

GPS ALLIANCE HOLDINGS LIMITED



Appendix 4E, Preliminary Final Report – Appendix 4E

Full Year financial statements on consolidated results for the year ended 31 December 2020
(This financial report is currently being audited)

INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

Name of entity

GPS ALLIANCE HOLDINGS LIMITED

1) Detail of reporting period

ABN or equivalent company reference

ACN 163 013 947

Full year ('current year')

31 December 2020

2) RESULTS FOR ANNOUNCEMENT TO THE MARKET

Extracts from this report for announcement to the market

APPENDIX 4E

	Group		
	S\$'000	Up/Down	Movement %
2.1) Revenue from ordinary activities	37	Down	99.3
2.2) Loss from ordinary activities after tax attributable to members	439	Down	69.8
2.3) Net loss for the year attributable to members	439	Down	69.8

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

Any other disclosures in relation to dividends

Nil

Net tangible assets per ordinary share (Singapore cents)

Group	
31/12/2020	31/12/2019
1.09 cents	1.45 cents

2.6) Additional Appendix 4E disclosure requirements can be found in the notes to the full year preliminary financial statements.

This report is based on the consolidated full year financial statements which are in the process of being audited by Cabel Partners (NSW) Pty Ltd.

GPS Alliance Holdings Limited ordinary shares on issue for the year ended 31 December 2020 is 117,958,689 (31 December 2019: 117,958,689) ordinary shares.

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3) Consolidated Statement of Comprehensive Income for the year ended 31 December 2020

	Consolidated		% Increase / (decrease)
	31 December 2020	31 December 2019	
	S\$'000	S\$'000	
Continuing operations			
Revenue	37	1,067	(99.3)
Cost of sales	(34)	(1,001)	(96.6)
Gross profit / (loss)	3	66	(95.5)
Other income	108	3	N/M
Administrative expenses	(487)	(1,539)	(68.4)
Share of results of an associate	(63)	16	(493.7)
(Loss) / Profit before income tax	(439)	(1,454)	(69.8)
Income tax	-	-	-
(Loss) / Profit from continuing operations	(439)	(1,454)	(69.8)
Other comprehensive income			
Exchange difference on translation of foreign operations, net of tax	9	(68)	113.2
Other comprehensive income for the year, net of tax	9	(68)	113.2
Total comprehensive loss for the year	(430)	(1,522)	(71.8)
(Losses) / Earnings per share (Singapore cents)			
Basic and diluted (loss) / profit per share	(0.37)	(1.23)	

N/M: Not Meaningful

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The discussion that follows compares the income statement for the year ended 31 December 2020 with previous year ended 31 December 2019

Income Statement

Revenue

Revenue for the year ended 31 December 2020 (FY2020) decreased from S\$1.07 million to S\$37,000.

Gross Profit / (Loss)

GPS Alliance Holdings Limited (GPS or the Company) and its subsidiary and related companies (the Group) reported a gross profit of S\$3,000 in FY2020, compared with gross profit of S\$66,000 in FY2019.

Other Income

Other income increased by S\$105,000 to S\$108,000 when compared to FY2019 mainly due to higher miscellaneous income and grant income.

Administrative Expenses

Administrative expenses decreased to S\$0.49 million from S\$1.54 million mainly due to impairment of investment of associate of S\$0.86 million in FY2019 and the Group continued rationalising expenditure reflecting the current activities of the Group.

Finance Cost

There was no finance cost incurred by the Group for the year ended 31 December 2020.

Share of Results of An Associate

During October 2019 the Group acquired 35% equity interest in BMG Hotel 1887 Private Ltd, a boutique hotel in Singapore. The Group recognised a share of profit of S\$16,000 from the investment in an associate in FY2019. A loss of S\$63,000 was recognised by the Group for the financial year ended 31 December 2020. The loss is primarily attributable to the hotel been closed for most of the 2020 year due to the Covid-19 government restrictions.

(Loss) / Profit for the year

The Group reported a loss of S\$0.43 million in FY2020, compared with a loss of S\$1.52 million in FY2019, mainly due to the impairment of investment in associate in FY2019.

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4) Statement of Financial Position as at 31 December 2020

	Consolidated	
	31 December 2020	31 December 2019
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and cash equivalents	13	473
Trade receivables	551	326
Other receivables	356	356
Total current assets	920	1,155
Non-current assets		
Intangible assets	3	3
Investment in an associate	-	63
Other receivables	1,773	1,821
Total non-current assets	1,776	1,887
LIABILITIES		
Current liabilities		
Trade payables	5	352
Other payables and accruals	1,410	979
Total current liabilities	1,415	1,331
NET ASSETS	1,281	1,711
EQUITY		
Issued capital	11,901	11,901
Capital reserve	2,000	2,000
Translation reserve	(515)	(524)
Accumulated losses	(12,105)	(11,666)
Total Equity	1,281	1,711

The figures for the preceding financial year were derived from the audited financial statements for the year ended 31 December 2019.

