



**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 Six Months and Full Year Ended 31 December 2021**

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This announcement has been prepared by the GS Holdings Limited (the “**Company**”) and its contents have been reviewed by UOB Kay Hian 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 six months and full year ended 31 December 2021**

	Note	Group					
		6 months ended		Increase/ (Decrease) %	12 months ended		Increase/ (Decrease) %
		31 Dec 2021 S\$'000	31 Dec 2020 S\$'000		31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	
<b>Continuing operations</b>							
Revenue	4	(283)	7,392	N.M	5,964	13,583	(56)
Cost of sales		(2,948)	(3,030)	(3)	(5,973)	(6,235)	(4)
<b>Gross (loss)/profit</b>		(3,231)	4,362	N.M	(9)	7,348	N.M
Other income		448	442	1	874	1,258	(31)
Administrative expenses		(1,625)	(3,485)	(53)	(3,628)	(5,147)	(30)
Finance costs		(97)	(125)	(22)	(194)	(267)	(27)
Net impairment loss on financial assets		(3,741)	(505)	N.M	(3,741)	(505)	N.M
<b>(Loss)/Profit before tax from continuing operations</b>	5	(8,246)	689	N.M	(6,698)	2,687	N.M
Income tax credit/(expense)	8	560	(646)	N.M	18	(1,174)	N.M
<b>(Loss)/Profit from continuing operations, net of tax</b>		(7,686)	43	N.M	(6,680)	1,513	N.M
<b>Discontinued operations<sup>(1)</sup></b>							
Gain from discontinued operations, net of tax	6	-	255	(100)	-	216	(100)
<b>(Loss)/Profit for the period</b>		(7,686)	298	N.M	(6,680)	1,729	N.M
<b>(Loss)/Profit attributable to: Equity holders of the Company</b>							
(Loss)/Profit from continuing operations		(6,362)	(526)	N.M	(5,867)	441	N.M
Profit from discontinued operations		-	255	(100)	-	216	(100)
<b>(Loss)/Profit for the period attributable to equity holders of the Company</b>		(6,362)	(271)	N.M	(5,867)	657	N.M
<b>Non-controlling interests</b>							
(Loss)/Profit from continuing operations		(1,324)	569	N.M	(813)	1,072	N.M
<b>(Loss)/Profit for the period attributable to non- controlling interests</b>		(1,324)	569	N.M	(813)	1,072	N.M
<b>(Loss)/Profit for the period</b>		(7,686)	298	N.M	(6,680)	1,729	N.M

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

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

**For the six months and full year ended 31 December 2021**

	Group						
	Note	6 months ended		Increase/ (Decrease) %	12 months ended		Increase/ (Decrease) %
		31 Dec 2021 S\$'000	31 Dec 2020 S\$'000		31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	
<b>(Loss)/Profit for the period</b>		(7,686)	298	N.M	(6,680)	1,729	N.M
<b>Other comprehensive income:</b>							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation		288	518	(44)	842	584	44
<i>Items that will not be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising from consolidation		112	128	(13)	262	145	81
<b>Total comprehensive (loss)/income for the period</b>		<u>(7,286)</u>	<u>944</u>	<u>N.M</u>	<u>(5,576)</u>	<u>2,458</u>	<u>N.M</u>
<b>Total comprehensive (loss)/income attributable to:</b>							
<i>Equity holders of the Company</i>							
(Loss)/Profit from continuing operations		(6,074)	(8)	N.M	(5,025)	1,025	N.M
Profit from discontinued operations		-	255	(100)	-	216	(100)
<b>Total comprehensive (loss)/income for the period attributable to equity holders of the Company</b>		<u>(6,074)</u>	<u>247</u>	<u>N.M</u>	<u>(5,025)</u>	<u>1,241</u>	<u>N.M</u>
<i>Non-controlling interests</i>							
(Loss)/Profit from continuing operations		(1,212)	697	N.M	(551)	1,217	N.M
<b>Total comprehensive (loss)/income for the period attributable to non-controlling interests</b>		<u>(1,212)</u>	<u>697</u>	<u>N.M</u>	<u>(551)</u>	<u>1,217</u>	<u>N.M</u>
<b>Total comprehensive (loss)/income for the period</b>		<u>(7,286)</u>	<u>944</u>	<u>N.M</u>	<u>(5,576)</u>	<u>2,458</u>	<u>N.M</u>

Note:

<sup>(1)</sup> Discontinued operations relate to GreatSolutions Pte. Ltd. (“**GreatSolutions**”) and its subsidiaries, GS Hospitality Services Pte. Ltd, GS Cleaning Services Pte. Ltd. (“**GCS**”) and GS Equipment Supply Pte. Ltd. (“**GES**”).

N.M – Not Meaningful

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

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group As at 31 Dec 2021 S\$'000	Group As at 31 Dec 2020 S\$'000	Company As at 31 Dec 2021 S\$'000	Company As at 31 Dec 2020 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	11	1,901	1,753	10	5
Investment properties	12	2,170	3,050	-	-
Investments in subsidiaries	13	-	-	9,112	9,012
Intangible assets	14	4,689	4,729	-	-
		<u>8,760</u>	<u>9,532</u>	<u>9,122</u>	<u>9,017</u>
<b>Current assets</b>					
Inventories		56	45	-	-
Trade and other receivables	15	25,506	28,743	2,329	2,696
Cash and bank balances	16	6,036	5,604	102	151
		<u>31,598</u>	<u>34,392</u>	<u>2,431</u>	<u>2,847</u>
<b>Total assets</b>		<u>40,358</u>	<u>43,924</u>	<u>11,553</u>	<u>11,864</u>
<b>EQUITY</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	20	21,488	20,469	21,488	20,469
Reserves	21	(3,629)	8	687	5,126
Retained earnings/(accumulated losses)		5,212	6,600	(11,304)	(14,126)
<b>Equity attributable to equity holders of the Company, total</b>		23,071	27,077	10,871	11,469
<b>Non-controlling interests</b>		4,133	4,684	-	-
<b>Total equity</b>		<u>27,204</u>	<u>31,761</u>	<u>10,871</u>	<u>11,469</u>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	18	3,087	3,347	-	-
Deferred tax liabilities		48	58	-	-
		<u>3,135</u>	<u>3,405</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables	19	2,493	2,285	682	395
Loans and borrowings	18	1,912	1,116	-	-
Tax payables		5,614	5,357	-	-
		<u>10,019</u>	<u>8,758</u>	<u>682</u>	<u>395</u>
<b>Total liabilities</b>		<u>13,154</u>	<u>12,163</u>	<u>682</u>	<u>395</u>
<b>Total equity and liabilities</b>		<u>40,358</u>	<u>43,924</u>	<u>11,553</u>	<u>11,864</u>

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

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the financial year ended 31 December 2021**

<u>Group</u>	← Attributable to equity holders of the Company →							Total Equity Attributable to Owners of the Company S\$'000	Non- Controlling Interest S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Share Options Reserves S\$'000	Warrants Reserve S\$'000	Currency Translation Reserve S\$'000	Merger Reserve S\$'000	Asset Revaluation Reserve S\$'000	Retained Earnings S\$'000			
<b>At 1 January 2021</b>	<b>20,469</b>	<b>1,244</b>	<b>3,882</b>	<b>534</b>	<b>(8,571)</b>	<b>2,919</b>	<b>6,600</b>	<b>27,077</b>	<b>4,684</b>	<b>31,761</b>
Loss for the financial year	-	-	-	-	-	-	(5,867)	(5,867)	(813)	(6,680)
Currency translation differences arising from consolidation	-	-	-	842	-	-	-	842	262	1,104
Disposal of subsidiary	-	-	-	-	(40)	-	40	-	-	-
Loss on acquisition of non- controlling interests in a subsidiary	-	-	-	-	-	-	*	*	*	-
Issuance of new shares pursuant to exercise of warrants	1,020	-	-	-	-	-	-	1,020	-	1,020
Share issue expense	(1)	-	-	-	-	-	-	(1)	-	(1)
Expired warrants not exercised	-	-	(3,882)	-	-	-	3,882	-	-	-
Expired share options not exercised	-	(557)	-	-	-	-	557	-	-	-
<b>At 31 December 2021</b>	<b>21,488</b>	<b>687</b>	<b>-</b>	<b>1,376</b>	<b>(8,611)</b>	<b>2,919</b>	<b>5,212</b>	<b>23,071</b>	<b>4,133</b>	<b>27,204</b>
<b>At 1 January 2020</b>	<b>20,469</b>	<b>49</b>	<b>3,882</b>	<b>(50)</b>	<b>(6,071)</b>	<b>2,919</b>	<b>5,293</b>	<b>26,491</b>	<b>4,767</b>	<b>31,258</b>
Profit for the financial year	-	-	-	-	-	-	657	657	1,072	1,729
Currency translation differences arising from consolidation	-	-	-	584	-	-	-	584	145	729
Dividend paid	-	-	-	-	-	-	(1,850)	(1,850)	(1,300)	(3,150)
Disposal of subsidiary	-	-	-	-	(2,500)	-	2,500	-	-	-
Issue of share options	-	1,195	-	-	-	-	-	1,195	-	1,195
<b>At 31 December 2020</b>	<b>20,469</b>	<b>1,244</b>	<b>3,882</b>	<b>534</b>	<b>(8,571)</b>	<b>2,919</b>	<b>6,600</b>	<b>27,077</b>	<b>4,684</b>	<b>31,761</b>

