



GS Holdings Limited



ANNUAL
REPORT
2015



**BUILDING
SUSTAINABLE GROWTH**

TABLE OF CONTENTS



CORPORATE PROFILE	01
OUR BUSINESS	02
CHAIRMAN'S MESSAGE	04
OPERATIONS & FINANCIAL REVIEW	06
BOARD OF DIRECTORS	08
SENIOR MANAGEMENT	10
AWARDS & ACCREDITATION	11
CORPORATE INFORMATION	12
CORPORATE GOVERNANCE	13
DIRECTORS' STATEMENT	43
INDEPENDENT AUDITOR'S REPORT	47
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	48
STATEMENTS OF FINANCIAL POSITION	49
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	50
CONSOLIDATED STATEMENT OF CASH FLOWS	51
NOTES TO THE FINANCIAL STATEMENTS	52
SHAREHOLDERS' STATISTICS	92
NOTICE OF ANNUAL GENERAL MEETING	94
PROXY FORM	

GS Holdings Limited (the "Company") was listed on Catalyst of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 18 January 2016. The initial public offering of the Company was sponsored by UOB Kay Hian Private Limited (the "Sponsor").

This Annual Report has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant Catalyst Rules. The Sponsor has not independently verified the contents of this Annual Report.

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

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalyst Operations, Senior Vice President, and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.



CORPORATE PROFILE

GS Holdings Limited is Singapore's leading centralised commercial dishware washing company that specialises in providing end-to-end cleaning services for Singapore's food and beverage ("F&B") industry.

We pride ourselves in delivering comprehensive and environmentally-friendly cleaning solutions that meet the manpower and cleaning needs of our customers. We are the first and only dishware washing specialist in Singapore with the ISO 22000: 2005 and Halal certifications, and our management team is backed by over 20 years of experience in the food and cleaning industries.

With a market share of 40%, supported by three strategically-located centralised dishware washing facilities, we serve a diversified range of customers ranging from F&B tenants located in shopping malls, food courts, coffee shops, restaurants, hawker centres, as well as a public tertiary hospital.

We are also a registered contractor and licensed builder with the Building and Construction Authority of Singapore, and one of three SPRING Singapore appointed service providers for the centralising or outsourcing of dishwashing facilities to F&B enterprises.





OUR BUSINESS

OUR VALUE PROPOSITIONS

END-TO-END CLEANING SOLUTIONS

GS Holdings manages the cleaning process of our customers' dishware from start to end, with the intention for our customers to outsource their cleaning needs entirely. Our services allow our customers to reduce reliance on manpower and focus on core business goals while increasing quality control for the cleanliness of crockery and utensils. Through our services, customers also benefit from cost savings on utility bills, detergent and machines.



QUALITY-ASSURANCE

The Group is thoroughly committed to ensuring that our cleaning services comply with the highest quality standards. In line with this commitment, we have incorporated a scientific and systematic approach to ensure quality control of the highest level across our business processes.

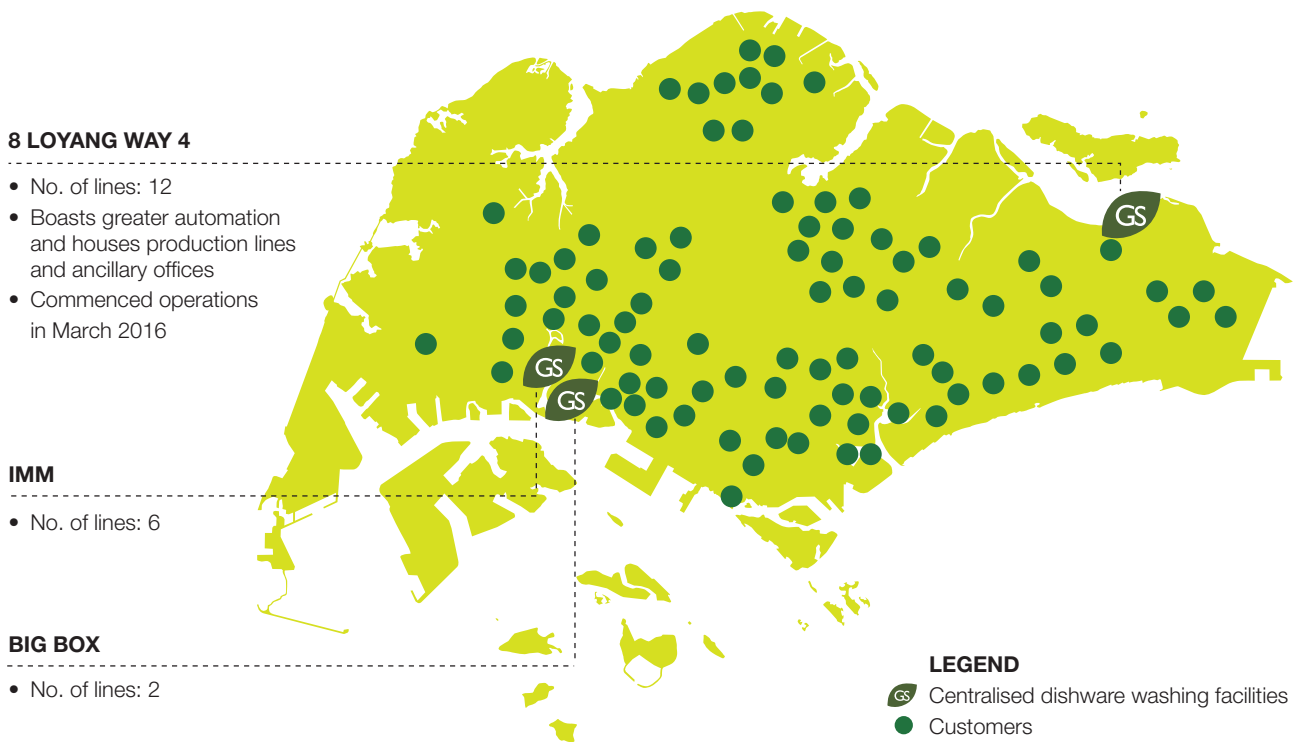




ISLAND-WIDE COVERAGE AND STRONG BUSINESS NETWORK

As at 31 December 2015, the Group had three centralised dishware washing facilities – 1 Senoko Avenue, IMM and Big Box. When the lease at 1 Senoko Avenue expired in March 2016, the dishware washing lines from this facility were re-located to 8 Loyang Way 4, which commenced operations in March 2016.

The Loyang facility is the Group’s largest facility, spanning an area of 4,500 sqm and equipped with production lines with improved automation for large scale dishware washing.





DEAR SHAREHOLDERS,

I am pleased to present GS Holdings Limited's first annual report since our listing on the Singapore Exchange in January 2016. The successful completion of the initial public offering ("IPO") was a clear highlight of the year for GS Holdings, and marks the beginning of our Group's new growth chapter.

SOWING SEEDS OF GROWTH

The year 2015 was a period of transition for GS Holdings as our Group took active steps to manage our costs by reducing our reliance on sub-contractors. We also proactively built on our work processes and increased staff strength. These measures have enabled us to scale up operations and to tap opportunities in the long term.

Additionally, we have made headway in our post-IPO plans to focus on improving automation. In December 2015, our Group completed the acquisition of our new 4,500 sqm facility at 8 Loyang Way 4, which has recently commenced operations in March 2016. The dishware washing lines in this new facility features a higher level of

automation, thereby allowing us to effectively manage operational costs while increasing our dishware washing capacity to meet the increasing demand for our services.

GS Holdings constantly explores new avenues to provide value-added services that benefit customers from different sectors. On 22 February 2016, our Group announced the incorporation of a new subsidiary, GS Hospitality Services Pte Ltd, as part of our Group's effort to extend our centralised dishware washing solutions to the hospitality industry. GS Hospitality will work closely with various government agencies to implement centralised dishware washing solutions for hotels to help raise the productivity within the hotel sector.

SNAPSHOT OF FY2015 PERFORMANCE

Our Group's revenue more than doubled from S\$2.5 million in FY2014 to S\$6.3 million in FY2015 mainly due to additional new contracts secured, coupled with an increased revenue contribution from our existing customers.

Higher manpower costs of approximately S\$0.7 million largely weighed on our Group's net profit for FY2015 due to an increase in operational staffing and headcount as we seek to grow our business, amid a tight labour market. The one-off expenses of S\$1.3 million for professional fees in relation to the IPO also impacted the Group's bottomline. As such, the Group reported a net loss of S\$2.1 million in FY2015 compared with a net profit of S\$1.1 million in the preceding year.



The successful completion of the IPO marks the beginning of our new growth chapter.

However, we are heartened to say that the Group has taken steps to build the business for the future. We have invested significant resources in terms of equipment and human resources to build a business model that will enable us to scale up to meet market demand. In essence, we are primed for sustainable growth over the long term.

Our Group typically enters into contracts of between one to three years, with a corresponding option to extend for another one to three years, with our customers.

As at 31 March 2016, our order book based on secured contracts was approximately S\$19.1 million. The following table set out the breakdown of the value of our order book, which will be delivered within one year and after one year:

	S\$'000	(%)
Within 1 year	16,000	84.0
After 1 year	3,100	16.0
Total book order	19,100	100.0

Our Group's order book as at any particular date is not indicative of its revenue of succeeding periods as these contracts may be subject to cancellations, deferral or early termination by our customers.

BUILDING SUSTAINABLE GROWTH

As a listed company, our Group's key focus is to consistently deliver and enhance value for our shareholders by leveraging on our market leadership in a promising industry with bright prospects.

Given our strong positioning on several fronts, we believe we are well-poised to capture greater market share in Singapore's growing centralised dishwashing service market. We intend to capitalise on our leadership position and the following competitive strengths to reap growth for the Group:

- one of Singapore's first centralised commercial dishwashing services provider with a 40% market share;
- one of three SPRING Singapore appointed service providers;
- BCA-registered contractor and licensed builder which enables the Group to take on government cleaning contracts;
- Singapore's first and only dishware washing specialist with both the Halal and ISO 22000: 2005 accreditations.

At the same time, we will continue to work diligently to stay competitive by exploring other avenues to provide value-added services for our customers. These include managing customers' waste disposal process and reorganising their kitchen set-ups for better efficiencies.

DELIVERING GREEN AND SUSTAINABLE SOLUTIONS

GS Holdings aims to deliver comprehensive and energy-efficient end-to-end cleaning solutions that not only meet the manpower needs of the F&B industry, but to also provide the growing industry with a more environmentally-friendly and sustainable option to meet its cleaning needs. To this end, the automated dishwashing processes at our new facility in Loyang will feature sustainable green technology.

ACKNOWLEDGEMENT

In concluding, I would like to take this opportunity to thank all our valuable shareholders and employees for your confidence in us and unwavering support for our IPO, which were paramount to a highly successful listing amid poor market sentiments and volatility.

As we transition towards the next chapter of our growth story, we look forward to your continued support in the coming years as we aim to secure a firmer foothold in the centralised cleaning industry.

PANG POK

Executive Chairman and Chief Executive Officer
23 March 2016



OPERATIONS & FINANCIAL REVIEW

In FY2015, our Group reported a more than two-fold increase in revenue from S\$2.5 million in FY2014 to S\$6.3 million. This was primarily attributable to additional new contracts awarded from Big Box and F&B tenants in shopping malls such as IMM, The Star Vista and Westgate, coupled with an increased revenue contribution from existing clients, such as Paradise Group and a public tertiary hospital.

Our cost of sales increased by 96.0% from S\$3.1 million in FY2014 to S\$6.1 million in FY2015, due mainly to an increase in labour costs of S\$2.5 million in tandem with the increase in business activities and an increase in overheads of S\$0.8 million due primarily to our centralised dishwashing facility at IMM. These were partially countered by a decrease in sub-contracting cost by S\$0.3 million in the year under review.

The Group increased its overall gross profit by S\$0.8 million and reversed its gross loss of S\$0.7 million in FY2014 to a gross profit of S\$0.1 million in FY2015. Correspondingly, the Group turned in a gross profit margin of 2.0% in FY2015 as a result of a more than proportionate increase in revenue, compared to the increase in labour costs and overhead expenses. This was made possible as our operations achieved economies of scale from the increased volume.

Administration expenses increased by S\$0.9 million to S\$2.0 million in FY2015. This was largely due to an increase in staff costs and related expenses of S\$0.7 million in line with increased business activities. Other operating expenses rose by S\$1.3 million in FY2015 due to one-off professional fees in relation to the Restructuring Exercise and the IPO. Consequently, the Group turned in a net loss of S\$2.1 million in FY2015, compared to a net profit of S\$1.1 million in the preceding year.

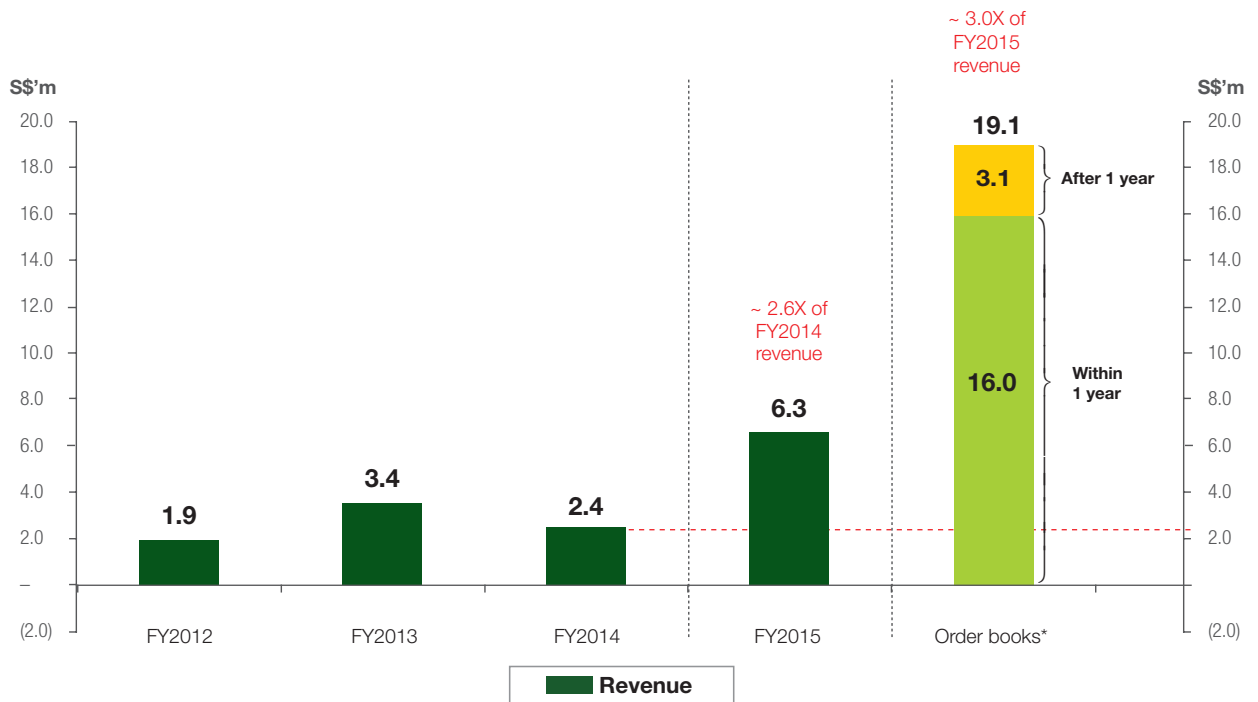


Notwithstanding this, Singapore's centralised dishwashing service market is estimated to be between S\$290 million and S\$340 million in 2014, of which 98% remain untapped. In view that the Government has invested continuous efforts in its call for greater productivity and for domestic companies to reduce their reliance on foreign workers, the strong demand and need for centralised dishwashing services in Singapore is expected to continue to grow in tandem with the F&B services industry. Going forward, we will see a favourable shift in demand for our services.

With the commencement of operations of our new facility at 8 Loyang Way 4 in March 2016, the Group is primed to meet the anticipated increase in demand for our services, given our strong order book.



REVENUE & ORDER BOOK



* Order book as at 31 March 2016, S\$16.0m is expected to be delivered within 1 year, with the remaining S\$3.1m to be delivered after 1 year.



BOARD OF **DIRECTORS**



FROM LEFT TO RIGHT:

MR KEK SIN SHEN STEVE; MR FOO SEK KUAN KENNETH; MR PANG POK; MR CHOW KEK TONG; MR CHUA KERN



PANG POK

Executive Chairman and Chief Executive Officer

Mr Pang Pok is responsible for the Group's overall management, including overseeing its operations, setting directions for new growth areas and developing business strategies. Mr Pang brings with him over 20 years of experience in the F&B industry and has led the expansion and innovation of our business and operations. He has been instrumental in our Group's growth, having founded four out of five of our Group's companies, including Greatsolutions in 2012, and having served since 1999 as a director on the Board of Hawkerway.

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

FOO SEK KUAN KENNETH

Executive Director and Chief Financial Officer

Mr Kenneth Foo joined the Group on 1 September 2014 and is responsible for overseeing the Group's accounts and finance department as well as its human resources and administrative functions.

Mr Foo has approximately 26 years of relevant experience in finance and audit work. He commenced his career with Price Waterhouse CPA (as it was then known) and has held finance, business development and operational roles in various listed companies between 1992 to 2007, including BP Singapore Pte. Limited, Standard Chartered Bank, Singapore Exchange Ltd, Tuan Sing Holdings Ltd and Neptune Orient Lines Ltd.

Mr Foo graduated with a Bachelor of Accountancy degree from the National University of Singapore in 1989, and has been a member of the Institute of Singapore Chartered Accountants since 2001.

KEK SIN SHEN STEVE

Lead Independent Director

Mr Steve Kek was appointed to the Board on 17 December 2015. Mr Kek has more than 15 years of experience in various public companies listed on the SGX-ST, private equity firms, corporate finance, and business consulting.

