; and
- personal guarantee by a director of the Group.

11 EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

	Continuing operations		Discontinued operations		Total	
	2020	(Restated) 2019	2020	(Restated) 2019	2020	(Restated) 2019
Profit/(loss) attributable to equity holders of the Company (\$'000)	<u>441</u>	15,936	<u>216</u>	(2,835)	<u>657</u>	13,101
Weighted average number of ordinary shares outstanding for basic earnings per share	<u>184,993,260</u>	170,655,974	<u>184,993,260</u>	170,655,974	<u>184,993,260</u>	170,655,974
Adjustments for:						
- GS Holdings ESOS	<u>5,300,000</u>	3,300,000	<u>5,300,000</u>	3,300,000	<u>5,300,000</u>	3,300,000
- Warrants	<u>46,764,705</u>	46,764,705	<u>46,764,705</u>	46,764,705	<u>46,764,705</u>	46,764,705
Weighted average number of ordinary shares outstanding for diluted earnings per share	<u>237,057,965</u>	220,720,679	<u>237,057,965</u>	220,720,679	<u>237,057,965</u>	220,720,679
Basic earnings/(loss) per share (cents per share)	<u>0.24</u>	9.34	<u>0.12</u>	(1.66)	<u>0.36</u>	7.68
Diluted earnings/(loss) per share (cents per share)	<u>0.19</u>	7.22	<u>0.09</u>	(1.28)	<u>0.28</u>	5.94

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

11 EARNINGS/(LOSS) PER SHARE (CONTINUED)

For the purpose of calculating diluted earnings/(loss) per share, profit/(loss) 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. As at 31 December 2020, the Group's potential ordinary shares comprise GS Holdings Employee Share Option Scheme ("GS Holdings ESOS") and warrants.

For GS Holdings ESOS and warrants, the weighted average number of shares on issue has been adjusted as if all dilutive share options and warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options and warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net profit/(loss).

12 PROPERTY, PLANT AND EQUIPMENT

	Vehicles \$'000	Machineries and equipment \$'000	Furniture and fittings \$'000	Renovation \$'000	Foodstalls \$'000	Workspace \$'000	Total \$'000
Group							
2020							
Cost							
At 1.1.2020	97	161	722	68	3,136	-	4,184
Additions	-	8	24	41	-	108	181
Disposals	-	(16)	-*	-	-	-	(16)
Disposal of subsidiaries [Note 14(e)]	-	(39)	(118)	-	-	-	(157)
Written off	-	(59)	(580)	-	-	-	(639)
At 31.12.2020	97	55	48	109	3,136	108	3,553
Accumulated depreciation							
At 1.1.2020	7	110	698	14	837	-	1,666
Depreciation charge to							
- continuing operations (Note 7)	19	22	11	32	846	-	930
- discontinued operations (Note 10)	-	-	6	-	-	-	6
Disposals	-	(7)	-*	-	-	-	(7)
Disposals of subsidiaries [Note 14(e)]	-	(39)	(117)	-	-	-	(156)
Written off	-	(59)	(580)	-	-	-	(639)
At 31.12.2020	26	27	18	46	1,683	-	1,800
Net carrying value							
At 31.12.2020	71	28	30	63	1,453	108	1,753

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Leasehold property \$'000	Vehicles \$'000	Machinery and equipment \$'000	Furniture and fittings \$'000	Crockeries \$'000	Renovation \$'000	Foodstalls \$'000	Workspace \$'000	Total \$'000
2019	-	812	3,322	946	668	19	-	-	5,767
Cost	1,338	351	-	-	-	-	-	1,142	2,831
At 1.1.2019	1,338	1,163	3,322	946	668	19	-	1,142	8,598
Recognition of right-of-use assets on initial application of SFRS(I) 16	-	-	37	16	-	67	2,661	-	2,781
At 1.1.2019, restated	-	125	237	11	161	1	475	-	1,010
Acquisition of subsidiaries (Note 14)	6,922	-	-	-	-	578	-	-	7,500
Additions	-	(402)	(2)	-	-	-	-	-	(404)
Reclassification from non-current asset held for sale (Note 18)	(8,260)	(789)	(3,433)	(251)	(829)	(597)	-	(1,142)	(15,301)
Disposals	-	97	161	722	-	68	3,136	-	4,184
Reclassification to disposal group assets held for sale (Note 10)	-	268	2,263	856	532	14	-	-	3,933
At 31.12.2019	-	9	17	6	-	15	837	-	884
Accumulated depreciation	89	222	441	62	170	31	-	434	1,449
At 1.1.2019	-	(217)	(2)	-*	-	-	-	-	(219)
Depreciation charge to	(89)	(275)	(2,609)	(226)	(702)	(46)	-	(434)	(4,381)
- Continuing operations (Note 7)	-	7	110	698	-	14	837	-	1,666
- Discontinued operation (Note 10)	-	90	51	24	-	54	2,299	-	2,518
Disposals	-	-	-	-	-	-	-	-	-
Reclassification to disposal group assets held for sale (Note 10)	-	-	-	-	-	-	-	-	-
At 31.12.2019	-	-	-	-	-	-	-	-	-
Net carrying value	-	-	-	-	-	-	-	-	-
At 31.12.2019	-	-	-	-	-	-	-	-	-

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group (Continued)

- (i) Included in property, plant and equipment are right-of-use assets of \$1,561,000 (2019: 2,299,000) (Note 32).
- (ii) Non-cash transactions

	Group	
	2020	2019
	\$'000	\$'000
Aggregate cost of property, plant and equipment acquired	181	1,010
Less: Acquired under lease arrangement (Note 20)	(108)	(575)
Net cash outflow for purchase of property, plant and equipment	73	435
		Furniture and fittings \$'000
Company		
2020		
Cost		
At 1.1.2020		-
Additions		5
At 31.12.2020		5
Accumulated depreciation		
At 1.1.2020		-
Depreciation charge		-*
At 31.12.2020		-*
Net carrying value		
At 31.12.2020		5

* Amount below \$1,000

13 INTANGIBLE ASSETS

	Group	
	2020	2019
	\$'000	\$'000
Goodwill arising on business combination [Note (a)]	4,373	4,373
Other intangible assets [Note (b)]	356	562
	4,729	4,935

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13 INTANGIBLE ASSETS (CONTINUED)

(a) Goodwill arising on business combination

	Group	
	2020 \$'000	2019 \$'000
Cost and carrying value		
At 1 January	4,373	-
Acquisition of subsidiaries	-	4,373
At 31 December	<u>4,373</u>	<u>4,373</u>

(b) Other intangible assets

	Brand name \$'000	Favourable lease agreements \$'000	Customer relationship \$'000	Computer software \$'000	Total \$'000
Group					
Cost					
At 1.1.2019	-	-	-	-	-
Acquisition of subsidiaries [Note 14(c)]	340	73	502	-	915
Additions	-	-	-	13	13
At 31.12.2019	340	73	502	13	928
Disposal of subsidiaries [Note 14(e)]	-	-	-	(13)	(13)
At 31.12.2020	<u>340</u>	<u>73</u>	<u>502</u>	<u>-</u>	<u>915</u>
Accumulated amortisation					
At 1.1.2019	-	-	-	-	-
Amortisation charge	9	1	354	2	366
At 31.12.2019	9	1	354	2	366
Amortisation charge	17	40	138	2	197
Disposal of subsidiaries [Note 14(e)]	-	-	-	(4)	(4)
At 31.12.2020	<u>26</u>	<u>41</u>	<u>492</u>	<u>-</u>	<u>559</u>
Net carrying value					
At 31.12.2019	331	72	148	11	562
At 31.12.2020	<u>314</u>	<u>32</u>	<u>10</u>	<u>-</u>	<u>356</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13 INTANGIBLE ASSETS (CONTINUED)

(b) Other intangible assets (Continued)

The amortisation charge for the financial year is included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

Customer relationship and favourable lease agreement arose from acquisition of Hao Kou Wei Group during the financial year ended 31 December 2019. Brand name arose from acquisition of Sing Swee Kee during the financial year ended 31 December 2019.

i. Impairment test

Goodwill and intangible assets acquired through business combination have been allocated to the individual cash generating units ("CGUs") for impairment testing as follows:

	Hao Kou Wei Group CGU \$'000	Sing Swee Kee CGU \$'000
2020		
Goodwill	3,905	468
Intangible assets:		
– Customer relationship	10	-
– Favourable lease agreements	32	-
– Brand name	-	314
2019		
Goodwill	3,905	468
Intangible assets:		
– Customer relationship	148	-
– Favourable lease agreements	72	-
– Brand name	-	331

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13 INTANGIBLE ASSETS (CONTINUED)

(b) Other intangible assets (Continued)

ii. Key assumptions used in value-in-use calculations

The recoverable amounts of the CGUs are determined from value-in-use calculations derived from the most recent financial budgets approved by management covering a five-year period. Revenue growth for the next five years was projected taking into account the average growth levels experienced over the past five years (including the impact arising from COVID-19 pandemic) and the estimated sales volume and price growth for the next five years. The key assumptions for the value-in-use calculations are those regarding the budgeted revenue growth rate, budgeted gross margin, terminal growth rate and discount rate as follows:

	Hao Kou Wei Group CGU	Sing Swee Kee CGU
	%	%
2020		
Budgeted revenue growth rate ⁽¹⁾	4	3
Budgeted gross margin ⁽²⁾	14 - 18	22
Terminal growth rate ⁽³⁾	2	2
Discount rate ⁽⁴⁾	10.84	10.84
2019		
Budgeted revenue growth rate ⁽¹⁾	2 - 5	2
Budgeted gross margin ⁽²⁾	32 - 34	22
Terminal growth rate ⁽³⁾	2	2
Discount rate ⁽⁴⁾	10.84	11.20

⁽¹⁾ Estimated average annual growth rate for the next five-year period.

⁽²⁾ Budgeted gross margin for the next five-year period.

⁽³⁾ Terminal growth rate used to extrapolate cash flows beyond the five-year period. This rate does not exceed the average long-term growth rate for the relevant markets.

⁽⁴⁾ Pre-tax discount rate applied to cash flow projections.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13 INTANGIBLE ASSETS (CONTINUED)

(b) Other intangible assets (Continued)

ii. Key assumptions used in value-in-use calculations (Continued)

Management estimates discount rate using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The budgeted revenue growth rate is based on past performance and management's assessment of future trends and development in the market. Budgeted gross margin is based on past performance.

iii. Sensitivity to changes in assumptions

Hao Kou Wei Group CGU

Management believes that the change in the estimated recoverable amounts from any reasonably possible changes in any of the above key assumptions would not cause the recoverable amounts to be materially lower than the carrying value of the CGU.

Sing Swee Kee CGU

Management believes that the change in the estimated recoverable amounts from any reasonably possible changes in any of the above key assumptions would not cause the recoverable amounts to be materially lower than the carrying value of the CGU.