\* – Less than S\$1,000

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

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the financial year ended 31 December 2021**

<u>Company</u>	Share Capital S\$'000	Warrant Reserve S\$'000	Share Options Reserve S\$'000	Accumulated Losses S\$'000	Total S\$'000
<b>At 1 January 2021</b>	<b>20,469</b>	<b>3,882</b>	<b>1,244</b>	<b>(14,126)</b>	<b>11,469</b>
Loss and total comprehensive loss for the financial year	-	-	-	(1,617)	(1,617)
Issuance of shares pursuant to exercise of warrants	1,020	-	-	-	1,020
Share issue expense	(1)	-	-	-	(1)
Expired warrants not exercised	-	(3,882)	-	3,882	-
Expired share options not exercised	-	-	(557)	557	-
<b>At 31 December 2021</b>	<b>21,488</b>	<b>-</b>	<b>687</b>	<b>(11,304)</b>	<b>10,871</b>
<b>At 1 January 2020</b>	<b>20,469</b>	<b>3,882</b>	<b>49</b>	<b>(14,443)</b>	<b>9,957</b>
Profit and total comprehensive income for the financial year	-	-	-	2,167	2,167
Dividend paid	-	-	-	(1,850)	(1,850)
Issue of share options	-	-	1,195	-	1,195
<b>At 31 December 2020</b>	<b>20,469</b>	<b>3,882</b>	<b>1,244</b>	<b>(14,126)</b>	<b>11,469</b>

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

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial year ended 31 December 2021**

	<b>Group 12-month Year Ended 31 Dec 2021 S\$'000</b>	<b>Group 12-month Year Ended 31 Dec 2020 S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/Profit before tax from continuing operations	(6,698)	2,687
Profit before tax from discontinued operations	-	216
	<u>(6,698)</u>	<u>2,903</u>
Adjustments for:		
Amortisation of intangible assets	62	197
Depreciation charge on property, plant and equipment	929	936
Gain on disposal of property, plant and equipment	-	(1)
Gain on disposal of subsidiaries	-	(255)
Interest expenses	194	267
Net impairment losses of financial assets	3,741	505
Fair value loss on investment properties	880	635
Share option expenses	-	1,195
Rent concessions from lessor	-	(311)
Operating cash flow before working capital changes	<u>(892)</u>	<u>6,071</u>
Changes in working capital:		
Inventories	(11)	10
Receivables	938	954
Payables	65	(4,467)
Currency translation adjustments	45	3
Cash generated from operations	<u>145</u>	<u>2,571</u>
Income tax refunded/(paid)	<u>21</u>	<u>(10)</u>
<b>Net cash generated from operating activities</b>	<u>166</u>	<u>2,561</u>
<b>Cash flow from investing activities</b>		
Purchases of intangible assets	(22)	-
Purchases of investment property	-	(5)
Acquisition of subsidiaries, net of cash acquired	-	(400)
Proceeds from disposal of property, plant and equipment	-	10
Proceeds from disposal of subsidiaries, net of cash paid	-	450
Purchases of property, plant and equipment	<u>(89)</u>	<u>(73)</u>
<b>Net cash used in investing activities</b>	<u>(111)</u>	<u>(18)</u>
<b>Cash flow from financing activities</b>		
Repayment of lease liabilities	(818)	(517)
Repayment of bank loans	(1,934)	(1,462)
Proceeds from issuance of new shares	1,020	-
Proceeds from bank loans	2,300	2,300
Interest paid	(194)	(267)
Dividend paid to equity holders	-	(1,850)
Dividend paid to non-controlling interests	-	(800)
<b>Net cash generated from/(used in) financing activities</b>	<u>374</u>	<u>(2,596)</u>

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



**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

For the financial year ended 31 December 2021

	<b>Group 12-month Year Ended 31 Dec 2021 S\$'000</b>	<b>Group 12-month Year Ended 31 Dec 2020 S\$'000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	429	(53)
Cash and cash equivalents at beginning of the year	5,606	5,626
Effects of foreign currency translation changes on cash and cash equivalents	1	33
<b>Cash and cash equivalents at end of the period</b>	<b>6,036</b>	<b>5,606</b>

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

	<b>Group 12-month Year Ended 31 Dec 2021 S\$'000</b>	<b>Group 12-month Year Ended 31 Dec 2020 S\$'000</b>
Cash and bank balances	6,036	5,604
Less: Bank overdrafts	-	2
Cash and cash equivalents per consolidated statement of cash flows	<b>6,036</b>	<b>5,606</b>

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

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

### **For the financial year ended 31 December 2021**

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 year ended 31 December 2021 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 condensed interim consolidated financial statements for the six months ended 30 June 2021.

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 no material effect on the financial performance or position of the Group and the Company.

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

### **2.2 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 2020.

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 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 4: Revenue recognition
- Note 8: Income taxes
- Note 12: Valuation of investment properties
- Note 14: Impairment of intangible assets
- Note 15: Expected credit loss on trade receivables

## **3. Seasonal operations**

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

#### 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; 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.

##### (a) Reportable segment

	<b>F&amp;B</b> <b>S\$'000</b>	<b>BOP</b> <b>Services</b> <b>S\$'000</b>	<b>Investment</b> <b>Holdings</b> <b>S\$'000</b>	<b>Eliminations</b> <b>S\$'000</b>	<b>Total</b> <b>S\$'000</b>
<u>1 July 2021 to 31 December 2021</u>					
<i>Segment revenue:</i>					
Sales to external customers	3,038	(3,321)	-	-	(283)
Inter-segment sales	3	-	-	(3)	-
<b>Total revenue</b>	<b>3,041</b>	<b>(3,321)</b>	<b>-</b>	<b>(3)</b>	<b>(283)</b>
<b>Segment profit/(loss)</b>	<b>46</b>	<b>(7,065)</b>	<b>(1,227)</b>	<b>-</b>	<b>(8,246)</b>
<i>Significant non-cash items:</i>					
Depreciation of property, plant and equipment	474	-	18	-	492
Net impairment losses on financial assets	-	3,740	1	-	3,741
Amortisation of intangible assets	25	-	-	-	25
Fair value loss on investment properties	-	-	280	-	280
<b>Segment assets</b>	<b>8,376</b>	<b>29,436</b>	<b>2,546</b>	<b>-</b>	<b>40,358</b>
Segment assets includes:					
Additions to property, plant and equipment	762	-	-	-	762
<b>Segment liabilities</b>	<b>(5,690)</b>	<b>(6,791)</b>	<b>(673)</b>	<b>-</b>	<b>(13,154)</b>

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

(a) Reportable segment (Continued)

