



**GS HOLDINGS LIMITED**

(Incorporated in Singapore on 19 September 2014)

(Company Registration Number: 201427862D)

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**Unaudited Condensed Interim Financial Statements  
For the Three Months Ended 31 March 2023**

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The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.

This announcement has been prepared by GS Holdings Limited (the “**Company**”) and its contents have been reviewed by Evolve Capital Advisory Private Limited (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

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

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# **A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**For the three months ended 31 March 2023**

	<b>Note</b>	<b>Group 3-month Period Ended 31 Mar 2023 S\$'000</b>	<b>Group 3-month Period Ended 31 Mar 2022 S\$'000</b>	<b>Increase/ (Decrease) %</b>
Revenue	4	1,860	1,614	15
Cost of sales		(1,441)	(1,551)	(7)
<b>Gross profit</b>		419	63	N.M.
Other income		124	132	(6)
Administrative expenses		(722)	(942)	(23)
Finance (costs)/credit		(37)	208	N.M.
<b>Loss before tax</b>	5	(216)	(539)	(60)
Income tax credit	7	1	6	(83)
<b>Loss for the period</b>		(215)	(533)	(60)
<b>Loss attributable to:</b>				
Equity holders of the Company		(205)	(508)	(60)
Non-controlling interests		(10)	(25)	(60)
<b>Loss for the period</b>		(215)	(533)	(60)
<b>Loss for the period</b>		(215)	(533)	(60)
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		(22)	68	N.M.
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		4	16	(75)
<b>Total comprehensive loss for the period</b>		(233)	(449)	(48)
<b>Total comprehensive loss attributable to:</b>				
Equity holders of the Company		(227)	(440)	(48)
Non-controlling interests		(6)	(9)	(33)
<b>Total comprehensive loss for the period</b>		(233)	(449)	(48)
<b>Loss per share (cents)</b>				
- Basic	8	(0.11)	(0.27)	
- Diluted	8	(0.11)	(0.27)	

N.M – Not Meaningful

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

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group As at 31 Mar 2023 S\$'000	Group As at 31 Dec 2022 S\$'000	Company As at 31 Mar 2023 S\$'000	Company As at 31 Dec 2022 S\$'000
	Note				
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	1,746	1,315	4	5
Investment property	11	840	960	-	-
Investments in subsidiaries	12	-	-	4,494	4,494
Intangible assets	13	4,675	4,691	-	-
		<u>7,261</u>	<u>6,966</u>	<u>4,498</u>	<u>4,499</u>
<b>Current assets</b>					
Inventories		62	64	-	-
Trade and other receivables	14	19,940	19,833	2,121	2,128
Cash and bank balances	15	4,664	5,016	62	163
		<u>24,666</u>	<u>24,913</u>	<u>2,183</u>	<u>2,291</u>
<b>Total assets</b>		<u>31,927</u>	<u>31,879</u>	<u>6,681</u>	<u>6,790</u>
<b>EQUITY</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	19	21,488	21,488	21,488	21,488
Reserves	20	(5,520)	(5,498)	-	-
Retained earnings/(accumulated losses)		<u>719</u>	<u>924</u>	<u>(16,768)</u>	<u>(16,533)</u>
<b>Equity attributable to equity holders of the Company</b>		<u>16,687</u>	<u>16,914</u>	<u>4,720</u>	<u>4,955</u>
<b>Non-controlling interests</b>		<u>2,947</u>	<u>2,953</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>19,634</u>	<u>19,867</u>	<u>4,720</u>	<u>4,955</u>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	17	1,635	1,738	-	-
Deferred tax liabilities		<u>44</u>	<u>45</u>	<u>-</u>	<u>-</u>
		<u>1,679</u>	<u>1,783</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables	18	3,967	3,508	1,961	1,835
Loans and borrowings	17	1,528	1,594	-	-
Tax payables		<u>5,119</u>	<u>5,127</u>	<u>-</u>	<u>-</u>
		<u>10,614</u>	<u>10,229</u>	<u>1,961</u>	<u>1,835</u>
<b>Total liabilities</b>		<u>12,293</u>	<u>12,012</u>	<u>1,961</u>	<u>1,835</u>
<b>Total equity and liabilities</b>		<u>31,927</u>	<u>31,879</u>	<u>6,681</u>	<u>6,790</u>

### Note:

The condensed interim statements of financial position of the Company and the Group for the year ended 31 December 2022 have not been audited. The audit on the financial statements of the Company and the Group for the year ended 31 December 2022 is still in progress as at the date of this announcement.

