

Appendix 4D

FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2018
GPS ALLIANCE HOLDINGS LIMITED
ACN 163 013 947



DETAILS OF THE REPORTING PERIOD AND THE PREVIOUS CORRESPONDING PERIOD

Current Reporting Period Period Ended 30 June 2018

Previous Reporting Period Period Ended 30 June 2017

2 RESULTS FOR ANNOUNCEMENT TO THE MARKET

	S\$'000	Up/Down	Movement %
2.1 Revenue from ordinary activities	179	Up	94.6
2.2 Profit from ordinary activities after tax attributable to members	117	Down	N/M
2.3 Net Profit for the period attributable to members	117	Down	N/M

	Amount per share Singapore cents	Franked amount per share Singapore cents
2.4 Final and Interim dividends	Nil	NA
Previous corresponding period Interim dividend	Nil	NA
Date the dividend (distribution) is payable	Not Applicable	
2.5 Record date to determine entitlements to the dividend (distribution)	Not Applicable	

2.6 Any other disclosures in relation to items 2.1 to 2.4

Revenue

Revenue for first half year ended 30 June 2018 (1H2018) increased to S\$179,000 from S\$92,000 for the same period ended 30 June 2017 (1H2017).

Gross Profit / (Loss)

The Group reported a gross loss of S\$504,000 in 1H2018 as compared to a gross profit of S\$79,000 for (1H2017) and a profit of S\$299,000 attributable to equity holders of the Company (1H2017: profit S\$624,000).

Other Income

Other income was derived from partly from unrealised currency exchange and share of the income of the property held by a partly owned subsidiary.

Administrative Expenses

The Group expenditure is in line with same period last year with a small decreased in administrative expenses to S\$475,000 from S\$608,000 as the Company continued rationalising expenditure reflecting the current activities of the Company.

Finance Costs

An increase of S\$15,000 in interest payments due to the outstanding credit line with the bank until 30 June 2018.

Total Comprehensive Income / (Loss)

The Group reported a profit of S\$321,000 in 1H2018, compared to S\$980,000 in 1H2017. On 30 Jun 2018, the Group sold its entire shares of a subsidiary, Probuild Pte Ltd ("Probuild") to Global-Allied Pte Ltd at the consideration sum of \$100,000 this resulted in a gain on disposal of subsidiary in the accounts for S\$2,316,000. In return, the group rents Premises from Probuild. The lease is for 70 months. Initially, the Group has paid rent by accepting reductions in the receivables owed to it by Global-Allied Pte Ltd.

Appendix 4D

FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2018
GPS ALLIANCE HOLDINGS LIMITED
ACN 163 013 947

Current assets

Current assets increased to S\$523,000 from S\$289,000 when compared to 31 December 2017. The increased amount is attributable to the amount owing from Probuild becoming other receivables and after providing for doubtful debts.

Non-current assets

Non-current assets decreased to S\$1,718,000 from S\$4,599,000 when compared to 31 December 2017. This is mainly due to the disposal of Probuild's property, plant and equipment.

Current liabilities

Current liabilities decreased to S\$1,550,000 from S\$3,998,000 mainly due to the disposal of Probuild with the bank loan liability of the Probuild building transfer to the purchaser of Probuild.

Non-current liabilities

Non-current liabilities were extinguished with the disposal of Probuild.

		Group	
		30/06/2018	31/12/2017
3	Net tangible assets per ordinary share (Singapore cents)	0.80 cents	0.76 cents

4 During the reporting period ended 30 June 2018, the Group disposed of its 60% effective interest in Probuild Pte Ltd. The Group has not gained or lost control of any other entities within the Group.

5 There were no dividends or distributions and dividends or distributions payments.

6 There were no dividends or redistribution of investments plans in operation.

7 No joint ventures during the reporting period.

8 Not applicable

9 This report is based on the consolidated half-year financial statements, which have been subjected to a review by Lo Surdo Braithwaite Audit and Assurance Pty Ltd.

Additional Appendix 4D disclosure requirements can be found in the notes to the half-year financial statements attached thereto.

BY ORDER OF THE BOARD

Marcelo Mora
 Company Secretary
 31 August 2018

Appendix 4D

FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2018
GPS ALLIANCE HOLDINGS LIMITED
ACN 163 013 947



CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the half-year financial results for the period ended 30 June 2018 false or misleading in any material aspect.