	F&B S\$'000	BOP Services S\$'000	Investment Holdings S\$'000	Eliminations S\$'000	Continuing Operations S\$'000	Discontinued Operations S\$'000	Total S\$'000
<u>1 July 2020 to 31</u>							
<u>December 2020</u>							
<b>Segment revenue:</b>							
Sales to external customers	3,348	4,044	-	-	7,392	1,086	8,478
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	<u>3,348</u>	<u>4,044</u>	<u>-</u>	<u>-</u>	<u>7,392</u>	<u>1,086</u>	<u>8,478</u>
<b>Segment (loss)/profit</b>	<b>(343)</b>	<b>3,489</b>	<b>(2,457)</b>	<b>-</b>	<b>689</b>	<b>255</b>	<b>944</b>
<i>Significant non-cash items:</i>							
Depreciation of property, plant and equipment	409	-	10	-	419	-	419
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	97	-	-	-	97	-	97
Fair value loss on investment properties	-	-	425	-	425	-	425
Shared-based payment share options expense	-	-	1,195	-	1,195	-	1,195
<b>Segment assets</b>	<b>8,044</b>	<b>31,786</b>	<b>4,094</b>	<b>-</b>	<b>43,924</b>	<b>-</b>	<b>43,924</b>
Segment assets includes:							
Additions to property, plant and equipment	166	-	5	-	171	-	171
<b>Segment liabilities</b>	<b>(5,066)</b>	<b>(6,365)</b>	<b>(732)</b>	<b>-</b>	<b>(12,163)</b>	<b>-</b>	<b>(12,163)</b>

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

(a) Reportable segment (Continued)

	<b>F&amp;B</b> <b>S\$'000</b>	<b>BOP</b> <b>Services</b> <b>S\$'000</b>	<b>Investment</b> <b>Holdings</b> <b>S\$'000</b>	<b>Eliminations</b> <b>S\$'000</b>	<b>Total</b> <b>S\$'000</b>
<u>1 January 2021 to 31</u>					
<u>December 2021</u>					
<b>Segment revenue:</b>					
Sales to external customers	5,964	-	-	-	5,964
Inter-segment sales	3	-	-	(3)	-
<b>Total revenue</b>	<b>5,967</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>5,964</b>
<b>Segment loss</b>	<b>(355)</b>	<b>(4,046)</b>	<b>(2,297)</b>	<b>-</b>	<b>(6,698)</b>
<i>Significant non-cash items:</i>					
Depreciation of property, plant and equipment	898	-	31	-	929
Net impairment losses on financial assets	-	3,740	1	-	3,741
Amortisation of intangible assets	62	-	-	-	62
Fair value loss on investment properties	-	-	880	-	880
<b>Segment assets</b>	<b>8,376</b>	<b>29,436</b>	<b>2,546</b>	<b>-</b>	<b>40,358</b>
Segment assets includes:					
Additions to property, plant and equipment	1,057	-	20	-	1,077
<b>Segment liabilities</b>	<b>(5,690)</b>	<b>(6,791)</b>	<b>(673)</b>	<b>-</b>	<b>(13,154)</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>Continuing Operations S\$'000</b>	<b>Discontinued Operations S\$'000</b>	<b>Total S\$'000</b>
<u>1 January 2020 to 31 December 2020</u>							
<i>Segment revenue:</i>							
Sales to external customers	6,210	7,373	-	-	13,583	1,086	14,669
Inter-segment 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>
<b>Segment (loss)/profit</b>	<b>(526)</b>	<b>6,546</b>	<b>(3,333)</b>	<b>-</b>	<b>2,687</b>	<b>216</b>	<b>2,903</b>
<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
Shared-based payment share options expense	-	-	1,195	-	1,195	-	1,195
<b>Segment assets</b>	<b>8,044</b>	<b>31,786</b>	<b>4,094</b>	<b>-</b>	<b>43,924</b>	<b>-</b>	<b>43,924</b>
Segment assets includes:							
Additions to property, plant and equipment	176	-	5	-	181	-	181
<b>Segment liabilities</b>	<b>(5,066)</b>	<b>(6,365)</b>	<b>(732)</b>	<b>-</b>	<b>(12,163)</b>	<b>-</b>	<b>(12,163)</b>

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

(b) Disaggregation of revenue

	Franchise fee and royalty income S\$'000	Sale of F&B S\$'000	Provision of management consultancy services S\$'000	Rental income from food stalls S\$'000	Service income S\$'000	Total S\$'000
<u>Continuing operations</u>						
<u>1 July 2021 to 31 December 2021</u>						
<b>Primary geographical markets</b>						
Singapore	-	2,578	-	232	196	3,006
People's Republic of China ("PRC")	-	-	(3,321)	-	-	(3,321)
Brunei	5	-	-	-	-	5
Gulf Cooperation Council	27	-	-	-	-	27
	<b>32</b>	<b>2,578</b>	<b>(3,321)</b>	<b>232</b>	<b>196</b>	<b>(283)</b>
<b>Timing of revenue recognition</b>						
At a point in time	27	2,578	-	-	-	2,605
Over time	5	-	(3,321)	232	196	(2,888)
	<b>32</b>	<b>2,578</b>	<b>(3,321)</b>	<b>232</b>	<b>196</b>	<b>(283)</b>



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

(b) Disaggregation of revenue (Continued)

	<b>Royalty income S\$'000</b>	<b>Sale of F&amp;B S\$'000</b>	<b>Provision of management consultancy services S\$'000</b>	<b>Rental income from food stalls S\$'000</b>	<b>Service income S\$'000</b>	<b>Total S\$'000</b>
<u>Continuing operations</u>						
<u>1 July 2020 to 31 December 2020</u>						
<b>Primary geographical markets</b>						
Singapore	-	2,696	-	255	219	3,170
PRC	-	-	4,044	-	-	4,044
Brunei	178	-	-	-	-	178
	<b>178</b>	<b>2,696</b>	<b>4,044</b>	<b>255</b>	<b>219</b>	<b>7,392</b>
<b>Timing of revenue recognition</b>						
At a point in time	168	2,696	-	-	-	2,864
Over time	10	-	4,044	255	219	4,528
	<b>178</b>	<b>2,696</b>	<b>4,044</b>	<b>255</b>	<b>219</b>	<b>7,392</b>

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

(b) Disaggregation of revenue

	Franchise fee and royalty income S\$'000	Sale of F&B S\$'000	Rental income from food stalls S\$'000	Service income S\$'000	Total S\$'000
<u>Continuing operations</u>					
<u>1 January 2021 to 31 December 2021</u>					
<b>Primary geographical markets</b>					
Singapore	-	4,962	509	415	5,886
Brunei	51	-	-	-	51
Gulf Cooperation Council	27	-	-	-	27
	<b>78</b>	<b>4,962</b>	<b>509</b>	<b>415</b>	<b>5,964</b>
<b>Timing of revenue recognition</b>					
At a point in time	62	4,962	-	-	5,024
Over time	16	-	509	415	940
	<b>78</b>	<b>4,962</b>	<b>509</b>	<b>415</b>	<b>5,964</b>

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

(b) Disaggregation of revenue (Continued)

	<b>Royalty income S\$'000</b>	<b>Sale of F&amp;B S\$'000</b>	<b>Provision of management consultancy services S\$'000</b>	<b>Rental income from food stalls S\$'000</b>	<b>Service income S\$'000</b>	<b>Total S\$'000</b>
<u>Continuing operations</u>						
<u>1 January 2020 to 31 December 2020</u>						
<b>Primary geographical markets</b>						
Singapore	-	5,014	-	597	415	6,026
PRC	-	-	7,373	-	-	7,373
Brunei	184	-	-	-	-	184
	<b>184</b>	<b>5,014</b>	<b>7,373</b>	<b>597</b>	<b>415</b>	<b>13,583</b>
<b>Timing of revenue recognition</b>						
At a point in time	174	5,014	-	-	-	5,188
Over time	10	-	7,373	597	415	8,395
	<b>184</b>	<b>5,014</b>	<b>7,373</b>	<b>597</b>	<b>415</b>	<b>13,583</b>

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

(c) Breakdown of sales and profit/(loss) after tax

	<b>Group 31 Dec 2021 S\$'000</b>	<b>Group 31 Dec 2020 S\$'000</b>	<b>Increase / (Decrease) %</b>
<u>Continuing operations</u>			
(a) Sales reported for first half year	6,247	6,191	1
(b) Profit after tax for first half year	1,006	1,470	(32)
(c) Sales reported for second half year	(283)	7,392	N.M
(d) (Loss)/Profit after tax for second half year	(7,686)	43	N.M