14 INVESTMENT IN SUBSIDIARIES

	Company	
	2020	2019
	\$'000	\$'000
Unquoted equity shares, at cost		
As at 1 January	9,122	13,071
Acquisition during the financial year	-	-*
Deemed capital contributions during the financial year	-	10,131
Reclassification to non-current asset held for sale	-	(14,080)
As at 31 December	9,122	9,122
Impairment allowances:		
As at 1 January	(110)	(4,059)
Allowance made during the financial year	-	(8,214)
Reclassification to non-current asset held for sale	-	12,163
As at 31 December	(110)	(110)
Net carrying amount	9,012	9,012

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ country of incorporation	Principal activities	Group's effective equity interest	
			2020 %	2019 %
<i>Held by the Company</i>				
Hawkerway Pte. Ltd.*	Singapore	Letting and operating of food courts, coffee shops and eating house	100	100
GreatSolutions Pte. Ltd. ⁽³⁾	Singapore	Dishwashing services and automated cleaning services and solutions	-	100
GS Cleaning Services Pte. Ltd. ⁽³⁾	Singapore	Cleaning services and landscape care and maintenance services	-	100
GS Equipment Supply Pte. Ltd. ⁽³⁾	Singapore	Sale of dishwashing and other equipment/machinery and rental of equipment/machinery and tangible goods	-	100
Wish Hospitality Holdings Private Limited*	People's Republic of China/ Singapore	Provision of branding, operations and procurement services	80	80
GS Stewarding Services Pte. Ltd. ⁽¹⁾	Singapore	Installation of dishwashing machines and other equipment and mechanical engineering works and repair, servicing and maintenance of dishwashing machines and other equipment	100	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (Continued):

Name of subsidiaries	Principal place of business/ country of incorporation	Principal activities	Group's effective equity interest	
			2020 %	2019 %
<i>Held through GreatSolutions Pte. Ltd.</i>				
GS Hospitality Services Pte. Ltd. ⁽³⁾	Singapore	Cleaning services including hotel-related dishwashing	-	100
<i>Held through Hawkerway Pte. Ltd.</i>				
Hao Kou Wei Pte. Ltd.*	Singapore	Letting and operating of self-owned or leased food court, coffee shop and eating houses	100	100
<i>Held through Hao Kou Wei Pte. Ltd.</i>				
Hao Kou Wei Food Group Pte. Ltd.*	Singapore	Operating of self-owned or leased food court, coffee shop and eating houses and provision of consultancy and management services in relation to food and beverage industry	100	100
Sing Global Brands Pte. Ltd. ^{^(2)}	Singapore	Developing, franchising and management of various food and beverage brands, including the central procurement of contractors, equipment, payment systems, supplies, services, utensils etc.	51	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (Continued):

Name of subsidiaries	Principal place of business/ country of incorporation	Principal activities	Group's effective equity interest	
			2020 %	2019 %
<i>Held through Hao Kou Wei Pte. Ltd. (Continued)</i>				
Hao Kou Wei (Shanghai) Food and Beverage Management Co. Ltd. ** ⁽⁴⁾	People's Republic of China	Dormant	100	100
Raffles Coffee Pte. Ltd.*	Singapore	Operating of cafes and coffee houses and also to provide management consultancy services	100	100
Rasa Sayang Village Pte. Ltd.*	Singapore	Letting and operating of self-owned or leased food court, coffee shop and eating houses	100	100
Sing Swee Kee Pte. Ltd.*	Singapore	Operation of a restaurant trading under the name "Sing Swee Kee" Chicken Rice Restaurant	100	100
<i>Held through Wish Hospitality Holdings Private Limited</i>				
Wish Health Management (Shanghai) Co. Ltd. ^{@(4)}	People's Republic of China	Dormant	80	80
<i>Held through Raffles Coffee Pte. Ltd.</i>				
Raffles Brands Pte. Ltd.*	Singapore	Dormant	51	51
<i>Held through Raffles Brands Pte. Ltd.</i>				
Raffles Brands Management (Shanghai) Co. Ltd. ^{#(4)}	People's Republic of China	Dormant	51	51

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (Continued):

- * Audited by Baker Tilly TFW LLP.
- ** Hao Kou Wei Pte. Ltd. has incorporated a wholly-owned subsidiary, Hao Kou Wei (Shanghai) Food and Beverage Management Co. Ltd. during the financial year ended 31 December 2019. The registered capital of Hao Kou Wei (Shanghai) Food and Beverage Management Co. Ltd. is US\$1 million which has not been paid as at 31 December 2020 and 31 December 2019.
- ⊙ Wish Hospitality Holdings Private Limited has incorporated a wholly-owned subsidiary, Wish Health Management (Shanghai) Co. Ltd. during the financial year ended 31 December 2019. The registered capital of Wish Health Management (Shanghai) Co. Ltd. is US\$1 million which has not been paid as at 31 December 2020 and 31 December 2019.
- * Raffles Brand Pte. Ltd. has incorporated a wholly-owned subsidiary, Raffles Brands Management (Shanghai) Co. Ltd. during the financial year ended 31 December 2019. The registered capital of Raffles Brands Management (Shanghai) Co. Ltd. is US\$100,000 which has not been paid as at 31 December 2020 and 31 December 2019.
- ^ Hao Kou Wei Pte. Ltd. has incorporated a 51% owned subsidiary, Sing Global Brands Pte. Ltd. during the financial year. The registered capital of Sing Global Brands Pte. Ltd. is \$20,000 which has not been paid as at 31 December 2020.
- (1) Strike off in process during the financial year.
- (2) Incorporated during the financial year.
- (3) Disposed off during the financial year.
- (4) Not required to be audited under the law of incorporation.

(b) Summarised financial information of subsidiary with material non-controlling interests ("NCI")

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

<u>Name of subsidiary</u>	<u>Principal place of business/ Country of incorporation</u>	<u>Ownership interests held by NCI</u>
Wish Hospitality Holdings Private Limited	People's Republic of China/ Singapore	20%

The following are the summarised financial information of the Group's subsidiary with NCI that are considered by management to be material to the Group. These financial information include consolidation adjustments but before inter-company eliminations.

Summarised Statement of Financial Position

	<u>2020</u>	2019
	<u>\$'000</u>	<u>\$'000</u>
Current assets	31,742	28,163
Current liabilities	(8,323)	(4,330)
Net assets	23,419	23,833
Net assets attributable to NCI	4,684	4,767

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Summarised financial information of subsidiary with material non-controlling interests ("NCI") (Continued)

Summarised Income Statements

	2020	2019
	\$'000	\$'000
Revenue	7,373	29,430
Profit before tax	6,569	28,704
Income tax expense	(1,206)	(4,811)
Profit after tax and total comprehensive income	5,363	23,893
Profit allocated to NCI	1,072	4,779

Summarised Cash Flows

	2020	2019
	\$'000	\$'000
Cash flows (used in)/generated from operating activities	(676)	4,759
Cash flows from investing activities	-	1
Cash flows used in financing activities	(4,096)	(72)
Net (decrease)/increase in cash and cash equivalents	(4,772)	4,688

(c) Acquisition of subsidiaries

Acquisition of Hao Kou Wei Pte. Ltd. and its subsidiary, Rasa Sayang Village Pte. Ltd. ("Hao Kou Wei Group")

On 1 April 2019, the Group, through Hawkerway Pte. Ltd., a wholly-owned subsidiary, acquired 100% of the issued share capital of Hao Kou Wei Pte. Ltd. for \$4,440,000 from spouse of a controlling shareholder of the Group. The acquisition of Hao Kou Wei Group was to help the Group diversify its business into the food and beverages sector.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Acquisition of subsidiaries (Continued)

Acquisition of Hao Kou Wei Pte. Ltd. and its subsidiary, Rasa Sayang Village Pte. Ltd. ("Hao Kou Wei Group") (Continued)

(i) Acquisition-date consideration transferred

	2019 \$'000
Cash paid	1,080
Equity instruments issued as part of consideration ⁽³⁾	3,360
Total consideration transferred	<u>4,440</u>

⁽³⁾ The fair value of the 14,000,000 new ordinary shares was based on the listed share price of the Company on 1 April 2019 of \$0.24 per ordinary share representing the volume weighted average price for the share on that date [Note 23(ii)].

(ii) Fair values of identifiable assets and liabilities of Hao Kou Wei Group at acquisition date

	2019 \$'000
Property, plant and equipment	2,735
Intangible assets	575
Trade and other receivables	550
Inventories	54
Cash and cash equivalents	722
Loans and borrowings	(3,085)
Trade and other payables	(861)
Deferred tax liabilities	(95)
Tax payable	(60)
Total identifiable net assets at estimated fair value	535
Goodwill [Note 13(a)(i)]	3,905
Total consideration transferred	<u>4,440</u>

(iii) Effect on cash flows of the Group

	2019 \$'000
Cash paid [as per (i) above]	1,080
Less: Cash and cash equivalents in subsidiaries acquired	(722)
Net cash outflow from acquisition of subsidiaries	<u>358</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Acquisition of subsidiaries (Continued)

Acquisition of Hao Kou Wei Pte. Ltd. and its subsidiary, Rasa Sayang Village Pte. Ltd. ("Hao Kou Wei Group") (Continued)

(iv) Goodwill

The acquired subsidiaries were involved in the sale of food and beverages, operating coffeeshop and restaurants for the food and beverages industry. The goodwill of \$3,905,000 was attributable to significant expansion opportunity of the food and beverage business expected to arise after the acquisition.

(v) Revenue and profit contribution

The acquired subsidiaries contributed revenue of \$5,259,000* and net loss of \$96,000* to the Group respectively for the period from 1 April 2019 to 31 December 2019. If the acquisition had occurred on 1 January 2019, the Group's revenue would have been \$37,402,000* and total profit after tax would have been \$17,795,000*.

* All figures include consolidation adjustments

Acquisition of Sing Swee Kee Pte. Ltd. ("Sing Swee Kee")

On 1 July 2019, the Group, through Hao Kou Wei Pte. Ltd., a wholly-owned subsidiary, acquired 100% of the issued share capital of Sing Swee Kee for \$800,000. Sing Swee Kee was formerly known as Chicken Supremo Pte. Ltd. The acquisition of Sing Swee Kee was to help the Group diversify its business into the food and beverages sector.

(i) Acquisition-date consideration transferred

	2020	2019
	\$'000	\$'000
Cash paid	400	400
Deferred cash payment ⁽⁴⁾	-	400
Total consideration transferred	400	800

⁽⁴⁾ The deferred cash consideration of \$400,000 shall be satisfied by or on such date falling six months subsequent to acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Acquisition of subsidiaries (Continued)

Acquisition of Sing Swee Kee Pte. Ltd. ("Sing Swee Kee") (Continued)

(ii) *Fair values of identifiable assets and liabilities of subsidiary at acquisition date*

	2019 \$'000
Property, plant and equipment	46
Intangible assets	340
Inventories	4
Deferred tax liabilities	(58)
Total identifiable net assets at estimated fair value	332
Goodwill [Note 13(a)]	468
Total consideration transferred	800

(iii) *Effect on cash flows of the Group*

	2020 \$'000	2019 \$'000
Cash paid per (i) above, representing net cash outflow of a subsidiary acquired	400	400

(iv) *Goodwill*

The acquired subsidiary was involved in the sale of food and beverages and the operations of coffeeshop and restaurants for the food and beverages industry. The goodwill of \$468,000 was attributable to significant expansion opportunity of the food and beverage business expected to arise after the acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Acquisition of subsidiaries (Continued)

Acquisition of Sing Swee Kee Pte. Ltd. ("Sing Swee Kee") (Continued)

(v) Revenue and profit contribution

The acquired subsidiaries contributed revenue of \$1,010,000* and net profit of \$75,000* to the Group respectively for the period from 1 July 2019 to 31 December 2019. If the acquisition had occurred on 1 January 2019, the Group's revenue would have been \$36,890,000* and total profit after tax would have been \$18,005,000*.

* All figures include consolidation adjustments

(d) Acquisition of non-controlling interests without a change in control

On 2 April 2019, the Company, through GreatSolutions Pte. Ltd. acquired an additional 45% equity interest in GS Hospitality Services Pte. Ltd. ("GS Hospitality") from its non-controlling interests for a cash consideration of \$3. As a result of this acquisition, GS Hospitality is now 100% held by the Group. The carrying value of the net liabilities of GS Hospitality at 2 April 2019 was \$29,000 and the carrying value of the additional interest acquired was \$14,000. The difference of \$14,000 between the consideration and the carrying value of the additional interest acquired has been recognised within equity as premium paid for acquisition of non-controlling interests.

	2019 \$'000
Consideration paid for acquisition of non-controlling interests	-*
Carrying amount of non-controlling interests acquired	(14)
Decrease in equity attributable to equity holders of the Company	(14)

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) Disposal of subsidiaries

GreatSolutions Pte. Ltd. and its subsidiary, GS Hospitality Services Pte. Ltd.

