GSTechnologies Ltd
Interim Results
Half-Year ended
30 September 2019

Interim Results First Half Financial Year 2019-20

GSTechnologies Ltd is pleased to announce the Company's reviewed interim results for the six months ended 30 September 2019.

Period Highlights

- Revenue up 1.11% year on year to US$2.598,000
- Operating income of US$2,594,000 (2018: 2,326,000)
- For the six months to 30 September 2019 the Company had positive net cash from operating activities of US$20,000 (H1 2018: 216,000)
- At 30 September 2019 the Company had US$398,000 of cash and cash equivalents (30 September 2018: US$815,000)
- A loss for the period of US$470,000 (H12018: US$210,000 loss) due to decrease in profit margin and increase in employee costs

Post Period Highlights

- Wholly-owned subsidiary EMS Wiring Systems Pte Ltd has internally restructured its workforce to align with the Group's strategic plans and have decreased monthly costs by an estimated 20% from November 2019
- IS-EMS investment withdrawn; no longer an associate of the Company

GST

Executive Chairman's Statement

Dear Shareholder,

I'm pleased to present on behalf of the Board of Directors (the "Board") of GSTechnologies Limited ("GST", the "Company", together with its subsidiaries, the "Group"), the Interim report of the Company for the six months ended 30 September 2019.

Board of Directors

Tone Goh, Executive Chairman

Raphael Teo, Director

William Knight, Non-Executive Director (resigned effective 2 December 2019)

Malcom Groat, Non-Executive Director

Overview

The group benefits from the background of its core business as a stable ICT operator in the high growth south east Asian region over the past 29 years. In the current year, the ICT / IDC industry demonstrated strong signs of growth in the emerging East Asian countries of Thailand, Cambodia, Vietnam and

Myanmar with strong economic expansion forecast. This was true of Thailand, in particular, where our joint-venture partnership with a local Blue-Chip Thai Publicly Listed Conglomerate is expected to start early next year focused on our data centre business model, targeting corporate clients and government sectors locally, together with other regional clients. Our CEO, Garies Chong, who has strong data centre connections in the Asia Pacific region, leads the team as we plan and work on the ecosystem partnership with other data center vendors locally and further afield.

The Group having adopted the corporate ***"4i*** Strategy" offering**:** ***I***nfrastructure ***I***ntegration ***I***nnovation ***I***ntelligence is focused on our "***4i*** Tech Vision Ramp-up" in new exciting high growth and profitable tech areas, focusing mainly on new innovations, recurring fees and managed services. On area of particular focus is opportunities arising from the recent Singapore government announcement and supporting funds for the "Smart Innovation & Green Initiative".

The Board believes that GST can leverage on its existing strengths and move into further profitable areas by providing innovative products and solutions and therefore expanding into new geographies with a more diversified client base

Financial Highlights

GST's financial performance in the period reflected the increasing market complexity both our global and local clients operate in, particularly in a time of uncertainty with global trade wars, political upheavals, and unprecedented environmental issue. Against this background and at a time when Singapore's economy slowed with GDP growth for first three quarters of 2019 falling to 0.5% from 3.2% in 2018, I am pleased that we still maintained comparable revenues to the same period in 2018.

Our ongoing and new ICT / security businesses continued to deliver healthy performance, in particular through recurring business with key corporate clients, maintaining stability and long-term value to the Group.

For the period the Company generated revenue of US$2,594,000, up from $2,326,000 in H1 2018, generating positive net cash from operating activities of US$20,000.

Looking into FY2020, we are forecasting sales of between US$2 million and US$2.5 million over the second half of our financial year ending 31 March 2020, with overall sales for the year forecasted to be between US$4.5 million and US$5 million.

Moving forward, the Board strongly believes FY2020 to hold greater opportunities in both South East Asia and in Post-Brexit Great Britain for the Group.

Dividend policy

The Board believes that the interests of shareholders are best served by retaining capital within the Company at the present time and maintaining flexibility to be able to take advantage of the many attractive investment and business development opportunities open to GST at this time and expected to be seen over the next few years. GST is looking to generate long term value for customers and shareholders in a sustainable manner. As a result, GST's dividend policy for this financial year is not to pay dividends to shareholders but rather meet their interests by creating value that leads to capital growth.

