



GSS ENERGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201432529C)

**ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING
FOR STRATEGIC COOPERATION IN RELATION TO THE DEVELOPMENT OF
ELECTRIC VEHICLE BUSINESS IN SOUTHEAST ASIA**

Introduction

The board of directors (the “**Board**”) of GSS Energy Limited (the “**Company**” and, together with its subsidiaries, the “**GSS Energy Group**”) is pleased to announce that on 2 February 2023, the Company has entered into a non-binding memorandum of understanding (the “**MOU**”) with MECOM Power and Construction Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**MECOM**” and, together with its subsidiaries, the “**MECOM Group**”) to set out the understanding of MECOM and the Company with respect to the strategic cooperation between the MECOM Group and the GSS Energy Group in relation to the development of the electric vehicle business in Southeast Asia.

Information on the MOU

Details on the MOU can be found in the joint announcement made by MECOM and the Company, as attached as the appendix to this announcement.

Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the MOU, other than through their respective shareholdings (if any) in the Company.

Financial Effects of the MOU

The directors of the Company are of the opinion that the entry into the MOU (given its non-binding nature) is not expected to have any material impact on the financial position of the GSS Energy Group (including on the earnings per share or net tangible assets) for the financial year ending 31 December 2023.

In the event that the entry into binding documentation by the GSS Energy Group pursuant to the terms contemplated under the MOU triggers any disclosure requirements under the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”), the Company will make the requisite announcements in compliance thereof.

Further Announcements

The Company will continue to update its shareholders on material developments relating to the electric vehicle mobility business, if any, and will also make the appropriate announcements where there are material developments in relation to the MOU, in compliance with the requirements of the Catalist Rules.

Cautionary Statement

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board of
GSS ENERGY LIMITED
Anthony Kuek
Chairman
2 February 2023

*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd ("**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Bernard Lui;
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POWER & CONSTRUCTION

**MECOM POWER AND
CONSTRUCTION LIMITED**

澳能建設控股有限公司

*(Incorporated in the Cayman Islands with
limited liability)*

(Stock code: 1183)

(Warrant code: 2242)



GSS ENERGY LIMITED

*(Incorporated in Singapore with
limited liability)*

(Company Registration No.: 201432529C)

(SGX: 41F)

JOINT VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO STRATEGIC COOPERATION IN RESPECT OF ELECTRIC VEHICLE BUSINESS IN SOUTHEAST ASIA

This is a joint voluntary announcement made by MECOM Power and Construction Limited (“**MECOM**” and together with its subsidiaries, the “**MECOM Group**”) and GSS Energy Limited, a company listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“**GSS Energy**” and together with its subsidiaries, the “**GSS Energy Group**”) to provide the shareholders and potential investors of MECOM and GSS Energy an update on the latest business development of the MECOM Group and the GSS Energy Group.

STRATEGIC COOPERATION BETWEEN MECOM AND GSS ENERGY

Strategic Cooperation

The board of directors of MECOM (the “**Board of MECOM**”) and the board of directors of GSS Energy (the “**Board of GSS Energy**”) are pleased to announce that on 2 February 2023, MECOM and GSS Energy have entered into a non-binding memorandum of understanding (the “**MOU**”), pursuant to which MECOM and GSS Energy shall, subject to the Binding Documentation (as defined below), form a strategic cooperation with each other in relation to the development of the EV Business (as defined below) in Singapore, Thailand, Indonesia and Malaysia, (collectively, the “**Designated Locations**”) for a term of 3 years commencing from the date of the MOU (the “**Term**”), unless otherwise terminated by agreement in writing between MECOM and GSS Energy during the Term (the “**Strategic Cooperation**”).

KEY TERMS OF THE MOU

Subject to the terms of the definitive legally binding agreement(s) (the “**Binding Documentation**”) to be subsequently entered into between the relevant entities within the MECOM Group and the GSS Energy Group, the Strategic Cooperation between MECOM and GSS Energy shall include, but is not limited to, the following:

- (i) the design, production, installation and maintenance of electric vehicle (“**EV**”) charging systems;
- (ii) the sales and marketing of EV charging systems;
- (iii) the design, production, sales and marketing of EVs such as but not limited to electric 4-wheelers and/or electric motorcycles;
- (iv) the distribution of Giken Mobility Pte, Ltd.’s (a wholly-owned subsidiary of GSS Energy) (“**GM**”), Iso-branded electric motorcycles in the Guangdong Greater Bay Area Region of the People’s Republic of China;
- (v) the manufacturing and production of battery packs, and related charging/swapping solutions, for EV 2-wheelers at GSS Energy Group’s manufacturing facilities; and
- (vi) investing or procuring investments in the projects of the other party, where appropriate, in relation to development of EV, as well as EV charging systems,

collectively, the “**EV Business**”.