Mr Kek has held positions at the Ministry of Finance and KPMG, he also held senior positions in several SGX-listed companies including Advanced Holdings Limited, Transcu Group Ltd, and Weiye Holdings Limited. He currently holds several directorships in private and publicly-listed companies such as SGX-listed Fujian Zhenyun Plastics Industry Co., Ltd and MAS-registered fund, India Infrastructure Fund (Singapore) Pte. Ltd.

Mr Kek graduated with a Bachelor of Accountancy (Honours) Degree from Nanyang Technological University (Singapore) in 1998 and is a Certified Public Accountant.

CHUA KERN

Independent Director

Mr Chua Kern was appointed to the Board on 17 December 2015. Mr Chua has more than 16 years of experience in the legal industry, specialising in the areas of corporate finance, securities and capital markets and mergers and acquisitions. He is currently a director of Chancery Law Corporation, having co-founded the firm in 2005.

Mr Chua also advises companies listed on the Mainboard of the SGX-ST and on Catalist in respect of their corporate finance activities and other major corporate actions. Mr Chua had worked in Messrs Colin Ng & Partners LLP, Messrs KhattarWong LLP and Messrs Peter Chua & Partners. He is currently also an independent director of TLV Holdings Limited, a company listed on Catalist.

Mr Chua was admitted to the Supreme Court of Singapore as an Advocate and Solicitor in 1997. He obtained a Bachelor of Law (Honours) degree from the University of Bristol, United Kingdom, in 1995 and a Diploma in Singapore law from the National University of Singapore in 1996. He is a member of the Law Society of Singapore and the Singapore Academy of Law.

CHOW KEK TONG

Independent Director

Mr Chow Kek Tong was appointed to the Board on 17 December 2015. Mr Chow has over 20 years of relevant experience in finance and audit work, having held senior positions in several publicly-listed companies including Hong Kong-listed Starlite Holdings, Malaysia-listed Innovest Holdings, and SGX Mainboard-listed Flextech Holdings Ltd.

Mr Chow currently runs a business consultancy firm, Nizhoni Investment Pte. Ltd., and is also an independent director of an investee company of Mizuho Private Equity (part of Mizuho Bank, Japan) which is engaged in the business of converting organic waste matter into energy. Mr Chow is also currently the Chief Financial Officer of Cennerv Pharmaceutical (S) Pte Ltd.

Mr Chow studied professional courses in accountancy with the North East London Polytechnic and Financial Training Institute, London, and has been an associate member of the Institute of Chartered Accountants England and Wales since 1983.



SENIOR MANAGEMENT

CHIU LI YU LAWRENCE

Finance Manager

Mr Lawrence Chiu joined the Group in October 2014 and is responsible for various accounting-related functions of our Group, including assisting our Chief Financial Officer in our corporate tax filing, inter-company reconciliations and liaising with our external auditors.

Mr Chiu brings with him over 10 years of relevant experience in finance, having held senior positions with the Singapore Civil Service, the Monetary Authority of Singapore and the Government Investment Corporation. He was a remisier at Kim Eng Securities Pte Ltd and has worked in several banks, including HSBC Singapore, United Overseas Bank and Citibank NA Singapore, prior to his appointment with the Group.

Mr Chiu graduated with a Bachelor of Accountancy (First Class Honours) degree from the Nanyang Technological University of Singapore in 2002.

PHANG BOON CHIN AREN

Head (Food and Beverage Division)

Mr Aren Phang joined the Group in April 2015 and is responsible for managing existing customer relationships, implementing effective cost management measures and providing support for expansion of new customer outlets as part of the Group's business development activities.

Mr Phang has approximately 17 years of relevant experience in the F&B industry, having held senior positions at Foodfare Catering Pte Ltd, Select Catering Services Pte Ltd and Jun Hang F&B Pte. Ltd., prior to his appointment with the Group.

ONG HSIAO CHIA CINDY

Human Resources Manager

Ms Cindy Ong joined the Group in July 2015 and is in charge of all of the Group's human resource-related matters.

Ms Ong has approximately 4 years of relevant experience in human resource management, having been involved in the human resources departments of Hansgrohe Pte Ltd, Diversey Singapore Pte Ltd, KSD Pte Ltd and Revenue Valley Pte Ltd.

Ms Ong obtained her Diploma in Compensation and Benefits Management from the Singapore Human Resource Institute in 2012.



AWARDS & ACCREDITATION



First & only dishware washing specialist in Singapore with ISO 22000: 2005 certification

- Recognises our ability to control food safety hazards in order to ensure that food is safe



First & only dishware washing specialist in Singapore with Halal certification

- Enables Muslim crockery to be washed; essential for expanding customer base



Highest qualification that can be attained in the BizSAFE programme

- In recognition of our health, safety and environmental management systems



BCA-registered contractor and licensed builder since September 2014

- Ability to take on government cleaning contracts



CORPORATE INFORMATION

BOARD OF DIRECTORS:

Pang Pok (*Executive Chairman, Chief Executive Officer*)
 Foo Sek Kuan Kenneth (*Executive Director, Chief Financial Officer*)
 Kek Sin Shen Steve (*Lead Independent Director*)
 Chua Kern (*Independent Director*)
 Chow Kek Tong (*Independent Director*)

AUDIT COMMITTEE

Kek Sin Shen Steve (*Chairman*)
 Chow Kek Tong
 Chua Kern

NOMINATING COMMITTEE

Chua Kern (*Chairman*)
 Chow Kek Tong
 Kek Sin Shen Steve

REMUNERATION COMMITTEE

Chow Kek Tong (*Chairman*)
 Chua Kern
 Kek Sin Shen Steve

COMPANY SECRETARIES:

Sin Chee Mei, ACIS
 Tan Siew Hua, ACIS

REGISTERED OFFICE:

8 Loyang Way 4
 Singapore 507604

PRINCIPAL PLACE OF BUSINESS:

8 Loyang Way 4
 Singapore 507604

SHARE REGISTRAR AND SHARE TRANSFER OFFICE:

RHT Corporate Advisory Pte. Ltd.
 Six Battery Road
 #10-01
 Singapore 049909

INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS:

Baker Tilly TFW LLP
 600 North Bridge Road
 #05-01 Parkview Square
 Singapore 188778

Partner-in-charge:
 Mr Joshua Ong Kian Guan
 (Chartered Accountant)

PRINCIPAL BANKER:

DBS Bank Ltd.
 12 Marina Boulevard
 Tower 3 Marina Bay Financial Centre
 Singapore 018982

CORPORATE GOVERNANCE

DISCLOSURE TABLE FOR ANNUAL REPORT IN COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE 2012 AND CATALIST RULES

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

This corporate governance report, set out in tabular form, outlines the Company’s corporate governance structures and practices that were in place during the financial year ended 31 December 2015 (“**FY2015**”), with specific reference made to the principles of the Code of Corporate Governance 2012 (the “**Code**”) and the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in January 2015 (the “**Guide**”).

Pursuant to the listing of the Company on the the SGX-ST on 18 January 2016 up till the date of this Annual Return, the Group has complied substantially with the principles and guidelines of the Code, where there are deviations from the recommendations of the Code, we have provided the reasons and explanations in relation to the Company’s practices, where appropriate.

Guideline	Code and/or Guide Description	Company’s Compliance or Explanation														
General	(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	The Company has complied with the principles and guidelines as set out in the Code and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Guide.														
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?	Not applicable. The Company did not adopt any alternative corporate governance practices in FY2015.														
BOARD MATTERS																
The Board’s Conduct of Affairs																
1.1	What is the role of the Board?	Currently, the Board has five (5) members and comprises the following: <table border="1" data-bbox="687 1742 1436 2029"> <thead> <tr> <th colspan="2">Table 1.1 – Composition of the Board</th> </tr> <tr> <th>Name of Director</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Pang Pok</td> <td>Executive Chairman and Chief Executive Officer</td> </tr> <tr> <td>Foo Sek Kuan</td> <td>Executive Director and Chief Financial Officer</td> </tr> <tr> <td>Kek Sin Shen Steve</td> <td>Lead Independent Director</td> </tr> <tr> <td>Chua Kern</td> <td>Independent Director</td> </tr> <tr> <td>Chow Kek Tong</td> <td>Independent Director</td> </tr> </tbody> </table>	Table 1.1 – Composition of the Board		Name of Director	Designation	Pang Pok	Executive Chairman and Chief Executive Officer	Foo Sek Kuan	Executive Director and Chief Financial Officer	Kek Sin Shen Steve	Lead Independent Director	Chua Kern	Independent Director	Chow Kek Tong	Independent Director
Table 1.1 – Composition of the Board																
Name of Director	Designation															
Pang Pok	Executive Chairman and Chief Executive Officer															
Foo Sek Kuan	Executive Director and Chief Financial Officer															
Kek Sin Shen Steve	Lead Independent Director															
Chua Kern	Independent Director															
Chow Kek Tong	Independent Director															

CORPORATE GOVERNANCE

		<p>The Board is entrusted to lead and oversee the Company, with the fundamental principle to act in the best interests of the Company. In addition to its statutory duties, the Board's principle functions are:</p> <ul style="list-style-type: none"> • supervising the overall management of the business and affairs of the Group and approving the Group's corporate and strategic objectives and direction; • overseeing the process for evaluating the adequacy of internal control, risk management, financial reporting and compliance; • reviewing the performance of management and overseeing succession planning for management; • setting the Company's value and standards, and ensure that obligations to shareholders and other stakeholders are understood and met; • providing overall corporate governance of the Company. 																
1.2	All directors must objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the company.	All directors exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.																
1.3	Has the Board delegated certain responsibilities to committees? If yes, please provide details.	<p>Board committees, namely the Audit Committee (the "AC"), the Remuneration Committee (the "RC"), the Nominating Committee (the "NC") (collectively the "Board Committees") have been constituted to assist the Board in the discharge of its responsibilities. The duties, authorities and responsibilities of each committee are set out in their respective terms of reference. The terms of references are reviewed on a regular basis to ensure its continued relevance.</p> <p>The compositions of the Board Committees are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>AC</th> <th>NC</th> <th>RC</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Kek Sin Shen Steve</td> <td>Chua Kern</td> <td>Chow Kek Tong</td> </tr> <tr> <td>Member</td> <td>Chua Kern</td> <td>Kek Sin Shen Steve</td> <td>Kek Sin Shen Steve</td> </tr> <tr> <td>Member</td> <td>Chow Kek Tong</td> <td>Chow Kek Tong</td> <td>Chua Kern</td> </tr> </tbody> </table>		AC	NC	RC	Chairman	Kek Sin Shen Steve	Chua Kern	Chow Kek Tong	Member	Chua Kern	Kek Sin Shen Steve	Kek Sin Shen Steve	Member	Chow Kek Tong	Chow Kek Tong	Chua Kern
	AC	NC	RC															
Chairman	Kek Sin Shen Steve	Chua Kern	Chow Kek Tong															
Member	Chua Kern	Kek Sin Shen Steve	Kek Sin Shen Steve															
Member	Chow Kek Tong	Chow Kek Tong	Chua Kern															
1.4	Have the Board and Board Committees met in the last financial year?	<p>As the Company was admitted to the Official List of the Catalist of the SGX-ST on 18 January 2016, there were no Board and/or Board Committees meeting held in the financial year ended 31 December 2015.</p> <p>The Company's Articles of Association allow for meetings to be held through audio visual communication equipment. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circulating resolutions.</p>																

CORPORATE GOVERNANCE

1.5	What are the types of material transactions which require approval from the Board?	<p>Matters that require the Board's approval include, amongst others, the following:</p> <ul style="list-style-type: none"> • approval of the Group's strategic objectives; • changes relating to the Group's capital structure including reduction of capital, share issues and share buy backs; • major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals; • approval of the quarter/full year's results announcements and release of annual reports; • approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend; • approval of material investments, divestments or capital expenditure; • approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting including approval of all circulars, prospectuses, etc; and • any decision likely to have a material impact on the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
1.6	(a) Are new Directors given formal training? If not, please explain why.	<p>The Company ensures that incoming new Directors are given guidance and orientation including onsite visits to get them familiarised with the Group's businesses, organisation structure, corporate strategies and policies and corporate governance practices upon their appointment and to facilitate the effective discharge of their duties.</p> <p>For new Directors who do not have prior experience as a director of a public listed company in Singapore, they will attend training courses organised by the Singapore Institute of Directors or other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.</p> <p>Mr Pang Pok and Mr Foo Sek Kuan Kenneth had completed the Listed Company Director courses conducted by the Singapore Institute of Directors (the "SID") to prepare and familiarise themselves with the roles and responsibilities of Directors of a listed company in 2016.</p>

CORPORATE GOVERNANCE

	(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?	<p>All Directors are updated regularly on any new developments in regulatory, legal and accounting frameworks that are of relevance to the Group through participation in training courses, seminars and workshops, at the Company's expense. The Directors were briefed by the External Auditors on changes and amendments to the Singapore Financial Reporting Standards.</p> <p>New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are circulated to the Board.</p> <p>The Company Secretary informs the directors of upcoming conferences and seminars relevant to their roles as directors of the Company. The Company has an on-going budget for all directors to attend appropriate courses, conferences and seminars conducted by external professionals for them to stay abreast of relevant business developments and outlook.</p> <p>Briefings, updates and trainings for the Directors in FY2016 include:</p> <ul style="list-style-type: none"> • The External Auditors ("EA") had briefed the AC on changes or amendments to accounting standards; • Messrs Pang Pok and Foo Sek Kuan had attended the "Listed Company Director" course conducted by the Singapore Institute of Directors.
1.7	Upon appointment of each director, has the company should provide a formal letter to the director, setting out the director's duties and obligations?	A formal letter of appointment is provided to every new Director, setting out his duties and obligations.
Board Composition and Guidance		
2.1 2.2 3.3	Does the Company comply with the guideline on the proportion of Independent Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	<p>In view that the Executive Chairman is part of the management team and is not an independent director, Guideline 2.1 and 2.2 of the Code is met as the Independent Directors make up more than half of the Board. Mr Kek Sin Shen Steve has also been appointed as the Lead Independent Director of the Company and makes himself available to shareholders at the Company's general meetings.</p> <p>The Board believes there is a strong element of independence in the Board as the Independent Directors constituted at least half of the Board, and that no individual or small group of individuals dominates the Board's decision making process. The Board exercises independent judgment on corporate affairs and provides Management with a diverse, professional and objective perspective on issues.</p>

CORPORATE GOVERNANCE

2.3 4.3	Has the independence of the Independent Directors been reviewed in the last financial year?	<p>The independence of each director is assessed and reviewed annually by the NC.</p> <p>The Independent Directors, Mr Kek Sin Shen Steve, Mr Chua Kern and Mr Chow Kek Tong had confirmed their independence on their appointment on 17 December 2015.</p>
	<p>(a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.</p> <p>(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.</p>	<p>The Independent Directors do not have any relationship as stated in the Code that would otherwise deem him not to be independent.</p>
2.4	Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.	<p>None of the Independent Directors on the Board serves for a period exceeding nine years from the date of his first appointment.</p>
2.5	Has the Board examine its size and decide on what it considers an appropriate size for the Board, which facilitates effective decision making?	<p>Taking into account the nature and scope of the Group's business and the number of board committees, in concurrence with the NC, the Board believes that the current size and composition provide sufficient diversity without interfering with efficient decision making.</p>
2.6	(a) What is the Board's policy with regard to diversity in identifying director nominees?	<p>The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with core competencies such as accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management.</p>

CORPORATE GOVERNANCE

	<p>(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.</p>	<p>The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:</p> <table border="1" data-bbox="689 595 1433 1263"> <thead> <tr> <th colspan="3" data-bbox="689 595 1433 636">Table 2.6 – Balance and Diversity of the Board</th> </tr> <tr> <th data-bbox="689 636 1050 752"></th> <th data-bbox="1050 636 1241 752">Number of Directors</th> <th data-bbox="1241 636 1433 752">Proportion of Board (%)</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="689 752 1433 792">Core Competencies</td> </tr> <tr> <td data-bbox="689 792 1050 833">– Accounting or finance</td> <td data-bbox="1050 792 1241 833">3</td> <td data-bbox="1241 792 1433 833">60</td> </tr> <tr> <td data-bbox="689 833 1050 873">– Business management</td> <td data-bbox="1050 833 1241 873">5</td> <td data-bbox="1241 833 1433 873">100</td> </tr> <tr> <td data-bbox="689 873 1050 913">– Legal or corporate governance</td> <td data-bbox="1050 873 1241 913">4</td> <td data-bbox="1241 873 1433 913">80</td> </tr> <tr> <td data-bbox="689 913 1050 994">– Relevant industry knowledge or experience</td> <td data-bbox="1050 913 1241 994">2</td> <td data-bbox="1241 913 1433 994">40</td> </tr> <tr> <td data-bbox="689 994 1050 1034">– Strategic planning experience</td> <td data-bbox="1050 994 1241 1034">5</td> <td data-bbox="1241 994 1433 1034">100</td> </tr> <tr> <td data-bbox="689 1034 1050 1115">– Customer based experience or knowledge</td> <td data-bbox="1050 1034 1241 1115">2</td> <td data-bbox="1241 1034 1433 1115">40</td> </tr> <tr> <td colspan="3" data-bbox="689 1115 1433 1155">Gender</td> </tr> <tr> <td data-bbox="689 1155 1050 1196">– Male</td> <td data-bbox="1050 1155 1241 1196">5</td> <td data-bbox="1241 1155 1433 1196">100</td> </tr> <tr> <td data-bbox="689 1196 1050 1263">– Female</td> <td data-bbox="1050 1196 1241 1263">0</td> <td data-bbox="1241 1196 1433 1263">0</td> </tr> </tbody> </table>	Table 2.6 – Balance and Diversity of the Board				Number of Directors	Proportion of Board (%)	Core Competencies			– Accounting or finance	3	60	– Business management	5	100	– Legal or corporate governance	4	80	– Relevant industry knowledge or experience	2	40	– Strategic planning experience	5	100	– Customer based experience or knowledge	2	40	Gender			– Male	5	100	– Female	0	0
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	<p>(c) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?</p>	<p>The Board will take the following steps to maintain or enhance its balance and diversity:</p> <ul data-bbox="689 1393 1436 1594" style="list-style-type: none"> • Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and • Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board. <p>The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.</p>																																				
2.7	<p>How have the non-executive directors:</p> <p>(a) constructively challenge and help develop proposals on strategy; and</p> <p>(b) review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance?</p>	<p>The Board, particularly the independent directors, which are non-executive directors, are kept well informed of the Group's business and are knowledgeable about the industry the Group operates in. To ensure that the independent directors are well supported by accurate, complete and timely information, they have unrestricted access to Management, and have sufficient time and resources to discharge their oversight functions effectively.</p>																																				