N.M – Not Meaningful

#### 5. (Loss)/Profit before tax from continuing operations

	<b>Group 6 months ended</b>		<b>Group 12 months ended</b>	
	<b>31 Dec 2021 S\$'000</b>	<b>31 Dec 2020 S\$'000</b>	<b>31 Dec 2021 S\$'000</b>	<b>31 Dec 2020 S\$'000</b>
(Loss)/Profit before tax from continuing operations is stated after charging/(crediting):				
Amortisation of intangible assets	25	97	62	195
Depreciation of property, plant and equipment	492	419	929	930
Fair value loss on investment properties	280	425	880	635
Personnel expenses	1,656	2,829	3,518	4,713
Rental expenses	48	182	103	415
Subcontractors' expenses	(26)	147	104	253
Finance expenses	97	125	194	267
Government grants and incentives	(224)	(415)	(548)	(895)
Rental rebate	(129)	(13)	(159)	(311)

**6. Gain from discontinued operations, net of tax**

	<b>Group</b>		<b>Group</b>	
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Gain from discontinued operations, net of tax is stated after charging/(crediting):				
Amortisation of right-of-use assets	-	-	-	2
Depreciation of property, plant and equipment	-	-	-	6
Personnel expenses	-	-	-	1,361
Subcontractors' expenses	-	-	-	33
Government grants and incentives	-	(249)	-	(305)

**7. 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 at terms agreed between the parties during the financial period:

	<b>Group</b>		<b>Group</b>	
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>With controlling shareholder of the Company</b>				
Rental expense	133	116	313	290
<b>With director of the Company/Group</b>				
Consultancy services	-	57	59	115
<b>With related parties of the Company</b>				
Revenue	(191)	-	(191)	-
Expenses charged	93	-	93	-
Corporate secretarial fees	39	-	39	-
Professional fees	56	-	56	-

## 8. Income tax (credit)/expense

The Group calculates the period's income tax (credit)/expense 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 periods and years ended 31 December 2021 and 2020 are:

	Group 6 months ended		Group 12 months ended	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<i>Statement of comprehensive income:</i>				
Current income tax				
- current income taxation	(540)	662	4	1,207
- over provision in respect of previous years	(16)	-	(12)	-
	<u>(556)</u>	<u>662</u>	<u>(8)</u>	<u>1,207</u>
Deferred income tax				
- origination and reversal of temporary difference	(4)	(16)	(10)	(33)
	<u>(560)</u>	<u>646</u>	<u>(18)</u>	<u>1,174</u>

## 9. Earnings per share

	Group 6 months ended		Group 12 months ended	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<u>Continuing operations</u>				
(Loss)/Profit for the period/year attributable to equity holders of the Company from continuing operations (S\$'000)	(6,362)	(526)	(5,867)	441
Weighted average number of ordinary shares	188,993,260	184,993,260	187,031,616	184,993,260
Basic earnings per share (cents)	<u>(3.37)</u>	<u>(0.28)</u>	<u>(3.14)</u>	<u>0.24</u>
Diluted earnings per share (cents)	<u>(3.37)</u>	<u>(0.28)</u>	<u>(3.14)</u>	<u>0.19</u>
<u>Continuing and discontinued operations</u>				
(Loss)/Profit for the period/year attributable to equity holders of the Company from continuing operations (S\$'000)	(6,362)	(271)	(5,867)	657
Weighted average number of ordinary shares	188,993,260	184,993,260	187,031,616	184,993,260
Basic earnings per share (cents)	<u>(3.37)</u>	<u>(0.15)</u>	<u>(3.14)</u>	<u>0.36</u>
Diluted earnings per share (cents)	<u>(3.37)</u>	<u>(0.15)</u>	<u>(3.14)</u>	<u>0.28</u>

## 9. Earnings per share (Continued)

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue of 187,031,616 (31 December 2021: 184,993,260) during the financial year.

For the financial year ended 31 December 2021 and six months ended 31 December 2020, diluted earnings per share is the same as basic earnings per share as the outstanding share options granted to the employees under the GS Holdings Employee Share Option Scheme (“**GS Holdings ESOS**”) have not been included in the calculation given that they are anti-dilutive.

For the financial year ended 31 December 2020, diluted earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue of 237,057,965 during the financial year. The weighted average number of ordinary shares for diluted earnings per share computation for the financial year ended 31 December 2020 has taken into consideration the convertible warrants and share options granted to the employees under GS Holdings ESOS.

## 10. Net assets value

	Group		Company	
	<u>31 Dec 2021</u>	<u>31 Dec 2020</u>	<u>31 Dec 2021</u>	<u>31 Dec 2020</u>
Net assets value per ordinary share (cents)	<u>12.21</u>	<u>14.64</u>	<u>5.75</u>	<u>6.20</u>

Net asset value per ordinary share is calculated based on 188,993,260 and 184,993,260 ordinary shares (excluding treasury shares) outstanding as at 31 December 2021 and 31 December 2020 respectively.

## 11. Property, plant and equipment

During the financial year, the Group and Company acquired assets amounting to S\$89,000 (31 December 2020: S\$73,000) and S\$10,000 (31 December 2020: S\$5,000) respectively in cash.

## 12. Investment properties

	Group	
	<u>31 Dec 2021</u> <u>S\$'000</u>	<u>31 Dec 2020</u> <u>S\$'000</u>
At 1 January	3,050	3,680
Additions	-	5
Fair value loss recognised in profit or loss	(880)	(635)
At 31 December	<u>2,170</u>	<u>3,050</u>

## 12. Investment properties (Continued)

The fair values of investment properties were determined based on the latest valuation performed by an independent valuer. 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.

The following amounts are recognised in profit or loss:

	Group 6 months ended		Group 12 months ended	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
Rental income	15	11	31	23
Direct operating expenses arising from investment properties that generated rental income	33	3	71	5

### *Properties pledged as security*

An investment property amounting to S\$450,000 (31 December 2020: Investment properties amounting to S\$3,050,000) is mortgaged to secure bank loans for the Group.

The Group has on 18 January 2022 entered into an option to purchase with third party purchasers to dispose of an investment property amounting to S\$450,000 for a consideration of S\$460,000. The purchasers have on 7 February 2022 exercised the option to purchase and they must enter into a sales and purchase agreement with our subsidiary, Hawkerway Pte. Ltd., by 4 April 2022 if they wish to proceed to purchase the property.

## 13. Investments in subsidiaries

	Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<b>Unquoted equity shares, at cost</b>		
At 1 January	9,122	9,122
Incorporation of a subsidiary during the financial year	100	-
Strike off during the financial year	(110)	-
At 31 December	9,112	9,122
<b>Impairment allowances:</b>		
At 1 January	(110)	(110)
Strike off during the financial year	110	-
At 31 December	-	(110)
<b>Net carrying amount</b>	<b>9,112</b>	<b>9,012</b>



#### 14. Intangible assets

	Group	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
Goodwill arising on business combination	4,373	4,373
Other intangible assets	316	356
	<u>4,689</u>	<u>4,729</u>

#### 15. Trade and other receivables

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
Trade receivables	7,688	24,847	-	17
Less: Allowance for impairment losses	<u>(3,829)</u>	<u>(25)</u>	<u>-</u>	<u>-</u>
	<u>3,859</u>	<u>24,822</u>	<u>-</u>	<u>17</u>
Other receivables	22,148	4,421	3,134	3,179
Less: Allowance for impairment losses	<u>(501)</u>	<u>(500)</u>	<u>(805)</u>	<u>(500)</u>
	<u>21,647</u>	<u>3,921</u>	<u>2,329</u>	<u>2,679</u>
	<u>25,506</u>	<u>28,743</u>	<u>2,329</u>	<u>2,696</u>

Included in the Group's gross trade receivables as at 31 December 2021 are trade receivables amounting to approximately S\$7,607,000 due from the 14 BOP outlets which have been outstanding since 31 December 2020. All these 14 BOP outlets have already terminated BOP service agreements and health management service agreements with the Group during the year.