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

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the financial period ended 31 March 2023**

<b>Group</b>	<b>← Attributable to equity holders of the Company →</b>								<b>Total Equity SS'000</b>
	<b>Share Capital SS'000</b>	<b>Share Options Reserves SS'000</b>	<b>Currency Translation Reserve SS'000</b>	<b>Merger Reserve SS'000</b>	<b>Asset Revaluation Reserve SS'000</b>	<b>Retained Earnings SS'000</b>	<b>Total Equity Attributable to Owners of the Company SS'000</b>	<b>Non- Controlling Interests SS'000</b>	
<b>At 1 January 2023</b>	<b>21,488</b>	<b>-</b>	<b>194</b>	<b>(8,611)</b>	<b>2,919</b>	<b>924</b>	<b>16,914</b>	<b>2,953</b>	<b>19,867</b>
Loss for the financial period	-	-	-	-	-	(205)	(205)	(10)	(215)
Currency translation differences arising from consolidation	-	-	(22)	-	-	-	(22)	4	(18)
Total comprehensive loss for the period	-	-	(22)	-	-	(205)	(227)	(6)	(233)
<b>At 31 March 2023</b>	<b>21,488</b>	<b>-</b>	<b>172</b>	<b>(8,611)</b>	<b>2,919</b>	<b>719</b>	<b>16,687</b>	<b>2,947</b>	<b>19,634</b>
<b>At 1 January 2022</b>	<b>21,488</b>	<b>687</b>	<b>1,324</b>	<b>(8,611)</b>	<b>2,919</b>	<b>2,220</b>	<b>20,027</b>	<b>3,370</b>	<b>23,397</b>
Loss for the financial period	-	-	-	-	-	(508)	(508)	(25)	(533)
Currency translation differences arising from consolidation	-	-	68	-	-	-	68	16	84
Total comprehensive income/(loss) for the period	-	-	68	-	-	(508)	(440)	(9)	(449)
<b>At 31 March 2022</b>	<b>21,488</b>	<b>687</b>	<b>1,392</b>	<b>(8,611)</b>	<b>2,919</b>	<b>1,712</b>	<b>19,587</b>	<b>3,361</b>	<b>22,948</b>

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

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the financial period ended 31 March 2023**

<b><u>Company</u></b>	<b>Share Capital S\$'000</b>	<b>Warrant Reserve S\$'000</b>	<b>Share Options Reserve S\$'000</b>	<b>Accumulated Losses S\$'000</b>	<b>Total S\$'000</b>
<b>At 1 January 2023</b>	<b>21,488</b>	<b>-</b>	<b>-</b>	<b>(16,533)</b>	<b>4,955</b>
Loss and total comprehensive loss for the financial period	-	-	-	(235)	(235)
<b>At 31 March 2023</b>	<b>21,488</b>	<b>-</b>	<b>-</b>	<b>(16,768)</b>	<b>4,720</b>
<b>At 1 January 2022</b>	<b>21,488</b>	<b>-</b>	<b>687</b>	<b>(11,304)</b>	<b>10,871</b>
Loss and total comprehensive loss for the financial period	-	-	-	(392)	(392)
<b>At 31 March 2022</b>	<b>21,488</b>	<b>-</b>	<b>687</b>	<b>(11,696)</b>	<b>10,479</b>

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

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial period ended 31 March 2023**

	<b>Group 3-month Period Ended 31 Mar 2023 S\$'000</b>	<b>Group 3-month Period Ended 31 Mar 2022 S\$'000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(216)	(539)
Amortisation of intangible assets	4	4
Depreciation charge on property, plant and equipment	178	373
Interest expenses/(credit)	37	(208)
Unrealised foreign exchange gain	(65)	(10)
Fair value loss on an investment property	120	143
Operating cash flow before working capital changes	58	(237)
Changes in working capital:		
Inventories	2	-
Receivables	(107)	(69)
Payables	161	248
Currency translation adjustments	(224)	201
<b>Net cash (used in)/ generated from operating activities</b>	<b>(110)</b>	<b>143</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(35)	(7)
<b>Net cash used in investing activities</b>	<b>(35)</b>	<b>(7)</b>
<b>Cash flow from financing activities</b>		
Repayment of lease liabilities	(282)	(341)
Repayment of bank loans	(180)	(271)
Loans from a controlling shareholder	298	-
Interest paid	(37)	(38)
<b>Net cash used in financing activities</b>	<b>(201)</b>	<b>(650)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(346)</b>	<b>(514)</b>
Cash and cash equivalents at beginning of the period	5,016	6,036
Effects of foreign currency translation changes on cash and cash equivalents	(6)	2
<b>Cash and cash equivalents at end of the period</b>	<b>4,664</b>	<b>5,524</b>

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

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **For the financial period ended 31 March 2023**

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

#### **1. Corporate information**

GS Holdings Limited (the “**Company**”) (Company Registration Number 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 Group are:

- (a) Operation of food and beverages (“**F&B**”) business; and
- (b) Provision of branding, operations and procurement (“**BOP**”) services.

#### **2. Basis of preparation**

The condensed interim financial statements for the financial period ended 31 March 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars (“**SGD**” or “**S\$**”), which is the Company’s functional currency, and all values are rounded to the nearest thousand (“**S\$’000**”) except when otherwise indicated.