CORPORATE GOVERNANCE

2.8 3.4	Have the Non-Executive Directors/ Independent Directors met in the absence of key management personnel in the last financial year?	<p>The independent directors do discuss and/or meet on a need-basis without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning as well as leadership development and the remuneration of the Executive Directors.</p> <p>The Independent Directors have not met in the absence of key management personnel in FY2015 as the Company was listed on the Catalist of the SGX-ST on 18 January 2016.</p>
Chairman and Chief Executive Officer		
3.1 3.2	Are the duties between Chairman and CEO segregated?	<p>Mr Pang Pok is the Executive Chairman and CEO of the Company. He is responsible for our Group's overall management, including overseeing our operations, setting directions for new growth areas and developing business strategies.</p> <p>Mr Pang Pok played an instrumental role in developing the business of the Group and has provided the Group with strong leadership and vision. It is hence the view of the Board that it is currently in the best interests of the Group to adopt a single leadership structure.</p> <p>The Chairman and CEO remains involved in significant corporate matters, especially those of strategic nature. In addition, he is responsible for the effective function of the Board and exercise control over the quality, quantity and timeliness of the flow of information between the management of the Company and the Board, and in ensuring compliance with the guidelines set out in the Code.</p> <p>Taking into account the size, scope and nature of the operations of the Group, the roles of the Executive Chairman and CEO are not separated as the Board is of the view that there is adequate accountability and transparency within the Group.</p>
		<p>The Board is also of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual or group of individuals exercising any considerable concentration of power or influence and there is accountability for good corporate governance. All the Board committees are chaired by Independent Directors and more than one third of the Board consists of Independent Directors.</p> <p>To promote a high standard of corporate governance, Mr Kek Sin Shen Steve had been appointed as the Lead Independent Director. As the Lead Independent Director, he shall be available to the shareholders where they have concerns which contact through normal channels of the Chairman and CEO or the Chief Financial Officer has failed to resolved or for which such contact is inappropriate.</p>

CORPORATE GOVERNANCE

Board Membership		
4.1 4.2	What are the duties of the NC?	<p>The NC holds at least one (1) meeting in each financial year.</p> <p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> (a) recommend to the Board on board appointments, including re-nominations of existing directors for re-election in accordance with the Company's Articles of Association, taking into account the director's contribution and performance; (b) review and approve any new employment of related persons and proposed terms of their employment; (c) determine on an annual basis, and as and when circumstances require, whether or not a director of our Company is independent; (d) in respect of a Director who has multiple board representations on various companies, if any, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced by the director when serving on multiple boards and discharging his duties towards other principal commitments; (e) recommend to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold; (f) decide whether or not a Director of our Company is able to and has been adequately carrying his duties as a Director; (g) develop a process for evaluation of the performance of the Board, its committees and the Directors and propose objective performance criteria, as approved by the Board that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value; (h) if an external facilitator has been used in assessing the effectiveness of the Board, its board committees and each directors, to ensure that existing relationships, if any, between the Company and its appointed consultants will not affect the independence and objectivity of the consultants; (i) reviewing the succession plans for Directors and key executives; and (j) reviewing training and professional development programmes for our Board.

CORPORATE GOVERNANCE

4.4	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has not determined the maximum number of listed company board representations each Director may hold.															
	(b) If a maximum has not been determined, what are the reasons?	The Board is of the view that at present, it would not be meaningful to define the maximum number of listed company directorships which any Director may hold, and has instead tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Company. The NC is satisfied that sufficient time and attention is being given by each of the Directors to the affairs of the Group, notwithstanding their other commitments. The Board also notes that currently none of the Directors hold more than three board representations in listed companies.															
	(c) What are the specific considerations in deciding on the capacity of directors?	<p>The considerations in assessing the capacity of Directors include the following:</p> <ul style="list-style-type: none"> • Expected and/or competing time commitments of Directors; • Geographical location of Directors; • Size and composition of the Board; and • Nature and scope of the Group's operations and size. 															
	(d) Have the Directors adequately discharged their duties?	The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, and is satisfied that all Directors have discharged their duties adequately for FY2015.															
4.5	Are there alternate Directors?	The Company does not have any alternate directors.															
4.6	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: left; padding: 5px;">Table 4.6(a) – Process for the Selection and Appointment of New Directors</th> </tr> </thead> <tbody> <tr> <td style="width: 5%; text-align: center; vertical-align: top; padding: 5px;">1.</td> <td style="width: 45%; padding: 5px;">Determination of selection criteria</td> <td style="width: 50%; padding: 5px;"> <ul style="list-style-type: none"> • The NC, in consultation with the Board, would identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board. </td> </tr> <tr> <td style="text-align: center; vertical-align: top; padding: 5px;">2.</td> <td style="padding: 5px;">Search for suitable candidates</td> <td style="padding: 5px;"> <ul style="list-style-type: none"> • The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary. </td> </tr> <tr> <td style="text-align: center; vertical-align: top; padding: 5px;">3.</td> <td style="padding: 5px;">Assessment of shortlisted candidates</td> <td style="padding: 5px;"> <ul style="list-style-type: none"> • The NC would meet and interview the shortlisted candidates to assess their suitability. </td> </tr> <tr> <td style="text-align: center; vertical-align: top; padding: 5px;">4.</td> <td style="padding: 5px;">Appointment of director</td> <td style="padding: 5px;"> <ul style="list-style-type: none"> • The NC would recommend the selected candidate to the Board for consideration and approval. </td> </tr> </tbody> </table>	Table 4.6(a) – Process for the Selection and Appointment of New Directors			1.	Determination of selection criteria	<ul style="list-style-type: none"> • The NC, in consultation with the Board, would identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board. 	2.	Search for suitable candidates	<ul style="list-style-type: none"> • The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary. 	3.	Assessment of shortlisted candidates	<ul style="list-style-type: none"> • The NC would meet and interview the shortlisted candidates to assess their suitability. 	4.	Appointment of director	<ul style="list-style-type: none"> • The NC would recommend the selected candidate to the Board for consideration and approval.
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CORPORATE GOVERNANCE

Table 4.6(b) – Process for the Re-electing Incumbent Directors		
1.	Assessment of director	<ul style="list-style-type: none"> The NC would access the contributions and performance of the Director in accordance with the performance criteria set by the Board; and The NC would also review the range of expertise, skills and attributes of current Board members and consider the current needs of the Board.
2.	Re-appointment of director	<ul style="list-style-type: none"> Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval. <p>All Directors submit themselves for re-nomination and re-appointment at regular intervals of at least once every three years. Article 113 of the Company's Articles of Association provides that one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not lesser than one-third) shall retire from office by rotation and be eligible for re-election at the Company's Annual General Meeting ("AGM"). Pursuant to the one-third rotation rule, Mr Pang Pok will retire and submit himself for re-election at the forthcoming AGM. Mr Pang Pok has offered himself for re-election. The Board has accepted the recommendation of the NC.</p> <p>In addition, pursuant to Article 117 of the Company's Articles of Association, additional Directors appointed during the year shall hold office until the next AGM and shall then be eligible for re-election. Messrs Foo Sek Kuan, Kek Sin Shen Steve, Chua Kern and Chow Kek Tong will retire and seek to be re-elected at the forthcoming AGM and if re-elected will hold office from the date of the AGM until the next AGM of the Company. The retiring Directors have offered themselves for re-election. The Board has accepted the recommendation of the NC.</p>

CORPORATE GOVERNANCE

		<p>In making the recommendations, the NC had considered the directors' overall contribution and performance.</p> <p>Mr Kek Sin Shen Steve will, upon re-election as a Director, remain as the Chairman of the AC and a member of the NC and the RC. Mr Chua Kern will, upon re-election as a Director, remain as a member of the AC and the RC and the Chairman of NC. Mr Chow Kek Tong will, upon re-election as a Director, remain as a member of the AC and the NC and the Chairman of RC.</p>
<p>4.7</p>	<p>Please provide the following key information regarding the Directors'.</p> <ul style="list-style-type: none"> • academic and professional qualifications • Shareholding in the Company and its related corporation • Board committees served on (as a member or chairman), date of first appointment and last re-appointment as a director; • Directorships or chairmanships both present and those held over the preceding three years in other listed companies and other principal commitments; • Indicate which directors are executive, non-executive or considered by the NC to be independent; and • The names of the directors submitted for appointment or re-appointment should also be accompanied by such details and information to enable shareholders to make informed decisions. 	<p>The key information of the Directors, including their appointment dates and directorships held in the past 3 years, are set out on page 9 of this annual report.</p> <p>The shareholdings of the individual directors of the Company are set out on page 43. None of the directors hold shares in the subsidiaries of the Company.</p> <p>Directors who are seeking re-appointment at the forthcoming AGM to be held on 15 April 2016 are stated in the Notice of AGM set out on pages 94 to 99 of this Annual Report.</p>

CORPORATE GOVERNANCE

Board Performance														
5.1 5.2 5.3	What is the performance criteria set to evaluate the effectiveness of the Board as a whole and its board committees, and for assessing the contribution by each Director to the effectiveness of the Board?	<p>Table 5 sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director to the effectiveness of the Board for the financial year ending 31 December 2016:</p> <table border="1"> <thead> <tr> <th colspan="3">Table 5</th> </tr> <tr> <th>Performance Criteria</th> <th>Board and Board Committees</th> <th>Individual Directors</th> </tr> </thead> <tbody> <tr> <td>Qualitative</td> <td> <ol style="list-style-type: none"> 1. Size and composition 2. Conduct of Meetings 3. Access to information 4. Board processes and accountability 5. Strategic planning 6. Risk management and Internal Control 7. CEO Performance/ Succession Planning 8. Compensation 9. Communication with shareholders </td> <td> <ol style="list-style-type: none"> 1. Commitment of time 2. Candour 3. Participation 4. Knowledge and abilities 5. Teamwork 6. Independence 7. Overall effectiveness </td> </tr> <tr> <td>Quantitative</td> <td> <ol style="list-style-type: none"> 1. Measuring and monitoring performance 2. Financial Reporting </td> <td> <ol style="list-style-type: none"> 1. Attendance at Board and Board Committee meetings </td> </tr> </tbody> </table>	Table 5			Performance Criteria	Board and Board Committees	Individual Directors	Qualitative	<ol style="list-style-type: none"> 1. Size and composition 2. Conduct of Meetings 3. Access to information 4. Board processes and accountability 5. Strategic planning 6. Risk management and Internal Control 7. CEO Performance/ Succession Planning 8. Compensation 9. Communication with shareholders 	<ol style="list-style-type: none"> 1. Commitment of time 2. Candour 3. Participation 4. Knowledge and abilities 5. Teamwork 6. Independence 7. Overall effectiveness 	Quantitative	<ol style="list-style-type: none"> 1. Measuring and monitoring performance 2. Financial Reporting 	<ol style="list-style-type: none"> 1. Attendance at Board and Board Committee meetings
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	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	<p>The NC will implement annual assessment for the evaluation of the effectiveness of the Board as a whole and its board committees and for assessing the contribution by the Chairman and each individual Director in next financial year.</p> <p>The Board has not engaged any external consultant to conduct an assessment of the performance of the Board and each individual Director. Where relevant and when the need arises, the NC will consider such an engagement.</p>												
	(b) Has the Board met its performance objectives?	Yes, the Board has met its performance objectives.												

CORPORATE GOVERNANCE

Access to Information																						
<p>6.1 6.2 10.3</p> <p>What types of information does the Company provide to Independent Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?</p>	<p>Table 6 – Types of information provided by key management personnel to Independent Directors</p> <table border="1"> <thead> <tr> <th></th> <th>Information</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)</td> <td>Quarterly</td> </tr> <tr> <td>2.</td> <td>Updates to the Group’s operations and the markets in which the Group operates in</td> <td>Quarterly</td> </tr> <tr> <td>3.</td> <td>Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and EA’ report(s)</td> <td>Quarterly</td> </tr> <tr> <td>4.</td> <td>Reports on on-going or planned corporate actions</td> <td>Quarterly</td> </tr> <tr> <td>5.</td> <td>Enterprise risk framework and internal auditors’ (“IA”) report(s)</td> <td>Quarterly</td> </tr> <tr> <td>6.</td> <td>Shareholding statistics</td> <td>Yearly</td> </tr> </tbody> </table> <p>Key management personnel will also provide any additional material or information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group’s performance, position and prospects.</p>		Information	Frequency	1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Quarterly	2.	Updates to the Group’s operations and the markets in which the Group operates in	Quarterly	3.	Budgets and/or forecasts (with variance analysis), management accounts (with financial ratios analysis), and EA’ report(s)	Quarterly	4.	Reports on on-going or planned corporate actions	Quarterly	5.	Enterprise risk framework and internal auditors’ (“IA”) report(s)	Quarterly	6.	Shareholding statistics	Yearly
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<p>6.3 6.4</p> <p>What is the role of the Company Secretary?</p>	<p>The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:</p> <ul style="list-style-type: none"> • assist the Chairman and the Chairman of each Board committees in the development of the agendas for the various Board and Board committees meetings; • administers and attends all Board and Board committees meetings of the Company and prepares minutes of meetings; • ensuring that Board procedures are observed and that applicable rules are complied with; and • advising the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value, as well as assisting the Chairman in ensuring good information flows within the Board and its board committees. <p>The appointment and the removal of the Company Secretary are subject to the approval of the Board.</p> <p>Where the directors, whether individually or collectively, require independent professional advice in furtherance of their duties, the Company Secretary may assist in appointing a professional advisor to render the advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.</p>																					

CORPORATE GOVERNANCE

REMUNERATION MATTERS		
Developing Remuneration Policies		
7.1 7.2 7.4	What is the role of the RC?	<p>The RC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> (a) review and recommend to the Board a framework of remuneration for each Executive Director and Executive Officer and determine specific remuneration packages for each Executive Director and Executive Officer; (b) review annually the remuneration packages of the employees who are related to any of the Directors or any substantial shareholder of the Company; (c) review all aspect of remuneration Board and Executive Officers, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind; (d) review the design of all long term and short term incentive plans including option plans, stock plans and/or other equity based plans that the Group proposes to implement and oversee the administration of GS Holdings Employee Share Option Scheme (the "GS Holdings ESOS") and GS Holdings Performance Share Plan ("GS Holdings PSP"); (e) review the Company's obligations arising in the event of termination of the Executive Directors and Executive Officers contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; (f) consider and approve termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to each key management personnel; and (g) seek expert advice inside the Company and/or outside professional advice on remuneration of all directors and to ensure that existing relationships, if any, between the Company and its appointed consultants will not affect the independence and objectivity of the consultants.
7.3	Were remuneration consultants engaged in the last financial year?	The Board has not engaged any external remuneration consultant to advise on remuneration matters.