During the financial year ended 31 December 2020, the Company completed the disposal of its entire shareholding interest in GreatSolutions Pte. Ltd. and its subsidiary, GS Hospitality Services Pte. Ltd. for a cash consideration of \$2,000,000. As at end of the reporting period, an amount of \$1,100,000 had not been received and is included in other receivables (Note 17).

Effect of disposal on the financial position of the Group:

	Group 2020 \$'000
Non-current asset	
Property, plant and equipment	10,923
Current assets	
Trade and other receivables	1,784
Cash and cash equivalents	431
Total assets	13,138
Non-current liability	
Borrowings	6,417
Current liabilities	
Trade and other payables	2,254
Borrowings	2,677
Total liabilities	11,348
Net assets derecognised	1,790
Gain on disposal	
Cash consideration	2,000
Net assets derecognised	(1,790)
Gain on disposal	210
Cash consideration	2,000
Less: consideration receivable	(1,100)
Less: cash and cash equivalents disposed of	(431)
Net cash inflow arising on disposal	469

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) Disposal of subsidiaries (Continued)

GS Cleaning Services Pte. Ltd.

During the financial year ended 31 December 2020, the Group completed the disposal of its entire shareholding interest in GS Cleaning Services Pte. Ltd. for a total cash consideration of \$1 which has been received at the end of the reporting period.

Effect of disposal on the financial position of the Group:

	Group 2020 \$'000
Non-current asset	
Property, plant and equipment	1
Current assets	
Trade and other receivables	362
Cash and cash equivalents	9
Total assets	372
Current liabilities	
Trade and other payables	348
Amount due to related company – GS Equipment Supply Pte. Ltd.	57
Total liabilities	405
Net liabilities derecognised	33
Gain on disposal	
Cash consideration	-*
Net liabilities derecognised	33
Gain on disposal	33
Cash consideration	-*
Less: cash and cash equivalents disposed of	(9)
Net cash outflow arising on disposal	(9)

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) Disposal of subsidiaries (Continued)

GS Equipment Supply Pte. Ltd.

During the financial year ended 31 December 2020, the Group completed the disposal of its entire shareholding interest in GS Equipment Supply Pte. Ltd. for a total cash consideration of \$1 which has been received at the end of the reporting period.

Effect of disposal on the financial position of the Group:

	Group 2020 \$'000
	<u> </u>
Non-current asset	
Intangible assets	9
Current assets	
Trade and other receivables	3
Inventories	12
Amount due from GreatSolutions Pte. Ltd.	79
Cash and cash equivalents	10
	<u> </u>
Total assets	113
	<u> </u>
Current liabilities	
Trade and other payable	90
Amount due to GreatSolutions Pte. Ltd.	6
Amount due to related company – GS Cleaning Services Pte. Ltd.	35
	<u> </u>
Total liabilities	131
	<u> </u>
Net liabilities derecognised	18
	<u> </u>
Gain on disposal	
Cash consideration	-*
Net liabilities derecognised	18
	<u> </u>
Gain on disposal	18
Impairment of amount due from related company	(6)
	<u> </u>
Gain on disposal	12
	<u> </u>
Cash consideration	-*
Less: cash and cash equivalents disposed of	(10)
	<u> </u>
Net cash outflow arising on disposal	(10)
	<u> </u>

* Amount below \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

15 INVESTMENT PROPERTIES

	Group	
	2020 \$'000	2019 \$'000
At 1 January	3,680	4,100
Additions	5	-
Fair value loss recognised in profit or loss	(635)	(420)
At 31 December	<u>3,050</u>	<u>3,680</u>

The following amounts are recognised in profit or loss:

	Group	
	2020 \$'000	2019 \$'000
Rental income	23	173
Direct operating expenses arising from an investment property that generated rental income	5	68

Investment properties held by the Group as at 31 December 2020 and 31 December 2019 are as follows:

Properties	Description	Location	Existing use	Tenure
Property 1	A single-storey eating house with mezzanine office	16A Sungei Kadut Way, Singapore 728794	Commercial	Leasehold, 23 years
Property 2	A ramp-up factory unit	7 Mandai Link #03-40 Mandai Connection Singapore 728653	Commercial	Leasehold, 30 years

Property 1

The Investment Method of valuation was adopted based on the present worth of the expected future income stream in the form of the estimated net profit rental value and capitalised at an appropriate investment yield. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

Property 2

The Direct Comparison Method of valuation was adopted whereby sale transactions of comparable properties have been taken into consideration with regards to the location, tenure, age, size, floor level, design, layout, condition and standard of finishes amongst other factors. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

15 INVESTMENT PROPERTIES (CONTINUED)

The following table shows the significant unobservable inputs used in the valuation methods:

Description	Fair value \$	Valuation technique	Significant unobservable input	Range
2020				
Property 1	2,600,000	Investment method	Discount rate ⁽¹⁾ Rental growth rate ⁽¹⁾	3.24% Nil%
Property 2	450,000	Direct comparison method	Price per square metre ⁽¹⁾	\$2,866
2019				
Property 1	3,200,000	Investment method	Discount rate ⁽¹⁾ Rental growth rate ⁽¹⁾	2.3% Nil%
Property 2	480,000	Direct comparison method	Price per square metre ⁽¹⁾	\$3,057

(1) Any significant isolated increases/(decreases) in the significant unobservable input would result in a significantly (lower)/higher fair value measurement.

Properties pledged as security

Investment properties amounting to \$3,050,000 (2019: \$3,680,000) are mortgaged to secure bank loans (Note 20) and pledged as securities for its disposed subsidiary (Note 26).

16 INVENTORIES

	Group	
	2020 \$'000	2019 \$'000
Finished goods	<u>45</u>	<u>67</u>

The cost of inventories included as cost of sales amounted to \$2,053,000 (2019: \$1,765,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

17 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Trade receivables				
- third parties	24,847	21,969	-	-
- subsidiaries	-	-	17	303
	24,847	21,969	17	303
Less: Allowance for impairment losses [Note 29(b)]				
- third parties	(25)	(20)	-	-
- subsidiaries	-	-	-	(280)
	24,822	21,949	17	23
Other receivables				
- third parties	3,956	1,568	1,100	-
- subsidiaries	-	-	2,030	278
	3,956	1,568	3,130	278
Less: Allowance for impairment losses [Note 29(b)]				
- third parties	(500)	-	(500)	-
- subsidiaries	-	-	-	(202)
	3,456	1,568	2,630	76
GST receivables	5	10	5	8
Deposits	251	275	24	-
Prepayments	60	30	20	6
Grant receivables	149	-	-	-
	465	315	49	14
	28,743	23,832	2,696	113

The non-trade amounts due from subsidiaries are interest-free, unsecured and repayable on demand.

Included in the Group's trade and other receivables is an outstanding receivable for the provision of management consulting services from Branding, Operations and Procurement ("BOP") outlets in China as at 31 December 2020 amounting to \$27,500,000 (RMB135,868,000) [2019: \$23,485,000 (RMB120,000,000)].

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

In 2019, the Group experienced a delay in collection of the outstanding receivables from the 14 BOP outlets as a result of ongoing consultation on the tax issues with the People's Republic of China ("PRC") tax authorities on the amount of corporate income tax and/or withholding tax ("tax issues") to be withheld before arrangements can be made to remit the receivables back to the Group in Singapore. The delay in collection in 2020 was due to the ongoing negotiations with the PRC tax authorities as well as the COVID-19 pandemic in the PRC.

On 22 January 2021, Wish Health Management (Shanghai) Co. Ltd. entered into a Performance Guarantee Agreement with Kaifeng Jufeel Bio-Technology Co., Ltd ("Kaifeng Jufeel") as authorised representative to collect the outstanding service fees for FY2019 from the 14 BOP outlets for and on behalf of Wish within 90 days from the period from 22 January 2021 to 22 April 2021. Kaifeng Jufeel and Mr Zhang Rongxuan have also granted security interests in favour of Wish Shanghai to secure Kaifeng Jufeel's obligation to make payment of the outstanding service fee of RMB120,000,000 and Kaifeng Jufeel has pledged its properties as collateral ("FY2020 Securities"). A valuation of the mortgage properties have been performed by independent People Republic of China valuer appointed by Wish Shanghai with the market value amounting to \$44,730,000 (RMB221,000,000). Wish Shanghai shall be entitled to enforce and dispose of the mortgage properties to recover the outstanding service fees and enforcement costs incurred in their entirety in the event that Kaifeng Jufeel fails to perform its obligations pursuant to the Performance Guarantee Agreement.

Subsequent to year end, the Group has received an amount of RMB100,000,000 to recover the partial outstanding service fee as at 31 December 2020. However, there is an existing encumbrance on the foregoing amount of RMB100,000,000. For details, please refer to the Company's announcement dated 13 June 2021 and 17 June 2021. As at 14 July 2021, the encumbrance has yet to be discharged. The Company will be monitoring closely the discharge of the relevant encumbrance over the foregoing amount of RMB100,000,000.

Included in the Company's other receivables is an outstanding consideration receivable from the disposal of its entire shareholding interest in GreatSolutions Pte. Ltd. and its subsidiary, GS Hospitality Services Pte. Ltd. as at 31 December 2020 amounting to \$1,100,000 (2019: \$Nil). An allowance for impairment loss of \$500,000 is provided for the financial year ended 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

18 NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

The Group

Leasehold property

As at 31 December 2018, the non-current asset classified as held for sale pertains to leasehold property, 8 Loyang Way, Singapore 507604 ("Property") held by GreatSolutions Pte. Ltd. ("GreatSolutions"). On 30 September 2019, the Group changed its plan to realise the property through sale of GreatSolutions. The Group engaged a professional valuer to determine the fair value of the property which amounted to \$7,500,000. As compared to the net carrying value as at 30 September 2019 of \$8,219,000, the Group recorded on 30 September 2019 an impairment loss on non-current asset classified as held for sale of \$719,000. Subsequent to the revaluation, the property was reclassified from non-current asset classified as held for sale to property, plant and equipment (Note 12).

As the Company completed the disposal of the entire equity held in GreatSolutions to a third party on 14 January 2020, the leasehold property and renovations classified under property, plant and equipment with carrying amounts as at 31 December 2019 of \$7,318,000 were reclassified to disposal group assets classified as held for sale. The impairment loss on non-current asset classified as held for sale of \$719,000 was reflected under results of Discontinued operation [Note 10(iii)].

The Company

Investment in subsidiaries – Disposal Group

As the Company completed the disposal of the entire equity held in GreatSolutions to a third party on 14 January 2020, its carrying amount as at 31 December 2019 of \$1,917,000 had been reclassified from investment in subsidiaries to non-current asset classified as held for sale.

19 AMOUNT DUE TO A DIRECTOR

During the financial year ended 31 December 2019, the amount due to a director of \$3,200,000 had been repaid by cash payment of \$200,000 and the portion of \$3,000,000 by issuance and allotment of 11,764,705 ordinary shares at \$0.255 per share in accordance with the Deed Poll dated 7 March 2019.