The discussion that follows compares the Financial Position as at 31 December 2020 with that of 31 December 2019

Current assets

Current assets decreased by S\$0.24 million from S\$1.16 million to S\$0.92 million when compared to the beginning of the year mainly a decrease in cash held due to the payments to suppliers.

Non-current assets

Non-current assets decreased to S\$1.77 million from S\$1.89 million when compared to FY2019. This was mainly attributable to the receipts from other receivables and the Group's share of loss of associate in FY2020.

Current liabilities

Current liabilities increased to S\$1.42 million from S\$1.33 million mainly due to the increased of payable for the cost to erect an industrial building offset by payment to suppliers.

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Going Concern

This 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 year ended 31 December 2020, the consolidated entity had accumulated losses of S\$12.11 million (2019: S\$11.67 million), net cash outflow from operating activities of S\$460,000 (2019: S\$148,000) and a working capital deficiency of S\$0.49 million (2019: S\$0.18 million).

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 profitability and cash flows of the business;
- 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; and
- The consolidated entity has a history of successful share placements and capital raisings to improve its cash position when they have been required.

At the date of this report and having considered the above factors, the Board of Directors are confident that the Company and the consolidated entity will be able to continue as going concerns.

However, if the Group does not obtain additional funding, reduced expenditure in line with available funding, 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.

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5) Consolidated statement of cash flows for the year ended 31 December 2020

	Consolidated	
	31 December 2020 S\$'000	31 December 2019 S\$'000
Operating activities		
(Loss) / Profit for the year	(439)	(1,454)
Adjustments for:		
Allowance for impairment of investment in associate	-	853
Share of results of an associate	63	(16)
Unrealised exchange gain / (loss)	9	(68)
Operating cash outflows before movements in working capital	(367)	(685)
Trade and other receivables	(177)	(41)
Trade and other payables	84	578
Cash used in operations	(460)	(148)
Interest paid	-	-
Net cash from operating activities	(460)	(148)
Financing activities		
Proceeds from issuance of shares	-	600
Net cash from financing activities	-	600
Net cash increase / (decrease) in cash and cash equivalents	(460)	452
Cash and cash equivalents at January 1	473	21
Cash and cash equivalents at 31 December	13	473

Note to statement of cash flows

Cash and cash equivalents	Consolidated	
	31 December 2020 S\$'000	31 December 2019 S\$'000
<i>Continuing operations:</i>		
Cash and bank balances	13	473
Cash and cash equivalents	13	473

The figures for the preceding financial year were derived from the audited financial statements for the year ended 31 December 2019.

The discussion that follows compares the consolidated statement of cash flows for the 12 months to 31 December 2020 with that of 31 December 2019

The cash and cash equivalents of the Group decreased to S\$13,000 from S\$0.47 million mainly due to the payment to suppliers and the increase in trade receivables heavily affected by Covid-19 restrictions in Singapore.

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6) Statements of changes in equity for the year ended 31 December 2020

	Issued capital S\$'000	Accumulated losses S\$'000	Reserves S\$'000	Translation reserve S\$'000	Total S\$'000	Non- controlling interest S\$'000	Total equity S\$'000
Balance at 1 January 2019	10,354	(10,212)	2,000	(456)	1,686	-	1,686
Profit for the year	-	(1,454)	-	-	(1,454)	-	(1,454)
Foreign currency translation differences	-	-	-	(68)	(68)	-	(68)
Total comprehensive income for the year	-	(1,454)	-	(68)	(1,522)	-	(1,522)
Issued of shares	1,547	-	-	-	1,547	-	1,547
Transactions with owners recorded directly on equity	1,547	-	-	-	1,547	-	1,547
Balance at 31 December 2019	11,901	(11,666)	2,000	(524)	1,711	-	1,711
Balance at 1 January 2020	11,901	(11,666)	2,000	(524)	1,711	-	1,711
Loss for the year	-	(439)	-	-	(439)	-	(439)
Foreign currency translation differences	-	-	-	9	9	-	9
Total comprehensive income for the year	-	(439)	-	9	(430)	-	(430)
Issued of shares	-	-	-	-	-	-	-
Transactions with owners recorded directly on equity	-	-	-	-	-	-	-
Balance at 31 December 2020	11,901	(12,105)	2,000	(515)	1,281	-	1,281

The figures for the preceding financial year were derived from the audited financial statements for the year ended 31 December 2019.

Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury of the issuer, as at the end of the current financial year reported on and as at the end of the corresponding year of the immediately preceding financial year.

There were no changes in the Company's share capital during the current financial year. Changes in the share capital in the preceding financial year are detailed as follows:

On 4 Apr 2019, the Company issued 5,208,333 new fully paid ordinary shares under a placement at an issue price of \$0.048 per share for a total consideration of \$250,000 to a professional and sophisticated investor.