##### **2.1 New and amended standards adopted by the Group**

The Group has adopted all the new and revised SFRS(I)s and Singapore Financial Reporting Standards (International) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial performance or position of the Group and the Company.



## **2. Basis of preparation (Continued)**

### **2.1 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there were no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10: Impairment of property, plant and equipment
- Note 11: Valuation of investment properties
- Note 12: Impairment of investments in subsidiaries
- Note 13: Impairment of intangible assets
- Note 14: Expected credit loss on trade and other receivables

## **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

#### 4. Segment and revenue information

The Group is organised into business units based on its services for management purposes. The reportable segments are F&B, BOP services and investment holdings. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

##### *(a) Reportable segment*

	<b>F&amp;B S\$'000</b>	<b>BOP Services S\$'000</b>	<b>Investment Holdings S\$'000</b>	<b>Eliminations S\$'000</b>	<b>Total S\$'000</b>
<b><u>1 January – 31 March 2023</u></b>					
<b><i>Segment revenue:</i></b>					
Sales to external customers	1,860	-	-	-	1,860
Inter-segment sales	22	-	-	(22)	-
Total revenue	1,882	-	-	(22)	1,860
<b>Segment (loss)/profit</b>	<b>177</b>	<b>(42)</b>	<b>(318)</b>	<b>(33)</b>	<b>(216)</b>
<b><i>Significant non-cash items:</i></b>					
Depreciation of property, plant and equipment	177	-	1	-	178
Amortisation of intangible assets	4	-	-	-	4
Fair value loss on investment property	-	-	120	-	120
<b>Segment assets</b>	<b>7,834</b>	<b>23,098</b>	<b>995</b>	<b>-</b>	<b>31,927</b>
<b>Segment assets includes:</b>					
Additions to property, plant and equipment	35	-	-	-	35
<b>Segment liabilities</b>	<b>(4,739)</b>	<b>(6,229)</b>	<b>(1,325)</b>	<b>-</b>	<b>(12,293)</b>

#### 4. Segment and revenue information (Continued)

##### (a) Reportable segment (Continued)

	<b>F&amp;B S\$'000</b>	<b>BOP Services S\$'000</b>	<b>Investment Holdings S\$'000</b>	<b>Eliminations S\$'000</b>	<b>Total S\$'000</b>
<b>1 January – 31 March 2022</b>					
<b>Segment revenue:</b>					
Sales to external customers	1,614	-	-	-	1,614
Inter-segment sales	7	-	-	(7)	-
Total revenue	1,621	-	-	(7)	1,614
<b>Segment (loss)/profit</b>	<b>(244)</b>	<b>(4)</b>	<b>(420)</b>	<b>129</b>	<b>(539)</b>
<b>Significant non-cash items:</b>					
Depreciation of property, plant and equipment	364	-	9	-	373
Amortisation of intangible assets	4	-	-	-	4
Fair value loss on investment properties	-	-	143	-	143
<b>Segment assets</b>	<b>7,828</b>	<b>25,565</b>	<b>2,422</b>	<b>-</b>	<b>35,815</b>
<b>Segment assets includes:</b>					
Additions to property, plant and equipment	7	-	-	-	7
<b>Segment liabilities</b>	<b>(5,218)</b>	<b>(6,782)</b>	<b>(867)</b>	<b>-</b>	<b>(12,867)</b>

#### 4. Segment and revenue information (Continued)

##### (b) Disaggregation of revenue

	<b>Franchise fee and royalty income S\$'000</b>	<b>Sale of food and beverage S\$'000</b>	<b>Rental income from food stalls S\$'000</b>	<b>Service income S\$'000</b>	<b>Total S\$'000</b>
<u>1 January – 31 March 2023</u>					
<b>Primary geographical markets</b>					
Singapore	-	1,631	140	82	1,853
Brunei	7	-	-	-	7
	<b>7</b>	<b>1,631</b>	<b>140</b>	<b>82</b>	<b>1,860</b>
<b>Timing of revenue recognition</b>					
At a point in time	7	1,631	-	-	1,638
Over time	-	-	140	82	222
	<b>7</b>	<b>1,631</b>	<b>140</b>	<b>82</b>	<b>1,860</b>
<u>1 January – 31 March 2022</u>					
<b>Primary geographical markets</b>					
Singapore	-	1,343	136	130	1,609
Brunei	5	-	-	-	5
	<b>5</b>	<b>1,343</b>	<b>136</b>	<b>130</b>	<b>1,614</b>
<b>Timing of revenue recognition</b>					
At a point in time	5	1,343	-	-	1,348
Over time	-	-	136	130	266
	<b>5</b>	<b>1,343</b>	<b>136</b>	<b>130</b>	<b>1,614</b>