Summary

Before ending, I would like to take the opportunity to thank Pierre Fourie, who left the Company to focus on his mining business interests, for his contribution towards taking EMS / GST public in November 2018 and William Knight, who left the Board earlier in December 2019, for his contribution since listing.

I would also like to express my heartfelt gratitude to our stakeholders, including all our shareholders, customers, business partners and hardworking staff, for their support during the period.

With continual support, we are confident in taking on new challenges and embarking on new opportunities for the Group in 2020.

Tone Goh

Executive Chairman

Consolidated Interim Statement of Comprehensive Income
for the period 1 April 2019 to 30 September 2019

	Notes	6 months ended 30 September 2019 US$'000 (Unaudited)	6 months ended 30 September 2018 US$'000 (Unaudited)
Net operating income			
Sales		2,594	2,326
Other income		4	6
		2,598	**2,332**
Net operating expense			
Continuing Operations	2	(3,067)	(2,542)
Operating loss		**(470)**	**(210)**
Other comprehensive income			
Movement in foreign exchange reserve		(35)	-
Total comprehensive loss for the period		**(505)**	**(210)**
Net Loss for the period atttributable to:			
Equity holders for the parent		(505)	(210)
Non-controlling interest		-	-
Total comprehensive loss for the period atttributable to:			
Equity holders for the parent		(505)	(210)
Non-controlling interest	16	-	-
Earnings per share attributable to members of the Parent			
Basic (loss) per share	5	(0)	(0)
Diluted (loss) per share	5	(0)	(0)

GST

Consolidated Interim Statement of Financial Position
as at 30 September 2019

	Notes	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents	7	398	871
Trade and other receivables	8	1,765	2,142
Work in progress	11	356	550
Inventories	9	319	315
Total current assets		**2,837**	**3,878**
Non-current assets			
Property, plant and equipment	10	166	177
Intangible Assets	12	6	6
Total non-current assets		**171**	**183**
TOTAL ASSETS		**3,008**	**4,061**
EQUITY			
Share Capital	15	1,804	1,804
Reserves	15	(713)	(678)
Retained Earnings		752	1,222
Total Equity		**1,843**	**2,348**
Equity attributable to owners of the parent		1,843	2,348
Non-controlling equity interest	16	-	-
		1,843	**2,348**
LIABILITIES			
Current Liabilities			
Trade and other payables	17	1,166	1,713
Total Liabilities		**1,166**	**1,713**
TOTAL EQUITY & LIABILITIES		**3,008**	**4,061**

Consolidated Interim Statement of Cash Flows
for the period 1 April 2019 to 30 September 2019

	Notes	6 months ended 30 September 2019 US$'000	6 months ended 30 September 2018 US$'000
Cash Flows from operating activities			
Profit (Loss) before taxation from operations		(470)	(210)
Adjustments to add/(deduct) non-cash items:			
Depreciation of property, plant and equipment		21	15
Other non-cash			
Unrealised foreign exchange losses			
Operating loss before working capital changes		**(449)**	**(195)**
Decrease/ (increase) in inventories		(4)	(296)
Decrease / (increase) in prepayments and other receivables		571	(142)
(Decrease) / increase in financial liabilities			1
(Decrease)/ Increase in trade and other payables		(547)	653
Net cash flow from operating activities		**20**	**216**
Cash flows from investing activities			
Payments to acquire property plant and equipment		(10)	
Proceeds from sale of property plant and equipment		-	6
Net cash flow from investing activities		(10)	6
Cash flows from financing activities			
Proceeds of ordinary share issue			-
Forex reserves		(35)	-
Net cash flow from financing activities		(35)	-
Net increase/(decrease) in cash and cash equivalents		(473)	27
Cash and cash equivalents at beginning of period		871	788
Cash and cash equivalents at end of period		398	815

GST

Consolidated Interim Statement of Changes in Equity
for the period 1 April 2019 to 30 September 2019 (Unaudited)

	Shareholder Capital US$'000	FX Reserve US$'000	Retained Earnings US$'000	Total US$'000
Balance at 1 April 2019	**(1,804)**	**678**	**(1,222)**	**(2,348)**
Comprehensive Income				
Loss for the year	-	-	470	470
Other comprehensive loss for the year	-	35	-	35
Total comprehensive loss for the year	(1,804)	713	(752)	(1,843)
Transactions with owners in their capacity as owners:				
Shares issued during the year	-	-	-	-
Balance at 30 September 2019	**(1,804)**	**713**	**(752)**	**(1,843)**

Notes to the Financial Statements

Accounting Policies

1.1 Corporate information

The consolidated financial statements of GSTechnologies Ltd for the financial period from 1 April 2019 and ended 30 September 2019 were authorised for issue in accordance with a resolution of the Directors on 30 December 2019.