CORPORATE GOVERNANCE

Level and Mix of Remuneration		
8.1	What are the measures for assessing the performance of executive directors and key management personnel?	<p>In determining the level of remuneration, the RC shall:</p> <ul style="list-style-type: none"> • give due consideration to the Code's principles and guidance notes on the level and mix of remuneration so as to ensure that the level of remuneration is appropriate to attract, retain and motivate the directors to run the Company successfully; • ensure that a proportion of the remuneration is linked to corporate and individual's performance; and • design remuneration packages in such manner as to align interest of executive director and key management personnel with those of shareholders. <p>Annual review is carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel commensurate with the Company's and their performances, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO is reviewed periodically by the RC and the Board.</p>
8.2	Are there long-term incentive schemes for Executive Directors and key management personnel?	<p>The Company has adopted the GS Holdings ESOS and GS Holdings PSP on 17 December 2015.</p> <p>The GS Holdings ESOS serves as a long-term incentive scheme for the directors and employees of the Company.</p> <p>The GS Holdings PSP serves to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to improve their performance.</p> <p>The GS Holdings PSP is administered by the Remuneration Committee comprising three directors, Chow Kek Tong, Kek Sin Shen Steve and Chua Kern. The Chairman of the Remuneration Committee is Chow Kek Tong.</p>
8.3	How is the remuneration for non-executive directors determined?	<p>The Board concurred with the RC that the proposed directors' fees for the year ended 31 December 2015 and ending 31 December 2016 are appropriate and that the independent directors receive directors' fees in accordance with their level of contributions, taking into account factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the directors. The Company recognises the need to pay competitive fees to attract, motivate and retain directors without being excessive to the extent that their independence might be compromised.</p> <p>Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company.</p>

CORPORATE GOVERNANCE

8.4	Are there any contractual provisions to allow the company to reclaim incentive components of remuneration from executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the company?	<p>Having reviewed and considered the variable components of the Executive Directors and the key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss.</p> <p>In addition, the Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.</p>
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Disclosure on Remuneration

9	What is the Company's remuneration policy?	<p>The Company's remuneration policy is one that seeks to attract, retain and motivate employees to achieve the Company's long-term growth and prosperity and to create value for our shareholders. The Company believes in aligning its level and structure of remuneration with the interest of shareholders to promote the long-term success of the Company. To initiate this, the GS Holdings ESOS and GS Holdings PSP have been adopted to link rewards to eligible employees and Directors, especially key executives based on corporate and individual performance and align their interests with those of shareholders.</p>																																																	
9.1 9.2	Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>The breakdown for the remuneration of the Directors for FY2015 is as follows:</p> <table border="1" data-bbox="691 1357 1439 1765"> <thead> <tr> <th colspan="7">Table 9 - Directors' Remuneration</th> </tr> <tr> <th>Name</th> <th>Remuneration Band⁽¹⁾</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Benefits-in-kind (%)</th> <th>Directors Fees (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td>Pang Pok</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>-</td> </tr> <tr> <td>Foo Sek Kuan</td> <td>A</td> <td>92</td> <td>3</td> <td>-</td> <td>5</td> <td>100</td> </tr> <tr> <td>Kek Sin Shen Steve</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>100</td> </tr> <tr> <td>Chua Kern</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>100</td> </tr> <tr> <td>Chow Kek Tong</td> <td>A</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> <td>100</td> </tr> </tbody> </table> <p>After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of remuneration of each Director and key management personnel, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment.</p>	Table 9 - Directors' Remuneration							Name	Remuneration Band ⁽¹⁾	Salary (%)	Bonus (%)	Benefits-in-kind (%)	Directors Fees (%)	Total (%)	Pang Pok	A	-	-	-	100	-	Foo Sek Kuan	A	92	3	-	5	100	Kek Sin Shen Steve	A	-	-	-	100	100	Chua Kern	A	-	-	-	100	100	Chow Kek Tong	A	-	-	-	100	100
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CORPORATE GOVERNANCE

9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>Currently, the Company only has three top key executives.</p> <p>The breakdown for the remuneration of the Company's key executive officers (who are not Directors or the CEO) for FY2015 is as follows:</p> <table border="1" data-bbox="691 667 1428 947"> <thead> <tr> <th colspan="6">Table 9.3 – Remuneration of Key Executive Officers</th> </tr> <tr> <th>Name</th> <th>Remuneration Band⁽¹⁾</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Benefits-in-kind (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td>Chiu Li Yu Lawrence</td> <td>A</td> <td>97</td> <td>2</td> <td>1</td> <td>100</td> </tr> <tr> <td>Phang Boon Chin Aren</td> <td>A</td> <td>97</td> <td>0</td> <td>3</td> <td>100</td> </tr> <tr> <td>Ong Hsiao Chia Cindy</td> <td>A</td> <td>100</td> <td>0</td> <td>0</td> <td>100</td> </tr> </tbody> </table> <p>Notes</p> <p>⁽¹⁾ Remuneration Bands: Band A: Compensation from S\$0 to S\$250,000 per annum. Band B: Compensation from S\$250,001 to S\$500,000 per annum. Band C: Compensation from S\$500,001 and above.</p>	Table 9.3 – Remuneration of Key Executive Officers						Name	Remuneration Band ⁽¹⁾	Salary (%)	Bonus (%)	Benefits-in-kind (%)	Total (%)	Chiu Li Yu Lawrence	A	97	2	1	100	Phang Boon Chin Aren	A	97	0	3	100	Ong Hsiao Chia Cindy	A	100	0	0	100
Table 9.3 – Remuneration of Key Executive Officers																																
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(b)	Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).	The total remuneration paid to the top 3 key management personnel for FY2015 was S\$177,477.																														
9.4	Is there any employee who is an immediate family member of a Director or the CEO, and whose remuneration exceeds S\$50,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.	<p>Save as the below said, there was no other employee of the Group who was an immediate family member of a Director or the CEO.</p> <table border="1" data-bbox="691 1384 1428 1664"> <thead> <tr> <th colspan="5">Table 9.4 – Remuneration of Employees who are immediate family members of a Director</th> </tr> <tr> <th>Name</th> <th>Salary (%)</th> <th>Bonus (%)</th> <th>Benefits-in-kind (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td colspan="5">Below S\$250,000</td> </tr> <tr> <td>Pang Yiling Eliss⁽¹⁾</td> <td>100</td> <td>–</td> <td>–</td> <td>100</td> </tr> </tbody> </table> <p>⁽¹⁾ Daughter of Pang Pok, Executive Chairman and CEO</p>	Table 9.4 – Remuneration of Employees who are immediate family members of a Director					Name	Salary (%)	Bonus (%)	Benefits-in-kind (%)	Total (%)	Below S\$250,000					Pang Yiling Eliss ⁽¹⁾	100	–	–	100										
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CORPORATE GOVERNANCE

9.5	Please provide details of the employee share scheme(s).	<p>The Company has adopted the GS Holdings ESOS and the GS Holdings PSP. The GS Holdings ESOS and the GS Holdings PSP will provide eligible participants with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. The GS Holdings ESOS and the GS Holdings PSP form an integral component of our compensation plan and are designed to primarily reward and retain Directors and employees whose services are vital to the growth and performance of our Company and/or our Group. As the date of this Annual Report, no option and/or awards have been granted under the GS Holdings ESOS and the GS Holdings PSP respectively.</p> <p>Further details of the GS Holdings ESOS and GS Holdings PSP are set out in the Company's Offer Document dated 7 January 2016.</p> <p>During FY2015 and as at 31 December 2015, no option or awards have been granted under the GS Holdings ESOS and GS Holdings PSP.</p>												
9.6	(a) Please describe how the remuneration received by Executive Directors and key management personnel has been determined by the performance criteria.	<p>The remuneration received by the Executive Directors and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2015. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.</p>												
	(b) What were the performance conditions used to determine their entitlement under the short term and long term incentive schemes?	<p>The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Directors and key management personnel to work in alignment with the goals of all stakeholders:</p> <table border="1" data-bbox="694 1556 1428 1836"> <thead> <tr> <th colspan="3" data-bbox="694 1556 1428 1590">Table 9.6(b)</th> </tr> <tr> <th data-bbox="694 1590 853 1668">Performance Conditions</th> <th data-bbox="853 1590 1157 1668">Short-term Incentives (such as performance bonus)</th> <th data-bbox="1157 1590 1428 1668">Long-term Incentives (such as the ESOS & PSP)</th> </tr> </thead> <tbody> <tr> <td data-bbox="694 1668 853 1803">Qualitative</td> <td data-bbox="853 1668 1157 1803"> 1. Leadership 2. People development 3. Commitment 4. Teamwork </td> <td data-bbox="1157 1668 1428 1803"> 1. Leadership 2. People development 3. Commitment 4. Teamwork </td> </tr> <tr> <td data-bbox="694 1803 853 1836">Quantitative</td> <td data-bbox="853 1803 1157 1836">1. PBT of at least S\$3.5m</td> <td data-bbox="1157 1803 1428 1836">1. PBT of at least S\$3.5m</td> </tr> </tbody> </table>	Table 9.6(b)			Performance Conditions	Short-term Incentives (such as performance bonus)	Long-term Incentives (such as the ESOS & PSP)	Qualitative	1. Leadership 2. People development 3. Commitment 4. Teamwork	1. Leadership 2. People development 3. Commitment 4. Teamwork	Quantitative	1. PBT of at least S\$3.5m	1. PBT of at least S\$3.5m
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	(c) Were all of these performance conditions met? If not, what were the reasons?	<p>As the Company was listed on the Catalist of the SGX-ST on 18 January 2016, the RC will utilise the performance conditions above for determining the entitlement under the short term and long term incentive scheme for the financial year ending 31 December 2016.</p>												

CORPORATE GOVERNANCE

ACCOUNTABILITY AND AUDIT		
Accountability		
10.1 10.2	The Board should present a balanced and understandable assessment of the Company's performance, position and prospects.	<p>The Board is accountable to shareholders and ensures that all material information is fully disclosed in a timely manner to shareholders in compliance with statutory and regulatory requirements. The Board strives to provide its shareholders a balanced and understandable assessment of the Group's performance, position and prospects.</p> <p>The Board takes steps to ensure compliance with legislative and regulatory requirements, including requirements under the Catalyst Rules, where appropriate. The Independent Directors in consultation with management will request for management's consideration for the establishment of written policies for any particular matter that is deemed to be essential to form part of management control.</p> <p>Management provides appropriately detailed management accounts of the Group's performance on a quarterly basis to the Board to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. As and when circumstances arise, the Board can request management to provide any necessary explanation and/or information on the management accounts of the Group.</p>
Risk Management and Internal Controls		
11.1	The Board should determine the company's levels of risk tolerance and risk policies, and oversee Management in the design, implementation and monitoring of the risk management and internal control systems.	<p>The Board oversees management in the area of risk management and internal control system. The Board regularly reviews and improves the Company's business and operational activities to identify areas of significant risks as well as take appropriate measures to control and mitigate these risks.</p> <p>Management highlights and discusses (if any) salient risk management matters to the Board on a quarterly basis. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks and internal controls. Internal audit is outsourced to a third party professional firm.</p>

CORPORATE GOVERNANCE

<p>11.2 11.4</p>	<p>The Board should, at least annually, review the adequacy and effectiveness of the company's risk management and internal control systems, including financial, operational, compliance and information technology controls. Such review can be carried out internally or with the assistance of any competent third parties.</p>	<p>The Audit Committee evaluates the findings of the external and internal auditors on the Group's internal controls annually.</p> <p>Although the Board acknowledges that it is responsible for the overall internal control framework, it also recognises that no cost effective internal control system will preclude all errors and irregularities. A system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.</p> <p>Based on the internal control policies and procedures established and maintained by the Group, and the continuous effort at enhancing such controls and procedures, and the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the Group has a robust and effective internal control system addressing financial, operations, compliance and information technology controls and risk management system that is adequate to meet the needs of the Group in its current business Development.</p> <p>The Board has also received assurance from the CEO and CFO:</p> <p>(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and</p> <p>(b) the Company's risk management and internal control systems including financial, operational, compliance and information technology controls, and risk management systems are effective.</p> <p>The Board has not established a separate risk committee and relies on internal control policies and procedures established and maintained by the Group, and the regular audits, monitoring and reviews performed by the internal and external auditors in carrying out its responsibility of overseeing the Company's risk management and policies.</p>
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CORPORATE GOVERNANCE

<p>11.3</p>	<p>(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.</p>	<p>The Board is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2015.</p> <p>The basis for the Board's view are as follows:</p> <ol style="list-style-type: none"> 1. Assurance has been received from the CEO, CFO and Internal Auditors (the "IA") (refer to Section 11.3(b) below); 2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed; 3. Key management personnel regularly evaluates, monitors and reports to the AC on material risks; and 4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns. <p>The Company will establish a corporate social responsibilities policy with the implementation of appropriate policies and programmes.</p>
	<p>(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?</p>	<p>Yes, the Board has obtained such assurance from the CEO and CFO in respect of FY2015.</p> <p>The Board has relied on the independent auditors' report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances.</p> <p>The Board has additionally relied on IA's reports issued to the Company for FY2015 as assurance that the Company's risk management and internal control systems are effective.</p>

CORPORATE GOVERNANCE

Audit Committee		
12.1 12.3 12.4	What is the role of the AC?	<p>The duties and roles of the AC is guided by the following key terms of reference:</p> <ul style="list-style-type: none"> (a) assist the Board in discharge of its responsibilities on financial reporting matters; (b) review with the EA and IA the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and our management's response, and results of our audit compiled by the EA and IA; (c) review the interim and annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements; (d) review the effectiveness and adequacy of the Company's internal control and procedures, addressing financial, operational and compliance risks and ensure co-ordination between IA and EA, and management, review the assistance given by management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary); (e) review the scope and results of the external audit, and the independence and objectivity of the EA; (f) review and discuss with the EA any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and management's response; (g) make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the EA, and approving the remuneration and terms of engagement of the EA;

CORPORATE GOVERNANCE

		<ul style="list-style-type: none"> (h) review significant financial reporting issues and judgments with the CFO and the EA so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to our Board of Directors; (i) to review and report to the Board at least annually the adequacy and effectiveness of the Group's material internal controls with the financial controller and the IA and EA, including financial, operation, compliance and information technology controls via reviews carried out by the IA; (j) review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any); (k) review any potential conflicts of interest; (l) review and approve all hedging policies and instruments (if any) to be implemented by the Group; (m) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; (n) review and establish procedures for receipt, retention and treatment of complaints received by the Group such as criminal offences involving our Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group; (o) commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position; and (p) generally to undertake such other functions and duties as may be required by statute or the Catalist Rule, and by such amendments made thereto from time to time.
12.2	Are the members of the AC appropriately qualified to discharge its responsibilities?	The AC has at least two members, including the AC Chairman, who have recent and relevant accounting and related financial management expertise and experience.

CORPORATE GOVERNANCE

12.5	Has the AC met with the auditors in the absence of key management personnel?	Yes, the AC has met with the IA and the EA in the absence of key management personnel on 29 February 2016.																		
12.6	Has the AC reviewed the independence of the EA?	The AC has reviewed the non-audit services provided by the EA and is satisfied that the nature and extent of such services would not prejudice the independence of the EA, and has recommended the re-appointment of the EA at the forthcoming AGM.																		
	(a) Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.	<table border="1"> <thead> <tr> <th colspan="3">Table 12.6(a) – Fees Paid/Payable to the EA for FY2015</th> </tr> <tr> <th></th> <th>S\$</th> <th>% of total</th> </tr> </thead> <tbody> <tr> <td>Audit fees</td> <td>95,961</td> <td>100</td> </tr> <tr> <td>Non-audit fees</td> <td></td> <td></td> </tr> <tr> <td>– Tax compliance</td> <td>–</td> <td>–</td> </tr> <tr> <td>Total</td> <td>95,961</td> <td>100</td> </tr> </tbody> </table>	Table 12.6(a) – Fees Paid/Payable to the EA for FY2015				S\$	% of total	Audit fees	95,961	100	Non-audit fees			– Tax compliance	–	–	Total	95,961	100
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Non-audit fees																				
– Tax compliance	–	–																		
Total	95,961	100																		
	(b) If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC's view on the independence of the EA.	The AC has reviewed the independence of the external auditors annually. The AC has conducted an annual review of the volume of non-audit services provided by the external auditors to satisfy the AC that the nature and extent of such services will not prejudice the independence of the external auditors. The AC is satisfied with the external auditors' confirmation of their independence.																		
12.7	Does the Company have a whistle-blowing policy?	<p>The Company has in place a whistle-blowing policy. The Company's staff may and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the AC Chairman:–</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Email Address</th> </tr> </thead> <tbody> <tr> <td>Kek Sin Shen Steve</td> <td>AC.Chairman@greatsolutions.com.sg</td> </tr> </tbody> </table> <p>The AC has ensured that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. The details of the policy have been disseminated and made available to all parties concerned in the Company's code of conduct.</p>	Name	Email Address	Kek Sin Shen Steve	AC.Chairman@greatsolutions.com.sg														
Name	Email Address																			
Kek Sin Shen Steve	AC.Chairman@greatsolutions.com.sg																			
12.8	What are the AC's activities or the measures it has taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements?	The AC had been briefed by the EA on the changes or amendments to the accounting standards which have a direct impact on the financial statements.																		

CORPORATE GOVERNANCE

12.9	Are any of the members of the AC a former partner or director of the Company's existing auditing firm or auditing corporation?	No former partner or director of the Company's existing auditing firm or audit corporation is a member of the AC.
Internal Audit		
13.1 13.2 13.3 13.4 13.5	Please provide details of the Company's internal audit function, if any.	<p>In FY2015 and in connection with the IPO of the Company, a pre-IPO internal audit was carried out by Mazars LLP. Accordingly, the Company's internal audit function is outsourced to Mazars LLP that reports directly to the AC Chairman and administratively to the CEO and CFO. The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit.</p> <p>The AC is satisfied that the IA is adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively.</p>
Shareholders' Rights		
14.1	Companies should facilitate the exercise of ownership rights by all shareholders. In particular, shareholders have the right to be sufficiently informed of changes in the company or its business which would be likely to materially affect the price or value of the company's shares.	The Company's corporate governance practices promote the fair and equitable treatment to all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET, especially information pertaining to the Company's business development and financial performance which could have a material impact on the price or value of its shares, so as to enable shareholders to make informed decisions in respect of their investments in the Company.
14.2	Companies should ensure that shareholders have the opportunity to participate effectively in and vote at general meetings of shareholders. Shareholders should be informed of the rules, including voting procedures, that govern general meetings of shareholders.	<p>Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the Business Times and posted onto the SGXNET.</p> <p>In order to provide ample time for the shareholders to review, the notice of AGM, together with the Annual Report 2015, is despatched to all shareholders 14 days before the scheduled AGM date. Shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be debated and decided upon.</p> <p>All shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducted poll voting for all resolutions tabled at the general meetings. The rules, including the voting process, were explained by the scrutineers at such general meetings.</p>

CORPORATE GOVERNANCE

14.3	Companies should allow corporations which provide nominee or custodial services to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies.	<p>Currently, the Articles of Association of the Company allows all shareholders (members) to appoint up to two proxies to attend general meeting and vote on their behalf.</p> <p>On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as “relevant intermediary” to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors.</p>
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SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Communication with Shareholders

15.2 15.3 15.4	<p>(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?</p> <p>(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?</p> <p>(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?</p>	<p>The Company does not practice selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST Listing Manual and the Companies Act, the Board's policy is that all shareholders should be equally and timely informed of all major developments that impact the Group.</p> <p>Information will first be disseminated through SGXNET and where relevant, followed by news release and the Company's website. The Company will also make announcements from time to time to update investors and shareholders on developments that are of interest to them. The Company strives to supply shareholders with reliable and timely information so as to strengthen the relationship with its shareholders based on trust and accessibility.</p> <p>No, the Company's investor relations function is led by CFO who has the strategic management responsibility to integrate finance, accounting, corporate communication to enable effective communication between the Company and all shareholders, stakeholders, analysts and media.</p> <p>Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website. The Company have procedures in place for responding to investors' queries.</p>
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CORPORATE GOVERNANCE

15.5	Does the Company have a dividend policy?	<p>In the Company's Offer Document dated 7 January 2016 ("Offer Document"), the Company stated that it does not have a fixed dividend policy.</p> <p>The Company may, by ordinary resolution of our Shareholders, declare dividends at a general meeting, but the Company may not pay dividends in excess of the amount recommended by our Directors. The declaration and payment of dividends will be determined at the sole discretion of our Directors subject to the approval of our Shareholders. The Company's Directors may also declare an interim dividend without the approval of our Shareholders.</p> <p>In considering the amount of dividends declared, the Company will take into account the following factors:</p> <ul style="list-style-type: none"> (a) our financial position, results of operations and cash flow; (b) the ability of our subsidiaries to make dividends payments to our Company; (c) our expected working capital requirements to support our Group's future growth; (d) our actual and projected financial performance; (e) general economic conditions and such other external factors that our Directors believe to have an impact on the business operations of our Group; and (f) any other factors deemed relevant by our Directors at the material time.
	Is the Company is paying dividends for the financial year? If not, please explain why.	The Board has not declared or recommended any dividend for FY2015, as the Company was not profitable for FY2015.