## 5. Loss before tax

	<b>Group 3-month Period Ended 31 Mar 2023 S\$'000</b>	<b>Group 3-month Period Ended 31 Mar 2022 S\$'000</b>	<b>Increase/ (Decrease) %</b>
Loss before tax is stated after charging/(crediting):			
Amortisation of intangible assets	4	4	-
Depreciation of property, plant and equipment	178	373	(52)
Fair value loss on investment properties	120	143	(16)
Personnel expenses	848	764	11
Rental expenses	28	17	65
Finance costs/(credit)	37	(208)	N.M
Government grants and incentives	(75)	(57)	32

N.M – Not Meaningful

## 6. Related parties transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	<b>Group 3-month Period Ended 31 Mar 2023 S\$'000</b>	<b>Group 3-month Period Ended 31 Mar 2022 S\$'000</b>
<b>With related parties</b>		
Rental and foodstall related expense	78	67
<b>With controlling shareholder of the Company</b>		
Rental expense	99	99
Loans received during the period	298	-
<b>With director of the Company/Group</b>		
Provision of corporate secretarial and legal services	8	1

## 7. Income tax (credit)/expense

The Group calculates the income tax (credit)/expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax (credit)/expense for the financial period ended 31 March 2023 and 2022 are:

	<b>Group 3-month Period Ended 31 Mar 2023 S\$'000</b>	<b>Group 3-month Period Ended 31 Mar 2022 S\$'000</b>
<i>Statement of comprehensive income:</i>		
Current income tax		
- current income taxation	-	-
- Overprovision in respect of previous years	-	(5)
	-	(5)
Deferred income tax		
- origination and reversal of temporary difference	(1)	(1)
Income tax credit recognised in statement of comprehensive income	(1)	(6)

## 8. Loss per share

	<b>Group 3-month Period Ended 31 Mar 2023</b>	<b>Group 3-month Period Ended 31 Mar 2022</b>
Loss for the period attributable to equity holders of the Company (S\$'000)	(205)	(508)
Weighted average number of ordinary shares	188,993,260	188,993,260
Basic loss per share (cents)	(0.11)	(0.27)
Diluted loss per share (cents)	(0.11)	(0.27)

Basic loss per share is calculated by dividing the net loss for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue of 188,993,260 (31 March 2022: 188,993,260) during the financial period.

The diluted loss per share is the same as the basic loss per share for the 3-month period ended 31 March 2023 as the Company does not have any outstanding convertible securities.

## 9. Net assets value

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2023</b>	<b>31 Dec 2022</b>	<b>31 Mar 2023</b>	<b>31 Dec 2022</b>
Net assets value per ordinary share (cents)	<u>8.83</u>	<u>8.95</u>	<u>2.50</u>	<u>2.62</u>

Net asset value per ordinary share is calculated based on 188,993,260 ordinary shares (excluding treasury shares) outstanding as at 31 March 2023 and 31 December 2022.

## 10. Property, plant and equipment

During the financial period ended 31 March 2023, the Group and Company acquired assets amounting to S\$35,000 (31 March 2022: S\$7,000) and S\$ NIL (31 March 2022: S\$ NIL) respectively in cash. As at 31 March 2023, the cost of property, plant and equipment acquired by the Group under lease arrangement amounts to S\$293,000 (31 March 2022: S\$ NIL).

## 11. Investment property

	<b>Group</b>	
	<b>31 Mar 2023</b>	<b>31 Dec 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January	960	2,170
Fair value loss recognised in the statement of profit or loss	(120)	(760)
Disposal of an investment property	-	(450)
At 31 March / 31 December	<u>840</u>	<u>960</u>

The fair value of the investment property as at 31 December 2022 was determined based on the latest valuation performed by an independent valuer in January 2023. The fair value loss of S\$120,000 for the current period was estimated by the management, taking into account the remaining lease term of the investment property. The management will engage an independent valuer by year end to perform an annual valuation on the investment property in order to determine its fair value at year end. 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 property, the valuation of the investment property is based on the estimated future income stream to be achieved from the properties.

The following amounts are recognised in the statement of profit or loss:

	<b>Group</b>	
	<b>3 months ended</b>	
	<b>31 Mar 2023</b>	<b>31 Mar 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Rental income	-	8
Direct operating expenses arising from investment properties that generated rental income	<u>15</u>	<u>16</u>

## 12. Investments in subsidiaries

	Company	
	31 Mar 2023 S\$'000	31 Dec 2022 S\$'000
<b>Unquoted equity shares, at cost</b>		
At 1 January	9,112	9,112
Incorporation of a subsidiary during the financial period/year	-	10
At 31 March/ 31 December	9,122	9,122
<b>Impairment allowances:</b>		
At 1 January	(4,628)	-
Allowance made during the financial period/year	-	(4,628)
At 31 March/ 31 December	(4,628)	(4,628)
<b>Net carrying amount</b>	4,494	4,494

## 13. Intangible assets

	Group	
	31 Mar 2023 S\$'000	31 Dec 2022 S\$'000
Goodwill arising on business combination	4,373	4,373
Other intangible assets	302	318
	4,675	4,691