On behalf of the board of directors,

A handwritten signature in blue ink, appearing to be 'Lim Pang Hern', written in a cursive style.

Mr. Lim Pang Hern
Chairman

A handwritten signature in blue ink, appearing to be 'David Laxton', written in a cursive style.

Mr. David Laxton
Executive Director

Singapore
31 August 2018

GPS ALLIANCE HOLDINGS LIMITED
and its subsidiaries

ACN 163 013 947

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
30 JUNE 2018

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

CONTENTS

	Page
Directors' Report	1
Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income	5
Condensed Consolidated Interim Statement of Financial Position	6
Condensed Consolidated Interim Statement of Changes in Equity	7
Condensed Consolidated Interim Statement of Cash Flows	8
Notes to the Condensed Consolidated Interim Financial Statements	9
Directors' Declaration	14
Independent Auditor's Review Report to the Members of GPS Alliance Holdings Limited	15
Corporate Directory	17

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

DIRECTORS' REPORT

The Directors of GPS Alliance Holdings Limited (the 'Company' or 'GPS') present their report together with the condensed consolidated interim financial report and the auditor's review report thereon for the half-year ended 30 June 2018.

Directors

The names and particulars of the Directors of the Company at any time during or since the end of the half-year are:

Lim Pang Hern (Jeffrey), Executive Chairman

Director since 1 July 2014

Mr Lim joined the Board on 1 July 2014 as Executive Director. On the 1 June 2016, he was appointed as Group Executive Chairman. He is the founder of BD CraneTech and he has a diverse experience in cranes, properties, marine, precast, galvanizing and construction industry.

David R. Laxton, Non-executive Director

Director since 8 August 2014

Mr Laxton is a Chartered Mechanical Engineer, joined the Board as non-executive, non-independent Director, and subsequently re-designated as Executive Director from 4 Jan 2016. David Laxton is a Mechanical Engineer with a vast experience in mechanical engineering and company director. He graduated from the University of Surrey Guilford UK with a BSc Honours in Mechanical. He has held Directorship roles with a number of Singapore and Indonesian companies. Mr Laxton is bilingual with a good command of Indonesian.

Wang Jinhui, Executive Director

Director since 29 April 2015 – resigned 14 June 2018

Ms Wang is the founder of the Zhonghong Enterprise Group, and director of its subsidiaries Zhonghong Real Estate Development Company, Dehong Real Estate Development Company, Hongchuan Real Estate Development Company and Hebei Yisheng Real Estate Development Company. Under her leadership, Zhonghong Enterprise Group has expanded into luxury hotels and high-end restaurants including the development of the Zhonghong Huijing International, Zhujing Jiayuan and Majestic Galaxy City which has become an iconic landmark in Shijiazhuang City.

Marcelo Mora, Non-executive Director, Company Secretary

Director since 20 May 2016.

Graduated with a Bachelor of Business degree and Graduate Diploma of Applied Corporate Governance, is a Chartered Secretary (AGIA). He has been an accountant for more than 30 years both in Australia and internationally and he is also the Group Company Secretary.

Andrew B. Skinner, Non-executive Director

Director since 20 May 2016

Certified Practising Accountant (CPA) joined the Board as Non-executive Director on 20 May 2016. He has been in public practice as a Chartered Accountant and CPA for over 36 years and is currently principal of Andrew Skinner & Associates Pty Ltd a CPA Public Practice.

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

DIRECTORS' REPORT

Review and Results of Operations

The activities of GPS Alliance Holdings Limited and its controlled entities (the 'Group') during the half-year ended 30 June 2018 include the following:

Revenue

Revenue for first half year ended 30 June 2018 (1H2018) increased to S\$179,000 from S\$92,000 for the same period ended 30 June 2017 (1H2017).

Gross Profit / (Loss)

The Group reported a gross loss of S\$504,000 in 1H2018 as compared to a gross profit of S\$79,000 for (1H2017) and a profit of S\$299,000 attributable to equity holders of the Company (1H2017: profit S\$624,000).

Other Income

Other income was derived from partly from unrealised currency exchange and share of the income of the property held by a partly owned subsidiary.