The registered office of GSTechnologies Ltd, the ultimate parent of the Group, is Intertrust Corporate Services (BVI) Limited, Ritter House, Wickhams Cay II, Tortola, BVI VG1110.

The principal activity of the Group is data infrastructure, storage and technology services.

1.2 Basis of preparation

The consolidated financial statements of GSTechnologies Ltd and its controlled entities ("the Group") have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) as they apply to the financial statements of the Group for the period 1 April 2019 to 30 September 2019.

The consolidated financial statements have been prepared on a historical cost convention basis, except for certain financial instruments that have been measured at fair value. The consolidated financial statements are presented in US dollars and all values are rounded to the nearest thousand except when otherwise indicated. Following the reverse takeover, and in accordance with IFRS, the acquired entity is taken to have acquired the parent entity and accordingly comparative information represents that of the acquired entity.

1.3 Consolidation

The consolidated financial statements comprise the financial statements of the Group as at 30 September 2019, and for the period then ended.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the GSTechnologies Ltd (parent company), using consistent accounting.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance. A change ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Pooling of Interests on Incorporation of Parent Entity
On incorporation of the entity, subsidiaries have been consolidated using the pooling of interest method on the basis that the entities being combined are ultimately controlled by the same parties, both before and after the combination.

Under this method the assets and liabilities of the acquiree are recorded at book value and intangible assets and contingent liabilities are only recognised if they were previously recognised by the acquiree. No goodwill is recorded, and expenses of the combination are written off immediately in profit or loss.

The excess of consideration over the value of the acquiree's net assets is recognised in the merger reserve, a negative reserve within equity.

Any non-controlling interest in the acquiree is recognised as the proportion of the assets and liabilities of the acquiree at the date of acquisition. From the date of acquisition forward, a proportionate share of profits, or losses, in the related subsidiary is then attributed to the non-controlling interest.

Subsequent Business Combinations
Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is re-measured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are expensed to the statement of comprehensive income. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

1.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes would differ from these estimates if different assumptions were used and different conditions existed.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods. Further information on these and how they impact the various accounting policies is in the relevant notes to the consolidated financial statements.

1.4.1 Key Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

At 30 September 2019, the Group held cash reserves of US$398,000 (March 2019: US$871,000).

The Directors are confident the Group will generate revenue from data and technology services which will contribute to cash flow in the next 6-month period.

On this basis, the Directors believe that there are sufficient funds to meet the Group's working capital requirements.

The Group recorded a loss of $470,000 for the six months ended 30 September 2019 and had net assets of US$1,843,000 as at 30 September 2019 (2018: loss of US$210,000 and net assets of ($1,650,000).

Accruals

Management have used judgement and prudence when estimating certain accruals for contractor claims. The accruals recognised are based on work performed but are before settlement.

Contingencies

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. Please refer to Note 18 for further details.

Key estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1.5 New standards and amendments and interpretations adopted by the Group

There are several new Accounting standards and interpretations issued by the IASB that are not yet mandatorily applicable to the Group and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards early.

These standards are not expected to have a material impact on the Group in the current or future reporting periods.

1.6 Summary of significant accounting policies

Property, plant and equipment

Plant and equipment are shown at cost less accumulated depreciation and impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, any incidental cost of purchase, and associated borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other

consideration given to acquire the asset. Directly attributable costs include employee benefits, professional fees and costs of testing whether the asset is functioning properly. Capitalised borrowing costs include those that are directly attributable to the construction of mining and infrastructure assets.

Property, plant and equipment relate to plant, machinery, fixtures and fittings and are shown at historical cost less accumulated depreciation and impairment losses.