## 14. Trade and other receivables

	Group		Company	
	31 Mar 2023 S\$'000	31 Dec 2022 S\$'000	31 Mar 2023 S\$'000	31 Dec 2022 S\$'000
Trade receivables	7,427	7,053	-	-
Less: Allowance for impairment losses	(6,971)	(6,977)	-	-
	456	76	-	-
Other receivables	19,484	19,757	2,468	2,171
Less: Allowance for impairment losses	-	-	(347)	(43)
	19,484	19,757	2,121	2,128
<b>Total</b>	19,940	19,833	2,121	2,128



#### 14. Trade and other receivables (Continued)

Included in the Group's gross trade receivables as at 31 March 2023 are trade receivables amounting to approximately S\$6,937,000 due from the 14 BOP outlets which have been fully impaired in the Group's financial statements since the year ended 31 December 2021. The Group has not received any payments or proposed repayment plans from the 14 BOP outlets during the current reporting period despite letters of demand having been sent to all the 14 BOP outlets. In view of the worsening Covid-19 pandemic situations in China since March 2022 which resulted in full lockdown in some major cities in the PRC for up to more than 2 months in the second quarter of 2022 and subsequent full or partial lockdowns from time to time till January 2023, we understand that the businesses of the 14 BOP outlets were further impacted negatively. With that, the Group wishes to give more time to the 14 BOP outlets to settle the outstanding BOP service fees after having also taking into consideration its PRC lawyers' advice on the high costs for legal and arbitration proceedings that may have to be incurred to commence and conclude such proceedings.

Included in the Group's other receivables as at 31 March 2023 is an amount of RMB 98.4 million (equivalent to approximately S\$19.1 million) which is due and owing by Mr Zhang Rongxuan ("**Mr Zhang**"), the Company's non-independent and non-executive Chairman and Director. As at the date of this announcement, save for the receipt of 5,000,000 Listed Shares which was previously confirmed by the Company's appointed licensed brokering firm and the sum of HKD 1 million in July 2022, the Company has not received any payments from Mr Zhang pursuant to the Instalment Terms. All the 5,000,000 Listed Shares had been disposed of on or around end December 2022 and early January 2023 with total gross proceeds of approximately HKD 0.73 million.

As reported in the previous reporting period, in view of the long delay in settling the remaining RMB 98.4 million owing to the Company, Mr Zhang has presented a new settlement proposal to the Board of the Company. The need for this was underscored by the uncertainty as to when his bank credit facilities will be approved, coupled with the fact that all his PRC companies are also in need of cash to sustain their business which were and continue to be badly affected by the Covid-19 pandemic lasting more than 3 years. Under the new proposal, Mr Zhang intends to transfer and/or procure the transfer of 10% shares in a PRC company which engages in the business of provision of healthcare and wellness services particularly for seniors to the Company. Based on an internal valuation by the PRC company, such 10% shares is worth approximately RMB 150 million.

The management has performed some preliminary due diligence checks on the PRC company and noted that the PRC company is partially owned by PRC state government. The Company has then requested Mr Zhang to obtain written approval from the state government to confirm that they have no objection to the transfer of 10% shares in the PRC company by one of the PRC company's individual shareholders to the Company prior to appointing professional firms to conduct requisite due diligence checks on the PRC company. The Board (save for Mr Zhang) understands from Mr Zhang that the state government will make a decision on this matter by the end of May 2023.

As reported in the previous reporting period, Mr Zhang had also informed the Board that he would transfer an additional 3,000,000 Listed Shares to the Company by mid-March 2023. However, due to other commitments, Mr Zhang has yet to make arrangements to transfer the additional 3,000,000 Listed Shares to the Company as at the date of this announcement. The Board has requested Mr Zhang to make arrangements as soon as possible to transfer the shares to the Company.

The Board will be closely monitoring developments relating to the new settlement proposal, transfer of the relevant Listed Shares and/or cash payment pursuant to the Instalment Terms and will ensure that relevant

#### 14. Trade and other receivables (Continued)

announcement(s) is/ are released by the Company as and when there are any material updates on the aforesaid matters.

#### 15. Cash and bank balances

As reported in the previous reporting periods, an amount of RMB 100 million against which there is an existing encumbrance has been reclassified to other receivables as amount due from Mr Zhang, in view of Mr Zhang's entry into a guarantee agreement with the Company to resolve the encumbrance issue if the encumbrance cannot be discharged or the lender decides to terminate the RMB 100 million loan extended to the 14 BOP outlets through a third-party loan arranged by Kaifeng Jufel Bio-Technology Co., Ltd ("**Kaifeng Jufel**").