Administrative Expenses

The Group expenditure is in line with same period last year with a small decreased in administrative expenses to S\$475,000 from S\$608,000 as the Company continued rationalising expenditure reflecting the current activities of the Company.

Finance Costs

An increase of S\$15,000 in interest payments due to the outstanding credit line with the bank until 30 June 2018.

Total Comprehensive Income / (Loss)

The Group reported a profit of S\$321,000 in 1H2018, compared to S\$980,000 in 1H2017. On 30 Jun 2018, the Group sold its entire shares of a subsidiary, Probuild Pte Ltd ("Probuild") to Global-Allied Pte Ltd at the consideration sum of \$100,000 this resulted in a gain on disposal of subsidiary in the accounts for S\$2,316,000. In return, the group rents Premises from Probuild. The lease is for 70 months. Initially, the Group has paid rent by accepting reductions in the receivables owed to it by Global-Allied Pte Ltd.

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

DIRECTORS' REPORT

Current assets

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Non-current assets

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Current liabilities

Current liabilities decreased to S\$1,550,000 from S\$3,998,000 mainly due to the disposal of Probuild with the bank loan liability of the Probuild building transfer to the purchaser of Probuild.

Non-current liabilities

Non-current liabilities were extinguished with the disposal of Probuild.

Rounding Off

The Company is of a kind referred to in ASIC class Order 98/100, issued by the Australian Securities and Investment Commission, and in accordance with that Class Order, amounts in the Consolidated Interim Financial Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Subsequent Events

There has not been any other matter or circumstance occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the consolidated entity.

This report is signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors



LIM PANG HERN
Chairman



DAVID LAXTON
Executive Director

Singapore
31 August 2018

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001

Lo Surdo Braithwaite Audit and Assurance Pty Ltd

ABN 16 602 260 757

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350 Kent Street
Sydney NSW 2000

75 Lyons Road
Drummoyne NSW 2047

20 Grose Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

Phone 02 8839 3000
Fax 02 8839 3055

Lead Auditors' Independence Declaration under Section 307C of the Corporations Act 2001


To the Directors of GPS Alliance Holdings Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2018 there has been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of GPS Alliance Holdings Limited and the entities it controlled during the period.

Lo Surdo Braithwaite Audit and Assurance Pty Ltd
Chartered Accountants


Scott Bennison
Director
Dated: 31 August 2018
Sydney

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

	Notes	30 June 2018 S\$'000	30 June 2017 S\$'000
Continuing operations			
Revenue		179	92
Cost of sales		<u>(683)</u>	<u>(13)</u>
Gross (loss) / profit		<u>(504)</u>	79
Other income		475	608
Administrative expenses		(490)	(575)
Creditors write-back		-	829
Finance cost	7	(30)	(15)
Gain on disposal of subsidiary		2,316	-
Provision for doubtful debts		<u>(1,650)</u>	-
Profit before income tax		<u>117</u>	926
Income tax		-	-
Profit from continuing operations		<u><u>117</u></u>	<u><u>926</u></u>
Other comprehensive income			
Exchange difference on translation of foreign operations, net of tax		<u>204</u>	54
Total Comprehensive income for the period		<u><u>321</u></u>	<u><u>980</u></u>
Profit for the period attributable to:			
Owners of the Company		299	624
Non-controlling interests		<u>(182)</u>	<u>302</u>
		<u><u>117</u></u>	<u><u>926</u></u>
Total comprehensive income attributable to:			
Owners of the Company		503	678
Non-controlling interests		<u>(182)</u>	<u>302</u>
		<u><u>321</u></u>	<u><u>980</u></u>
Earnings per share (Singapore cents)			
Basic and diluted loss per share attributable to ordinary equity holders		0.14	1.08
Earnings per share - continuing operations			
Basic and diluted loss per share		0.14	1.08