In addition, subject to the terms of the Binding Documentation, MECOM and GSS Energy may designate one or more entity(ies), whether such entity(ies) is or are member(s) of the MECOM Group or the GSS Energy Group or form one or more new company(ies), corporation(s), or partnership(s) or use other means to form or designate the entity(ies) for the purpose of submitting the application(s) of any EV-related grant(s) launched by the respective government bodies in each of the Designated Locations or other tenders or applications launched by other departments of the governments of the Designated Locations to install EV charging points located in the Designated Locations and provide for EV charging services and the ancillary services.

Additionally, subject to the terms of the Binding Documentation, the MECOM Group may engage a member of the GSS Energy Group as the sole and exclusive distributor of a third-party brand EVs in the Designated Locations.

During the Term, MECOM and GSS Energy shall use their respective best efforts to negotiate the Binding Documentation in relation to terms and conditions of each project under the Strategic Cooperation and each project under the Strategic Cooperation shall be carried out and conducted in accordance with the terms of the respective Binding Documentation within a period of 6 months from the signing of the MOU or extend to any date to be mutually agreed.

REASONS AND BENEFITS IN ENTERING INTO THE MOU AND THE STRATEGIC COOPERATION

The MECOM Group is principally engaged in the provision of construction services, including (i) construction and fitting out works; (ii) high voltage power substation construction and its system installation works; (iii) electrical and mechanical engineering services works; and (iv) provision of facilities management services, and provision of EV charging services including (a) sale of EV charging systems and (b) subscription fee income. The MECOM Group also diversified its existing businesses by entering into the steel structures business which involves the sales, trading and processing of metal materials.

GSS Energy is an investment holding company and the GSS Energy Group is principally engaged in the provision of precision engineering and manufacturing to multi-national manufacturers in the field of home and car audio entertainment, communication, computer and office automation industries and medical industries, manufacturing of high precision shafts and the research and development, the manufacturing and distribution of electric motorcycles under GM, a subsidiary of the GSS Energy Group. GM is the global licence holder of the brand “Iso” which is owned by the Lamborghini family*.

As set out in the interim report of MECOM for the six months ended 30 June 2022 and announcements of MECOM dated 28 September 2022, 10 October 2022, 9 December 2022 and 28 December 2022, the MECOM Group has been actively developing the EV business, and the breadth of the EV business of the MECOM Group extends from provision of EV charging systems in residential, commercial buildings and/or shopping centres in Macau and provision of battery charging and swapping services at convenience service stations in Guangzhou to engaging in the exclusive distributorship of electric motorbikes and electric delivery vehicles supplied by the business partners of the MECOM Group. The MECOM Group is targeting to widen the footprint of its EV business to the EV market in Southeast Asia.

In view of (i) the potential demand for EVs and growth of this market in Southeast Asia; and (ii) the encouragement of foreign investment with financial incentives on imported EVs and incentives to encourage domestic adoption of EVs by the governments of some of the Designated Locations, the Board of MECOM and the Board of GSS Energy are of the view that the EV market in Southeast Asia is on a rising trend, of which the MECOM Group and GSS Energy Group hope to seek to take advantage of by tapping into each other’s industry knowledge, sales and marketing channels and expertise, thus create synergies between both groups and improve the position of the two groups in the growing EV market in Southeast Asia.

The Board of MECOM and the Board of GSS Energy believe that the Strategic Cooperation contemplated under the MOU is beneficial to shareholders of each of MECOM and GSS Energy as it will facilitate the Southeast Asia expansion of each of the MECOM Group’s and the GSS Energy Group’s respective business scopes in the EV market in Southeast Asia.

GENERAL

In the event the Strategic Cooperation materialises, the transaction contemplated under the definitive agreements in relation thereto may constitute notifiable transaction(s) for MECOM under Chapter 14 of the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and MECOM will comply with the relevant requirements of the Listing Rules as and when necessary.

As the MOU is non-legal binding save for certain provisions, including but not limited to, termination, confidentiality and governing law and dispute resolution, the Strategic Cooperation may or may not materialise, shareholders and potential investors of MECOM and GSS Energy are advised to exercise caution when dealing in the securities of MECOM and GSS Energy.

By Order of the board of directors of
MECOM Power and Construction Limited
Kuok Lam Sek
Chairman

By Order of the board of directors of
GSS Energy Limited
Kuek Eng Chye, Anthony
Chairman

Hong Kong, 2 February 2023

As at the date of this joint announcement, the executive directors of MECOM are Mr. Kuok Lam Sek and Mr. Sou Kun Tou, and the independent non-executive directors of MECOM are Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong.

As at the date of this joint announcement, the board of directors of GSS Energy comprises Mr. Yeung Kin Bond, Sydney, Mr. Lee Kok Beng and Mr. Ng Say Tiong as executive directors, Mr. Kuek Eng Chye, Anthony (Chairman) as independent non-executive director, Mr. Wong Quee Quee, Jeffrey as independent non-executive director and Mr. Fung Kau Lee, Glenn as non-independent non-executive director.

* Please refer to the SGX’s webpage for further details: <https://links.sgx.com/1.0.0/corporate-announcements/6I3UEJDMAYDE69G9/d9030ea12bb932badb008e49eb310c3e1298f0eb59f1d1f71c105a701649d094>