As reported in the previous reporting period, Mr Zhang had informed the Board that the lender had terminated the RMB 100 million loan and had subsequently withdrawn the RMB 100 million cash held in one of the bank accounts of Wish Shanghai. The Board (save for Mr Zhang) had then requested Mr Zhang to submit all relevant termination documents from the lender to the Company for verification. The aforesaid documents have been submitted to the Company as at the date of this announcement. Based on the documents received by the Company, the Company noted that the loan was cancelled in December 2021 and the bank account of Wish Shanghai in which the RMB 100 million was placed had been closed in January 2022. The closure of the bank account was not notified to the Company by the former legal representative of Wish Shanghai and sole bank signatory of the bank account, Mr. Liu Changsheng.

Following the confirmation of the cancellation of the loan and closure of the bank account in which the RMB 100 million was placed, the Company will now focus on the recovery of the RMB 100 million from Mr Zhang and/or Kaifeng Jufel including attending to and monitoring closely the developments on the latest settlement proposal presented by Mr Zhang.

Included in the Group's cash and bank balances as at 31 March 2023 and 31 December 2022 is an amount of RMB20,451,000 (equivalent to S\$3,955,000) held in Bank of China in the PRC. As disclosed in Note 18(a) to the financial statements in the Company's Annual Report 2021, the Group is unable to ascertain the bank balance amount of RMB20,451,000 (equivalent to S\$3,955,000) held in Bank of China in the PRC due to management's inability to obtain the relevant bank statements of Wish Shanghai from the former director who was the legal representative and authorised bank signatory of Wish Shanghai at the material time. Consequently, our auditor was unable to arrange for bank confirmation for the aforesaid bank balance amount and to carry out their audit procedures to obtain sufficient appropriate audit evidence to ascertain the existence and the quantum of the bank balance amount of RMB20,451,000 (equivalent to S\$3,955,000) held in the bank account at Bank of China in the PRC ("**BOC Bank Account**"), and related information that may require disclosures in the financial statements as at 31 December 2021.

As announced by the Company on 13 December 2022, the Company changed the legal representative of Wish Shanghai to Mr Pang Pok ("**Mr Pang**"), the Executive Director and Chief Executive Officer of the Company. Mr Pang has recently travelled to Shanghai to attend to all relevant formalities and complete documentation so as to effect his appointment as the authorised bank signatory of Bank of China in the PRC. As at the date of this announcement, the appointment of Mr Pang as the authorised bank signatory has yet to be effective as the bank requires up to 10 working days to process the relevant documents and update relevant records in their system before effectively changing the authorised signatory of the BOC Bank Account to Mr Pang.

## 16. Financial assets and financial liabilities

	Group		Company	
	31 Mar 2023	31 Dec 2022	31 Mar 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Financial assets</i>				
At amortised cost				
Trade and other receivables <sup>1</sup>	19,618	19,652	2,055	2,084
Cash and cash equivalents	4,664	5,016	62	163
	<u>24,282</u>	<u>24,668</u>	<u>2,117</u>	<u>2,247</u>
<i>Financial liabilities</i>				
At amortised cost				
Trade and other payables <sup>2</sup>	3,042	3,264	1,926	1,834
Loans and borrowings	3,163	3,332	-	-
	<u>6,205</u>	<u>6,596</u>	<u>1,926</u>	<u>1,834</u>

<sup>1</sup>This excludes GST receivables, deposits, prepayments.

<sup>2</sup>This excludes GST payables, deposits received and deferred incomes

## 17. Loans and borrowings

	Group	
	31 Mar 2023	31 Dec 2022
	S\$'000	S\$'000
<u>Amounts repayable within one year</u>		
Secured	737	756
Unsecured	791	838
	<u>1,528</u>	<u>1,594</u>
<u>Amounts repayable after one year</u>		
Secured	988	1,149
Unsecured	647	589
	<u>1,635</u>	<u>1,738</u>
Total	<u>3,163</u>	<u>3,332</u>

Total loans and borrowings amounted to S\$3,163,000 (31 December 2022: S\$3,332,000), of which S\$1,725,000 (31 December 2022: S\$1,905,000) are secured by:

- (i) assignment of rental proceeds and all rights of the tenancy agreements;
- (ii) corporate guarantee from the Company;
- (iii) personal guarantee from a director of the Group; and
- (iv) all cash and bank balances of the borrowing subsidiary.

## 18. Trade and other payables

	Group		Company	
	31 Mar 2023	31 Dec 2022	31 Mar 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	313	308	-	-
Other payables	3,654	3,200	1,961	1,835
	<u>3,967</u>	<u>3,508</u>	<u>1,961</u>	<u>1,835</u>

Included in Other Payables as at 31 March 2023 is an amount of S\$648,000 (31 December 2022: S\$350,000) due to a controlling shareholder which is unsecured, interest-free, and has no fixed terms of repayment.

## 19. Share capital

	Group and Company			
	31 Mar 2023		31 Dec 2022	
	No. of shares	S\$'000	No. of shares	S\$'000
<u>Issued and fully paid ordinary shares</u>				
At the beginning and the end of financial period/year	<u>188,993,260</u>	<u>21,488</u>	<u>184,993,260</u>	<u>21,488</u>

### Treasury shares and subsidiary holdings

The Company did not have any treasury shares and subsidiary holdings as at 31 March 2023 and 31 December 2022.