In addition to the loan capitalisation, the director had been issued and allotted with 11,764,705 warrants which one (1) warrant entitles a right to subscribe for one (1) new ordinary share in the Company at an exercise price of \$0.255. The warrants expire on two years from its grant date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

20 LOANS AND BORROWINGS

		Group		
		2020	2019	
		\$'000	\$'000	
	Maturity			
<i>Non-current</i>				
Bank loans:				
Loan A	- 3-month Singapore Interbank Offered Rate ("SIBOR") plus 3.00% per annum ("p.a.")	2020 – 2022	7	51
Loan B	- 3-month SIBOR plus 3.00% p.a.	2020 – 2028	256	288
Loan D	- Bank installment loan board rate (9%) plus 1.50% p.a.	2021	-	20
Loan E	- Bank installment loan board rate (9%) minus 2.25% p.a.	2021	-	37
Loan F	- Higher of 3-month Swap Offer Rate ("SOR") or 3.00% p.a. over 3-month Costs of Funds ("COF")	2024	229	308
Loan G	- Higher of 3-month SOR or 3.00% p.a. over 3-month COF	2024	257	345
Loan H	- Higher of 3-month SOR or 3.00% p.a. over 3-month COF	2020 – 2036	255	-
Loan I	- Fixed at 2.50% p.a.	2020 – 2025	1,172	-
		2,176	1,049	
Lease liabilities		1,171	1,681	
		3,347	2,730	
<i>Current</i>				
Bank loans:				
Loan A	- 3-month SIBOR plus 3.00% p.a.		43	41
Loan B	- 3-month SIBOR plus 3.00% p.a.		31	31
Loan C	- 2.20% p.a. above the 1, 3, 6-month SOR		-	400
Loan D	- Bank installment loan board rate (9%) plus 1.50% p.a.		19	53
Loan E	- Bank installment loan board rate (9%) minus 2.25% p.a.		36	104
Loan F	- Higher of 3-month SOR or 3.00% over 3-month COF		79	75
Loan G	- Higher of 3-month SOR or 3.00% over 3-month COF		87	86
Loan H	- Higher of 3-month SOR or 3.00% p.a. over 3-month COF		77	-
Loan I	- Fixed at 2.50% p.a.		129	-
			501	790
Lease liabilities			617	827
			1,118	1,617
Bank overdrafts – Prevailing prime lending rate plus 1.00%			(2)	413
			1,116	2,030
			4,463	4,760

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

20 LOANS AND BORROWINGS (CONTINUED)

The bank loans of the Group are secured by:

- (i) legal mortgage over the Group's investment properties (Note 15);
- (ii) legal mortgages over a personal property of a director of the Group;
- (iii) assignment of rental proceeds and all rights of the tenancy agreements;
- (iv) corporate guarantee by the Company and disposed subsidiary;
- (v) personal guarantee from a director of the Group; and
- (vi) all monies guarantee.

The bank overdrafts of the Group are secured by personal guarantee of \$500,000 from a director of the Group and corporate guarantee of \$500,000 provided by the Company.

The carrying amounts of the loans and borrowings approximate their respective fair values either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the financial statement date or that they are fixed rate instruments and non-current loans and borrowings whose fair values approximates its carrying value computed based on cash flows discounted at market borrowing rate for similar financial liabilities as there were no significant changes for the interest rate available to the Group at the financial statement date. This fair value measurement is categorised within Level 3 of the fair value hierarchy.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bank loans \$'000	Lease liabilities \$'000	Total \$'000
2020			
Balance at 1 January 2020	1,839	2,508	4,347
Changes from financing cash flows:			
- Proceeds	2,300	-	2,300
- Repayments	(1,462)	(517)	(1,979)
- Interest paid	(122)	(145)	(267)
Non-cash changes:			
- Interest expense	122	145	267
- New leases	-	108	108
- Rent concessions from lessors	-	(311)	(311)
Balance at 31 December 2020	2,677	1,788	4,465

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

20 LOANS AND BORROWINGS (CONTINUED)

Reconciliation of movements of liabilities to cash flows arising from financing activities (Continued):

	Bank loans \$'000	Lease liabilities \$'000	Amount due to a director (Note 19) \$'000	Convertible loan \$'000	Total \$'000
2019					
Balance at 1 January 2019	8,576	-	3,200	-	11,776
Reclassification from finance lease liabilities	-	1,012	-	-	1,012
Adoption of SFRS(I) 16	-	2,713	-	-	2,713
Acquisition of subsidiaries [Note 14c(ii)]	324	2,761	-	-	3,085
Changes from financing cash flows:					
- Proceeds	1,450	-	-	1,607	3,057
- Repayments	(2,140)	(1,834)	(200)	(1,607)	(5,781)
- Interest paid	(338)	(379)	-	-	(717)
Changes in operating cash flows:					
- Other payables	-	-	-	(71)	(71)
Non-cash changes:					
- Interest expense	345	376	-	71	792
- Loan capitalisation [Note 23(iii)]	-	-	(3,000)	-	(3,000)
- New leases	-	575	-	-	575
Reclassification to liabilities directly associated with disposal group classified as held for sale (Note 10)	(6,378)	(2,716)	-	-	(9,094)
Balance at 31 December 2019	<u>1,839</u>	<u>2,508</u>	<u>-</u>	<u>-</u>	<u>4,347</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

20 LOANS AND BORROWINGS (CONTINUED)

Convertible loan

On 17 December 2018, the Company entered into a convertible loan agreement with third parties allowing the Company to loan up to an aggregate principal amount of RMB68,000,000 (approximately \$13,600,000). During the financial year ended 31 December 2019, the Company drawdown total proceeds of RMB8,033,000 (approximately \$1,607,000). The convertible loan mature three years from the issue date at their principal amount or can be converted into ordinary shares of the Company at the holder's option at a conversion price of \$0.18 per conversion share when fully issued upon the lender's exercise of their conversion rights pursuant to the convertible loan agreement. The maximum number of conversion shares that may be issued to lenders is 93,688,888 shares. The loan bears interest at rate of 8% per annum and will be payable by the Company in arrears to the lenders within 30 days of the end of 12 months from date of disbursement.

During the financial year ended 31 December 2019, the Company incurred warrants costs of \$1,664,000 as transaction costs to obtain the above convertible loan [Note 25(ii)]. Transaction costs relating to the issue of the convertible loan is allocated to the liability and embedded derivative in proportion to the allocation of the proceeds.

Transaction costs relating to the embedded derivative of convertible loan of \$725,000 was recognised in profit or loss immediately under administrative costs in the financial year ended 31 December 2019 (Note 7). The remaining transaction costs of \$939,000 was included in the carrying amount of the liability portion and amortised over the period of the convertible loan in the financial year ended 31 December 2019 using the effective interest method.

As at 26 December 2019, the Company repaid the convertible loan in full. Correspondingly, the Company recognised a derecognition loss on convertible loan of \$832,000 under administrative expenses (Note 7) and unwind of discount on convertible loan of \$107,000 under finance costs (Note 6) in the consolidated statement of profit or loss and other comprehensive income in the financial year ended 31 December 2019.

On 19 June 2020, the Company entered into a supplemental agreement with the third parties to vary certain terms of the convertible loan agreement to loan up to \$13,600,000 notwithstanding the first drawdown made which was fully settled during financial year ended 31 December 2019. The loan facilities under this supplemental agreement shall be valid until 18 June 2023. Each lender shall have the right to convert all or in parts the loans which have been disbursed by the lender but excluding accrued interest into fully paid new shares. The maximum number of conversion shares that may be issued to lenders is 75,555,554 shares. All payments by the Company in respect of a loan to the relevant lender including any interest shall be made in Singapore Dollars unless the lender exercises its conversion right in respect of the loan. The loan bears interest at rate of 5% per annum and will be payable by the Company in arrears to the lenders 3 years from the loan disbursement date. There is no drawdown of loan as at the date of this report.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

21 DEFERRED TAX LIABILITIES

The movements in the deferred tax account are as follows:

	Group	
	2020 \$'000	2019 \$'000
Balance at 1 January	91	-
Acquisition of subsidiaries (Note 14)	-	153
Tax credited to profit or loss (Note 9)	(33)	(62)
Balance at 31 December	<u>58</u>	<u>91</u>
Presented on the consolidated statement of financial position:		
<i>Non-current</i>		
Deferred tax liabilities	<u>58</u>	<u>91</u>

22 TRADE AND OTHER PAYABLES

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Trade payables				
- third parties	229	370	-	-
Other payables				
- third parties	966	932	64	207
- subsidiaries ⁽ⁱ⁾	-	-	132	647
- director ⁽ⁱ⁾	34	34	-	-
Deposit received				
- third parties	61	84	4	4
Accrued expenses	771	1,103	195	282
Deferred grants	160	-	-	-
GST payable	64	139	-	-
	<u>2,285</u>	<u>2,662</u>	<u>395</u>	<u>1,140</u>

(i) The amounts due to subsidiaries and director are non-trade, unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

23 SHARE CAPITAL

	2020		2019	
	No. of shares	\$'000	No. of shares	\$'000
As at 1 January	184,993,260	20,469	132,000,000	11,498
Issue of ordinary shares ⁽ⁱ⁾	-	-	26,675,555	4,802
Issue of ordinary shares pursuant to acquisition of subsidiaries ⁽ⁱⁱ⁾	-	-	14,000,000	3,360
Issue of ordinary shares pursuant to loan capitalisation ⁽ⁱⁱⁱ⁾	-	-	11,764,705	3,000
	-	-	52,440,260	11,162
Share issue expenses ⁽ⁱ⁾	-	-	-	(2,326)
Issue of performance share awards ^(iv)	-	-	553,000	135
As at 31 December	184,993,260	20,469	184,993,260	20,469

(i) Issue of ordinary shares

The Company issued 26,675,555 ordinary shares of \$0.18 per share for cash, on 7 January 2019 and 5 April 2019, to provide funds for the expansion of the Group's operations. The Company incurred a total expense of \$2,326,000 directly attributable to the share issuance which comprises warrants of \$2,218,000 [Note 25(ii)] and professional fees of \$108,000.

(ii) Issue of shares pursuant to acquisition of subsidiaries

The Company issued 14,000,000 ordinary shares of \$0.24 per share to the spouse of a major shareholder, on 1 April 2019, as equity consideration for the acquisition of Hao Kou Wei Group through its subsidiary, Hawkerway Pte. Ltd. [Note 14c(i)].

(iii) Issue of ordinary shares pursuant to loan capitalisation

The Company issued 11,764,705 ordinary shares of \$0.255 per share, on 26 June 2019, as a repayment for the amount due to a director of \$3,000,000 which arose from the restructuring exercise (Note 19).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

23 SHARE CAPITAL (CONTINUED)

(iv) Issue of performance share awards

The Company issued 328,000 performance share awards of \$0.255 per share on 4 March 2019 to former directors and a key executive of the Company as part of their remuneration under GS Holdings PSP and were vested immediately upon grant.

The Company issued 225,000 performance share awards of \$0.23 per share on 3 May 2019 to a director and a key executive of the Company as part of their remuneration under GS Holdings PSP and were vested immediately upon grant.

The newly issued shares rank pari passu in all respects with the previously issued shares.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

24 RESERVE

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Share options reserve ⁽¹⁾	1,244	49	1,244	49
Warrants reserve ⁽²⁾	3,882	3,882	3,882	3,882
Currency translation reserve ⁽³⁾	534	(50)	-	-
Merger reserve ⁽⁴⁾	(8,571)	(6,071)	-	-
Asset revaluation reserve ⁽⁵⁾	2,919	2,919	-	-
	8	729	5,126	3,931

(1) Share options reserve

The share options reserve arises due to the grant of share options to employees under the employee share option plan. Further information about share-based payments to employees is disclosed in Note 25.

(2) Warrants reserve

The warrants reserve represents the fair value assigned to the warrants of \$0.11 each [Note 25(ii)]. The fair value was determined using the Black-Scholes option pricing model.

(3) Currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollar are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component in equity under the header of currency translation reserve.

(4) Merger reserve

Merger reserve represents the difference between the amount of the share capital of the subsidiaries at the date on which it was acquired by the Group and the amount of the share capital issued as consideration for the acquisition. The merger reserve amounted to a debit balance of \$8,571,000 (2019: \$6,071,000) as at 31 December 2020.

(5) Asset revaluation reserve

Asset revaluation reserve represent the increase in the carrying amount of the leasehold property arising from revaluation that is recognised in other comprehensive income. The asset revaluation reserve amounted to a credit balance of \$2,919,000 (2019: \$2,919,000) as at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

25 SHARE-BASED PAYMENTS

(i) Equity-settled share option scheme

Share options were granted to certain employees and directors of the Company under the GS Holdings Employee Share Option Scheme ("GS Holdings ESOS") adopted on 17 December 2015.