On 23 Apr 2019, the Company issued 7,686,042 new fully paid ordinary shares under a placement at an issue price of \$0.048 per share for a total consideration of \$368,930 to a professional and sophisticated investor.

On 28 Jun 2019, the Company issued 4,101,814 new fully paid ordinary shares to related parties of the Company in full and final satisfaction of the amounts owing by the Group as at 31 December 2018 to the related parties on account of management fees, rent and unpaid directors fees and company secretary's fees in the amount of \$196,887.

On 25 Oct 2019, the Company issued 15,000,000 new fully paid ordinary shares to Mr Bryan Ong Tze Yaw (vendor) in accordance with the consideration payable for 35% equity interest in BMG Hotel 1887 Private Ltd.

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To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

As at 31 December 2020, the Company's issued capital comprises 117,958,689 (31 December 2019: 117,958,689) ordinary fully paid shares.

A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

There are no treasury shares.

7 & 8)

Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

None.

9)

Net tangible value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial year reported on; and (b) the corresponding year of the immediately preceding financial year.

	Group	
	31/12/2020	31/12/2019
Net tangible value per ordinary share based on issued share capital as at the end of the reporting year (Singapore cents)	1.09 cents	1.45 cents

10)

Details of entities over which control has been granted or lost during the year.

None.

11)

Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding year.

For the financial year ended 31 December 2020, the Group recognised a share of post-acquisition loss of S\$63,000.

On 18 Oct 2019, the Group had acquired 35% equity interest in BMG Hotel 1887 Private Ltd for the purchase price of S\$900,000.00. The purchase price of S\$900,000.00 was funded by issuing GPS shares at A\$0.05 per share to the value of S\$750,000.00 and a cash component of S\$150,000.00. The Group recognised a share of profit of S\$16,000 (2018: S\$nil) for the post-acquisition.

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12)

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

The Group expects the business and operating environment to remain difficult for the year 2021. Given the challenging environment, management will continue to seek new sources of funding, further streamline its operations, seeking new ventures within and outside the core business of the Group, primarily within Singapore and Australia, and keeping tight control on operating costs.

13)

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The report has been prepared in accordance with International Financial Reporting Standards.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with those of the audited financial statements for the year ended 31 December 2019.

If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

No changes.

14)

Earnings per ordinary share of the group for the current financial year reported on and the corresponding year of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Full Year ended 31 December	
	2020	2019
(Losses) / Earnings per share for the year (Singapore cents)		
Basic	(0.37) cents	(1.23) cents
Diluted	(0.37) cents	(1.23) cents

Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

None.

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

The Group did not make any forecast or prospect statement previously disclosed to shareholders.

Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statement, with comparative information for the immediately preceding year.

The Group's Chief operating decision maker having considered the facts concluded that, during the year ended 31 December 2020, the Group is mainly in the real estate agent activities and continues to look for new business opportunities.

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In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Business segments: -

Property Development

The Group continues to look for new opportunities including hotels in Singapore and Australia.

ID & fit-out work

There was no activity of ID & fit-out work carried out during 2020. However, The Company is looking for opportunities to acquire or joint venture opportunities in Singapore or Australia. If and when an opportunity arises the Company will announce in accordance with the Listing Rules.

Real Estate Agency

In prior years, due to the terms and conditions of the sale and purchase agreement for the sale of Global Alliance Property Pte Ltd, GPS was required to cease the Real Estate Agency division operations in Singapore until the expiry of the restriction.

On the expiry of the restriction during 2018, the Group re-commenced real estate agent activities, both commercial and residential and has concentrated on the commercial properties due to the high cost associated with residential properties. During, 2020 the volume of real estate transaction in Singapore has been heavily affected by Covid-19.

15)

Where the Financial Statements have been audited or reviewed.

The Financial Statements are currently being audited in accordance with Australian Auditing Standards.

16)

Where the figures have not yet been audited or reviewed is likely to contain in the auditors' report (including any qualifications or emphasis of matter).

It is likely that the independent audit report will contain a paragraph of an emphasis of matter relating to uncertainty surrounding the ability of the company and the consolidated entity to continue as a going concern, refer note 4 above.

17)

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

The Financial Statements has not yet been audited. Audit is in progress.

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BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read "Marcelo Mora".

Marcelo Mora
Company Secretary
24 February 2021

CONFIRMATION BY THE BOARD

This announcement has been approved by the Board of Directors.

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 full year financial results for the year ended 31 December 2020 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

A handwritten signature in blue ink, appearing to read "Mr Lim Pang Hern".

Mr Lim Pang Hern (Jeffrey)
Chairman

Singapore
24 February 2021

A handwritten signature in black ink, appearing to read "Mr. Andrew Skinner".

Mr. Andrew Skinner
Non-Executive Director