## 20. Reserves

	Group		Company	
	31 Mar 2023	31 Dec 2022	31 Mar 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Currency translation reserve	172	194	-	-
Merger reserve	(8,611)	(8,611)	-	-
Asset revaluation reserve	2,919	2,919	-	-
	<u>(5,520)</u>	<u>(5,498)</u>	<u>-</u>	<u>-</u>

## 21. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group</b>				
<b><u>Recurring fair value measurements</u></b>				
<b>31 March 2023</b>				
Non-financial asset:				
Investment properties	-	-	840	840
<b>31 December 2022</b>				
Non-financial asset:				
Investment properties	-	-	960	960

## 22. Subsequent event

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## F. OTHER INFORMATION REQUIRED BY CATALIST LISTING RULE APPENDIX 7C

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

The condensed interim consolidated balance sheet of GS Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) as at 31 March 2023 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the full year then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

### 1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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

The audit on the financial statements of the Company and the Group for the financial year ended 31 December 2022 is still in progress as at the date of this announcement.

### 2. Review of the performance of the Group

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion on the following: -

- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### A. Condensed Interim Consolidated Statement of Comprehensive Income

##### Revenue

	Group		Increase / (Decrease) %
	3 months period ended 31 Mar 2023 S\$’000	31 Mar 2022 S\$’000	
F&B revenue	1,860	1,614	15

F&B revenue increased by approximately 15% in 1Q2023 as compared to the revenue reported in 1Q2022, mainly due to improvement in our F&B business as a result of lifting of dining restrictions and opening of borders by Singapore government in the first half of 2022.

## 2. Review of the performance of the Group (Continued)

### Cost of sales

	<b>Group</b>		
	<b>3 months period ended</b>	<b>3 months period ended</b>	<b>Increase/</b>
	<b>31 Mar 2023</b>	<b>31 Mar 2022</b>	<b>(Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Food and beverage cost	577	529	9
Personnel expenses	469	383	22
Amortisation of right-of-use assets	164	345	(52)
Utilities	101	147	(31)
Other cost of sales	130	147	(12)
	<u>1,441</u>	<u>1,551</u>	<u>(7)</u>

The above are main components of the Group's cost of sales.

The cost of sales decreased by 7% in 1Q2023 as compared to 1Q2022 mainly due to lower amortisation of right-of-use ("ROU") assets and utilities expenses. Lower amortisation of ROU assets was mainly due to absence of the ROU assets related to the halal eating house which has been closed in early 2022 and adjustments to ROU assets made in FY2022. Lower utilities expenses were mainly due to the absence of utilities incurred by the halal eating house in 1Q2023 and higher utilities rates recorded in 1Q2022.

Personnel expenses increased by 22%, mainly due to increase in manpower to meet operational needs.

As a result of the above, the Group achieved a better gross profit margin in 1Q2023 as compared to 1Q2022.

### Other income

Other income decreased by 6%, mainly due to the absence of rental income from one of the investment properties in 1Q2023 as the disposal of the investment property was completed in April 2022.

### Administrative expenses

Administrative expenses decreased by 23% in 1Q2023, mainly due to lower professional fees and fair value loss on investment property incurred in 1Q2023.

### Finance costs

1Q2022 recorded a finance credit due to an over recognition of interest expenses on lease liabilities arising from lease modification. Excluding the effect of the over recognition, the finance cost in 1Q2022 is consistent with that of 1Q2023.

## 2. Review of the performance of the Group (Continued)

### **B. Condensed Interim Consolidated Balance Sheet**

The following review of the financial position of the Group is in relation to 31 March 2023 as compared to 31 December 2022.

#### Non-current assets

Property, plant and equipment (“PPE”) increased by S\$0.43 million from S\$1.32 million as at 31 December 2022 to S\$1.75 million as at 31 March 2023, mainly due to recognition of right-of-use assets and additional fixed assets acquired, offset by depreciation charged during the financial period.

Investment properties decreased by S\$0.12 million as compared to 31 December 2022, due to fair value loss provided for in 1Q2023.

#### Current assets

Trade and other receivables increased by S\$0.11 million as compared to 31 December 2022. The increase was mainly due to partial billing of franchise fee upon signing of the franchise agreement in 1Q2023. The increase was partially offset by a decrease in other receivables arising from the receipt of proceeds from the disposal of remaining of 5,000,000 Listed Shares as part of the settlement of amount due from Mr Zhang as mentioned in Note 14 of Section E on Trade and other receivables, and currency translation loss due to weakening of China Renminbi against Singapore Dollar exchange rates during the financial period.

Cash and cash equivalent decreased by S\$0.35 million during the period. Reasons for the decrease are provided below under the Review of the Group’s Cash Flow Statement.