CORPORATE GOVERNANCE

CONDUCT OF SHAREHOLDER MEETINGS		
16.1 16.3 16.4 16.5	How are the general meetings of shareholders conducted?	<p>The Company's Articles of Association allows all shareholders to appoint proxies to attend general meeting and vote on their behalf. As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.</p> <p>The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all general meetings of shareholders, unless of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.</p> <p>All resolutions are put to vote by poll, and their detailed results will be announced via SGXNET after the conclusion of the general meeting.</p> <p>All minutes of general meetings will made available to shareholders upon their request.</p>
COMPLIANCE WITH APPLICABLE CATALIST RULES		
Catalist Rule	Rule Description	Company's Compliance or Explanation
712, 715 or 716	Appointment of Auditors	The Company confirms its compliance to the Catalist Rules 712 and 715 of the Catalist Rules in the appointment of its auditors.
1204(8)	Material Contracts	There were no material contracts entered into by the Group involving the interest of the CEO, any Director, or controlling shareholder, which are either still subsisting at the end of FY2015 or if not then subsisting, entered into since the end of the previous financial year.

CORPORATE GOVERNANCE

1204(10)	Confirmation of adequacy of internal controls	<p>The Board and the AC are of the opinion that the internal controls are adequate to address the financial, operational and compliance risks based on the following:</p> <ul style="list-style-type: none"> • internal controls and the risk management system established by the Company; • work performed by the IA and EA; • assurance from the CEO and CFO; and • reviews done by the various Board Committees and key management personnel.
1204(17)	Interested Persons Transaction (“IPT”)	<p>The Group has procedures governing all IPT to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.</p> <p>Other than the IPT as disclosed on pages 168 to 172 of the Company’s Offer Document there were no new IPT which were more than S\$100,000 entered into during FY 2015.</p> <p>The Company will be seeking for a general shareholders’ mandate for recurrent IPT pursuant to Rule 920 of the Catalist Rule at the forthcoming AGM.</p>
1204(19)	Dealing in Securities	<p>The Company has adopted an internal policy which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and officers are also discouraged from dealing in the Company’s securities on short term considerations and are prohibited from dealing in the Company’s securities during the period beginning one month before the announcement of the Company’s half-year and full-year financial statements respectively, and ending on the date of the announcement of the relevant results.</p>
1204(21)	Non-sponsor fees	<p>For FY2015, the Company paid S\$515,000, to its sponsor, UOB Kay Hian Private Limited for acting as the issue manager, sponsor and placement agent to the Company’s IPO.</p>

CORPORATE GOVERNANCE

1204(22)	Use of IPO Proceeds	<p>Pursuant to the company's IPO, the Company received net proceeds from the IPO of approximately S\$4.1 million (the "Net Proceeds"). Please refer to the Offer Document for further details. As at 29 February 2016, the Net Proceeds have been utilized as follows:</p> <table border="1" data-bbox="691 667 1430 1010"> <thead> <tr> <th></th> <th style="text-align: center;">Amount Allocated (S\$'000)</th> <th style="text-align: center;">Net Proceeds utilized (S\$'000)</th> <th style="text-align: center;">Balance of Net Proceeds (S\$'000)</th> </tr> </thead> <tbody> <tr> <td>Purpose</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Expansion of dishware washing operations</td> <td style="text-align: right;">2,500</td> <td style="text-align: right;">(1,100)</td> <td style="text-align: right;">1,400</td> </tr> <tr> <td>General working capital</td> <td style="text-align: right;">1,590</td> <td style="text-align: right;">(1,000)</td> <td style="text-align: right;">590</td> </tr> <tr> <td></td> <td style="text-align: right;">4,090</td> <td style="text-align: right;">(2,100)</td> <td style="text-align: right;">2,090</td> </tr> </tbody> </table>		Amount Allocated (S\$'000)	Net Proceeds utilized (S\$'000)	Balance of Net Proceeds (S\$'000)	Purpose				Expansion of dishware washing operations	2,500	(1,100)	1,400	General working capital	1,590	(1,000)	590		4,090	(2,100)	2,090
	Amount Allocated (S\$'000)	Net Proceeds utilized (S\$'000)	Balance of Net Proceeds (S\$'000)																			
Purpose																						
Expansion of dishware washing operations	2,500	(1,100)	1,400																			
General working capital	1,590	(1,000)	590																			
	4,090	(2,100)	2,090																			
		<p>As at 29 February 2016, the Company has utilized S\$0.9 million for the renovation of 8 Loyang Way 4 and another S\$0.2 million to purchase of new machinery for the expansion of the Group's dishware washing operations.</p> <p>The Company has also utilized S\$1.0 million as general working capital for GreatSolutions Pte Ltd in anticipation of an increase in operating costs in line with higher sales volume.</p> <p>The above utilisation is in accordance with the intended use of proceeds from the IPO as stated in the Offer Document.</p>																				

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of GS Holdings Limited and its subsidiaries (the "Group") for the financial year ended 31 December 2015 and the statement of financial position and statement of changes in equity of GS Holdings Limited (the "Company") for the financial period from 19 September 2014 (date of incorporation) to 31 December 2015.

In the opinion of the directors:

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 48 to 91 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of the financial performance, changes in equity and cash flows of the Group for the year then ended and changes in equity of the Company for the financial period from 19 September 2014 (date of incorporation) to 31 December 2015 in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Pang Pok
Foo Sek Kuan Kenneth
Chua Kern
Kek Sin Shen Steve
Chow Kek Tong

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interest in shares or debentures

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

Name of directors	Number of ordinary shares Shareholdings registered in the name of directors	
	At 1.1.2015	At 31.12.2015
<u>The Company</u>		
Pang Pok	1	84,200,000

There was no change in the above-mentioned interest in the Company between the end of the financial year and 21 January 2016.

DIRECTORS' STATEMENT

By virtue of Section 7 of the Singapore Companies Act, Pang Pok is deemed to have an interest in the shares held by the Company in its subsidiaries.

Share options

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

Remuneration committee administering the Scheme comprise three directors, Chow Kek Tong, Kek Sin Shen Steve and Chua Kern. The Chairman of the Remuneration Committee is Chow Kek Tong.

Information regarding the GS Holdings ESOS is set out below:

- (a) The exercise price of the options is determined by Market Price equal to the average of the last dealt prices for a Share on the Official List of the SGX-ST for the five (5) consecutive market days immediately preceding the date on which an offer to grant an option is made or at a discount to the Market Price (subject to a maximum discount of 20%);
- (b) The options vest 12 months after the grant date and expire ten years after vesting date unless cancelled or lapsed prior to that date.

The options are exercisable from 18 January 2016 and expire on 17 January 2026 at exercise price \$1.

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

GS Holdings Limited performance share plan

The GS Holdings Performance Share Plan (the "GS Holdings PSP") was adopted by the key senior management, senior executives and non-executive directors of the Company on 17 December 2015. The GS Holdings PSP contemplates the award of fully paid shares free of charge to participants after pre-determined performance or service conditions are accomplished. Awards granted under the GS Holdings PSP will be principally performance-based, incorporating an element of stretched targets for senior executives and significantly stretched targets for key senior management and non-executive directors aimed at delivering long-term shareholder value.

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

The GS Holdings PSP is administered by the Remuneration Committee of the Company. A member of our Remuneration Committee who is also a participant of the GS Holdings PSP must not be involved in its deliberation in respect of awards granted or to be granted to him. The GS Holdings PSP shall continue in operation for a maximum period of 10 years commencing on the date on which the GS Holdings PSP is adopted, provided that the GS Holdings PSP may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

DIRECTORS' STATEMENT

GS Holdings Limited performance share plan (Continued)

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

Since the commencement of the GS Holdings PSP, the Company has not granted any awards under the GS Holdings PSP.

Audit Committee

The Audit Committee comprises three members, who are all independent directors. The members of the Audit Committee for the financial year are:

Kek Sin Shen Steve (Chairman)
Chua Kern
Chow Kek Tong

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

- (a) assist Board in the discharge of its responsibilities on financial reporting matters;
- (b) review, with the internal and external auditors, the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and our management's response, and results of audits compiled by internal and external auditors;
- (c) review the interim and annual financial statements and results announcements before submission to Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- (d) review the effectiveness and adequacy of our internal control and procedures, addressing financial, operational and compliance risks and ensure co-ordination between our internal and external auditors, and management, review the assistance given by our management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);
- (e) review the scope and results of the external audit, and the independence and objectivity of the external auditors;
- (f) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on Group's operating results or financial position, and our management's response;

DIRECTORS' STATEMENT

Audit Committee (Continued)

- (g) make recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (h) review significant financial reporting issues and judgments with the Chief Financial Officer and the external auditors so as to ensure the integrity of the financial statements of Group and any formal announcements relating to Group's financial performance before submission to Board of Directors;
- (i) to review and report to the Board at least annually the adequacy and effectiveness of Group's material internal controls with the financial controller and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;
- (j) review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- (k) review any potential conflicts of interest;
- (l) review and approve all hedging policies and instruments (if any) to be implemented by Group;
- (m) undertake such other reviews and projects as may be requested by Board and report to Board its findings from time to time on matters arising and requiring the attention of Audit Committee;
- (n) review and establish procedures for receipt, retention and treatment of complaints received by Group, inter alia, criminal offences involving our Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group; and
- (o) generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The Audit Committee is satisfied with the independence and objectivity of the independent auditors and has nominated Baker Tilly TFWP LLP for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Pang Pok
Director

Foo Sek Kuan Kenneth
Director

Date: 23 March 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Report on the Financial Statements

We have audited the accompanying financial statements of GS Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 48 to 91, which comprise the statements of financial position of the Group and Company as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended and the statement of changes in equity of the Company for the financial period from 19 September 2014 (date of incorporation) to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and Company as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date and changes in equity of the Company for the financial period from 19 September 2014 (date of incorporation) to 31 December 2015.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

23 March 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER **COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
Continuing operations			
Revenue	4	6,258,633	2,449,130
Cost of sales		(6,133,558)	(3,130,421)
Gross profit/(loss)		125,075	(681,291)
Other income	5	1,200,657	442,503
Administrative expenses		(3,246,837)	(1,025,297)
Finance costs	6	(177,923)	(45,514)
Loss before tax	7	(2,099,028)	(1,309,599)
Tax expense	9	(58,164)	-
Loss from continuing operations		(2,157,192)	(1,309,599)
Profit from discontinued operations, net of tax	10	-	2,446,941
(Loss)/profit for the year		(2,157,192)	1,137,342
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Revaluation gain on property, plant and equipment		-	2,918,693
Total comprehensive (loss)/income for the year attributable to equity holders of the Company		(2,157,192)	4,056,035
Earnings per share from continuing and discontinued operations (cents per share)			
Basic and diluted			
From continuing operation	11	(1.74)	(1.06)
From discontinued operation	11	-	1.97

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

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2015

	Note	Group		Company
		2015	2014	2015
		\$	\$	\$
Non-current assets				
Property, plant and equipment	12	8,817,010	1,596,762	-
Investment in subsidiaries	13	-	-	9,071,216
Investment properties	14	4,775,000	4,483,900	-
Total non-current assets		13,592,010	6,080,662	9,071,216
Current assets				
Inventories	15	3,000	35,500	-
Trade and other receivables	16	2,214,374	5,876,760	376,740
Cash and bank balances	17	1,081,371	4,741,283	1,603
Total current assets		3,298,745	10,653,543	378,343
Total assets		16,890,755	16,734,205	9,449,559
Non-current liabilities				
Loans and borrowings	18	9,919,650	1,397,120	-
Other payables	19	1,000,000	-	1,000,000
Total non-current liabilities		10,919,650	1,397,120	1,000,000
Current liabilities				
Trade and other payables	19	1,537,395	4,243,520	6,061,239
Loans and borrowings	18	3,254,494	2,312,966	-
Tax payable		107,698	185,228	-
Total current liabilities		4,899,587	6,741,714	6,061,239
Total liabilities		15,819,237	8,138,834	7,061,239
Net assets		1,071,518	8,595,371	2,388,320
Equity				
Share capital	20	3,704,556	3,000,003	3,704,556
Retained earnings/(accumulated losses)		519,483	2,676,675	(1,316,236)
Asset revaluation reserve		2,918,693	2,918,693	-
Merger reserve		(6,071,214)	-	-
Total equity		1,071,518	8,595,371	2,388,320

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	Share capital \$	Retained earnings \$	Asset revaluation reserve \$	Merger reserve \$	Total equity \$
Group						
2015						
At 1 January 2015		3,000,003	2,676,675	2,918,693	-	8,595,371
Loss and total comprehensive loss for the year		-	(2,157,192)	-	-	(2,157,192)
Issuance of ordinary shares pursuant to the Restructuring Exercise	20	1,354,555	-	-	-	1,354,555
Conversion of convertible loan	20	2,350,000	-	-	-	2,350,000
Adjustments pursuant to the Restructuring Exercise	20	(3,000,002)	-	-	(6,071,214)	(9,071,216)
At 31 December 2015		<u>3,704,556</u>	<u>519,483</u>	<u>2,918,693</u>	<u>(6,071,214)</u>	<u>1,071,518</u>
2014						
At 1 January 2014		1,400,001	1,539,333	-	-	2,939,334
Profit for the year		-	1,137,342	-	-	1,137,342
Other comprehensive income						
Revaluation gain on property, plant and equipment		-	-	2,918,693	-	2,918,693
Total comprehensive income for the year		-	-	2,918,693	-	2,918,693
Issuance of ordinary shares on incorporation of subsidiaries	20	100,002	-	-	-	100,002
Issuance of ordinary shares	20	1,500,000	-	-	-	1,500,000
At 31 December 2014		<u>3,000,003</u>	<u>2,676,675</u>	<u>2,918,693</u>	<u>-</u>	<u>8,595,371</u>
Company						
Issuance of shares on 19 September 2014 (date of incorporation)	20	1	-	-	-	1
Loss and total comprehensive loss for the year		-	-	(1,316,236)	-	(1,316,236)
Issuance of ordinary shares pursuant to the Restructuring Exercise	20	1,354,555	-	-	-	1,354,555
Conversion of convertible loan	20	2,350,000	-	-	-	2,350,000
At 31 December 2015		<u>3,704,556</u>	<u>519,483</u>	<u>(1,316,236)</u>	<u>-</u>	<u>2,388,320</u>

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
Cash flows from operating activities		
Loss before tax from continuing operations	(2,099,028)	(1,309,599)
Profit before tax from discontinued operation	-	2,587,941
Adjustments for:		
Depreciation	571,324	598,215
Interest income	(82)	(38)
Interest expenses	177,923	59,432
Loss/(gain) on disposal of property, plant and equipment	30,725	(1,578,484)
Gain on disposal of subsidiaries	-	(109,467)
Property, plant and equipment written off	-	11,605
Fair value gain on investment properties	(64,386)	-
IPO expenses	1,266,319	-
Operating cash flows before working capital change	(117,205)	259,605
Inventories	32,500	(42,552)
Receivables	(2,777,534)	(3,196,817)
Payables	(862,925)	1,837,332
Cash flows used in operations	(3,725,164)	(1,142,432)
Income tax paid	(135,694)	(44,727)
Interest income	82	38
Net cash used in operating activities	(3,860,776)	(1,187,121)
Cash flow from investing activities		
Purchases of property, plant and equipment	(7,629,340)	(1,183,831)
Proceeds from disposal of property, plant and equipment	67,230	2,991,478
Proceeds from disposal of subsidiaries, net of cash disposed (Note 21)	-	387,308
Additions to investment property, net	(226,714)	-
Net cash (used in)/generated from investing activities	(7,788,824)	2,194,955
Cash flow from financing activities		
Decrease/(increase) in bank deposits pledged	200,025	(200,008)
Repayment of obligations under finance lease	(188,128)	(106,977)
Proceeds from finance lease	279,313	-
Proceeds from bank borrowings	10,333,007	200,000
Repayment of bank borrowings	(1,220,321)	(1,023,545)
Interest expense	(177,923)	(59,432)
Proceeds from issuance of ordinary shares	50,000	600,003
Other payables – third parties	-	2,300,000
Payment of IPO expenses	(1,086,260)	-
Net cash generated from financing activities	8,189,713	1,710,041
Net (decrease)/increase in cash and cash equivalents	(3,459,887)	2,717,875
Cash and cash equivalent at beginning of the year	4,486,275	1,768,400
Cash and cash equivalent at end of the year (Note 17)	1,026,388	4,486,275

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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

1 CORPORATE INFORMATION

GS Holdings Limited (the "Company") (Co. Reg. No. 201427862D) is incorporated and domiciled in Singapore with its registered office and principal place of business at 8 Loyang Way 4 Singapore 507604.

The principal activity of the Company is an investment holding company. The principal activities of the subsidiaries are disclosed in Note 13.

2 THE RESTRUCTURING EXERCISE

The Group and Company underwent the transactions described below as part of a corporate reorganisation implemented in preparation for its listing on the Catalist Board of Singapore Exchange Securities Trading Limited (the "Restructuring Exercise").

(a) Incorporation of the Company

The Company was incorporated on 19 September 2014 in Singapore with an issued and paid-up capital of \$1.00 comprising 1 ordinary share.