The above Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	30 June 2018 S\$'000	31 December 2017 S\$'000
ASSETS			
Current assets			
Cash and cash equivalents		65	194
Trade receivables		155	68
Other receivables		303	27
Total current assets		523	289
Non-current assets			
Intangible assets		3	3
Other receivables		1,462	-
Property, plant and equipment		103	4,446
Investment in associate		150	150
Total non-current assets		1,718	4,599
LIABILITIES			
Current liabilities			
Trade payables		254	943
Borrowings	6	-	1,333
Other payables and accruals		1,276	1,687
Finance leases	7	20	35
Total current liabilities		1,550	3,998
Non-current liabilities			
Provisions for other liabilities and charges		-	240
Total non-current liabilities		-	240
NET ASSETS		691	650
EQUITY			
Issued capital	8	10,354	10,354
Capital reserve		1,943	1,943
Asset revaluation reserve		-	1,326
Translation reserve		(315)	(519)
Accumulated losses		(9,652)	(9,951)
Parent equity interest		2,330	3,153
Non-controlling interest		(1,639)	(2,503)
Total Equity		691	650

The above Condensed Consolidated Interim Statement of Financial Position should be read
in conjunction with the accompanying notes

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

	Issued capital S\$'000	Reserves S\$'000	Translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non- controlling interest S\$'000	Total Equity S\$'000
Balance at 1 January 2017	10,354	3,269	(359)	(9,991)	3,273	(2,785)	488
Total comprehensive income for the period							
Profit for the period	-	-	-	624	624	302	926
Foreign currency translation differences	-	-	54	-	54	-	54
Total comprehensive profit/(loss) for the period	-	-	54	624	678	302	980
Transactions with owners recorded directly on equity	-	-	-	-	-	-	-
Balance at 30 June 2017	<u>10,354</u>	<u>3,269</u>	<u>(305)</u>	<u>(9,367)</u>	<u>3,951</u>	<u>(2,483)</u>	<u>1,468</u>
Balance at 1 January 2018	10,354	3,269	(519)	(9,951)	3,153	(2,503)	650
Total comprehensive income for the period							
Profit for the period	-	-	-	299	299	(182)	117
Foreign currency translation differences	-	-	204	-	204	-	204
Total comprehensive profit/(loss) for the period	-	-	204	299	503	(182)	321
Transactions with owners recorded directly on equity	-	(1,326)	-	-	(1,326)	1,046	(280)
Balance at 30 June 2018	<u>10,354</u>	<u>1,943</u>	<u>(315)</u>	<u>(9,652)</u>	<u>2,330</u>	<u>(1,639)</u>	<u>691</u>

The above Condensed Consolidated Interim Statement of Changes in Equity should be read
in conjunction with the accompanying notes

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

	30 June 2018 S\$'000	30 June 2017 S\$'000
Cash flows from operating activities		
Cash receipts in the course of operations	181	660
Cash payments in the course of operations	(163)	(506)
Cash provided by (used in) operations	18	154
Interest received	-	-
Interest paid	(30)	(15)
Net cash used in operating activities	(12)	139
Cash flows from investing activities		
Proceed from assets held for sale	-	-
Disposal of subsidiary, net of cash disposed of	160	-
Net cash used in investing activities	160	-
Cash flows from financing activities		
Repayment of borrowings	(277)	(246)
Repayment of finance leases	-	-
Net cash used in financing activities	(277)	(246)
Net (decrease) in cash and cash equivalents	(129)	(107)
Net effect of exchange rate changes in consolidating subsidiaries	-	-
Cash and cash equivalents at the beginning of the financial period	194	(3)
Cash and cash equivalents at the end of the financial period	65	(110)

The above Condensed Consolidated Interim Statement of Cash Flows should be read
in conjunction with the accompanying notes

	30 June 2018 S\$'000	30 June 2017 S\$'000
Notes to the statement of cash flows		
Cash and bank balances	65	196
Less: Bank overdraft	-	(306)
	65	(110)

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

NOTE 1 - REPORTING ENTITY

GPS Alliance Holdings Limited (the 'Company') is a company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the half-year ended 30 June 2018 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group principal activities in the course of the half-year ended 30 June 2018 were the provision of real estate services and ownership of commercial buildings.

The consolidated annual financial statements of the Group as at and for the year ended 31 December 2017 are available upon request from the Company's registered office at Suite 904, 275 Alfred Street, North Sydney, NSW, 2060, Australia or at www.gpsalliance.com.au

NOTE 2 - BASIS OF PREPARATION

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed consolidated interim financial statements do not include full disclosures of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2017 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Singapore dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2017 annual financial report for the financial year ended 31 December 2017.

The condensed consolidated interim financial statements were approved by the Board of Directors on 31 August 2018.