#### Non-current liabilities

Non-current loans and borrowings decreased by S\$0.10 million, mainly due to progressive repayment of bank loans and lease liabilities during the financial period. The decrease was partially offset by an increase in lease liabilities due to recognition of new lease liabilities during the financial period.

#### Current liabilities

Trade and other payables increased by S\$0.46 million as compared to 31 December 2022, mainly due to an increase in deferred income in respect of deferment of recognising franchise fee income and additional loans from a controlling shareholder during the period. The increase was partially offset by a decrease in accruals as more payments were made in 1QFY2023 for professional fees than that accrued in the previous financial year.

Current loans and borrowings decreased by S\$0.07 million, mainly due to progressive repayment of bank loans and lease liabilities during the financial period which was partially offset by an increase in lease liabilities due to recognition of new lease liabilities during the financial period.

Tax payables decreased by S\$8,000, mainly due to the translation difference during the financial period.



## **2. Review of the performance of the Group (Continued)**

### Equity

Overall, the Group's total equity decreased by S\$0.24 million from S\$19.87 million as at 31 December 2022 to S\$19.63 million as at 31 March 2023. The decrease was mainly due to the net loss of S\$0.22 million incurred during the financial period and currency translation differences arising from consolidation of S\$0.02 million.

### **C. Condensed Interim Consolidated Cash Flow Statement**

Overall, the Group reported a net decrease in cash and cash equivalents of S\$0.35 million from S\$5.02 million as at 31 December 2022 to S\$4.67 million as at 31 March 2023.

The decrease was mainly due to the following items:

- a. net cash flows used in operating activities of S\$0.11 million; and
- b. repayment of bank loans, lease liabilities and interest expenses amounting to S\$0.50 million.

The decrease was partially offset by additional loans from a controlling shareholder amounting to S\$0.3 million during the period.

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

The Group's performance for the period under review is in line with its expectations as disclosed in the announcement released on 1 March 2023.

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

### **(i) F&B business**

The Group's F&B companies are currently all operating in Singapore. As at 31 March 2023, the Group has 7 F&B establishments which include 2 food courts/coffeeshops, a chicken rice restaurant under the "Sing Swee Kee" brand name, three chicken rice stalls in food courts and one halal chicken rice brand in a food court.

Following the relaxation and lifting of dining restrictions and opening of borders by our Singapore government in the first half of 2022 resulting in an increase in demand for F&B services, and assuming that the Group's expansion plans for the F&B division materialise and/or proceed as envisaged in 2023, the Company is cautiously optimistic of producing better financial results for our F&B division in the next 12 months.

The Company would also like to provide an update on the status of the memorandum of understanding ("MOU") entered with Ants Innovate Pte. Ltd. on 9 May 2022 on the cooperation in the production and supply of plant-based and cell-based meat products. As at the date of this announcement, both parties are still in the final stage of discussion and working towards entering into a definitive agreement.

(ii) **BOP / Health Management Services business**

As reported in the previous reporting period, the Group expects that there will be no revenue and income from this division in the next 6 to 12 months.

There are other business opportunities which the Group is currently exploring and evaluating. The Group will make announcement(s) at an appropriate time as and when the commercial terms of each or any of these business opportunities are finalised.

**5. Dividend Information**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended):**

No dividend has been declared or recommended for the current financial period/year.

**(b) Corresponding period of the immediately preceding financial year**

No dividend has been declared or recommended for the previous corresponding period.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable:**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined:**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 31 March 2023 as the Group is currently loss making and the Board of Directors deems it appropriate to conserve funds for the Group's business activities and working capital requirements.

**7. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate for interested person transactions. There was no disclosable interested person transaction for the current financial period under review.

**8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules.

**9. Confirmation pursuant to Rule 705(5) of the Catalist Rules**

On behalf of the Board of Directors of the Company, we, Pang Pok and Lim Kee Way Irwin, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the financial period ended 31 March 2023 to be false or misleading in any material aspects.

**10. Disclosure of acquisition (including incorporations) and sale of shares since the end of the previous reporting period up to the current financial period under Rule 706A of the Catalist Rules.**

Further to the Company's announcement on 20 March 2023 on the termination of joint venture agreement with Focaccia Foods Pte. Ltd. (the "**JV Partner**"), the Company's indirect wholly-owned subsidiary, Hao Kou Wei Pte. Ltd. ("**HKW**") has on 19 April 2023 completed the acquisition of 50,000 shares in Sing Global Brands Pte. Ltd. (the "**JV Company**") from the JV Partner. Upon completion of the acquisition of shares, the JV Company became a wholly-owned subsidiary of HKW.

**11. Use of convertible loans**

The Company refers to its announcement dated 17 December 2018 on the entry into convertible loan agreement (the "**Convertible Loan Agreement**") for an aggregate amount of RMB 68 million (or approximately S\$13.6 million) and its 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 announcement, there has been no disbursement of the convertible loan.

**BY ORDER OF THE BOARD**

**Pang Pok**  
**Chief Executive Officer and Executive Director**

15 May 2023