The scheme is administered by the Remuneration Committee. Options are exercisable at a price based on the average of the last dealt prices for the shares of the Company on the Singapore Exchange Securities Trading Limited for the five consecutive trading days preceding the date of grant. The Remuneration Committee may at its discretion fix the exercise price at a discount not exceeding 20% to the above price. The vesting period is one year. Options are forfeited if the employees or directors leave the Group before the options vest.

Details of the share options outstanding during the financial year are as follows:

	Group and Company			
	2020	2019		
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the financial year ^(a)	3,300,000	0.418	-	-
Granted during the financial year ^(b)	2,000,000	0.735	3,300,000	0.418
Outstanding at the end of the financial year	5,300,000		3,300,000	
Exercisable at the end of the financial year	5,300,000		3,300,000	

The options outstanding at the end of the current financial year have a weighted average remaining contractual life of 1.75 years.

Details of the share options outstanding during the financial year are as follows:

- (a) The options were granted on 25 September 2019. The estimated fair value of the options granted to directors and key executive on that day was \$0.169 and \$0.167 respectively.
- (b) The options were granted on 6 January 2020. The estimated fair value of the options granted to directors and key executive on that day was \$0.3477.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

25 SHARE-BASED PAYMENTS (CONTINUED)

(i) Equity-settled share option scheme (Continued)

These fair values for share options granted were calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	<u>2020</u>	<u>2019</u>
Weighted average share price	\$0.730	\$0.415
Weighted average exercise price	\$0.735	\$0.418
Expected volatility	108.90%	75.32%
Expected life	2 years	1.75 years
Risk-free rate	1.70%	1.70%

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous three years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group and the Company recognised total expenses of \$1,195,000 (2019: \$49,000) related to equity-settled share option scheme during the financial year.

(ii) Warrants to purchase ordinary shares

During the financial year ended 31 December 2019, the Company issued warrants to purchase 35,000,000 shares of the Company's ordinary shares at an exercise price of \$0.18 per share as compensation for services provided by introducer for share placement and convertible loan. The warrants expire two years from its grant date.

The Group has engaged an independent professional valuer to determine the fair value of the warrants at grant date. The initial fair value of warrants was calculated using a Black-Scholes option-pricing model with the following assumptions: two years; 65.18% volatility; 0% dividend rate; and a risk-free rate of 1.91%. The initial fair value of the warrants was determined to be \$3,882,000 (equivalent to \$0.11 per warrant) of which \$1,664,000 was recorded as transaction costs that relate to the issue of the convertible loan as disclosed in Note 20 and \$2,218,000 was recorded as shares issue expense, net against the issue of ordinary shares in the financial year ended 31 December 2019. The corresponding increase was recorded under warrants reserve as disclose in Note 24.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

26 CONTINGENT LIABILITIES

Details and estimates of maximum amounts of contingent liabilities are as follows:

Guarantees

The Company has provided corporate guarantees to banks for bank borrowings of its subsidiaries and disposed subsidiary at the end of the reporting period:

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<u>Corporate guarantees issued</u>				
Subsidiaries	-	-	5,203	17,121
Disposed subsidiary	9,174	-	9,174	-
	<u>9,174</u>	<u>-</u>	<u>14,377</u>	<u>17,121</u>

Bank borrowings drawn down by its subsidiaries and disposed subsidiary at the end of the reporting period amounting to \$3,503,000 (2019: \$15,203,000) and \$5,600,000 respectively.

In addition, as disclosed in Note 15, the Group's investment properties were pledged as securities for bank borrowings drawn down by the disposed subsidiary as at the end of the reporting period. The financial guarantees issued pledged as securities for the disposed subsidiary's bank borrowings have been discharged subsequent to the financial year ended 31 December 2020. The discharge of investment properties pledged is still in progress as at the date of this report.

These corporate guarantees issued are subject to the impairment requirements of SFRS(I) 9. The directors do not expect credit loss exposure arising from these guarantees in view of the borrowings were secured by a first party legal charge over the property of the subsidiaries and the disposed subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

27 RELATED PARTIES TRANSACTIONS

- (a) In addition to the information disclosed elsewhere in the financial statements, the following related parties transactions took place between the Group and related parties, who are not members of the Group during the financial year on terms agreed by the parties concerned:

	Group	
	2020	2019
	\$'000	\$'000
With related parties		
Dishwashing and automated cleaning services rendered	-	628
Rental income	-	144
	<u> </u>	<u> </u>
With controlling shareholder of the Company		
Rental expense	290	252
	<u> </u>	<u> </u>
With directors of the Company		
Provision of consultancy services	115	58
	<u> </u>	<u> </u>

Other related parties comprise mainly companies which are controlled by close family member of the Group's controlling shareholder.

- (b) Key management personnel compensation

Total key management personnel compensation is analysed as follows:

	Group	
	2020	2019
	\$'000	\$'000
Directors' fees	225	163
Salaries and bonuses	749	529
Contribution to defined contribution plans	70	41
Share-based payments	1,195	65
	<u> </u>	<u> </u>
	2,239	798
	<u> </u>	<u> </u>

28 DIVIDEND

	Group and Company	
	2020	2019
	\$'000	\$'000
Ordinary dividend paid		
Interim tax exempt one-tier dividend of 1 cents per share paid in respect of half year ended 30 June 2020	1,850	-
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial instruments at their carrying amounts at reporting date are as follows:

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<i>Financial assets</i>				
At amortised cost	34,133	31,273	2,822	154
<i>Financial liabilities</i>				
At amortised cost	6,462	17,555	391	1,136

(b) Financial risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The policies for managing each of these risks are summarised below. The Board review and agree policies and procedures for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which the Group manages and measures financial risk.

Foreign currency risk

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than the respective functional currencies of entities in the Group. The foreign currency in which the Group's currency risk arises is Renminbi ("RMB"). The Group does not hedge against foreign exchange exposure as the currency risk is not expected to be significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Foreign currency risk (Continued)

At the end of the reporting period, the Group and the Company have the following financial assets and financial liabilities denominated in foreign currency based on information provided to key management:

<i>Denominated in:</i>	Group RMB \$'000	Company RMB \$'000
At 31 December 2020		
<i>Financial assets</i>		
Cash and cash equivalents	29	-
<i>Financial liabilities</i>		
Trade and other payables	<u>(2,640)</u>	-
Net financial liabilities denominated in foreign currencies	<u>(2,611)</u>	<u>-</u>
At 31 December 2019		
<i>Financial assets</i>		
Cash and cash equivalents	3,890	-
<i>Financial liabilities</i>		
Trade payables	<u>(71)</u>	<u>(71)</u>
Net financial assets/(liabilities) denominated in foreign currencies	<u>3,819</u>	<u>(71)</u>

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rates against the respective functional currencies of the Group's entities by 5%, with all other variables held constant, of the Group's profit after tax:

	Group Increase/(decrease) in profit after tax	
	2020	2019
	\$'000	\$'000
RMB/SGD		
- strengthened	108	(158)
- weakened	<u>(108)</u>	<u>158</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Foreign currency risk (Continued)

Company

A 5% fluctuation in the RMB exchange rate against SGD, with all other variables held constant, will not have a significant impact on the Company's profit for the current and previous financial years.

Interest rate risk

The Group's exposure to interest rate risk arises primarily from their loans and borrowings. Loans and borrowings at variable rates expose the Group to cash flow interest rate risk (i.e. the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates). Loans and borrowings at fixed rates expose the Group to fair value interest rate risk (i.e. the risk that the value of a financial instrument will fluctuate due to changes in market rates). The Group's policy is to obtain most favourable interest rate available whenever the Group obtains additional financing through bank loans and borrowings. The interest rates and terms of maturity and repayment of loans and borrowings of the Group are disclosed in Note 20 to the financial statements. The Group does not utilise derivatives to mitigate its interest rate risk.

As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

Sensitivity analysis for interest rate risk

The sensitivity analysis below have been determined based on the exposure to interest rates for loans and borrowings at the end of reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of loans and borrowings that have floating rates.

The Group's loans and borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in Singapore dollar ("SGD"). If the SGD interest rates increase/decrease by 50 (2019: 50) basis points with all other variables including tax rate being held constant, the profit/loss after tax of the Group will be lower/higher (2019: lower/higher) by \$11,000 (2019: \$26,000) respectively as a result of higher/lower interest expense on these loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient collateral where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Maximum exposure and concentration of credit risk

The Group has no significant concentration of credit risk except that the Group's trade receivables comprise 14 debtors (2019: 14 debtors) that represented 99% (2019: 99%) of the trade receivables.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statements of financial position and the amounts relating to corporate guarantees given by the Company to banks for subsidiaries' and the disposed subsidiary's bank loans and bank overdrafts are \$3,503,000 (2019: \$12,203,000) and \$5,600,000 respectively.

The credit risk for trade receivables based on the information provided by key management is as follows:

	Group		Company	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<u>By geographical areas</u>				
Singapore	73	30	17	23
Brunei	82	-	-	-
People's Republic of China	24,667	21,919	-	-
	<u>24,822</u>	<u>21,949</u>	<u>17</u>	<u>23</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Maximum exposure and concentration of credit risk (Continued)

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Debtors has a low risk of default and does not have any past due amount	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL – credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, based on historical experience, that is available without undue cost or effort.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Significant increase in credit risk (Continued)

In particular, the Group considers the historical and current payment patterns of the debtors when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if the financial asset has a low risk of default; if the debtor has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Definition of default

The Group considers a debtor is in default when information developed internally or obtained from external sources indicated that the debtor is unlikely to pay its creditors. Based on historical experience, it indicates that receivables that meet this criteria is generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Estimation techniques and significant assumptions (Continued)

Movements in credit loss allowance are as follows:

	Trade receivables \$'000	Other receivables \$'000	Total \$'000
Group			
Balance at 1 January 2019	106	-	106
Loss allowance measured:			
Lifetime ECL			
- Simplified approach	225	-	225
12 months ECL	-	85	85
	225	85	310
Reclassification to disposal group assets classified as held for sale	(311)	-	(311)
Receivables written off as uncollectable	-	(85)	(85)
Balance at 31 December 2019	20	-	20
Loss allowance measured:			
Lifetime ECL			
- Credit-impaired	5	500	505
Balance at 31 December 2020	20	500	525
Company			
Balance at 1 January 2019	2,213	117	2,330
Waiver of amount due from subsidiary	(1,970)	-	(1,970)
Loss allowance measured:			
Lifetime ECL			
- Simplified approach	37	-	37
12 months ECL	-	85	85
	37	85	122
Balance at 31 December 2019	280	202	482
Waiver of amount due from disposed group	(280)	(202)	(482)
Loss allowance measured:			
Lifetime ECL			
- Credit-impaired	-	500	500
Balance at 31 December 2020	-	500	500

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Trade and other receivables

The Group has applied the simplified approach by using a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions with consideration of the impact of COVID-19 pandemic on the ability of the customers to settle the receivables.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

Included in the Group's trade and other receivables is an outstanding receivable for the provision of management consulting services from BOP outlets in China as at 31 December 2020 amounting to \$27,500,000 (RMB135,868,000) [2019: \$23,485,000 (RMB120,000,000)].

As disclosed in Note 17, Kaifeng Jufeel and Mr Zhang Rongxuan have granted security interests in favour of Wish Shanghai to secure Kaifeng Jufeel's obligation to make payment of the outstanding service fee of RMB120,000,000 for and on behalf of Wish within 90 days from the period from 22 January 2021 to 22 April 2021 and Kaifeng Jufeel has pledged its properties as collateral ("FY2020 Securities").

Subsequent to the year end, the Group has received an amount of RMB100,000,000 to recover the partial outstanding service fee as at 31 December 2020. However, there is an existing encumbrance on the foregoing amount of RMB100,000,000. For details, please refer to the Company's announcement dated 13 June 2021 and 17 June 2021. As at 14 July 2021, the encumbrance has yet to be discharged. The Company will be monitoring closely the discharge of the relevant encumbrance over the foregoing amount of RMB100,000,000.