(b) Divestment of GS Capital Pte. Ltd. and Hao Kou Wei Pte. Ltd. ("HKW") by Hawkerway Pte. Ltd. ("Hawkerway")

Hawkerway fully divested itself of its wholly-owned subsidiaries, GS Capital Pte. Ltd. and HKW on 31 October 2014 and 31 December 2014, respectively. The entire share capital of GS Capital Pte. Ltd. was sold to Pang Pok and Ang Siew Kiock for an aggregate consideration of \$10,000 and the entire share capital of HKW was sold to Pang Pok and Ang Siew Kiock for an aggregate consideration of \$1,000,000.

(c) Acquisition of Greatsolutions Pte. Ltd. ("Greatsolutions"), GS Cleaning Services Pte. Ltd. ("GS Cleaning"), GS Equipment Supply Pte. Ltd. ("GS Equipment"), GS Maintenance Services Pte. Ltd. ("GS Maintenance") and Hawkerway

Pursuant to a restructuring agreement dated 8 October 2015 entered into between the Company, Pang Pok and Ang Siew Kiock, the Company acquired from Pang Pok and Ang Siew Kiock the entire issued and paid-up share capital of Greatsolutions, GS Cleaning, GS Equipment, GS Maintenance and Hawkerway, comprising an aggregate of 3,000,001 ordinary shares.

Pursuant to the completion of the Restructuring Exercise, Greatsolutions, GS Cleaning, GS Equipment, GS Maintenance and Hawkerway became wholly-owned subsidiaries of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are presented in Singapore dollar (\$), which is the Company's functional currency. The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

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

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3(x) to the financial statements.

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

In the current financial year, the Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of these new/revised FRS and INT FRS did not have any material effect on the financial results or position of the Group and the Company.

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2015 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company except as disclosed below:

FRS 115 Revenue from Contracts with Customers

FRS 115 replaces FRS 18 'Revenue', FRS 11 'Construction contracts' and other revenue-related interpretations. It applies to all contracts with customers, except for leases, financial instruments, insurance contracts and certain guarantee contracts and non-monetary exchange contracts. FRS 115 provides a single, principle-based model to be applied to all contracts with customers. It provides guidance on whether revenue should be recognised at a point in time or over time, replacing the previous distinction between goods and services. The standard introduces new guidance on specific circumstances where cost should be capitalised and new requirements for disclosure of revenue in the financial statements. The standard is effective for annual periods beginning on or after 1 January 2018. The Group will reassess its contracts with customers in accordance with FRS 115.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (Continued)

FRS 109 Financial Instruments

FRS 109 includes guidance on (i) the classification and measurement of financial assets and financial liabilities; (ii) impairment requirements for financial assets, and (iii) general hedge accounting. FRS 109, when effective will replace FRS 39 Financial Instruments: Recognition and Measurement. This standard is effective for annual periods beginning on or after 1 January 2018. The Group will reassess the potential impact of FRS 109 and plans to adopt the standard on the required effective date.

(b) Basis of consolidation

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

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

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

Business combinations involving entities under common control are accounted for by applying the pooling of interest method.

The financial statements of the Group were prepared by applying the pooling of interest method as the Restructuring Exercise as described in Note 2 is a legal reorganisation of entities under common control. Under this method, the Company has been treated as the holding company of the subsidiaries as if the combination had occurred from the date the subsidiaries first came under the control of the same shareholders. Accordingly, the results of the Group include the results of the subsidiaries for the entire periods under review. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established.

Pursuant to this:

- Assets and liabilities are reflected at their existing carrying amounts;
- No adjustments are made to reflect the fair values on the date of combination or recognise any new assets or liabilities;
- No additional goodwill is recognised as a result of the combination;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (Continued)

- Prior to the issue of shares by the Company in connection with the Restructuring Exercise, the aggregate equity of the subsidiaries held directly by the Company is shown as the Group's equity for financial years under review; and
- Upon the completion of the Restructuring Exercise, any difference between the consideration paid by the Company and the equity 'acquired' is reflected within the equity of the Group as merger reserve.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

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

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

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

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (Continued)

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary company are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific FRS.

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

(c) Subsidiaries

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

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

(d) Property, plant and equipment

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

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (Continued)

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

	<u>Years</u>
Leasehold property	38
Vehicles	2 – 9
Machineries and equipment	3 – 6
Furniture and fittings	3
Crockeries	3

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

(e) Investment properties

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

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

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

For a transfer of owner-occupied property to investment property carried at fair value, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 3(d) up to the date of change in use. The difference at the date of transfer between the carrying amount of the property and its fair value is recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment of non-financial assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

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

(g) Financial assets

Classification

The Group classifies its financial assets according to the nature of the assets and purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition. The Group's only financial assets are loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables" (excluding GST receivables and prepayments) and "cash and bank balances" on the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial assets (Continued)

Recognition and derecognition

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

On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to profit or loss.

Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method, less impairment.

Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account, and the amount of the loss is recognised in profit or loss. The allowance amount is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

If in subsequent periods, the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversed date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Cash and cash equivalents

For the purposes of presentation in the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, bank overdrafts that form an integral part of the Group's cash management and excludes pledged deposits.

(i) Inventories

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

(j) Financial liabilities

Financial liabilities include trade and other payables and loans and borrowings. Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

(k) Convertible loans

Convertible loans that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition, the liability component of the convertible loans is measured as the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. Any excess of proceeds over the amount initially recognised as the liability component is recognised as the equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the convertible loan equity reserve until either the loan is converted or redeemed, and net of any tax effects.

If the loan is converted, the convertible loan equity reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the loan is redeemed, the convertible loan equity reserve is released directly to accumulated losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and that the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

(m) Share capital

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

(n) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services, net of goods and services tax, rebates and discounts. Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity, and the amount of revenue and related cost can be reliably measured.

Rendering of services

Revenue from cleaning services is recognised when services are rendered.

Sale of equipment

Revenue from sales of equipment is recognised when the Group has delivered the goods to the customer and significant risks and rewards of ownership of the goods have been passed to the customer.

Rental income

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

Sale of food and beverages

Revenue from sales of food and beverages is recognised when the food and beverages have been served or upon delivery to customer. During the financial year ended 31 December 2014, the Group has ceased its sale of food and beverages operation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Government grants

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

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

(p) Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

(q) Leases

When a Group entity is the lessee:

Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between reduction of the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in finance lease liabilities. The interest element of the finance cost is taken to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The asset acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Operating leases

Leases where a significant portion of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Leases (Continued)

Operating leases

When a Group entity is the lessor:

Operating leases

Leases where the Group entity retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

(r) Employee benefits

Defined contribution plans

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

Employee leave entitlements

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

(s) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in profit or loss using the effective interest method.

(t) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Income taxes (Continued)

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

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

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

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

Deferred income tax is charged or credited to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

(u) Functional and foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Segment reporting

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

(w) Discontinued operations

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

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

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

(x) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) *Useful lives of property, plant and equipment*

The cost of property, plant and equipment is depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment to be 2 to 38 years (Note 2(d)).

The carrying amount of the Group's property, plant and equipment at 31 December 2015 is disclosed in Note 12 to the financial statements. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. A 5% increase/(decrease) in the expected useful lives of these assets from management estimates would result in an increase/(decrease) of approximately \$28,500 (2014: \$18,000) in the Group's profit before tax.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Key sources of estimation uncertainty (Continued)

(ii) Impairment of property, plant and equipment

The Group assesses whether there are any indicators of impairment for property, plant and equipment at each reporting date. Property, plant and equipment are tested for impairment when there are indicators that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The carrying amount of property, plant and equipment is disclosed in Note 12 to the financial statements.

(iii) Valuation of investment properties

The Group's investment properties are stated at estimated fair value based on the valuation performed by independent firm of professional valuers. In determining fair values, the valuers have based their valuation on methods of valuation which involves certain estimates, including comparison with recent sale transactions of similar neighbouring properties and expected future rental income to be achieved from the property. As at 31 December 2015, the carrying amount of investment properties is \$4,775,000 (2014: \$4,483,900) (Note 14).

4 REVENUE

	Group	
	2015	2014
	\$	\$
Sales of equipment	138,630	107,626
Service income	6,120,003	2,341,504
	6,258,633	2,449,130

5 OTHER INCOME

	Group	
	2015	2014
	\$	\$
Gain on disposal of property, plant and equipment	-	6,710
Government grants	446,862	372,346
Interest income	82	38
Fair value gain on investment properties (Note 14)	64,386	-
Rental income	600,000	-
Others	89,327	63,409
	1,200,657	442,503

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

6 FINANCE COSTS

	2015 \$	2014 \$
Interest expense:		
– finance lease	22,962	10,500
– term loans	154,961	35,014
	177,923	45,514

7 LOSS BEFORE TAX

	Group	
	2015 \$	2014 \$
This is arrived at after charging:		
Allowance for doubtful receivables (Note 16)	–	12,288
Depreciation of property, plant and equipment	571,324	360,884
Loss on disposal of property, plant and equipment	30,725	–
Rental expense	520,169	279,975
Personnel expenses (Note 8)	5,028,438	1,936,480
Property, plant and equipment written off	–	11,605
Subcontractor expenses	284,394	577,445

8 PERSONNEL EXPENSES

	Group	
	2015 \$	2014 \$
Staff costs:		
– Salaries and bonus	4,655,030	1,793,901
– Defined contribution plans	373,408	142,579
	5,028,438	1,936,480

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

9 TAX EXPENSE

	Group	
	2015	2014
	\$	\$
Tax expense attributable to profits is made up of:		
Income tax attributable to continuing operations:		
– Current year	53,849	–
– Under provision in prior years	4,315	–
Income tax attributable to discontinued operations:		
– Current year	–	141,000
– Under provision in prior years	–	–
	58,164	141,000

The income tax expense on the results of the financial years ended 31 December 2014 and 2015 varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to profit before tax due to the following factors:

	Group	
	2015	2014
	\$	\$
(Loss)/profit before tax from:		
Continuing operations	(2,099,028)	(1,309,599)
Discontinued operations	–	2,587,941
	(2,099,028)	1,278,342
Tax calculated at a tax rate of 17%	(356,835)	217,318
Statutory stepped income exemption	(16,584)	–
Effect of tax incentive	(21,077)	(55,925)
Expenses not deductible for tax purposes	236,774	41,874
Income not subject to tax	(30,928)	(293,736)
Under provision of taxation in prior years	4,315	–
Utilisation of previously unrecognised tax losses	(2,377)	–
Deferred tax assets not recognised for the year	244,876	213,346
Others	–	18,123
	58,164	141,000

At 31 December 2015, the Group has unrecognised unutilised tax losses, unutilised capital allowances and deferred capital allowances of approximately \$3,172,000 (2014: \$1,993,000), \$449,000 (2014: \$449,000) and \$265,000 (2014: \$Nil) available for carry forward to set off against future taxable profits subject to agreement by the tax authority and compliance with relevant provisions of the Singapore Income Tax Act. Deferred tax assets have not been recognised on these unutilised tax losses and capital allowances in the financial statements as it is not probable that future taxable income will be sufficient to allow the unutilised tax losses to be realised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

10 DISCONTINUED OPERATIONS

The Group sold Hao Kou Wei Pte. Ltd. (which previously contributed to the food court and restaurant operating segment) and ceased the food court and restaurant operation in Hawkerway Pte. Ltd. on 31 December 2014 and 31 October 2014 respectively, as such results from Hao Kou Wei Pte. Ltd. and Hawkerway Pte. Ltd. are presented separately on the statement of comprehensive income as “Discontinued operations”.

An analysis of the results of discontinued operations is as follows:

	2014
	\$
Revenue	7,061,044
Other income	1,849,347
Expenses	<u>(6,322,450)</u>
Profit before tax from discontinued operations	2,587,941
Tax	<u>(141,000)</u>
Profit from discontinued operations	<u>2,446,941</u>

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

	2014
	\$
Operating cash flows	(189,434)
Investing cash flows	3,692,961
Financing cash flows	<u>(690,595)</u>
Total cash flows	<u>2,812,932</u>

11 EARNINGS PER SHARE

Pursuant to IPO, the calculation of earnings per share attributable to the ordinary owners of the Company is based on the following data:

	Group	
	2015	2014
	\$	\$
From continuing operations		
Loss from continuing operations attributable to equity holders of the Company	<u>(2,157,192)</u>	(1,309,599)
Weighted average number of ordinary shares	<u>124,000,000*</u>	124,000,000*
Earnings per share from continuing operations (cents per share)		
– Basic and diluted	<u>(1.74)</u>	<u>(1.06)</u>

* For comparative purposes, the earnings per share for the respective financial years have been computed based on the profit attributable to owners of the Company and the Company's enlarged share capital of 124,000,000 shares assuming that the Restructuring Exercise and the issuance of 24,000,000 new shares pursuant to the IPO had been completed as at the end of the respective financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

11 EARNINGS PER SHARE (CONTINUED)

From discontinued operations

Basic and diluted earnings per share for the discontinued operation is based on the profit for the financial year from the discontinued operation of \$Nil (2014: \$2,446,941) and the denominators detailed above for both basic and diluted earnings per share.

The Company did not hold any dilutive potential ordinary shares during the financial year (2014: Nil).

12 PROPERTY, PLANT AND EQUIPMENT

	Leasehold property \$	Vehicles \$	Machineries and equipment \$	Furniture and fittings \$	Crockeries \$	Total \$
Group						
2015						
Cost						
At 1.1.2015	–	351,438	1,338,032	883,440	99,847	2,672,757
Additions	7,204,600	113,787	410,864	94,812	65,464	7,889,527
Disposals	–	(106,150)	(54,249)	(5,000)	–	(165,399)
At 31.12.2015	<u>7,204,600</u>	<u>359,075</u>	<u>1,694,647</u>	<u>973,252</u>	<u>165,311</u>	<u>10,396,885</u>
Accumulated depreciation						
At 1.1.2015	–	49,601	359,767	660,383	6,244	1,075,995
Depreciation charge	–	41,737	366,485	126,136	36,966	571,324
Disposals	–	(31,548)	(35,757)	(139)	–	(67,444)
At 31.12.2015	<u>–</u>	<u>59,790</u>	<u>690,495</u>	<u>786,380</u>	<u>43,210</u>	<u>1,579,875</u>
Net carrying value						
At 31.12.2015	<u>7,204,600</u>	<u>299,285</u>	<u>1,004,152</u>	<u>186,872</u>	<u>122,101</u>	<u>8,817,010</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold property \$	Construction in progress \$	Vehicles \$	Machineries and equipment \$	Furniture and fittings \$	Crockeries \$	Total \$
Group							
2014							
Cost							
At 1.1.2014	4,980,661	226,480	194,852	633,495	705,542	430,064	7,171,094
Additions	–	56,620	226,689	806,251	207,258	97,413	1,394,231
Disposals	(2,099,283)	–	(70,103)	(46,578)	–	(359,841)	(2,575,805)
Disposal of subsidiaries (Note 21)	–	–	–	(55,136)	(29,360)	–	(84,496)
Revaluation surplus	2,917,893	800	–	–	–	–	2,918,693
Transfer to Investment properties (Note 14)	(5,799,271)	(283,900)	–	–	–	–	(6,083,171)
Written off	–	–	–	–	–	(67,789)	(67,789)
At 31.12.2014	–	–	351,438	1,338,032	883,440	99,847	2,672,757
Accumulated depreciation							
At 1.1.2014	2,262,463	–	38,826	208,256	612,474	213,706	3,335,725
Depreciation charge	196,276	–	39,984	188,868	71,113	101,974	598,215
Disposals	(859,468)	–	(29,209)	(20,882)	–	(253,252)	(1,162,811)
Disposal of subsidiaries (Note 21)	–	–	–	(16,475)	(23,204)	–	(39,679)
Transfer to Investment properties (Note 14)	(1,599,271)	–	–	–	–	–	(1,599,271)
Written off	–	–	–	–	–	(56,184)	(56,184)
At 31.12.2014	–	–	49,601	359,767	660,383	6,244	1,075,995
Net carrying value							
At 31.12.2014	–	–	301,837	978,265	223,057	93,603	1,596,762

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Assets held under loans and borrowings

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$7,889,527 (2014: \$1,394,231) of which \$260,187 (2014: \$210,400) was financed by means of finance leases. Cash payments of \$7,629,340 (2014: \$1,183,831) were made to purchase property, plant and equipment of which \$5,600,000 (2014: \$Nil) was financed by bank borrowings.

The carrying amount of machineries, equipment and vehicles held under finance leases at the end of the reporting period were \$795,387 (2014: \$417,380).

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

Assets pledged as security

In addition to assets held under finance leases, the Group's leasehold property with a carrying amount of \$7,204,600 (2014: \$Nil) are mortgaged to secure the Group's bank loans (Note 18).

Transfer to investment properties

On 31 October 2014, the Group transferred its leasehold properties to investment properties carried at fair value (Note 14). The difference between the carrying amount of the leasehold properties and their fair value of \$2,918,693 was recognised in other comprehensive income during the financial year ended 31 December 2014. The net carrying amount of the leasehold properties of \$4,483,900 was transferred to investment properties.

13 INVESTMENT IN SUBSIDIARIES

	Company 2015 \$
Unquoted shares, at cost	
Issuance of shares for acquisition of subsidiaries pursuant to the Restructuring Exercise	9,071,216

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

13 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries held by the Company are:

Name of subsidiary	Principal place of business	Principal business activities	Proportion of ownership interest 2015 %
<i>Held by the Company</i>			
Hawkerway Pte. Ltd.*	Singapore	Letting and operating of food courts, coffee shops and eating house	100
GreatSolutions Pte. Ltd.*	Singapore	Dishwashing services and automated cleaning services and solutions	100
GS Cleaning Services Pte. Ltd.*	Singapore	Cleaning services and landscape care and maintenance services	100
GS Equipment Supply Pte. Ltd.*	Singapore	Sale of dishwashing and other equipment/machinery; and rental of equipment/machinery and tangible goods	100
GS Maintenance Services Pte. Ltd.*	Singapore	Installation of dishwashing machines and other equipment and mechanical engineering works; and repair, servicing and maintenance of dishwashing machines and other equipment	100

* Audited by Baker Tilly TFW LLP.