The Board of Directors (the “**Board**”) has recently received an update from Mr Zhang Rongxuan (“**Mr Zhang**”), the Non-independent and Non-executive Chairman of the Company and a controlling shareholder of Kaifeng Jufel, and our China management team on the business status and financial situation of these outlets. As the PRC government has imposed travel restrictions in many major cities in PRC to curb the spread of Covid-19 virus, Mr Zhang and the China management team could not travel to visit these outlets personally to understand their latest situation. However, based on the telephone conversations with the owners of the BOP outlets, Mr Zhang and the China management team understand that the businesses for the BOP outlets have been slow due to lockdowns from time to time and travel restrictions imposed by the government to curb the spread of the Covid-19 virus. In view of this latest update on the situation of the BOP outlets and given that the trade receivables have been outstanding for more than a year, the Board has decided to make an allowance for impairment losses amounting to approximately S\$3,740,000 in aggregate, or approximately 50% of the total outstanding trade receivables due from the 14 BOP outlets. Prior to the finalisation of auditor's report by the Company's auditors in early April 2022, the Board will assess the recoverability of the outstanding receivables from the 14 BOP outlets again and also consult the Company's auditors on the adequacy of the allowance for impairment losses made as at the date of this announcement after the Group has obtained more information about the BOP outlets over the next few weeks.

## 15. Trade and other receivables (Continued)

The Group has recently appointed a qualified law firm based in Shanghai to initiate the necessary legal proceedings to recover the amount outstanding from the BOP outlets. The total outstanding amount that the Group is seeking to recover from the BOP outlets includes all BOP service fees, health management service fees and late payment interest accrued in FY2021 notwithstanding that these revenue and the corresponding trade receivables amounts have been reversed out as it does not meet the criteria in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*, that it is probably that the Group will be able to collect an amount of consideration in exchange of services, for revenue recognised during the financial year. A letter of demand issued by the Shanghai law firm has been sent to all the 14 BOP outlets recently. The Group will amongst others, review the BOP outlets' responses to the letter of demand as part of its considerations in assessing the adequacy of the allowance for impairment losses made.

Included in the Group's other receivables as at 31 December 2021 is an amount of RMB 100 million (equivalent to approximately S\$21.2 million) which is receivables from Mr Zhang as discussed in Note 16 below. As at the date of this announcement, Mr Zhang has represented to the Board that while the RMB 100 million remains in the Group's bank account with Guangfa Bank, the encumbrance in respect of such RMB 100 million has not been discharged.

## 16. Cash and bank balances

Included in the Group's cash and bank balances for the financial period ended 30 June 2021 is an amount of RMB 100 million (equivalent to approximately S\$21.2 million) received from the BOP outlets during the period through a third-party loan arranged by Kaifeng Jufeel Bio-Technology Co., Ltd ("**Kaifeng Jufeel**"). However, there is an existing encumbrance on the foregoing amount of RMB 100 million (equivalent to approximately S\$21.2 million). For details, please refer to the Company's announcements on 13 June 2021, 17 June 2021, 1 July 2021, 19 July 2021, 29 July 2021, 18 August 2021, 30 September 2021 and 2 November 2021.

As at the date of this announcement, the encumbrance has yet to be discharged. The Board has recently received an update from Mr Zhang on the status of the encumbrance. Mr Zhang informed the Board that Kaifeng Jufeel has submitted all the necessary documents required by the lender and has yet to receive any reply from the lender. Mr Zhang explained that the current property and lending climate have been significantly impacted by the recent Evergrande's and other property companies' crisis in PRC, causing borrowers to face more difficulties in using properties as a pledge to secure financing as lenders have tightened their requirements. Based on that, he is of the view that the lender may decide to terminate the RMB 100 million loan extended to Kaifeng Jufeel. Therefore, he agreed with the Company on an alternative arrangement to resolve the encumbrance issue through procuring the transfer(s) (whether in single tranche or multiple tranches) of such number of Listed Shares (being shares of a company listed on the Hong Kong Stock Exchange with an aggregate market value of RMB 100 million) to the Company. For details, please refer to the Company's announcements dated 2 November 2021 and 31 December 2021. As announced by the Company on 31 December 2021, Mr Zhang is to procure the transfer(s) of such Listed Shares to the Company within 3 months from the date of an agreement entered between Mr Zhang and the Company on 31 December 2021 (i.e. by 31 March 2022). Mr Zhang has further informed the Board that he is actively taking the necessary steps to procure the transfer of the Listed Shares to the Company by the stipulated deadline. As at the date of this announcement, Mr Zhang has transferred 5,000,000 Listed Shares worth approximately S\$424,000 to the Company.

## 16. Cash and bank balances (Continued)

Further to the above update and commitment by Mr Zhang to procure the transfer of the Listed Shares to the Company by 31 March 2022, the Board is of the view that it is more prudent to reclassify the amount of RMB 100 million to other receivables as amount due from Mr Zhang, in view of Mr Zhang's representation that the RMB 100 million in the Group's bank account with Guangfa Bank remains encumbered.

## 17. Financial assets and financial liabilities

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<i>Financial assets</i>				
At amortised cost				
Trade and other receivables	25,382	28,529	2,302	2,671
Cash and cash equivalents	6,036	5,604	102	151
	<u>31,418</u>	<u>34,133</u>	<u>2,404</u>	<u>2,822</u>
<i>Financial liabilities</i>				
At amortised cost				
Trade and other payables	2,288	2,000	678	391
Loans and borrowings	4,999	4,463	-	-
	<u>7,287</u>	<u>6,463</u>	<u>678</u>	<u>391</u>

## 18. Loans and borrowings

	Group	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<u>Amounts repayable within one year</u>		
Secured	1,112	444
Unsecured	800	672
	<u>1,912</u>	<u>1,116</u>
<u>Amounts repayable after one year</u>		
Secured	1,978	2,175
Unsecured	1,109	1,172
	<u>3,087</u>	<u>3,347</u>
Total	<u>4,999</u>	<u>4,463</u>

## 18. Loans and borrowings (Continued)

<b>Group</b>	<b>Bank loans S\$'000</b>	<b>Lease liabilities S\$'000</b>	<b>Total S\$'000</b>
<b>2021</b>			
Balance at 1 January 2021	2,675	1,788	4,463
Changes from financing cash flows:			
- Proceeds	2,300	-	2,300
- Repayments	(1,934)	(818)	(2,752)
- Interest paid	(80)	(114)	(194)
Non-cash changes:			
- Interest expense	80	114	194
- New leases	-	988	988
Balance at 31 December 2021	<u>3,041</u>	<u>1,958</u>	<u>4,999</u>
Amounts repayable within one year	1,101	811	1,912
Amounts repayable after one year	1,940	1,147	3,087
Total	<u>3,041</u>	<u>1,958</u>	<u>4,999</u>
<b>2020</b>			
Balance at 1 January 2020	1,837	2,508	4,345
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	<u>2,675</u>	<u>1,788</u>	<u>4,463</u>
Amounts repayable within one year	499	617	1,116
Amounts repayable after one year	2,176	1,171	3,347
Total	<u>2,675</u>	<u>1,788</u>	<u>4,463</u>

Total loans and borrowings amounted to S\$4,999,000 (31 December 2020: S\$4,463,000), of which S\$3,090,000 (31 December 2020: S\$2,619,000) are secured by:

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

Finance lease liabilities amounting to S\$48,000 as at 31 December 2021 (31 December 2020: S\$536,000) are secured by the rights to the Group's motor vehicle (31 December 2020: motor vehicles and machinery).

## 18. Loans and borrowings (Continued)

As at the date of this announcement, the financial guarantees issued and investment properties pledged as securities for GreatSolutions' bank borrowings have been completely discharged during the financial year.