Based on simplified approach, an allowance for impairment of the Group and the Company amounting to \$5,000 and \$Nil (2019: \$225,000 and \$37,000) for specific debtors as a result of occurrence of credit impairment events and historical experience has indicated that these receivables are generally not recoverable. A receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor.

Other receivables from third party

The Group has applied the general approach for expected credit loss model to measure the loss allowance on the amount of \$1,100,000 due from third party for the outstanding consideration receivable from disposal of subsidiaries (Note 17). The Group has taken into account the historical default experience and concluded that there has been significant increase in the credit risk. The Group and the Company have recognised a loss allowance of \$500,000 (2019: \$Nil) for the year ended 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Other financial assets at amortised cost

Other financial assets at amortised costs include other receivables (excluding prepayments, grant receivables and GST receivables) and cash and cash equivalents and disposal group assets classified as held for sale.

The table below details the credit quality of the Group's and the Company's financial assets:

2020 Group	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Trade and other receivables arising from BOP arrangement	Lifetime ECL	27,500	-	27,500
Trade receivables - others	Lifetime ECL	181	(25)	156
Other receivables - third party	Lifetime ECL - significant increase in credit risk	1,100	(500)	600
Other receivables (excluding prepayments, grant receivables and GST receivables)	12-month ECL	273	-	273
Cash and cash equivalents	N.A. Exposure Limited	5,604	-	5,604
Company				
Trade receivables - subsidiaries	Lifetime ECL	17	-	17
Other receivables - third party	Lifetime ECL - significant increase in credit risk	1,100	(500)	600
Other receivables (excluding prepayments and GST receivables)	Lifetime ECL - significant increase in credit risk	2,054	-	2,054
Cash and cash equivalents	N.A. Exposure Limited	151	-	151

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Other financial assets at amortised cost (Continued)

The table below details the credit quality of the Group's and the Company's financial assets (Continued):

2019 Group	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Trade and other receivables arising from BOP arrangement	Lifetime ECL	23,485	-	23,485
Trade receivables - others	Lifetime ECL	1,636	(338)	1,298
Other receivables (excluding prepayments and GST receivables)	12-month ECL	451	-	451
Cash and cash equivalents	N.A. Exposure Limited	6,039	-	6,039
Company				
Trade receivables - subsidiaries	Lifetime ECL	303	(280)	23
Other receivables (excluding prepayments and GST receivables)	Lifetime ECL - significant increase in credit risk	278	(202)	76
Cash and cash equivalents	N.A. Exposure Limited	55	-	55

Included in the Group's financial assets as at 31 December 2019 is disposal group assets classified as held for sale.

The credit risk exposure for cash and cash equivalents are immaterial as at 31 December 2020 and 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Credit risk (Continued)

Financial guarantees

The Group and the Company have issued financial guarantees to banks for bank loans and bank overdrafts of its disposed subsidiary and subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Group and the Company have assessed that its disposed subsidiary and subsidiaries have the financial capacity to meet the contractual cash flow obligations. In addition, the bank loans and bank overdrafts are secured by the Group's investment properties, personal guarantee by a director and legal mortgages over certain personal properties of a director of the Group and disposed subsidiary. Hence, the Group and the Company do not expect significant credit losses arising from these guarantees.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company manages the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities (Note 20).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

29 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

Liquidity risk (Continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
Group				
2020				
Trade payables	229	-	-	229
Other payables	1,771	-	-	1,771
Loans and borrowings	555	2,191	113	2,859
Lease liabilities	718	1,285	6	2,009
Financial guarantee contracts*	5,600	-	-	5,600
	8,873	3,476	119	12,468
2019				
Trade payables	370	-	-	370
Other payables	2,020	-	-	2,020
Loans and borrowings	1,294	1,178	160	2,632
Lease liabilities	972	1,873	19	2,864
Liabilities directly associated with disposal group classified as held for sale	4,698	2,597	7,153	14,448
	9,354	5,648	7,332	22,334
Company				
2020				
Other payables	391	-	-	391
Financial guarantee contracts*	9,103	-	-	9,103
	9,494	-	-	9,494
2019				
Other payables	1,136	-	-	1,136
Financial guarantee contracts*	12,203	-	-	12,203
	13,339	-	-	13,339

* At the financial reporting date, the maximum exposure of the Company in respect of the intra-group financial guarantee (Note 26) based on facilities drawn down by the subsidiaries and former subsidiaries are \$3,503,000 (2019: \$12,203,000) and \$5,600,000 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

30 FAIR VALUES OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

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

There has been no transfer between Level 1, Level 2 and Level 3 during the financial years ended 31 December 2020 and 31 December 2019.

(b) Fair value measurements of assets and liabilities that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets and liabilities measured at fair value at the end of the reporting date:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
<u>Recurring fair value measurements</u>				
2020				
Non-financial asset:				
Investment properties (Note 15)	-	-	3,050	3,050
2019				
Non-financial asset:				
Investment properties (Note 15)	-	-	3,680	3,680
<u>Non-recurring fair value measurement - 2019</u>				
Disposal group classified as held for sales (Note 10)	-	-	1,917	1,917

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

30 FAIR VALUES OF ASSETS AND LIABILITIES (CONTINUED)

(b) Fair value measurements of assets and liabilities that are measured at fair value (Continued)

(i) Investment properties

Management is responsible for selecting and engaging valuation experts that possesses the relevant credentials and knowledge for the valuation of the investment properties. The professional valuer holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment properties being valued.

For valuation performed by the professional valuer, management reviews the appropriateness of the valuation methodologies and assumptions adopted. In determining the fair value of the investment properties, the valuation of the investment properties is based on comparable market transactions of similar properties and the estimated future income stream to be achieved from the properties.

(ii) Disposal Group classified as held for sales

The fair value disclosure of the Disposal Group classified as held for sale is measured based on valuation performed by an independent professional valuer. Valuation is primarily based on income approach by discount cashflow analysis from forecast provided by management covering five-years period. The pre-tax discount rate applied to the cash flow analysis are between 13.28% to 16.6% and the forecasted growth rate used to extrapolate cash flow analysis beyond the five-year period is 2%. Any reasonably possible changes in any of the key input would not result a material change to the fair value measurement.

The fair value measurement of the Disposal Group is categorised as Level 3 in the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

30 FAIR VALUES OF ASSETS AND LIABILITIES (CONTINUED)

(c) Movements in Level 3 assets and liabilities measured at fair value

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements:

	Investment properties	
	2020	2019
	\$'000	\$'000
Balance at beginning of financial year	3,680	4,100
Additions	5	-
Fair value loss recognised in profit or loss	(635)	(420)
Balance at end of financial year	3,050	3,680

(d) Determination of fair values

Loans and borrowings

The basis of determining fair value for disclosure at end of the financial period is disclosed in Note 20.

31 SEGMENT INFORMATION

The Group is organised into business units based on its services for management purposes. The reportable segments are food and beverages (F&B); branding, operations and procurement ("BOP") services; investment holdings under continuing operations and cleaning services under discontinued operations. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

31 SEGMENT INFORMATION (CONTINUED)

The segment information provided to management for the reportable segments are as follows:

	F&B \$'000	BOP Services \$'000	Investment Holdings \$'000	Eliminations \$'000	Continuing Operations \$'000	Discontinued Operations \$'000	Total \$'000
2020							
Segment revenue:							
Sales to external customers	6,210	7,373	-	-	13,583	1,086	14,669
Intersegment sales	-	-	-	-	-	-	-
Total revenue	<u>6,210</u>	<u>7,373</u>	<u>-</u>	<u>-</u>	<u>13,583</u>	<u>1,086</u>	<u>14,669</u>
Segment (loss)/profit	<u>(526)</u>	<u>6,546</u>	<u>(3,333)</u>	<u>-</u>	<u>2,687</u>	<u>216</u>	<u>2,903</u>
<i>Significant non-cash items:</i>							
Depreciation of property, plant and equipment	910	-	20	-	930	6	936
Net impairment losses on financial assets	5	-	500	-	505	-	505
Gain on disposal of property, plant and equipment	(1)	-	-	-	(1)	-	(1)
Amortisation of intangible assets	195	-	-	-	195	2	197
Fair value loss on investment properties	-	-	635	-	635	-	635
Share-based payment Share options expense	-	-	1,195	-	1,195	-	1,195
Segment assets	<u>8,044</u>	<u>31,786</u>	<u>4,094</u>	<u>-</u>	<u>43,924</u>	<u>-</u>	<u>43,924</u>
Segment assets includes additions to property, plant and equipment	176	-	5	-	181	-	181
Segment liabilities	<u>(5,066)</u>	<u>(6,365)</u>	<u>(732)</u>	<u>-</u>	<u>(12,163)</u>	<u>-</u>	<u>(12,163)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

31 SEGMENT INFORMATION (CONTINUED)

The segment information provided to management for the reportable segments are as follows (Continued):

	F&B	BOP	Investment		Continuing	Discontinued	Total
	\$'000	Services	Holdings	Eliminations	Operations	Operations	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(Restated)							
2019							
Segment revenue:							
Sales to external customers	6,242	29,430	-	-	35,672	8,507	44,179
Intersegment sales	25	-	547	(572)	-	-	-
Total revenue	<u>6,267</u>	<u>29,430</u>	<u>547</u>	<u>(572)</u>	<u>35,672</u>	<u>8,507</u>	<u>44,179</u>
Segment (loss)/profit	<u>(606)</u>	<u>28,703</u>	<u>(2,632)</u>	<u>-</u>	<u>25,465</u>	<u>(2,835)</u>	<u>22,630</u>
<i>Significant non-cash items:</i>							
Amortisation of government grants	-	-	-	-	-	148	148
Depreciation of property, plant and equipment	874	-	10	-	884	1,449	2,333
Net impairment losses on financial assets	13	-	-	-	13	297	310
Loss on disposal of property, plant and equipment	-	-	-	-	-	57	57
Amortisation of intangible assets	364	-	-	-	364	2	366
Impairment loss on non-current asset held for sale	-	-	-	-	-	719	719
Fair value loss on investment properties	-	-	420	-	420	-	420
Share-based payment							
- Share award expense	-	-	15	-	15	-	15
- Share options expense	-	-	49	-	49	-	49
Segment assets	<u>8,531</u>	<u>28,161</u>	<u>3,900</u>	<u>-</u>	<u>40,592</u>	<u>12,934</u>	<u>53,526</u>
Segment assets includes additions to property, plant and equipment	<u>510</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>607</u>	<u>403</u>	<u>1,010</u>
Segment liabilities	<u>(5,307)</u>	<u>(4,251)</u>	<u>(1,455)</u>	<u>-</u>	<u>(11,013)</u>	<u>(11,255)</u>	<u>(22,268)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

31 SEGMENT INFORMATION (CONTINUED)

Segment results

Performance of each segment is evaluated based on segment profit or loss which is measured differently from the net profit or loss before tax in the consolidated financial statements.

Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments.

Segment liabilities

The amounts provided to the management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<u>Continuing operations</u>				
Singapore	6,026	6,242	9,532	11,133
People's Republic of China	7,373	29,430	-	-
Brunei	184	-	-	-
	13,583	35,672	9,532	11,133
<u>Discontinued operations</u>				
Singapore	1,086	8,507	-	10,920
	14,669	44,179	9,532	22,053

There is no single external customer which amounted to 10% or more of the Group's revenue for the financial years ended 31 December 2020 and 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

32 LEASES

(a) The Group as a lessee:

Nature of the Group's leasing activities

- (i) The Group has entered into operating lease on its investment properties. The right-of-use asset is classified as investment properties in Note 15.
- (ii) The Group leases foodstalls from non-related parties. The leases have an average tenure of between 1 – 5 years.
- (iii) In addition, the Group leases foodstalls with contractual terms of 3 months. These leases are short-term. The Group has elected not to recognised right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liabilities is disclosed in Note 29(b).