The depreciation rates applied to each type of asset are as follows:

Plant and machinery	2 to 10 years
Motor Vehicles	2 to 10 years
Fixtures and fittings	3 years
Lease Improvements	5 years

Subsequent expenditure is capitalised when it is probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred. Assets that are replaced and have no future economic benefit are derecognised and expensed through profit or loss. Repairs and maintenance which neither materially add to the value of assets nor appreciably prolong their useful lives are charged against income. Gains/ losses on the disposal of fixed assets are credited/charged to income. The gain or loss is the difference between the net disposal proceeds and the carrying amount of the asset.

The asset's residual values, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Financial instruments: Initial recognition and measurement

Trade and other receivables

Trade and other receivables are stated at amortised cost less provision for doubtful debts. Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Trade receivables are generally due for settlement between 30 and 90 days. They are presented as current assets unless collection is not expected for more than 12 months after reporting date. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at balance sheet date. Cash and cash equivalents comprise cash balances and short-term deposit that are readily convertible to known amount of cash and that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Impairment

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if there is objective evidence of impairment as a

result of one or more events that has occurred after the initial recognition of the asset (a loss event) and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Trade and other payables

Trade and other payables are non-derivative financial liabilities that are not quoted in an active market. It represents liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 7-30 day payment terms. Trade and other payables are presented as current liabilities unless payment is not during within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest (EIR) method. The fair value implies the rate of return on the debt component of the facility. This rate of return reflects the significant risks attaching to the facility from the lenders' perspective.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds e.g. arrangement fees.

The Group capitalises borrowing costs for all eligible assets. Where funds are borrowed specifically to finance the project, the amount capitalised represents the actual borrowing costs incurred. Early repayment of borrowings, specifically for reasons of refinancing do not qualify for capitalising as borrowing costs under IAS 23 and are recognised as a loss on de-recognition in the statement of comprehensive income.

Fair value of financial instruments

The following methods and assumptions are used to estimate the fair values:

- Cash and short-term deposits, trade and other receivables, trade and other payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Initial fair value of interest-bearing borrowings is normally the transaction price, i.e. the fair value of the consideration received. When part of the consideration is for something other than the loan, the fair value is estimated using an appropriate valuation technique.
- For disclosure purpose only, the fair value of unquoted instruments, such as loans and other financial liabilities, is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax amount that reflects current market assessments of the time value of money, and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Finance income

Interest income is made up of interest received on cash and cash equivalents.

Deferred taxation

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilised, except:

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will be available to allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Foreign currencies

i) Functional and presentation currency

The consolidated financial statements are presented in US dollars, which is the Group's presentation currency.

ii) Transaction and Balances

Transactions in foreign currencies are initially recorded in the functional currency at the respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange ruling at the reporting dates. All differences are taken to the profit or loss, should specific criteria be met.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

iii) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented as translated at the closing rate at the date of the statement of financial position.

- Income and expenses for each income statement and statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions dates, in which case income and expenses are translated at the dates of the transactions), and

- All resulting exchange differences are recognised in other comprehensive income

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

The Group recognizes when the amount of revenue can be reliably measured, it is probably that future economic benefits will flow to the entity and specific criteria have been met as described below.

i) Interest Income
Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

ii) Sale of Goods
Revenue from sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

2. Net Operating Expenses

	6 months ended 30 September 2019 US$'000	**6 months ended 30 September 2018 US$'000**
	(Unaudited)	**(Unaudited)**
Continuing operations		
Depreciation of property plant and equipment	21	14
Cost of goods sold	2,030	1,659
Occupancy costs	14	10
Employee costs	656	389
General expenses	26	35
Distribution, Advertising and promotion expenses	71	91
Admin expenses	158	245
Lease expenses	73	69
Travel expenses	19	30
	3,067	2,542

3. Key Management Personnel

	6 months ended 30 September 2019 US$'000 (Unaudited)	6 months ended 30 September 2018 US$'000 (Unaudited)
Directors' emoluments	202	217

4. Employee costs

	6 months ended 30 September 2019 US$'000 (Unaudited)	6 months ended 30 September 2018 US$'000 (Unaudited)
Wages and salaries	91	80
Wages and salaries - Cost of sales	886	685
Total	978	765