NOTE 3 - GOING CONCERN

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at and for the half-year ended 30 June 2018, the consolidated entity had accumulated losses of S\$9,652,000 (30 June 2017: S\$9,367,000), net cash from operating activities of -\$S\$12,000 (2017: S\$139,000).

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

NOTE 3 - GOING CONCERN (CONT.)

The DBS bank loan that had an outstanding balance of S\$1.02 million at 31 December 2017 and the bank overdraft of S\$311,000 were assigned to the purchaser of GPS interest in Probuild Pte Ltd. As at 30 June 2018 the Group does not have a bank loan or a bank overdraft facility.

The ability of the Company and the consolidated entity to continue as going concerns is dependent upon the successful timely completion of the following events / plans that have been put in place by Management:

- The consolidated entity is working to improve the underlying profitability and cash flows of the business;
- The continued expansion of the real estate division that recommenced operations this year;
- The consolidated entity continues to seek suitable merger and acquisition opportunities and/or strategic alliances to strengthen its existing businesses and to develop other cash flow opportunities from the delivery of services or products;
- The consolidated entity has a history of successful share placements and capital raisings to improve its cash position when they have been required;
- The Group to continue rationalising the Group assets and assessing the possibility to sale some more assets.

At the date of this report and having considered the above factors, the directors are confident that the consolidated entity will be able to continue as a going concern.

However, if the Company and consolidated entity are unable to obtain the additional and continuing financial support of their financier and successfully complete the plans referred to above, significant uncertainty would exist as to the ability of the Company and the consolidated entity to continue as going concerns and, therefore, whether they will be able to realise their assets and discharge their liabilities in their normal course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amount and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

NOTE 4 - CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

**NOTE 4 - CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(CONT.)**

Critical judgements in applying the Group's accounting policies

Management is of the opinion that there are no instances of application of judgements expected to have a significant effect on the amounts recognised in the financial information.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, 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:

a) Allowance for doubtful debts

The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and other receivables and doubtful debts expenses in the year in which such estimate has been changed.

b) Allowance for inventories

Inventory is valued at the lower of the actual cost or net realisable value. Net realisable value is generally the merchandise's selling price, less costs to sell. The Group reviews its inventory levels in order to identify slow-moving and obsolete items which have a market price that is lower than its carrying amount. Allowances for impairment of inventories are recognised in profit or loss.

c) Useful lives and residual value of plant and equipment

The Group reassesses the estimated useful lives and residual values of plant and equipment at the end of each reporting year. Management is satisfied that there is no change in the useful lives and residual value of the plant and equipment from prior year.

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

NOTE 5 - RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest free, repayable on demand and expected to be settled in cash unless stated otherwise.

During the period, the Group entered into the following transactions with related parties within the group:

	30 June 2018	30 June 2017
	S\$'000	S\$'000
Professional fee expenses	-	21
Other	16	12
	<u>16</u>	<u>33</u>

NOTE 6 - BANK LOANS AND BILLS PAYABLE

	30 June 2018	31 December 2017
	S\$'000	S\$'000
Bank overdraft	-	311
DBS loan	-	1,022
	<u>-</u>	<u>1,333</u>

The DBS bank loan and bank overdraft were extinguished with the sale of the 60% interest in Probuild Pte Ltd.

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2018**

NOTE 7 - FINANCE COSTS

	30 June 2018	31 December 2017
	S\$'000	S\$'000
Amounts payables under finance leases:	20	35
Less future finance charges	-	-
Present value of lease obligation	20	35

It is the company's policy to lease certain items of its plant and equipment under finance leases. The average lease term is 3 years. The average effective borrowing rate is 4.04% per annum. Interest rates are fixed at the contract date, and thus expose the company to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Singapore dollars.

The fair value of the company's lease obligations approximates their carrying amount.

The company's obligations under finance leases are secured by the lessors' titles to the leased assets.

NOTE 8 - ISSUED CAPITAL

	June 2018		December 2017	
	N ^o	S\$'000	N ^o	S\$'000
Ordinary shares				
Balance at beginning of the year	85,962	10,354	85,962	10,354
Issue ordinary shares	-	-	-	-
Balance at end of the year	85,962	10,354	85,962	10,354

NOTE 9 - OPERATING SEGMENT INFORMATION

Products and services from which reportable segments derive their revenues

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (the chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographical basis, which involves the property development and real estate services in the Republic of Singapore. Operating segments are determined on the basis of financial information reported to the board which is at the consolidated entity level.