## 19. Trade and other payables

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2021 S\$'000	31 Dec 2021 S\$'000	31 Dec 2021 S\$'000
Trade payables	254	229	-	-
Other payables	2,239	2,056	682	395
	<u>2,493</u>	<u>2,285</u>	<u>682</u>	<u>395</u>

## 20. Share capital

	Group and Company			
	31 Dec 2021		31 Dec 2020	
	No. of shares	S\$'000	No. of shares	S\$'000
<u>Issued and fully paid ordinary shares</u>				
At 1 January	184,993,260	20,469	184,993,260	20,469
Issuance of shares pursuant to exercise of warrants	4,000,000	1,020	-	-
Share issue expense	-	(1)	-	-
At 31 December	<u>188,993,260</u>	<u>21,488</u>	<u>184,993,260</u>	<u>20,469</u>

### Outstanding convertible warrants

As at 31 December 2021, the Company had NIL outstanding convertible warrants (46,764,705 as at 31 December 2020 available for conversion into 46,764,705 ordinary shares of the Company). The outstanding convertible warrants as at 31 December 2020 represents approximately 25.3% of the Company's total number of issued shares as at 31 December 2020.

On 29 June 2021, 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.

35,000,000 unexercised warrants expired on 21 April 2021 whereas remaining 7,764,705 unexercised warrants expired on 25 June 2021.

## 20. Share capital (Continued)

### GS Holdings ESOS

On 25 September 2019, the Company granted an aggregate of 3,300,000 share options to certain Directors and selected employee which entitled them to subscribe for a total of 3,300,000 ordinary shares of the Company. On 6 January 2020, the Company has further granted an aggregate of 2,000,000 share options to certain Director and a selected employee which entitled them to subscribe for a total of 2,000,000 ordinary shares of the Company.

Out of the aggregate 5,300,000 share options granted, 3,300,000 share options had lapsed on 24 September 2021 as none of the share options holders exercised the share options granted due to poor performance of the Company's share price. The remaining outstanding 2,000,000 share options represents approximately 1.06% of the Company's total number of issued shares as at 31 December 2021 (2.86% as at 31 December 2020), which had also subsequently lapsed on 5 January 2022.

### Treasury shares and subsidiary holdings

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2021 and 31 December 2020.

## 21. Reserves

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
Share options reserves	687	1,244	687	1,244
Warrants reserve	-	3,882	-	3,882
Currency translation reserve	1,376	534	-	-
Merger reserve	(8,611)	(8,571)	-	-
Asset revaluation reserve	2,919	2,919	-	-
	<u>(3,629)</u>	<u>8</u>	<u>687</u>	<u>5,126</u>

## 22. 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:

	<u>Level 1</u> <u>SS'000</u>	<u>Level 2</u> <u>SS'000</u>	<u>Level 3</u> <u>SS'000</u>	<u>Total</u> <u>SS'000</u>
<b>Group</b>				
<b><u>Recurring fair value measurements</u></b>				
<b>31 December 2021</b>				
Non-financial asset:				
Investment properties	-	-	2,170	2,170
<b>31 December 2020</b>				
Non-financial asset:				
Investment properties	-	-	3,050	3,050

## 23. 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 December 2021 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period and 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 opinion in the Auditor’s Report for the Company’s financial statements for financial year ended 31 December 2020 is a disclaimer of opinion on revenue recognition, bank balance of S\$20.47 million (RMB 100 million) with an encumbrance and trade and other receivables arising from Branding, Operations and Procurement (“BOP”) services as the auditors were unable to obtain sufficient appropriate audit evidence and supporting documentation to satisfy themselves or carry out alternative procedures to conclude on:-

- (a) Whether the amount received of S\$20.47 million (RMB 100 million) represents collections from the Group’s customers for the trade and other receivables outstanding at 31 December 2020.
- (b) Whether there would be any implications arising from the encumbrance on the S\$20.47 million (RMB 100 million) including any potential recourse to the Group with respect to the receipt.
- (c) Whether any allowance for expected credit losses are required for the Group’s trade and other receivables arising from BOP services amounted to S\$27.50 million (RMB 135.87 million) as at 31 December 2020.
- (d) Whether the BOP service 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.

The Group has taken the necessary actions to resolve the above audit issues. For point (a) to (c), please refer to the Company’s discussions on Notes 15 and 16 of Section E.

For point (d), the Group has assessed the recoverability of trade receivables arising from the BOP service revenue earned during the financial year for the year ended 31 December 2021 to determine whether the BOP service revenue could be recognised. Following the assessment, the Group has decided not to recognise the BOP service income earned during the financial year as it does not meet the criteria in accordance with 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.

The Board confirmed that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.



## 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

The following review of the performance of the Group is in relation to the 6-month period ended 31 December 2021 (“2H2021”) as compared to the 6-month period ended 31 December 2020 (“2H2020”) and 12-month period ended 31 December 2021 (“FY2021”) as compared to the 12-month period ended 31 December 2020 (“FY2020”).

#### 2H2021 vs 2H2020

(A) Continuing operations

##### Revenue

	Group		Increase / (Decrease) %
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	
Sale of F&B	3,038	3,348	(9)
BOP service fee income	(3,321)	4,044	N.M
	<u>(283)</u>	<u>7,392</u>	M.M

Revenue decreased by approximately S\$7.68 million from S\$7.39 million in 2H2020 to negative S\$0.28 million in 2H2021. The decrease is mainly due to reversal of BOP service fee income amounting to RMB 16.1 million (approximately S\$3.32 million) earned from the BOP outlets in the first 6-month period of FY2021 in 2H2021 to comply with the revenue recognition criteria under SFRS(I) 15 *Revenue from Contracts with Customers*. As discussed in Note 15 of Section E, this is due to uncertainty in the collection of amounts outstanding from the BOP outlets.

Revenue for our F&B business in 2H2021 was relatively consistent with the revenue of 2H2020, with a slight decrease by approximately S\$0.31 million or 9% from S\$3.35 million in 2H2020 to S\$3.04 million in 2H2021. The decrease is mainly due to reduction in royalty income and sales in F&B earned by S\$0.15 million and S\$0.12 million respectively. Although we managed to secure an additional franchisee in 2H2021, the franchise fee earned is lower as compared to the franchise fee charged to the previous franchisee after due consideration of several commercial factors. As part of the Group's strategies in reviewing loss making entities, the Group has decided to slow down the F&B operation in certain outlets during 2H2021 in order to focus on potential outlets, resulted in lower F&B revenue in 2H2021.

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

### A. Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

#### 2H2021 vs 2H2020 (Continued)

##### (A) Continuing operations (Continued)

##### Cost of sales and gross profit

	Group		Increase / (Decrease) %
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	
Personnel expenses	1,071	1,029	4
F&B cost	1,054	1,082	(3)
Amortisation of right-of-use assets	437	365	20
Utilities	186	179	4
Subcontractors' expenses	(26)	116	N.M
Rental expenses	44	24	83
Other cost of sales	182	235	(23)
	<u>2,948</u>	<u>3,030</u>	(3)

The main components in the cost of sales are F&B cost, personnel expenses, utilities and amortisation of right-of-use assets, amounting to approximately S\$1.05 million, S\$1.07 million, S\$0.19 million and S\$0.44 million respectively for the current reporting period. Overall, cost of sales decreased by approximately S\$82,000 or 3%, mainly due to decrease in subcontractors' expenses, and consultancy fees incurred during the year following the termination of all BOP service agreements and health management service agreement during the year. The decrease is partially offset by higher personnel expenses, amortisation of right-of-use assets and rental expenses.

Significant decrease in gross profit margin is mainly attributable to the reversal of BOP service fee income in 2H2021 as discussed above.

##### Other income

Other income for 2H2021 was relatively consistent with the other income of 2H2020. Slight increase in other income by approximately S\$0.01 million or 1% from S\$0.44 million in 2H2020 to S\$0.45 million in 2H2021 is mainly due to higher receipt of government grants in the current period as compared to these other income received in the previous corresponding period.

##### Administrative expenses

Administrative expenses decreased by approximately S\$1.86 million or 53% from S\$3.49 million in 2H2020 to S\$1.63 million in 2H2021, mainly due to the absence of stock option expenses in FY2021 (FY2020: S\$1.2 million) and lower impairment loss on other receivables by S\$0.50 million.

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

### A. Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

#### 2H2021 vs 2H2020 (Continued)

##### (A) Continuing operations (Continued)

###### Finance costs

Finance costs decreased by approximately S\$28,000 or 22%, mainly due to progressive repayment of bank loans and lease liabilities during the period.