For the financial year ended 31 December 2014, the financial results of the subsidiaries were combined with the Company on the basis that the Group is a continuation of the existing businesses of the subsidiaries under common control. Accordingly, the equity interests in these subsidiaries held by the Company for that financial year were deemed to be 100%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

14 INVESTMENT PROPERTIES

Investment properties owned by the Group include a single-storey eating house with mezzanine office and a ramp-up factory unit which are both completed investment properties.

	Group	
	2015	2014
	\$	\$
At 1 January	4,483,900	–
Transfer from property, plant and equipment (Note 12)		
– Leasehold investment property	–	4,200,000
– Leasehold investment property under construction (“IPUC”)	–	283,900
Addition to investment property	226,714	–
Fair value gain recognised in profit or loss	64,386	–
At 31 December	<u>4,775,000</u>	<u>4,483,900</u>

The following amounts are recognised in profit or loss:

	Group	
	2015	2014
	\$	\$
Rental income	600,000	–
Direct operating expenses arising from an investment property that generated rental income	44,602	16,838
Direct operating expenses arising from an investment property that did not generate rental income	2,775	500

Investment properties are stated at fair value based on valuation performed by the directors on 31 December 2015. The directors based their valuation on valuation performed by Permas Valuers & Property Consultants Pte Ltd and Associated Property Consultants Pte Ltd, independent valuers in July 2015 and November 2015. Fair values of the two investment properties were determined based on the valuation methods described below respectively:

- (i) Direct comparison with recent transactions of comparable properties within the vicinity and elsewhere with appropriate yield adjustments made for differences in the nature, location or condition of the specific properties being valued; and
- (ii) Income method which examines the present worth of the expected future income stream in the form of the estimated net profit rental value and capitalised at an appropriate investment yield.

The fair value measurements are categorised as Level 3 of the fair value hierarchy (Note 25).

On 31 October 2014, The Group transferred the single-storey eating house with mezzanine office and ramp-up factory unit that were held as property, plant and equipment to investment properties. On that date, the Group has commenced using the completed investment property and resolved to use the IPUC for leasing purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

14 INVESTMENT PROPERTIES (CONTINUED)

Properties pledged as security

Investment properties amounting to \$4,775,000 (2014: \$4,483,900) are mortgaged to secure bank borrowings (Note 18).

Investment properties held by the Group as at 31 December 2015 are as follows:

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

15 INVENTORIES

	Group	
	2015 \$	2014 \$
Finished goods	3,000	35,500

Inventories recognised as an expense in cost of sales and cost of sales under discontinued operations for the financial year ended 31 December 2015 amounted to \$Nil (2014: \$71,720) and \$Nil (2014: \$2,016,580) respectively.

16 TRADE AND OTHER RECEIVABLES

	Group		Company
	2015 \$	2014 \$	2015 \$
Trade receivables			
– third parties	1,039,460	548,949	–
– related parties	1,873	11,023	–
	1,041,333	559,972	
Less: Allowance for doubtful receivables			
– third parties	–	(12,288)	–
	1,041,333	547,684	–
Amount due from related parties*	–	880,998	99,999
Amount due from directors*	–	3,619,419	–
Deposits	256,876	259,047	–
GST receivable	450,522	37,273	–
Other receivables	107,221	190,097	–
Prepayments	358,422	329,992	276,741
Staff loans and advances	–	12,250	–
	1,173,041	5,329,076	376,740
	2,214,374	5,876,760	376,740

* The amounts are interest-free, non-trade in nature, unsecured and payable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

17 CASH AND BANK BALANCES

	Group		Company
	2015	2014	2015
	\$	\$	\$
Cash in hand and at bank	1,026,388	4,486,275	1,603
Pledged bank deposits	54,983	255,008	–
Cash and bank balances	1,081,371	4,741,283	1,603

For the purpose of the cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2015	2014
	\$	\$
Cash and bank balances	1,081,371	4,741,283
Less: pledged bank deposits	(54,983)	(255,008)
Cash and cash equivalents	1,026,388	4,486,275

Pledged bank deposit amounting to \$54,983 (2014: \$255,008) is pledged to a bank as security for issuance of banker's guarantee for the security deposit for rental of premise.

18 LOANS AND BORROWINGS

		Group	
	Maturity	2015	2014
		\$	\$
<i>Non-current</i>			
Loan 1 – SIBOR plus 3.00% p.a.	2017 – 2022	206,367	608,555
Loan 2 – 2.65% per annum under the bank's prevailing Enterprise Financing Rate	2017 – 2018	348,616	154,968
Loan 4 – 3-month SIBOR plus 1.80% p.a.	2017 – 2018	268,032	–
Loan 5 – 3-month SIBOR plus 4.00% p.a.	2017 – 2019	567,108	417,239
Loan 6 – 3-month SIBOR plus 1.28% p.a.	2017 – 2036	5,401,346	–
Loan 7 – 0.88% over the Bank's Business Board Rate	2017 – 2018	119,954	–
Loan 8 – Higher of 3.00% p.a. over 3-month Swap Offer Rate or 3.00% p.a. over the prevailing 3-month Cost of Funds	2017 – 2020	2,450,729	–
Loan 9 – 0.50% p.a. above the prevailing Bank's Business Instalment Loan Board Rate	2017 – 2018	61,772	–
Obligations under finance lease	2017 – 2022	495,726	216,358
		9,919,650	1,397,120

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

18 LOANS AND BORROWINGS (CONTINUED)

	Maturity	Group	
		2015 \$	2014 \$
<i>Current</i>			
Loan 1 – SIBOR plus 3.00% p.a.	2016	36,223	367,095
Loan 2 – 2.65% per annum under the bank's prevailing Enterprise Financing Rate	2016	22,655	6,333
Loan 3 – 2.20% per annum above the 6-month Swap Offer Rate.	2016	1,600,000	1,600,000
Loan 4 – 3-month SIBOR plus 1.80% p.a.	2016	172,232	–
Loan 5 – 3-month SIBOR plus 4.00% p.a.	2016	410,013	248,580
Loan 6 – 3-month SIBOR plus 1.28% p.a.	2016	198,615	–
Loan 7 – 0.88% over the Bank's Business Board Rate	2016	71,568	–
Loan 8 – Higher of 3.00% p.a. over applicable 3-month Swap Offer Rate or 3.00% p.a. over the prevailing 3-month Cost of Funds	2016	549,271	–
Loan 9 – 0.50% p.a. above the prevailing Bank's Business Instalment Loan Board Rate	2016	30,955	–
Obligations under finance lease	2016	162,962	90,958
		3,254,494	2,312,966
		13,174,144	3,710,086

The loans are secured by:

- (i) legal mortgage over the Group's investment properties (Note 14);
- (ii) assignment of rental proceeds and all rights of the tenancy agreements;
- (iii) legal mortgage over the Group's leasehold property (Note 12);
- (iv) corporate guarantee from subsidiaries of the Group;
- (v) personal guarantee from a director of the Group; and
- (vi) legal mortgages over certain personal properties of a director of the Group.

The carrying amounts of the loans determined from discounted cash flow analysis using the market lending rate that the directors expect would be available to the Group at the end of the reporting period are reasonable approximation of fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period. The fair value measurement for disclosure purposes is categorised as Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

18 LOANS AND BORROWINGS (CONTINUED)*Obligations under finance lease*

	Minimum lease payments		Present value of minimum lease payments	
	2015	2014	2015	2014
	\$	\$	\$	\$
Group				
Within 1 financial year	183,420	103,728	162,962	90,958
Within 2 to 5 financial years	515,390	192,350	452,171	164,699
After 5 financial years	53,710	61,230	43,555	51,659
Total minimum lease payments	752,520	357,308	658,688	307,316
Less: future finance charges	(93,832)	(49,992)	-	-
	658,688	307,316	658,688	307,316
Representing finance lease liabilities:				
– Current	162,962	90,958		
– Non-current	495,726	216,358		
	658,688	307,316		

The obligations under finance lease bear effective interest rates ranging from 2.99% to 7.19% (2014: 2.99% to 3.16%) per annum respectively.

Leased assets are pledged as security for the related lease liabilities (Note 12). A director of the Group and a fellow subsidiary of the Group have provided guarantees for certain of the finance lease liabilities.

Based on the discounted cash flow analysis using market interest rates for similar finance lease agreements at the reporting date, the fair values of finance lease liabilities at the reporting date approximate their carrying amounts as the market interest rate at the reporting date is close to the effective interest rate of the Group's existing finance lease liabilities. This fair value measurement for disclosures purpose is categorised in Level 3 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

19 TRADE AND OTHER PAYABLES

	Group		Company
	2015	2014	2015
	\$	\$	\$
<i>Current liabilities</i>			
Trade payables			
– third parties	63,648	49,997	–
– related parties	–	131,478	–
Other payables			
– third parties	243,698	3,066,858	14,292
– related parties	41,704	41,704	5,560,147
Deposit received			
– third parties	–	60,380	–
– related party	100,000	100,000	–
GST payables	12,137	226,963	–
Accrued expenses	1,076,208	566,140	486,800
	1,537,395	4,243,520	6,061,239
<i>Non-current liabilities</i>			
<i>Other payables</i>			
– Amount due to a director	1,000,000	–	1,000,000

The amount due to a director arises from the Restructuring Exercise for which the director has executed an undertaking to the Company that in the event the Group incurs an operating loss for its financial results for the financial period from 1 January 2016 to 30 June 2016 (“1H2016”), the director shall forgive the amount in its entirety. If the Group records an operating profit for its audited financial results for the financial year ending 31 December 2016, regardless of whether it incurred an operating loss or recorded an operating profit for its results for 1H2016, the Audit Committee of the Company shall decide on the repayment terms of the amount. The fair value of the non-current amount due to a director approximate its carrying value at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

20 SHARE CAPITAL

	2015		2014	
	No. of shares '000	\$	No. of shares '000	\$
Group				
At 1 January	3,000	3,000,003	1,400	1,400,001
Issuance of ordinary shares on incorporation of subsidiary	-	-	100	100,002
Issuance of ordinary shares	-	-	1,500	1,500,000
Issuance of ordinary shares pursuant to the Restructuring Exercise	1	1,354,555	-	-
Adjustments pursuant to the Restructuring Exercise	(3,000)	(3,000,002)	-	-
	<u>1</u>	<u>1,354,556</u>	<u>3,000</u>	<u>3,000,003</u>
Sub-division of shares	84,200	1,354,556	3,000	3,000,003
Conversion of convertible loan	15,800	2,350,000	-	-
At 31 December	<u>100,000</u>	<u>3,704,556</u>	<u>3,000</u>	<u>3,000,003</u>

	2015	
	No. of shares '000	\$
Company		
At date of incorporation, 19 September 2014	-*	1
Issuance of ordinary shares pursuant to the Restructuring Exercise	1	1,354,555
	<u>1</u>	<u>1,354,556</u>
Sub-division of shares	84,200	1,354,556
Conversion of convertible loan	15,800	2,350,000
	<u>100,000</u>	<u>3,704,556</u>

* Less than 1,000

On 19 September 2014, the Company was incorporated with an issued and paid-up capital of \$1 comprising 1 share.

Pursuant to the Restructuring Agreement dated 8 October 2015, 999 shares were allotted and issued for the acquisition of the Company's subsidiaries. On 17 December 2015, the sole shareholder of the Company approved the sub-division of 1,000 shares in the capital of the Company into 84,200,000 shares.

Pursuant to the convertible loan deed entered into between the Company and certain investors on 2 January 2015, the Company issued \$2,350,000 convertible loan for cash at a coupon rate of 5% per annum to the investors. The investors are entitled to convert the convertible loan into 15.8% in the issued share capital of the Company subsequent to the allotment and issue of the conversion shares. On 17 December 2015, the investors exercised their rights and converted the convertible loan into 15,800,000 shares in the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

20 SHARE CAPITAL (CONTINUED)

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

As at 31 December 2014, the share capital of the Group represent the aggregate paid-up capital of the Company and its subsidiaries.

21 DISPOSAL OF SUBSIDIARIES

On 31 October 2014 and 31 December 2014, Hawkerway Pte. Ltd. disposed of its 100% interest held in GS Capital Pte. Ltd. and Hao Kou Wei Pte. Ltd., respectively. The effect of the disposal during the year is summarised as follows:

Effect of disposal on the financial position of the Group

	2014
	\$
Property, plant and equipment	44,817
Inventories	81,890
Trade and other receivables	1,263,979
Tax receivable	890
Cash and bank balances	622,692
Trade and other payables	(1,137,444)
Net asset derecognised	876,824
Consideration received:	
Cash	1,010,000
Gain on disposal:	
Consideration received	1,010,000
Net assets derecognised	(876,824)
Disposal of goodwill	(23,709)
Gain on disposal	109,467

The gain on disposal of the subsidiaries are recorded as part of the profit for the year from discontinued operation in the consolidated statement of comprehensive income.

	2014
	\$
Net cash inflow arising on disposal:	
– Cash consideration received	1,010,000
– Cash and bank balances disposed of	(622,692)
	387,308

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

22 CONTINGENT LIABILITIES

	Group		Company
	2015	2014	2015
	\$	\$	\$
Corporate guarantees given to secure banking facilities granted:			
– subsidiaries	-	-	3,225,000
– director-related companies	-	570,000	-

The amount of bank loan utilised by the subsidiaries that were covered by the corporate guarantee issued by the Company at the end of the reporting period is \$3,191,522. As at 31 December 2014, the amount of bank loan utilised by the director-related companies that were covered by the corporate guarantee issued by the Group is \$228,142.

No liability is recognised from the issuance of the corporate guarantees issued to subsidiaries or director-related companies as management has assessed the risk of default to be remote and therefore, the fair value of the financial guarantee to be immaterial.

23 RELATED PARTIES TRANSACTIONS

- (a) In addition to the information disclosed elsewhere in the financial statements, the following related parties transactions took place between the Group and related parties during the financial year on terms agreed by the parties concerned:

	Group	
	2015	2014
	\$	\$
With director-related companies		
<i>Income</i>		
Service rendered	91,300	1,025
Rental	600,000	6,000
Sales of goods/equipment	2,279	2,950
<i>Others</i>		
Advances made to	-	41,100
Advances received from	24,000	-
Payment made on behalf of	447,023	-
With directors		
<i>Others</i>		
Payments made on behalf of	-	24,196
Advances made to	2,000,000	1,951,001
Advances received from	200,000	1,399,998
Sale of subsidiaries	-	1,010,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

23 RELATED PARTIES TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation:

	Group	
	2015	2014
	\$	\$
Key management personnel's remuneration		
– Salaries and bonuses	253,122	474,042
– Defined contribution plans	33,247	28,832
– Fees	14,292	40,000
	300,661	542,874

24 LEASE COMMITMENTS

(a) Lease commitment

Where the Group is a lessee

The Group leases vehicles and several premises for its centralised dishware washing facilities, from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the reporting date but not recognised as payables, are as follows:

	Group	
	2015	2014
	\$	\$
Not later than one financial year	390,966	290,955
Later than one financial year but not later than five financial years	764,237	806,368
More than five financial years	14,770	176,854
	1,169,973	1,274,177

As at 31 December 2015, the Group leases out an investment property to Hao Kou Wei Pte. Ltd., a director-related company under non-cancellable operating leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

24 LEASE COMMITMENTS (CONTINUED)

(a) Lease commitment (Continued)

Where the Group is a lessor (Continued)

The future minimum lease amounts receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	Group	
	2015 \$	2014 \$
Not later than one financial year	600,000	600,000
Later than one financial year but not later than five financial years	500,000	1,100,000
	1,100,000	1,700,000

(b) Capital commitments

Capital commitments not provided for in the financial statements:

	Group	
	2015 \$	2014 \$
Capital commitments in respect of:		
– Property, plant and equipment	1,121,940	146,332
– Investment property	–	283,100
	1,121,940	429,432

25 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

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

	Group		Company
	2015 \$	2014 \$	2015 \$
<i>Financial assets</i>			
Trade and other receivables	1,405,430	5,509,495	99,999
Cash and bank balances	1,081,371	4,741,283	1,603
Loans and receivables	2,486,801	10,250,778	101,602
<i>Financial liabilities</i>			
Trade and other payables	2,525,258	4,016,557	7,061,239
Loans and borrowings	13,174,144	3,710,086	–
Financial liabilities at amortised cost	15,699,402	7,726,643	7,061,239

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

25 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

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

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

Foreign currency risk

The Group does not have exposure to foreign currency risk as its transactions, assets and liabilities are mainly denominated in Singapore dollars.

Interest rate risk

The Group's exposure to interest rate risk arises primarily from loans and borrowings. Loans and borrowings at variable rates expose the Group to cash flow interest rate risk (i.e. the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates). The Group does not use derivatives to hedge its interest rate. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

Sensitivity analysis for interest rate risk

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

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD. If the SGD interest rates increase/decrease by 50 (2014: 50) basis points with all other variables including tax rate being held constant, the loss of the Group will be higher/lower by \$51,939 (2014: 14,121) respectively as a result of higher/lower interest expense on these loans and borrowings.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has credit policies in place and the exposure to credit risk is monitored on an ongoing basis by the management.

As at the end of the reporting period, the Group's trade receivables are all due from debtors located in Singapore. The Group's trade receivables comprise 3 debtors (2014: 3 debtors) that represented approximately 48% (2014: 60%) of the trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

25 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

As the Group and Company does not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statements of financial position and the amount of \$Nil (2014: \$228,142) and \$3,191,522 (2014: \$Nil) relating to corporate guarantees given by the Group and the Company respectively to the banks for facilities granted to related parties and subsidiaries.

