



GS HOLDINGS LIMITED
(Incorporated in Singapore on 19 September 2014)
(Company Registration Number: 201427862D)

Material Variances Between The Audited Financial Statements And Unaudited Financial Statements For The Financial Year Ended 31 December 2019

The Board of directors (the “**Board**” or the “**Directors**”) of GS Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the unaudited full year financial statements announcement for the financial year ended 31 December 2019 (“**FY2019**”) dated 27 February 2020.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to highlight certain material variances between the Audited Financial Statements and the Unaudited Financial Statements for FY2019.

The material variances between the Audited Financial Statements and the Unaudited Financial Statements, and the explanations thereon, are set out as follows:

Consolidated Statement of Profit or Loss And Other Comprehensive Income for the financial year ended 31 December 2019

	Audited Financial Statements S\$'000	Unaudited Financial Statements S\$'000	Variance S\$'000	Notes
<u>Continuing operations</u>				
Administrative expenses	<u>(4,775)</u>	<u>(3,217)</u>	1,558	1
Finance costs	<u>(385)</u>	<u>(1,942)</u>	(1,557)	1
Profit before tax	25,406	25,406	-	-
Tax expense	<u>(4,750)</u>	<u>(3,982)</u>	768	2
Profit after tax	<u>20,656</u>	<u>21,424</u>	(768)	2

Consolidated Statements of Financial Positions as at 31 December 2019

	Audited Financial Statements S\$'000	Unaudited Financial Statements S\$'000	Variance S\$'000	Notes
<u>Non-current assets</u>				
Property, plant and equipment	2,518	220	2,298	3
Right-of-use assets	-	2,298	(2,298)	3
<u>Non-current liabilities</u>				
Loans and borrowings	2,730	1,108	1,622	4
Lease liabilities	-	1,622	(1,622)	4
<u>Current liabilities</u>				
Loans and borrowings	2,030	1,213	817	4
Lease liabilities	-	817	(817)	4
Tax payable	4,004	3,236	768	2
<u>Equity</u>				
Retained earnings	5,293	5,907	(614)	2
Non-controlling interests	4,767	4,920	(153)	2

Other than the above material variances, there is no material variance in Consolidated Statement of Cash Flows except for re-presentation of certain items in the financing activities which have no effect on the cash flow.

Notes:

- (1) Reclassification of transaction cost in relation to the warrants issued to an introducer as consideration for the introductory services in relation to the convertible loan facilities obtained by the Company during the year from Finance costs to Administrative expenses.
- (2) The Group made additional provision for tax expense for FY2019 amounting to S\$768,000 following the advice by its appointed professional tax adviser on the estimated tax payable on the Branding, Operations and Procurement (“BOP”) service fee income. As a result of the additional tax expense, the Tax payable increased by S\$768,000 and the Retained earnings and Non-controlling interests decreased by S\$614,000 and S\$153,000 respectively.
- (3) Reclassification of Right-of-use assets from separate line to Property, plant and equipment.
- (4) Reclassification of Lease liabilities from separate line to Loans and borrowings.

BY ORDER OF THE BOARD

Pang Pok
Chief Executive Officer and Executive Director

15 April 2020

This announcement has been prepared by GS Holdings Limited (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.

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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