###### Net impairment loss on financial assets

Net impairment loss on financial assets increased by S\$3.24 million, mainly due to the allowance for impairment losses made on trade receivables relating to the BOP business as discussed in Note 15 of Section E.

##### (B) Discontinued operations

Discontinued operations relate to GreatSolutions and its subsidiary, GS Hospitality Services Pte. Ltd, GCS and GES in FY2020. The disposal of GreatSolutions and its subsidiary was completed on 14 January 2020 while the disposal of GCS and GES was completed on 15 July 2020.

In accordance with SFRS(I) 5 *Non-Current Assets Held-for-Sale and Discontinued Operations*, the results of GreatSolutions and its subsidiary, GCS and GES have been presented separately on the consolidated income statement as Discontinued Operations in 2H2020.

#### FY2021 vs FY2020

##### (A) Continuing operations

###### Revenue

	Group		Increase / (Decrease) %
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	
Sale of F&B	5,964	6,210	(4)
BOP service fee income	-	7,373	(100)
	<u>5,964</u>	<u>13,583</u>	(56)

Revenue decreased by approximately S\$7.62 million or 56% from S\$13.58 million in FY2020 to S\$5.96 million in FY2021. The decrease is mainly due to reversal of BOP service fee income amounting to RMB 16.1 million (approximately S\$3.32 million) earned from the BOP outlets in the first 6-month period of FY2021 in FY2021 to comply with the revenue recognition criteria under SFRS(I) 15 *Revenue from Contracts with Customers*. As discussed in Note 15 of Section E, this is due to uncertainty in the collection of amounts outstanding from the BOP outlets.

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

### A. Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

#### FY2021 vs FY2020 (Continued)

##### (A) Continuing operations (Continued)

###### Revenue (Continued)

Revenue for our F&B business in FY2021 was relatively consistent with the revenue of FY2020, with a slight decrease by approximately S\$0.25 million or 4% from S\$6.21 million in FY2020 to S\$5.96 million in FY2021. The decrease is mainly due to reduction in royalty income, sales in F&B and rental income from food stalls earned by S\$0.11 million, S\$0.05 million and S\$0.09 million respectively. Although we managed to secure an additional franchisee in FY2021, the franchise fee earned is lower as compared to the franchise fee charged to the previous franchisee after due consideration of several commercial factors. As part of the Group's strategies in reviewing loss making entities, the Group has decided to slow down the F&B operation in certain outlets during FY2021 in order to focus on potential outlets, resulted in lower F&B revenue in FY2021. Decrease in rental income earned from food stalls is mainly due to lower stall rental fee earned from tenants and longer time taken in looking for replacement of tenants due to prolonged impact from Covid-19 pandemic.

###### Cost of sales and gross profit

	Group		Increase / (Decrease) %
	12 months ended 31 Dec 2021 S\$'000	12 months ended 31 Dec 2020 S\$'000	
Personnel expenses	2,108	2,121	(1)
F&B cost	2,077	2,053	(1)
Amortisation of right-of-use assets	825	845	(2)
Utilities	369	391	(6)
Subcontractors' expenses	104	222	(53)
Rental expenses	74	161	(54)
Other cost of sales	416	442	(6)
	<u>5,973</u>	<u>6,235</u>	(4)

The main components in the cost of sales are F&B cost, personnel expenses, utilities and amortisation of right-of-use assets, amounting to approximately S\$2.08 million, S\$2.11 million, S\$0.37 million and S\$0.83 million respectively for the current reporting year. Overall, cost of sales decreased by approximately S\$262,000 or 4%, mainly due to cost saving measures undertaken by the Group resulted in lower personnel expenses, utilities and rental expenses incurred during the year. The decrease is also due to lower subcontractors' expenses incurred following the termination of all BOP service agreements and health management service agreement during the year.

Gross profit margin decreased significantly in FY2021, mainly due to the reversal BOP service fee income in FY2021 as discussed earlier.

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

### A. Condensed Interim Consolidated Statement of Comprehensive Income (Continued)

#### FY2021 vs FY2020 (Continued)

##### (A) Continuing operations (Continued)

###### Other income

Other income decreased by approximately S\$0.39 million or 31% from S\$1.26 million in FY2020 to S\$0.87 in FY2021, mainly due to lower receipt of government grants and rental rebates from landlords in the current year as compared to these other income received in the previous year.

###### Administrative expenses

Administrative expenses decreased by approximately S\$1.52 million or 30%, mainly due to the absence of stock option expenses in FY2021 (FY2020: S\$1.2 million) and lower impairment loss on other receivables by S\$0.50 million. The decrease is partially offset by the increase in fair value loss on investment property amounting to S\$0.25 million.

###### Finance costs

Finance costs decreased by approximately S\$73,000, mainly due to progressive repayment of bank loans and lease liabilities during the year.

###### Net impairment loss on financial assets

Net impairment loss on financial assets increased by S\$3.24 million, mainly due to the allowance for impairment losses made on trade receivables relating to the BOP business as discussed in Note 15 of Section E.

##### (B) Discontinued operations

Discontinued operations relate to GreatSolutions and its subsidiary, GS Hospitality Services Pte. Ltd, GCS and GES in FY2020. The disposal of GreatSolutions and its subsidiary was completed on 14 January 2020 while the disposal of GCS and GES was completed on 15 July 2020.

In accordance with SFRS(I) 5 *Non-Current Assets Held-for-Sale and Discontinued Operations*, the results of GreatSolutions and its subsidiary, GCS and GES have been presented separately on the consolidated income statement as Discontinued Operations in FY2020.

## 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 December 2021 as compared to 31 December 2020.

#### Non-current assets

Property, plant and equipment (“PPE”) increased by S\$0.15 million from S\$1.75 million as at 31 December 2020 to S\$1.90 million as at 31 December 2021, mainly due to acquisition of PPE and recognition of right-of-use assets by the Group amounting to approximately S\$89,000 and S\$988,000 respectively, offset by PPE depreciation charge of S\$104,000 and amortisation of right-of-use assets of S\$825,000 during the year.

Investment properties decreased by S\$0.88 million, mainly due to fair value loss during the year based on the latest valuation report by an independent and qualified valuer. 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.

Intangible assets decreased by S\$40,000, mainly due to the amortisation during the year amounting to S\$62,000 and partially offset by the acquisition of intangible assets amounting to S\$22,000.

#### Current assets

Trade and other receivables decreased by S\$3.24 million. Decrease of trade receivables by S\$20.96 million, mainly due to impairment loss of S\$3.74 million being provided on outstanding BOP service fee and receipt of an amount of RMB 100 million (equivalent to approximately S\$21.2 million) for full settlement of outstanding BOP service fee billed in FY2019 and partial outstanding service fee billed in FY2020.

The increase in other receivables by S\$17.73 million, is mainly due to reclassification of RMB 100 million (equivalent to approximately S\$21.2 million) from cash and bank balances to other receivables as discussed in Note 15 and 16 of Section E. The increase in other receivables is partially offset by the settlement of final tranche of purchase consideration owing from GreatSolutions' purchaser amounting to S\$0.57 million during the year, with a remaining balance of S\$0.03 million yet to be settled as at the date of this announcement.

There was a reclassification of performance deposits receivable from the BOP outlets amounting to RMB 14.00 million (equivalent to approximately S\$3.00 million) from other receivables to trade receivables during the year upon termination of the BOP service agreements.

Cash and cash equivalent increased by S\$432,000 during the year. Reasons for the increase are provided below under the Review of the Group's Cash Flow Statement.

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

### B. Condensed Interim Consolidated Balance Sheet (Continued)

#### Non-current liabilities

Non-current loans and borrowings decreased by S\$260,000, mainly due to progressive repayment of bank loans and lease liabilities during the year. The decrease was partially offset by recognition of lease liabilities and proceeds from new loans during the year.

#### Current liabilities

Trade and other payables increased by S\$208,000, mainly due to additional provision for professional fees during the year.

Tax payables increased by S\$257,000, mainly due to the translation difference during the year.