Trade and other receivables that are neither past due nor impaired are substantially with corporate customers with good collection track record with the Group. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are neither past due nor impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables of the Group that are past due but not impaired are as follows:

	Group	
	2015 \$	2014 \$
Past due < 30 days	261,537	92,224
Past due 31 to 60 days	136,272	3,149
Past due 61 to 90 days	42,717	–
Past due over 90 days	35,297	12,715
	475,823	108,088

Movements in the allowance for doubtful receivables are as follows:

	Group	
	2015 \$	2014 \$
At beginning of the year	12,288	7,000
Allowance made	–	12,288
Allowance utilised	–	(7,000)
Bad debts written off against allowance	(12,288)	–
At end of the year	–	12,288

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

25 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group manages the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities (Note 18). As disclosed in Note 29(a), part of the Group's net proceeds from its listing on the Catalist Board of Singapore Exchange Securities Trading Limited on 18 January 2016 of \$4,090,000 will be utilised as general working capital.

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

	Repayable on demand or within 1 year \$	Within 2 to 5 years \$	Over 5 years \$	Total \$
Group				
2015				
Trade payables	63,648	-	-	63,648
Other payables	1,461,610	1,000,000	-	2,461,610
Loans and borrowings	3,609,241	6,314,920	5,585,166	15,509,327
	<u>5,134,499</u>	<u>7,314,920</u>	<u>5,585,166</u>	<u>18,034,585</u>
2014				
Trade payables	181,475	-	-	181,475
Other payables	3,835,082	-	-	3,835,082
Loans and borrowings	2,393,167	1,230,442	301,747	3,925,356
	<u>6,409,724</u>	<u>1,230,442</u>	<u>301,747</u>	<u>7,941,913</u>
Company				
2015				
Other payables	6,061,239	1,000,000	-	7,061,239

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

25 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The table below show the contractual expiry by maturity of the Group's contingent liabilities. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	Repayable on demand or within 1 year \$	Within 2 to 5 years \$	Over 5 years \$	Total \$
2015				
Group				
<i>Financial liabilities</i>				
Financial guarantee	-	-	-	-
Company				
<i>Financial liabilities</i>				
Financial guarantee	3,191,522	-	-	3,191,522
2014				
Group				
<i>Financial liabilities</i>				
Financial guarantee	228,142	-	-	228,142
Company				
<i>Financial liabilities</i>				
Financial guarantee	-	-	-	-

26 FAIR VALUES OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

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

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

There has been no transfer between Level 1, Level 2 and Level 3 during the financial years ended 31 December 2014 and 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

26 FAIR VALUES OF ASSETS AND LIABILITIES (CONTINUED)

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

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

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
2015				
Non-financial asset:				
Investment properties (Note 14)	–	–	4,775,000	4,775,000
2014				
Non-financial asset:				
Investment properties (Note 14)	–	–	4,483,900	4,483,900

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at financial year end.

Management is responsible for selecting and engaging valuation experts that possesses the relevant credentials and knowledge for the valuation of the investment properties.

For valuation performed by external valuers, 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 that considers sales of similar properties within the developments that have been transacted in the open market and the estimated net rental likely to be achieved from the property based on market rental values.

The significant unobservable inputs to the fair value measurement of the investment properties are yield adjustments made for any difference in the nature, location or condition of the specific property and the average rental and expenses per square foot per month.

A lower/higher average rental per square foot, a higher/lower average rental expenses per square foot or a significant increase/decrease in yield adjustments based on management's assumptions would result in a significantly lower/higher fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

26 FAIR VALUES OF ASSETS AND LIABILITIES (CONTINUED)

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

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

	Investment property – Leasehold property	
	2015	2014
	\$	\$
Balance at beginning of financial year	4,483,900	–
Fair value loss recognised in profit or loss	64,386	–
Additions	226,714	4,483,900
Balance at end of financial year	<u>4,775,000</u>	<u>4,483,900</u>

27 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The capital structure of the Group mainly consists of equity and borrowings and the Group's overall strategy remains unchanged from financial years ended 31 December 2014 and 2015.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2014 and 2015.

28 SEGMENT INFORMATION

The Group has only one operating segment from the dishware washing and cleaning services. Management has not identified any business or operating units separately for purpose of making decisions about resource allocation and performance assessment.

Information about major customers

Revenue from each of the two (2014: two) customers who individually contributed 10% or more of the Group's revenue amount to \$1,988,000 (2014: \$957,000) and \$1,194,000 (2014: \$423,000).

Geographical information

The Group's revenues from external customers derived solely from customers in Singapore. The non-current assets of the Group are all located in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

29 EVENTS AFTER THE REPORTING PERIOD

- (a) On 18 January 2016, the Company completed its listing on the Catalist Board of Singapore Exchange Securities Trading Limited. The Company issued an additional 24,000,000 ordinary shares via placement, raising gross proceeds totalling \$6,000,000. Net of IPO related expenses of approximately \$1,910,000, the Group's net IPO proceeds of \$4,090,000 will be utilised for the expansion of the Group's dishware washing operations and general working capital.
- (b) On 22 February 2016, the Company, via its wholly-owned subsidiary, GreatSolutions Pte. Ltd. ("Greatsolutions") incorporated a company, GS Hospitality Services Pte. Ltd. ("GSHSPL") in Singapore with certain individuals as part of the Company's expansion plan. Greatsolutions holds 55% interest in GSHSPL, which has an initial issued and paid-up share capital of \$100.

30 COMPARATIVE FIGURES

The financial statements of the Company cover the financial period since incorporation on 19 September 2014 to 31 December 2015. This being the first set of financial statements for the Company, there are no comparative figures.

31 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Group for the financial year ended 31 December 2015 and the statement of financial position and statement of changes in equity of the Company for the financial period from 19 September 2014 (date of incorporation) to 31 December 2015 were authorised for issue in accordance with a resolution of the directors dated 23 March 2016.

SHAREHOLDERS' STATISTICS

AS AT 9 MARCH 2016

CLASS OF SHARES

Ordinary Shares

NUMBER OF SHARES

124,000,000

NUMBER OF ORDINARY SHAREHOLDERS

The number of ordinary shareholders as at 9 March 2016 is 231

VOTING RIGHTS

1 vote for each Ordinary Share held

TREASURY SHARES

Nil

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information provided and to the best knowledge of the Directors, approximately 32.10% of the total number of issued shares (excluding treasury shares) in the capital of the Company are held in the hands of the public as at 9 March 2016. Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited has therefore been complied with.

DISTRIBUTION OF SHAREHOLDINGS AS AT 9 MARCH 2016

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	53	22.94	53,000	0.04
1,001 – 10,000	78	33.77	377,000	0.30
10,001 – 1,000,000	90	38.96	12,298,400	9.92
1,000,001 AND ABOVE	10	4.33	111,271,600	89.74
TOTAL	231	100.00	124,000,000	100.00

SHAREHOLDERS' STATISTICS

AS AT 9 MARCH 2016

SUBSTANTIAL SHAREHOLDERS AS AT 9 MARCH 2016

Substantial Shareholder	Shareholdings registered in the name of the substantial shareholder	Shareholdings in which the substantial shareholder are deemed to be interested	Total	Percentage of issued shares
Pang Pok	84,200,000	–	84,200,000	67.90%

TOP 20 SHAREHOLDERS AS AT 9 MARCH 2016

NO.	NAME	NO. OF SHARES	%
1	PANG POK	84,200,000	67.90
2	TAN POK MIN	5,400,000	4.35
3	KEK YEW LENG @ KEK BOON LEONG	4,000,000	3.23
4	PANG LIM	4,000,000	3.23
5	NG SEOW YUEN (HUANG XIAOYAN)	3,974,000	3.20
6	AU SWEE LING	3,100,000	2.50
7	UOB KAY HIAN PRIVATE LIMITED	2,997,600	2.42
8	ALPHAGREAT PTE. LTD.	1,200,000	0.97
9	PEH OON KEE	1,200,000	0.97
10	PHOON HAR KWONG @ JAMES PHOON	1,200,000	0.97
11	KWEK PING LING (GUO BINGLING)	800,000	0.65
12	LIM LAI HIANG DELPHINE	800,000	0.65
13	ONG HOCK SWEE OR ONG WEE SIONG	500,000	0.40
14	LAM SIEW HAR	400,000	0.32
15	PHILLIP SECURITIES PTE LTD	390,000	0.31
16	LIM GOY KHIANG	380,000	0.31
17	YAP BENG KOK	350,000	0.28
18	DBS NOMINEES (PRIVATE) LIMITED	300,000	0.24
19	ONG KOON HAI	300,000	0.24
20	WONG WEI WEN ALEXIUS (HUANG WEIWEN)	250,000	0.20
	TOTAL	115,741,600	93.34

NOTICE OF ANNUAL GENERAL MEETING

GS HOLDINGS LIMITED
(the "Company")
(Incorporated in the Republic of Singapore)
Company Registration No. 201427862D

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 8 Loyang Way 4, Singapore 507604 on Friday, 15 April 2016 at 9.00 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statements and Audited Financial Statements for the financial year ended 31 December 2015 and the Auditors' Report thereon. **[Resolution 1]**

2. To re-elect the following Directors retiring pursuant to the Company's Articles of Association:
 - Article 113:**
 - Pang Pok **[Resolution 2]**

 - Article 117:**
 - Foo Sek Kuan **[Resolution 3]**
 - Kek Sin Shen Steve **[Resolution 4]**
 - Chua Kern **[Resolution 5]**
 - Chow Kek Tong **[Resolution 6]**
 - [See Explanatory Note (1)]**

3. To approve Directors' fees of S\$14,292/- for the financial year ended 31 December 2015. **[Resolution 7]**

4. To approve Directors' fees of S\$163,000/- for the financial year ending 31 December 2016, to be paid quarterly in arrears. **[See Explanatory Note (2)]** **[Resolution 8]**

5. To re-appoint Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **[Resolution 9]**

6. To transact any other business that may be transacted at an Annual General Meeting.

SPECIAL BUSINESS

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

7. Authority to allot and issue shares in the capital of the Company – Share Issue Mandate

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

NOTICE OF ANNUAL GENERAL MEETING

- (a) (i) issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements, or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) issue Shares in pursuant of any Instrument made or granted by the Directors while this Resolution was in force (notwithstanding that such issue of Shares pursuant to the Instrument may occur after the expiration of the authority contained in this resolution),

provided that:

- (1) the aggregate number of Shares to be issued (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution), does not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and convertible securities to be issued (including Shares to be issued pursuant to the Instruments) other than on a pro rate basis to existing shareholders of the Company shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below); and
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above,
- (i) the percentage of Shares (excluding treasury shares) that may be issued shall be based on the Company’s total number of issued Shares (excluding treasury shares) at the date of passing of this Resolution, after adjusting for:
- (A) new Shares arising from the conversion or exercise of convertible securities;
- (B) new Shares arising from the exercising of share options or vesting of share awards outstanding and/or subsisting at the time of passing of this Resolution; provided that the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
- (C) any subsequent bonus, consolidation or subdivision of Shares; and
- (ii) in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

NOTICE OF ANNUAL GENERAL MEETING

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST) all applicable legal requirements under the Companies Act, and otherwise, the Articles of Association for the time being of the Company;
- (4) unless previously revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”

[See Explanatory Note (3)]

[Resolution 10]

8. Authority to allot and issue shares under the GS Holdings Employee Share Option Scheme

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

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

provided always that aggregate number of Shares to be issued and issuable pursuant to the the GS Holdings ESOS, GS Holdings PSP and any other share based incentive schemes of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares), on the day immediately preceding the date on which an offer to grant an Option is made and that the grant of Options can be made at any time and from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.”

[See Explanatory Note (4)]

[Resolution 11]

9. Authority to allot and issue Shares under the GS Holdings Performance Share Plan

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

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

NOTICE OF ANNUAL GENERAL MEETING

provided always that aggregate number of Shares to be issued and issueable pursuant to the GS Holdings ESOS, GS Holdings PSP and any other share based incentive schemes of the Company, shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (5)]

[Resolution 12]

By Order of the Board

Sin Chee Mei
Tan Siew Hua
Company Secretaries
31 March 2016

Singapore

Explanatory Note:

- (1) This is the Company's first annual general meeting subsequent to the listing of the Company on the Catalist Board of the SGX-ST, and as a matter of good corporate governance, all the existing Directors of the Company have put themselves up for re-election by shareholders at this annual general meeting.

Resolution 2 – If re-elected, Mr Pang Pok will remain as the Executive Chairman and Chief Executive Officer of the Company.

Resolution 3 – If re-elected, Mr Foo Sek Kuan will remain as the Executive Director.

Resolution 4 – If re-elected, Mr Kek Sin Shen Steve will remain as the Lead Independent Director, Chairman of Audit Committee and a member of Remuneration and Nominating Committees. The Board considers Mr Kek Sin Shen Steve to be independent pursuant to Rule 704(7) of the Catalist Rules.

Resolution 5 – If re-elected, Mr Chua Kern will remain as Independent Director, Chairman of Nominating Committee and a member of Audit and Remuneration Committees. The Board considers Mr Chua Kern to be independent pursuant to Rule 704(7) of the Catalist Rules.

Resolution 6 – If re-elected, Mr Chow Kek Tong will remain as Independent Director, Chairman of Remuneration Committee and a member of Audit and Nominating Committees. The Board considers Mr Chua Kern to be independent pursuant to Rule 704(7) of the Catalist Rules.

NOTICE OF ANNUAL GENERAL MEETING

- (2) The Board has reviewed the Directors' fees after taking into account fee levels and trends for similar position in the market and time commitment required from the Directors. The payment of Directors' fees for the financial year ending 31 December 2016 shall be payable quarterly in arrears.
- (3) Resolution 10 – This Resolution, if passed, will empower the Directors, effective until (i) the conclusion of the next annual general meeting, or (ii) the date by which the next annual general meeting of the Company is required by law to be held or (iii) the date on which authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue Shares, make of grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, one hundred percent (100%) of issued share capital of the Company (excluding treasury shares), of which up to fifty percent (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.
- (4) Resolution 11 – These Resolutions, if passed, will empower the Directors of the Company, to allot and issue Shares pursuant to the exercise of Options and vesting of Awards under the GS Holdings ESOS, provided that the aggregate number of Shares to be issued pursuant to the GS Holdings ESOS, when aggregated to the number of Shares issued and issuable or transferred and to be transferred under any other share option schemes or share schemes of the Company shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) of the Company from time to time.
- (5) Resolutions 12 – These Resolutions, if passed, will empower the Directors of the Company, to allot and issue Shares pursuant to the exercise of Options and vesting of Awards under the GS Holdings PSP, provided that the aggregate number of Shares to be issued pursuant to the GS Holdings PSP, when aggregated to the number of Shares issued and issuable or transferred and to be transferred under any other share option schemes or share schemes of the Company shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares) of the Company from time to time.

Note:

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his behalf at the Annual General Meeting. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the annual general meeting. Relevant intermediary means:
 - (a) a banking corporation licensed under the Banking Act (Cap 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
 - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Future Act (Cap. 289) and holds shares in that capacity; or
 - (c) the Central Provident Fund ("CPF") Board established by the Central Provident Fund (Cap. 36), in respect of shares purchased on behalf of CPF investors.

NOTICE OF ANNUAL GENERAL MEETING

3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies, duly executed, must be deposited together with the power of attorney (if any) under which it is signed or a notarially certified or office copy thereof at the registered office of the Company at 8 Loyang Way 4, Singapore 507604, not less than forty-eight (48) hours before the time set for holding the Annual General Meeting.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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GS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No. 201427862D

**PROXY FORM
ANNUAL GENERAL MEETING****IMPORTANT:**

1. Relevant intermediary may appoint more than two proxies to attend, speak and vote at the Annual General Meeting and vote (please see Note 3 for the definition of "relevant intermediary").
2. An investor who holds shares under the Supplementary Retirement Scheme ("SRS Investors") may attend and cast his vote(s) at the Meeting in person. SRS Investors who are unable to attend the Meeting but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the SRS Investors shall be precluded from attending the Meeting.
3. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes of this Proxy Form.

I/We _____ (name) _____ (NRIC/Passport/Co. Registration No.)

of _____ (address)

being a member/members of **GS HOLDINGS LIMITED** (the "Company") hereby appoint

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

or failing him/her, the Chairman of the Annual General Meeting ("**AGM**"), as *my/our *proxy/proxies to vote for *me/us and on *my/our behalf at the AGM to be held at 8 Loyang Way 4, Singapore 507604 on Friday, 15 April 2016 at 9.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the resolutions proposed at the AGM as hereunder indicated. If no specific direction as to voting is given or in the even of any matter arising at the AGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion.

(Please indicate your vote "For" or "Against" with an "X" within the box provided.)

No.	Resolutions Relating To:	For	Against
AS ORDINARY BUSINESS			
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2015		
2	Re-election of Mr Pang Pok as director		
3	Re-election of Mr Foo Sek Kuan as director		
4	Re-election of Mr Kek Sin Shen Steve as director		
5	Re-election of Mr Chua Kern as director		
6	Re-election of Mr Chow Kek Tong as director		
7	Approval of directors' fees for the financial year ended 31 December 2015		
8	Approval of directors' fees for the financial year ending 31 December 2016		
9	Re-appointment of Baker Tilly TFW LLP as auditors		
AS SPECIAL BUSINESS			
10	Authority to issue new shares		
11	Authority to allot and issue shares pursuant to the GS Holdings ESOS		
12	Authority to allot and issue shares pursuant to the GS Holdings PSP		

Dated this _____ day of _____, 2016



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

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote on his behalf at the AGM. Where a member appoints more than one proxy, he shall specify the proportion of his shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
3. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the annual general meeting. Relevant intermediary means:
 - (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A proxy need not be a member of the Company.
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 8 Loyang Way 4, Singapore 507604 not less than forty-eight (48) hours before the time set for the AGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation.
8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney the letter or the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
10. The Company shall be entitled to reject this instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instruments appointing a proxy or proxies. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

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