5. Earnings per share

	6 months ended 30 September 2019 US$'000 (Unaudited)	6 months ended 30 September 2018 US$'000 (Unaudited)
Loss for the period attributable to members of the parent	(505)	(210)
Basic loss per share is calculated by dividing the loss attributable to owners of the Parent by the weighted average number of ordinary share in issue during the period.		
Basic weighted average number of ordinary shares in issue	995,482,002	669,126,659
Basic loss per share-cents	(0)	(0)
Diluted loss per share-cents	(0)	(0)

6. Segment Reporting

The consolidated entity's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the consolidated entity's operations and allocation of working capital.

Due to the size and nature of the consolidated entity, the Board has been determined as the chief operating decision maker.

The consolidated entity operates in one business segment, being information data technology and infrastructure.

The revenues and results are those of the consolidated entity as a whole and are set out in the statement of profit and loss and other comprehensive income. The segment assets and liabilities of this segment are those of the consolidated entity and are set out in the Statement of Financial Position.

7. Cash and Cash Equivalents

	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
Current accounts	398	871

There are no restrictions on the cash currently held by the Group.

8. Trade and Other Receivables

	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
Trade receivables	1,485	1,889
Prepayments	280	253
Total receivables	1,765	2,142

9. Inventories

	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
Inventories	319	315

10. Property, Plant and Equipment

	Building and improvements US$'000	Renovation in Progress US$'000	Furniture & Office Equipment US$'000	Vehicle US$'000	Total US$'000
Period 1 April 2019 to 30 September 2019					
Opening net book value	13	0	67	97	**177**
Additions	9		1		**10**
Disposals					**0**
Depreciation charge	-6		-6	-9	**-21**
Closing net book value at 30 September 2019	**16**	**0**	**62**	**88**	**166**
At 30 September 2019					
Cost	47	-	448	191	686
Accumulated depreciation	(31)	-	(386)	(103)	(520)
Net book value at 30 September 2019	**16**	**-**	**62**	**88**	**166**

11. Work in Progress

	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
Contract assets	356	550

Contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. If the value of services rendered exceeds payments received from the customer, a contract assets is recognised and presented separately. The contract assets is transferred to receivables when the entitlement to payment becomes unconditional.

12. Intangible Assets

	Trade Mark	Total
Opening net book value as at 1 April 2019	6	6
Additions	-	-
Amortisation charge	-	-
Closing net book value as at 30 September 2019	6	6

There was no impairment during the period.

13. Subsidiaries

Details of the Company's subsidiaries at 30 September 2019 are as follows:

Name of Subsidiary	Place of Incorporation	Proportion of Ownership Interest	Proportion of Voting Power
Golden Saint Technologies (Australia) Pty Ltd	Australia	100	100
EMS	Singapore	100	100

EMS completed a reverse takeover during the period and accordingly, the presentation of the financial statements represents the operations of this entity, with the parent entity treated as a business combination. Financial comparatives are therefore of EMS.

14. Taxation

Unrecognised tax losses

Where the realisation of deferred tax assets is dependent on future taxable profits, losses carried forward are recognised only to the extent that business forecasts predict that such profits will be available to the companies in which losses arose.

The parent, GSTechnologies Ltd, is not liable to corporation tax in BVI, so it has no provision for deferred tax. However, Golden Saint Technologies (Australia) Pty Ltd is liable to tax in Australia and EMS is liable for tax in Singapore.

15. Share Capital and Reserves

The share capital of the Company is denominated in UK Pounds Sterling. Each allotment during the period was then translated into the Group's functional currency, US Dollars at the spot rate on the date of issue.