Current loans and borrowings increased by S\$796,000, mainly due to recognition of lease liabilities and proceeds from new loans during the year. The increase was partially offset by progressive repayment of bank loans and lease liabilities during the year.

#### Equity

Overall, the Group's total equity decreased by S\$4.56 million from S\$31.76 million as at 31 December 2020 to S\$27.20 million as at 31 December 2021. The decrease was mainly due to the net loss of S\$6.68 million incurred during the year, partially offset by currency translation differences arising from consolidation of S\$1.10 million and issuance of new shares amounting to S\$1.02 million.

### C. Condensed Interim Consolidated Cash Flow Statement

Overall, the Group reported a net increase in cash and cash equivalents of S\$0.43 million from S\$5.60 million as at 31 December 2020 to S\$6.03 million as at 31 December 2021.

The increase was mainly due to the following items:

- a. Net cash generated from operating activities amounting to S\$0.17 million.
- b. Proceeds from bank loans amounting to S\$2.30 million.
- c. Proceeds from issuance of new shares amounting to S\$1.02 million.

The above increase was partially offset by the cash flow used in the following items:

- a. Repayment of bank loans and lease liabilities amounting to S\$2.75 million.
- b. Interest payment amounting to S\$0.19 million.

**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 year under review is in line with its expectations as disclosed in the profit warning announcement released on 7 January 2022. The actual loss before tax is higher than the Company initially estimated when the Company issued the profit warning, mainly due to reversal of BOP revenue for the whole year of FY2021 and making allowance for impairment losses on trade receivables following the Company's preliminary discussion with the Company's auditors.

**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 December 2021, the Group has 7 F&B establishments which include 2 food courts/food centres, a halal eating house, a famous chicken rice restaurant and 3 chicken rice food stalls under the "Sing Swee Kee" brand name. During the financial year, there were 3 chicken rice food stalls which opened in various food courts. Subsequent to the financial year, the halal eating house has been closed.

In FY2021, the Group's F&B business performance was generally still being affected negatively by the ongoing Covid-19 pandemic even though our Singapore government has lifted some of the Covid-19 restrictive measures imposed in FY2020. Nevertheless, the Group has taken several measures during the year to improve the performance of our F&B business and for expansion purposes, such as:-

- (a) Opening of more F&B outlets in food courts and eating places with good location
- (b) Entering into joint venture agreements with experienced F&B partners

As our Singapore government has opened our borders to allow more tourists and visitors from other countries to come to Singapore, coupled with the above measures that the Group has taken, we are cautiously optimistic that our F&B division could perform better in the next 12 month.

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

As announced by the Group on 31 March 2021, 29 July 2021, and 15 August 2021, all the BOP service agreements and health management service agreements with the 14 BOP outlets have been terminated during the year due to commercial reasons, mainly because the businesses of these outlets have been negatively affected by the Covid-19 pandemic and the strict restrictive measures taken by the PRC government in curbing the spread of the Covid-19 virus. With that, the Group expects that there will be no revenue and income from this division in the next 6 to 12 months.

The Group is currently exploring and evaluating other business opportunities to complement its existing businesses and for expansion purposes.



**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 year.

**(b) (i) Amount per share:** Not applicable.

**(ii) Previous corresponding period:** Interim dividend of S\$0.01 per ordinary share has been declared for the previous financial year. The interim dividend amounting to S\$1,850,000 had been paid on 10 September 2020.

**(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 year ended 31 December 2021 in view of the economic uncertainty resulted from the Covid-19 pandemic 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. The aggregate value of the interested person transactions conducted during the financial year ended 31 December 2021 is disclosed below:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000
Pang Pok	Note <sup>(1)</sup>	1,188
Koufu Group Limited	Note <sup>(2)</sup>	836

**Notes:**

<sup>(1)</sup> S\$1,188,000 relates to tenancy agreement entered by Hao Kou Wei Pte. Ltd. (“**HKW**”) with Mr. Pang Pok, the Company’s Chief Executive Officer and Executive Director on 21 December 2021 at a monthly lease amount of S\$33,000 for a period of three years, with an option to renew for another three years but subject to such rent as may be agreed between HKW and Mr. Pang Pok. As the tenancy agreement is for a period not exceeding three (3) years and the terms are supported by an independent valuation, it falls within the exemption under Rule 916(1) of the Catalist Rules.

<sup>(2)</sup> Rasa Sayang Village Pte. Ltd. and HKW are wholly-owned subsidiaries of the Company and both wholly-owned subsidiaries have signed two letters of offer with Koufu Group Limited (“**Koufu**”) in FY2021. The total value at risk of the two leases is estimated at S\$836,000 after taking into account variable components.

At the time of entering into the letters of offer, Jun Yuan Holdings Pte. Ltd. (“**Jun Yuan Holdings**”) was the controlling shareholder of Koufu, holding 428,048,800 shares (representing 77.18% direct interest) in Koufu. Mr Pang Lim holds 50.0% of the shares in Jun Yuan Holdings. Pursuant to Section 4 of the Securities and Futures Act (“**SFA**”), Mr Pang Lim is deemed to have an interest in the 428,048,800 shares held by Jun Yuan Holdings in Koufu.

Mr Pang Lim is the brother of Mr Pang Pok, the Company’s Chief Executive Officer and Executive Director. As such, Koufu, Mr Pang Pok and Mr Pang Lim are deemed as the same interested person as defined under Chapter 9 of the Catalist Rules.

**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. 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.**

On 28 December 2021, the Company's indirect wholly-owned subsidiary, Hao Kou Wei Pte. Ltd. has incorporated a wholly owned subsidiary, Sing Zhong Brands Management Pte. Ltd. For more information, please refer to Company's announcement dated 28 December 2021.

On 10 November 2021, the Company incorporated a wholly owned subsidiary, PMAS International Trading (Hainan) Co., Ltd., in PRC with registered share capital and paid-up share capital of US\$1 million and nil respectively as at the date of this announcement. The Company has until 15 October 2021 to increase the paid-up share capital till US\$1 million and the paid-up share capital is expected to be funded via internal resources.

**10. Use of placement proceeds and convertible loans**

**(A) Placement**

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 and the circular dated 11 February 2019 for further details.

## 10. Use of placement proceeds and convertible loans (Continued)

### (A) Placement (Continued)

As at the date of this announcement, the remaining unutilised amount of the Net Proceeds following the last update by the Company on 14 August 2021 has been fully utilised as follows:

<b>Use of Net Proceeds</b>	<b>Amount allocated pursuant to the re-allocation on 19 February 2021 S\$'000</b>	<b>Amount unutilised as at 14 August 2021 S\$'000</b>	<b>Amount utilised since the last update on 14 August 2021 till the date of this announcement S\$'000</b>	<b>Amount unutilised as at the date of this announcement S\$'000</b>
Acquisition of companies and/or assets in the food & beverage business	1,880	-	-	-
General working capital	2,562	340	340 <sup>(1)</sup>	-
Capital expenditure for dishwashing business	300	-	-	-
<b>Total</b>	<b>4,742</b>	<b>340</b>	<b>340</b>	<b>-</b>

#### Note:

<sup>(1)</sup> The working capital of S\$340,000 utilised since the last update on 14 August 2021 till the date of this announcement is mainly in respect of payment of professional fees, audit fees and directors' fees.

### (B) Convertible Loan

The Company refers to the Company's announcement dated 17 December 2018 on the entry into convertible loan agreement for an aggregate amount of RMB 68 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 announcement, there is no disbursement of the convertible loan.

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

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Pang Yiling, Eliss	38	Daughter of Chief Executive Officer, Mr. Pang Pok	Director of Operations since 25 June 2018.	No change
Ang Siew Kiock	63	Spouse of Chief Executive Officer, Mr. Pang Pok	Executive Director of Hao Kou Wei Pte. Ltd. since 1 July 2019.	No change

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

Please refer to paragraph 2 of Section F above for details.

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

	<b>31 Dec 2021 S\$'000</b>	<b>31 Dec 2020 S\$'000</b>
Total annual ordinary dividend	-	1,850
Total annual preference dividend	-	-
Total annual dividend	<u>-</u>	<u>1,850</u>

**BY ORDER OF THE BOARD**

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

1 March 2022