Information about leases for which the Group is a lessee is presented below:

Carrying amount of right-of-use assets

	2020	2019
	\$'000	\$'000
<u>Classified within property, plant and equipment</u>		
– Continuing operations (Note 12)		
Foodstalls	1,561	2,299
Workspace	108	-
Additions to right-of-use assets	108	-
<u>Classified within property, plant and equipment</u>		
– Discontinued operations (Note 10)		
Leasehold property	-	1,300
Vehicles	-	194
Workspace	-	708

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

32 LEASES (CONTINUED)

(a) The Group as a lessee (Continued):

Amounts recognised in profit or loss

	2020 \$'000	2019 \$'000
<u>Depreciation charge for the financial year (Note 12)</u>		
<i>Continuing operations</i>		
Foodstalls	846	837
<i>Discontinued operations</i>		
Leasehold property	-	38
Vehicles	-	156
Workspace	-	434
<u>Lease expense not included in the measurement of lease liabilities</u>		
<i>Continuing operations</i>		
Lease expense – short term leases (Note 7)	415	96
Lease expense – low value assets leases (Note 7)	-	4
Rent concessions from lessors (Note 5)	(311)	-
	104	100
<i>Discontinued operations</i> [Note 10(iii)]		
Lease expense – short term leases	-	13
Variable lease payment which do not depend on index or rate	-	19
	-	32
Interest expense on lease liabilities		
- Continuing operations (Note 6)	145	146
- Discontinued operations	-	181
	145	327

Total cash flow for the Group's leases amounted to \$1,388,000 (2019: \$2,293,000).

As at 31 December 2020, the Group is committed to \$415,000 (2019: \$96,000) short-term leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

32 LEASES (CONTINUED)

(b) The Group as a lessor

Nature of the Group's leasing activities - Group as a lessor

The Group leased out its foodstalls to third parties for monthly lease payments. The lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from foodstalls and investment properties are disclosed in Notes 4 and 15 respectively.

Nature of the Group's leasing activities - Group as an intermediate lessor

Subleases - classified as operating leases

The Group leases motor vehicles under a head lease arrangement and subleases the vehicles to third parties as an intermediate lessor. The sub-lease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases.

Income from subleasing recognised during the financial year was \$Nil (2019: \$137,000).

Maturity analysis of lease payments - the Group as a lessor

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	2020	2019
	\$'000	\$'000
Less than one financial year	331	365
One to two financial years	167	53
	498	418

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

33 CAPITAL MANAGEMENT

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 shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The capital of the Group consists of share capital and retained earnings/accumulated losses and the Group's overall strategy remains unchanged from 2019.

The Group monitors capital based on gearing ratio of loans and borrowings to shareholders' funds which is defined as equity attributable to owners of the parent.

	Group	
	2020	2019
	\$'000	\$'000
Interest-bearing liabilities	2,677	2,252
Equity attributable to owners of the parent	27,077	26,491
Gearing ratio (times)	0.10	0.09

34 SUBSEQUENT EVENT

Allotment and issue of shares pursuant to exercise of warrants

On 29 June 2021, the Group announced that the issued share capital of the Company has increased from 184,993,260 ordinary shares to 188,993,260 ordinary shares by way of allotment and issuance of 4,000,000 new ordinary shares pursuant to the exercise of 4,000,000 warrants at the exercise price of S\$0.255 for each new ordinary share.

35 AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors dated 14 July 2021.

SHAREHOLDERS' STATISTICS

AS AT 21 JUNE 2021

CLASS OF SHARES

Ordinary Shares

NUMBER OF SHARES

184,993,260

NUMBER OF ORDINARY SHAREHOLDERS

The number of ordinary shareholders as at 21 June 2021 is 252.

VOTING RIGHTS

1 vote for each Ordinary Share held

NUMBER OF TREASURY SHARES

Nil

NUMBER OF SUBSIDIARY HOLDINGS

Nil

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information provided and to the best knowledge of the Directors, approximately 28.08% of the total number of issued shares (excluding treasury shares) in the capital of the Company are held in the hands of the public as at 21 June 2021. Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited has therefore been complied with.

DISTRIBUTION OF SHAREHOLDINGS AS AT 21 JUNE 2021

DISTRIBUTION OF SHAREHOLDERS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	1	0.40	50	0.00
100 – 1,000	31	12.30	25,600	0.01
1,001 – 10,000	67	26.59	401,900	0.22
10,001 – 1,000,000	136	53.97	18,892,150	10.21
1,000,001 AND ABOVE	17	6.74	165,673,560	89.56
TOTAL	252	100	184,993,260	100

SHAREHOLDERS' STATISTICS

AS AT 21 JUNE 2021

SUBSTANTIAL SHAREHOLDERS AS AT 21 JUNE 2021

Substantial Shareholder	Shareholdings registered in the name of the substantial shareholder	Shareholdings in which the substantial shareholder are deemed to be interested	Total	Percentage of Issued Shares
Pang Pok ⁽¹⁾	42,079,705	55,000,000	97,079,705	52.47
Ang Siew Kiock ⁽²⁾	5,000,000	92,079,705	97,079,705	52.47
Marvel Earn Limited ⁽³⁾	18,655,555	-	18,655,655	10.08
In Nany Sing Charlie ⁽³⁾	4,456,700	19,185,955	23,642,655	12.78
Raffles Financial Pte. Ltd. ⁽³⁾	-	18,655,555	18,655,555	10.08
Raffles Financial Group Limited ⁽³⁾	-	18,655,555	18,655,555	10.08
Liu Changsheng ⁽³⁾	-	18,655,555	18,655,555	10.08

Notes:

- (1) Mr. Pang Pok holds 42,079,705 Shares directly and is deemed interested in 50,000,000 Shares held through Bank of Singapore Limited and 5,000,000 Shares held by his wife, Ms. Ang Siew Kiock.
- (2) Ms Ang Siew Kiock is deemed to be interested in the 92,079,705 Shares held directly and indirectly by her spouse, Mr Pang.
- (3) Raffles Financial Pte. Ltd. is the sole shareholder of Marvel Earn Limited, holding the entire issued share capital of Marvel Earn Limited. Raffles Financial Group Limited is the sole shareholder of Raffles Financial Pte. Ltd. By virtue of Section 4 of the Securities and Futures Act (Cap. 289), each of Raffles Financial Pte. Ltd. and Raffles Financial Group Limited is deemed to be interested in 18,655,555 Shares held by Marvel Earn Limited. Mr. Liu Changsheng and Mr. In Nany Sing Charlie are shareholders of Raffles Financial Group Limited, each holding 31.9% of the shares in Raffles Financial Group Limited. Accordingly, by virtue of Section 4 of the Securities and Futures Act (Cap. 289), each of Mr. Liu Changsheng and Mr. In Nany Sing Charlie is deemed to be interested in 18,655,555 Shares held by Marvel Earn Limited, which Raffles Financial Pte. Ltd. and Raffles Financial Group Limited are deemed to be interested in. Mr. In Nany Sing Charlie is also deemed interested in 530,400 Shares held through Maybank Kim Eng Securities Pte. Ltd..

SHAREHOLDERS' STATISTICS

AS AT 21 JUNE 2021

TOP 20 SHAREHOLDERS AS AT 21 JUNE 2021

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	58,267,200	31.50
2	PANG POK	42,079,705	22.75
3	MARVEL EARN LIMITED	18,655,555	10.08
4	PANG JIE LONG	9,000,000	4.87
5	CHEW KEA KOON	5,905,600	3.19
6	ANG SIEW KIOCK	5,000,000	2.70
7	IN NANY SING CHARLIE	4,456,700	2.41
8	KEK YEW LENG @KEK BOON LEONG	3,786,300	2.05
9	PANG LIM	3,615,600	1.95
10	TAN POK MIN	3,600,000	1.95
11	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,002,000	1.08
12	LOW CHIN YEW	1,967,000	1.06
13	AU SWEE LING	1,544,300	0.83
14	MAYBANK KIM ENG SECURITIES PTE. LTD.	1,513,600	0.82
15	HSBC (SINGAPORE) NOMINEES PTE LTD	1,500,000	0.81
16	KOH KIM SENG	1,460,000	0.79
17	CHONG PAW LONG	1,320,000	0.71
18	CHEW KOK CHIANG (ZHOU GUOJIANG)	998,500	0.54
19	THE KONGZI CULTURE FUND LTD	791,000	0.43
20	CHONG KEU	772,700	0.42
	TOTAL	168,235,760	90.94

NOTICE OF ANNUAL GENERAL MEETING

GS HOLDINGS LIMITED

(the "Company")

(Incorporated in the Republic of Singapore)

Company Registration No. 201427862D

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be convened and held by way of live webcast on Thursday, 29 July 2021 at 2.00 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statements and the Audited Financial Statements for the financial year ended 31 December 2020 together with the Auditors' Report thereon. **Resolution 1**
2. To re-elect Mr Chong Eng Wee as Director who is retiring pursuant to Article 113 of the Company's Constitution. **Resolution 2**
[See Explanatory Note (i)]
3. To re-elect Mr Chan Chun Kit as Director who is retiring pursuant to Article 113 of the Company's Constitution. **Resolution 3**
[See Explanatory Note (ii)]
4. To approve the payment of directors' fees of S\$182,063 for the financial year ending 31 December 2021, to be paid quarterly in arrears (FY2020: S\$213,000). **Resolution 4**
5. To note that Messrs Baker Tilly TFW LLP will not be seeking for re-appointment as Auditors of the Company at this Annual General Meeting. **Resolution 5**
[See Explanatory Note (iii)]

AS SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION - AUTHORITY TO ALLOT AND ISSUE SHARES AND CONVERTIBLE SECURITIES** **Resolution 5**

"That pursuant to Section 161 of the Companies Act, Chapter 50 ("**Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Section B: Rules of Catalist ("**Catalist Rules**") and Constitution of the Company, authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements, or options (collectively, "**Instruments**") that might or would require Shares to be issued or other transferable rights to subscribe for or purchase shares, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable 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 the authority conferred by this Resolution may have ceased to be in force) issue:
 - (i) additional instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and
 - (ii) Shares in pursuance of any Instruments made or granted by the directors while this Resolution was in force or such additional Instruments in (b)(i) above,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below) or any such other limit as may be prescribed by the Catalist Rules as at the date of this Resolution is passed;
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:-
 - (a) new Shares arising from the conversion or exercise of convertible securities;

NOTICE OF ANNUAL GENERAL MEETING

- (b) new Shares arising from the exercising of share options or vesting of share awards outstanding and/or subsisting at the time this Resolution is passed; provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act, and otherwise, the Constitution for the time being of the Company; and
- (4) (unless previously revoked or varied by the Company in general meeting) such authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (iv)]

7. **ORDINARY RESOLUTION - AUTHORITY TO GRANT OPTIONS AND ISSUE SHARES UNDER THE GS HOLDINGS EMPLOYEE SHARE OPTION SCHEME** **Resolution 6**

"That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors of the Company to:

- (i) offer and grant options ("**Options**") from time to time in accordance with the provisions of the GS Holdings Employee Share Option Scheme ("**GS Holdings ESOS**"); and
- (ii) allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted under the GS Holdings ESOS,

provided always that aggregate number of Shares to be issued and issuable pursuant to the exercise of options under the GS Holdings ESOS, GS Holdings PSP and any other share based incentive schemes of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), on the day immediately preceding the date on which an offer to grant an Option is made and that the grant of Options can be made at any time and from time to time."