	Number of Shares	US$
Authorised		
Ordinary shares		
Issued and Fully Paid – Common Shares		
At 31 December 2013	**420,172,001**	**48,753,609**
Issued during the period 1 January 2014 to 30 June 2014	-	-
At 30 June 2014	**420,172,001**	**48,753,609**
Issued during the period 1 July 2014 to 31 December 2014	60,124,397	1,326,007
At 31 December 2014	**480,296,398**	**50,079,616**
Issued during the period 1 January 2015 to 30 June 2015	639,946,772	2,119,902
At 30 June 2015	**1,120,243,170**	**52,199,518**
Issued during the period 1 July 2015 to 31 December 2015	1,006,785,674	660,195
At 31 December 2015	**2,127,028,884**	**52,859,713**
Issued during the period 1 January 2016 to 30 June 2016	2,374,694,364	1,825,971
At 30 June 2016	**4,501,723,248**	**54,685,684**
Issued during the period 1 July 2016 to 31 December 2016	1,333,333,333	391,587
At 31 December 2016	**5,835,056,581**	**55,077,271**
Issued during the period 1 January 2017 to 30 June 2017	2,987,200,001	812,370
At 30 June 2017	**8,822,256,582**	**55,868,865**
Issued during the period 1 July 2017 to 31 December 2017	2,927,714,286	947,135
At 31 December 2017	**11,749,970,868**	**56,816,000**
Issued during the period 1 January 2018 to 31 March 2018	1,220,333,332	259,000
At 31 March 2018	**12,970,304,200**	**57,075,000**
Elimination of shares on reverse takeover	**(12,970,304,200)**	**(57,075,000)**
Existing shares on acquisition	**259,406,084**	**-**
Issued during the period 1 April to 30 Sep 2019	736,075,918	1,623,000
At 30 September 2019	**995,482,002**	**1,623,000**

16. Non-Controlling Equity Interest

All entities within the group are currently 100% owned and accordingly a non-controlling interest does not arise

17. Trade and Other Payables

	6 months ended 30 September 2019 US$'000 (Unaudited)	Year ended 31 March 2019 US$'000 (Audited)
Trade payables	725	1,365
Accruals	433	291
Other payables	7	57
Total accruals	1,166	1,713

Trade payables are non-interest bearing and are normally settled on 60-day terms.

18. Commitments and Contingencies

The Group is subject to no material commitments or contingent liabilities.

19. Subsequent Events

Subsequent to the reporting date, EMS Wiring Systems Pte Ltd has withdrawn its investment from IS-EMS Pte Ltd. As a result, IS-EMS Pte Ltd is no longer an associate.

20. Related Party Transactions

During the period 1 April 2019 to 30 September 2019, there were no related party transactions other than loans between wholly owned subsidiaries.

22. Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks. The Group's Board provides certain specific guidance in managing such risks, particularly as relates to credit and liquidity risk. Any form of borrowings requires approval from the Board and the Group does not currently use any derivative financial instruments to manage its financial risks. The key financial risks and the Group's major exposures are as follows:

Credit risk

The maximum exposure to credit risk is represented by the carrying amount of the financial assets. In relation to cash and cash equivalents, the Group limits its credit risk with regards to bank deposits by only dealing with reputable banks. In relation to sales receivables, the Group's credit risk is managed by credit checks for credit customers and approval of letters of credit by the Group's advising bank.

Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The table below indicates the currencies to which the Group had significant exposure at 30 September 2019 on its monetary assets and liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against the US dollar, with all other variables held constant on the statement of comprehensive income (due to the fair value of currency sensitive non-trading monetary assets and liabilities). A positive amount in the table reflects a potential net increase in the consolidated statement of comprehensive income.

23. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Numbers in the table below represent the gross, contractual, undiscounted amount payable in relation to the financial liabilities.

The Group monitors its risk to a shortage of funds using a combination of cash flow forecasts, budgeting and monitoring of operational performance.

	On Demand US$'000	**Less than one year US$'000**	**Two to five years US$'000**	**Over five years US$'000**	**TOTAL US$'000**
As at 30 September 2019:					
Trade and other payables	-	1,166	0	-	1,166

24. Capital management

Capital includes equity attributable to the equity holders of the parent. Refer to the statement of changes in equity for quantitative information regarding equity.

The Group's primary objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders. For details of the capital managed by the Group as at 30 September 2019, please see Note 15.

The Group is not subject to any externally imposed capital requirements.

25. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A sensitivity analysis is not presented, as all borrowing costs have been capitalised as at 30 September 2019; therefore, profit or loss and equity would have not been affected by changes in the interest rate.

A copy of the reviewed results for the six months ended 30 September 2018 is available on the Company's website www.gstechnologies.co.uk.