Accordingly, management currently identifies the Group as having only one reportable segment, being real estate services with no property development carried out during the reporting period. The financial results from this segment are equivalent to the financial statements of the consolidated Group as a whole.

NOTE 10 - EVENTS AFTER THE REPORTING PERIOD

There has not been any other matter or circumstance occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the consolidated entity.

**GPS ALLIANCE HOLDINGS LIMITED
AND ITS CONTROLLED ENTITIES**

DIRECTORS' DECLARATION

In the opinion of the Directors of GPS Alliance Holdings Limited (the Company):

- (1) the condensed consolidated interim financial statements and notes set out on pages 5 to 13, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

ON BEHALF OF THE DIRECTORS



Lim Pang Hern



David Laxton

Singapore, 31 August 2018

Lo Surdo Braithwaite Audit and Assurance Pty Ltd

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Sydney NSW 2000
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Directors of GPS Alliance Holdings Limited

Report on the Consolidated Interim Financial Report

We have reviewed the accompanying half-year Consolidated Interim Financial Report of GPS Alliance Holdings Limited, which comprises the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement in changes in equity and the statement of cash flows; for the half-year then ended, a summary of significant accounting policies, other selected explanatory notes and the declaration by those charged with governance.

The Directors Responsibility for 30 June 2018 Consolidated Interim Financial Report

The Directors of the Consolidated Group are responsible for the preparation and fair presentation of the half-year Consolidated Interim Financial Report in accordance with *Accounting Standard AASB 101* and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report to be free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Consolidated Interim Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, with the Corporations Law 2001. As the auditor of GPS Alliance Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a half-year financial report consists of making enquiries, primarily of the persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

Material uncertainty related to going concern

We draw your attention to Note 3 'Going Concern' of the financial report, which indicates the Group has prepared the financial statements on a going concern basis and believe that the Group is able to discharge their liabilities in their normal course of business.

In consideration of the Group's assessment of going concern we have reviewed the cash flow forecast provided to us and note that the ability of the Group to discharge their liabilities in their normal course of business is reliant upon the raising of capital and through operating activities.

The cash balances are of itself not sufficient to discharge the Group's liabilities and cast uncertainty that the Group can continue as a going concern.

Our opinion is not modified in respect of this matter.

Basis for Qualified Opinion

The Group sold its subsidiary Probuild Pte Ltd to Global-Allied Pte Ltd. The result of this sale was that assets were acquired and liabilities were assumed by the purchaser. In addition, the Group has leased premises from the purchaser for 70 months.

As a result of the transaction, a receivable has been recognised in the Groups' financial statements of \$1.765 mil. Initially, the receivable has been repaid by the Group accepting reductions in this receivable in lieu of paying rent under the lease.

We have been unable to obtain sufficient and appropriate audit evidence to confirm the collectibility of the receivable.

Conclusion

Based on our review, which is not an audit, except for the possible effect of the matter described in the Basis of Qualified Opinion above, nothing has come to our attention that causes us to believe that the half-year financial report of GPS Alliance Holdings Limited does not present fairly, in all material respects including:

- i. Giving a true and fair view of the entity's financial position as at 30 June 2018 and of its performance for the financial half-year ended on that date; and
- ii. Complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

Lo Surdo Braithwaite Audit and Assurance Pty Ltd
Chartered Accountants



Scott Bennison
Director
Dated: 31 August 2018
Sydney

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lim Pang Hern (Jeffrey)
Executive Chairman

David Richard Laxton
Non-Executive Director

Andrew Bryden Skinner
Non-Executive Director

Marcelo Mora
Non-Executive Director
Company Secretary

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AND SHARE TRANSFER OFFICE**
Boardroom Pty Limited
Level 7, 207 Kent Street, Sydney, NSW
2000, Australia
(02) 9290 9600

AUDITORS

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PRINCIPAL BANKERS

United Overseas Bank Limited
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DBS Bank Limited

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Singapore 018982

Our principal place of business is at
106 International Road Singapore 629175

Our Telephone number is (65) 6253 1110

Our Facsimile number is (65) 6256 1110

Our website address is www.gpsalliance.com.au