[See Explanatory Note (v)]

NOTICE OF ANNUAL GENERAL MEETING

8. ORDINARY RESOLUTION - AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE GS HOLDINGS PERFORMANCE SHARE PLAN Resolution 7

"That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

- (i) offer and grant awards ("**Awards**") from time to time in accordance with the provisions of the GS Holdings Performance Share Plan ("**GS Holdings PSP**"); and
- (ii) allot and issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of Awards granted under the GS Holdings PSP,

provided always that aggregate number of Shares to be issued and issuable pursuant to the GS Holdings ESOS, GS Holdings PSP and any other share based incentive schemes of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) on the day immediately preceding the date on which an Award is granted."

[See Explanatory Note (vi)]

9. ORDINARY RESOLUTION - RENEWAL OF SHARE BUYBACK MANDATE Resolution 8

"That: -

- (a) for the purposes of the Companies Act, and such other regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares of the Company not exceeding in aggregate the Maximum Percentage, at such price(s) as may be determined by the Directors from time to time up to the Maximum Price, whether by way of:

- (i) a Market Purchase; or
- (ii) an Off-Market Purchase,

on the terms set out in the Appendix and in accordance with all other laws and regulations as may for the time being be applicable (the "Share Buyback Mandate");

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of the Company is held or required by law or the constitution of the Company to be held;
 - (ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Shareholders in a general meeting; and
 - (iii) the date on which Share Buybacks are carried out to the fullest extent as authorised under the Share Buyback Mandate; and
- (d) the Directors of the Company and each of them be and is hereby authorised to do such acts and things (including without limitation, to execute all documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient to give effect to the adoption of the Share Buyback Mandate and/or authorised by this Ordinary Resolution.”
- [See Explanatory Note (vii)]

Any Other Business

- 10.** To transact any other business which may be properly be transacted at an Annual General Meeting.

On Behalf of the Board

Pang Pok
Chief Executive Officer and Executive Director

14 July 2021

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr Chong Eng Wee will, upon re-election as Director of the Company, remain as the Chairman of the Nominating Committee and a member of the Remuneration Committee and Audit and Risk Committee. The Board considers Mr Chong Eng Wee to be independent pursuant to Rule 704(7) of the Catalist Rules. Detailed information on Mr Chong Eng Wee is found under the "Board of Directors" section in the Company's Annual Report.
- (ii) Mr Chan Chun Kit will, upon re-election as Director of the Company, remain as the Chairman of Remuneration Committee and a member of Nominating Committee and Audit and Risk Committee. The Board considers Mr Chan Chun Kit to be independent pursuant to Rule 704(7) of the Catalist Rules. Detailed information on Mr Chan Chun Kit is found under the "Board of Directors" section in the Company's Annual Report.
- (iii) The auditors of the Company, Messrs Baker Tilly TFW LLP, have expressed their intention not to seek for re-appointment at this Annual General Meeting. The Board of the Company, in consultation with the Audit and Risk Committee, will be taking necessary steps to appoint another firm of auditors to act as the independent auditors of the Company, in place of Messrs Baker Tilly TFW LLP. The Company will also seek shareholders' approval for the appointment of the incoming independent auditors of the Company at an Extraordinary General Meeting ("**EGM**") of the Company to be held in due course, in accordance with the relevant Catalist Rules and provisions of the Companies Act (Chapter 50) of Singapore. The Company will make necessary announcements as and when there are any material updates in respect of the foregoing. Messrs Baker Tilly TFW LLP shall stay on as the interim auditors of the Company until the appointment of the incoming independent auditors at the next EGM.
- (iv) Resolution 5, if passed, will empower the Directors from the date of this annual general meeting until the date of the next annual general meeting or the date by which the next general meeting 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 the earlier, to allot and issue shares, make of grant instruments convertible into shares and to issue shares pursuant to such instruments. The aggregate number of share (including shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company, of which the total number of shares issued other than on a pro-rata basis to existing shareholders of the Company, shall not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company.
- (v) Resolution 6, if passed, will empower the Directors of the Company, to offer and grant options under the GS Holdings ESOS and to allot and issue shares pursuant to the exercise of such options under the GS Holdings ESOS not exceeding fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.
- (vi) Resolution 7, if passed, will empower the Directors of the Company, to allot and issue Shares pursuant to the vesting of Awards under the GS Holdings PSP not exceeding fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company from time to time.
- (vii) Resolution 8, if passed, will empower the Directors of the Company, to purchase or otherwise acquire its issued Shares, on the terms of the Share Buyback Mandate. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. Please refer to the appendix to this notice ("**Appendix**") dated 14 July 2021 for further details.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT:

HOLDING OF THE ANNUAL GENERAL MEETING THROUGH ELECTRONIC MEANS

1. Participation in the AGM via live webcast

In view of the ongoing COVID-19 situation, the AGM is being convened, and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Company will not accept any physical attendance by shareholders.

The following steps are taken to allow shareholders to participate in the AGM:

- (a) the Company will provide for the AGM to be shown by live webcast ("**Live Webcast**"), by way of (i) audio and video feed, or (ii) audio feed only, as shareholders may elect at their discretion;
- (b) shareholders who wish to participate in the AGM via Live Webcast must register their details on the Company's pre-registration website at <https://globalmeeting.bigbangdesign.co/gsholdings/> by 2.00 p.m. on Tuesday, 27 July 2021 ("**Registration Deadline**") for the Company to verify their status as shareholders;
- (c) corporate shareholders must also submit a copy of the Corporate Representative Certificate to the Company at info@gsholdings.com.sg, in addition to the registration procedures as set out in paragraph (b) above, by the Registration Deadline, for verification purpose;
- (d) verified shareholders will receive an email by 2.00 p.m. on 28 July 2021 containing instructions to access the Live Webcast. Shareholders must not forward the link or their log-in details to third persons who are not shareholders and who are not entitled to attend the AGM proceedings;
- (e) shareholders who do not receive an email by 2.00 p.m. on 28 July 2021 but have registered by the Registration Deadline should email to: info@gsholdings.com.sg for assistance, with the following details included: (i) shareholder's full name; (ii) NRIC/FIN/Passport no. (if the shareholder is an individual) or the Company Registration No. (if the shareholder is a corporation); and (iii) manner in which the shares are held (e.g. via Central Depository/scrip/Supplementary Retirement Scheme ("**SRS**")), for verification purposes;
- (f) shareholders, whose shares are not held under SRS and are registered under Depository Agents ("**DAs**"), must also contact their respective DAs to indicate their interest in order for their DAs to make the necessary arrangements for them to participate in the Live Webcast.

2. Submission of Questions prior to the AGM

Shareholders who have any questions in relation to any agenda item of this notice, shall send their queries to the Company in advance, by Saturday, 24 July 2021, via email to info@gsholdings.com.sg or pre-registration website. Shareholders will not be able to speak and/or raise questions during the Live Webcast, and therefore it is important for shareholders who wish to ask questions to submit such questions in advance of the AGM. The Company will endeavour to respond to substantial and relevant queries from shareholders prior to the AGM and/or at the AGM.

3. Submission of Proxy Forms to Vote

A shareholder will not be able to vote through the Live Webcast and voting is only through submission of proxy form. If a shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

A member of the Company (including a Relevant Intermediary (as defined below)) entitled to vote at the AGM must appoint Chairman of the AGM to act as proxy and direct the vote at the AGM in his/her stead. The Chairman of the AGM, as proxy, need not be a member of the Company.

The accompanying proxy form for the AGM may be accessed from the SGX website at www.sgx.com.

NOTICE OF ANNUAL GENERAL MEETING

The instrument appointing Chairman of the AGM as proxy, duly executed, must be submitted in hard copy form or electronically via email:

- (a) If submitted by post, to be deposited at the registered office of the Company at 680 Upper Thomson Road #02-01 Singapore 787103; or
- (b) If submitted electronically, be submitted via email to the Company, at info@gsholdings.com.sg.

not less than forty-eight (48) hours before the time appointed for the holding of the AGM.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. Where an instrument appointing Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

Members who hold shares under the Supplementary Retirement Scheme ("SRS Investors"), who wish to appoint the Chairman of the AGM as their proxy, should approach their SRS Operators to submit their votes at least seven (7) working days before the AGM.

A "Relevant Intermediary" is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

FY2020 ANNUAL REPORT

The FY2020 Annual Report of the Company has been uploaded on the SGX website on 14 July 2021 at the URL: <https://www.sgx.com/>.

APPENDIX DATED 14 July 2021

The Appendix has been uploaded on the SGX website on 14 July 2021 at the URL: <https://www.sgx.com/>.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines

GS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No. 201427862D

ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT

1. The Annual General Meeting ("AGM" or "Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the Notice of AGM dated 14 July 2021 which has been uploaded on SGXNet and the Company's website on the same day.
3. A shareholder will not be able to attend the AGM in person. If a shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
4. For Supplementary Retirement Scheme investors ("SRS Investors"), who wish to appoint the Chairman of the AGM as their proxy, they should approach their SRS Operators to submit their votes at least seven (7) working days before the AGM.
5. By submitting an instrument appointing the Chairman of the Meeting as proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 July 2021.
6. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a shareholder's proxy to vote on his/her/ its behalf at the AGM.

I/We* _____ (Name) _____ (NRIC/Passport No./Company Registration No.) of _____ (Address) being a member/member(s) of **GS HOLDINGS LIMITED** (the "**Company**") hereby appoint the **Chairman of the Annual General Meeting** as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the AGM of the Company to be held through live-webcast on Thursday, 29 July 2021 at 2.00 p.m.

I/We* direct the Chairman of the Meeting to vote for, against or to abstain from voting the Ordinary Resolutions proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

Please indicate your vote "For", "Against" or "Abstain" with an "X" within the boxes provided below. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

No.	Resolutions Relating To:	For	Against	Abstain
1.	Adoption of the Directors' Statements and the Audited Financial Statements for the financial year ended 31 December 2020 together with the Auditors' Report thereon			
2.	Re-election of Mr Chong Eng Wee as a Director of the Company			
3.	Re-election of Mr Chan Chun Kit as a Director of the Company			
4.	Approval of directors' fees of S\$182,063 for the financial year ending 31 December 2021, payable in arrears			
5.	Authority to issue new shares or convertible securities pursuant to Section 161 of the Companies Act, Chapter 50			
6.	Authority to grant options and issue shares pursuant to the GS Holdings Employees' Share Option Scheme			
7.	Authority to issue shares pursuant to the GS Holdings Performance Share Plan			
8.	Renewal of Share Buyback Mandate			

* Delete whichever not applicable.

Dated this _____ day of _____ 2021

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s) or
Common Seal of Corporate Member

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 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the Meeting as proxy shall be deemed to relate to all the Shares held by you.
2. A shareholder will not be able to vote through the live webcast stream and voting is only through submission of proxy form. If a shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a shareholder (whether individual or corporate) should give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
3. A member of the Company (including a Relevant Intermediary (as defined below)) entitled to vote at the Meeting must appoint Chairman of the Meeting to act as proxy and direct the vote at the Meeting in his/her stead. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing Chairman of the Meeting as proxy, duly executed, must be submitted in hard copy form or electronically via email:
 - (a) If submitted by post, to be deposited at the registered office of the Company at 680 Upper Thomson Road #02-01 Singapore 787103; or
 - (b) If submitted electronically, be submitted via email to the Company, at info@gsholdings.com.sg.

not less than forty-eight (48) hours before the time appointed for the holding of the AGM.

A shareholder who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, shareholders are strongly encouraged to submit completed Proxy Forms electronically via email.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. Where an instrument appointing Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a member 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 its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
7. For SRS Investors who wish to appoint the Chairman of the AGM as their proxy, they should approach their SRS Operators to submit their votes at least seven (7) working days before the AGM.

A "Relevant Intermediary" is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

GENERAL

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy 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 the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the Meeting as proxy). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if the shareholder being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.



GS HOLDINGS LIMITED

(Incorporated in Singapore on 19 September 2014)
(Company Registration Number: 201427862D)
680 Upper Thomson Road, #02-01, Singapore 787103
www.gsholdings.com.sg