

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

(1) INCORPORATION OF A WHOLLY-OWNED SUBSIDIARY IN SINGAPORE

**(2) ENTRY INTO MEMORANDUM OF UNDERSTANDING TO PRODUCE AND SUPPLY
PLANET-BASED AND CELL-BASED MEAT PRODUCTS**

1. INTRODUCTION

The Board of Directors (the "**Board**") of GS Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company has incorporated a wholly-owned subsidiary, GS Innovative Food Pte. Ltd. ("**GS Innovative**"), which has on 9 May 2022 entered into a memorandum of understanding (the "**MOU**") with a third party, Ants Innovate Pte. Ltd. ("**Ants Innovate**"), in respect of their cooperation in the production and supply of plant-based and cell-based meat products.

2. INCORPORATION OF GS INNOVATIVE

GS Innovative was incorporated in Singapore on 28 April 2022 with an initial issued and paid-up share capital of S\$10,000 comprising 10,000 ordinary shares to undertake the business of planting, production and distribution of plant-based meat products which includes (i) food processing and manufacturing and (ii) trading and distribution of food and beverage products.

The directors of GS Innovative are Mr. Pang Pok, the Chief Executive Officer and Executive Director of the Company, and Ms. Pang Yiling, the Director of Operations of the Company.

The subscription for issued and paid-up shares in GS Innovative was funded through internal resources, and the incorporation of GS Innovative is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending 31 December 2022 ("**FY2022**").

3. ENTRY INTO THE MOU

Ants Innovate was incorporated in Singapore on 11 May 2020. Its principal activities are researching and experimental developing biotechnological science on plant and cell-based meat cuts and providing brokerage and consultancy services of intellectual property assets for cell-based meat cuts.

The director of Ants Innovate is Mr. Yu Hanry and the shareholders of Ants Innovate are Mr. Sun Jizhi, Mr. Wilson Ku, Mr. Tan Boon Howe Terence, Mr. Yu Hanry, Mr. Tan Beng Kiat, Mr. Meng Jun, Mr. Li Wentao and Mr. Ong Shujian. Ants Innovate was introduced by Mr. Jon Lim, the advisor of Ants Innovate to Mr Pang Pok, the Executive Director and Chief Executive Officer of the Company.

Pursuant to the MOU, GS Innovative and Ants Innovate (collectively, the "**Parties**") have agreed, among others, that:

- (a) GS Innovative and its related companies (collectively, the "**GS Innovative Group**") are responsible for:
 - (i) growing and/or sourcing, processing and instant quick freeze of raw materials for production of plant-based products which can be supplied to the markets in Singapore and the People's Republic of China (the "**PRC**"); and

- (ii) processing and producing ready-to-cook and final products based on the specifications provided by Ants Innovate in order to supply to Ants Innovate and its related companies for distribution to the markets in the PRC.
- (b) Ants Innovate and its related companies are responsible for:
 - (i) providing specifications and packing requirements for raw materials;
 - (ii) supervising GS Innovative Group in processing the raw materials into ready-to-cook products and/or ready-to-eat products of plant-based and cell-based meat for Ants Innovate;
 - (iii) exclusively appoint GS Innovative Group in processing raw materials, processing ready-to-cook products and processing ready-to-eat products for the market in the PRC;
 - (iv) providing advice on the processing standard operating procedures, recipes and know-how, equipment list and specifications, licensing and other requirements necessary to produce ready-to-cook and ready-to-eat plant-based and cell-based meat products at no fee chargeable to GS Innovative Group;
 - (v) submitting sales forecast and sales pipelines to GS Innovative Group for the required quantity of raw materials, ready-to-cook products and ready-to-eat products. Thereafter to submit purchase orders when orders are determined and finalised; and
 - (vi) growing and/or sourcing, processing and instant quick freeze of raw materials for production of plant-based products which can be supplied to the markets in Singapore and the PRC.

Currently, Ants Innovate has its own research and development centre in Singapore and works with an OEM manufacturer based in Singapore for the production of their current plant-based meat products in Singapore. Based on the Group's understanding, the supply of raw materials (specific type of tropical fruit(s)) involves buying and selling and some processing activities involving the tropical fruit(s). Mr Pang, through his business contacts in Malaysia and Hainan, is able to source for the tropical fruit(s) from suppliers/contractors. For the production and supply of the plant-based and cell-based processed meat, Ants Innovate shall provide the Group with the requisite technology and technical know-how as stated in the MOU. The Group shall be responsible for the smooth running of the factory/production and delivery/logistics. In addition, the Group has prior experience in setting up factories for provision of large-scale dish washing services.

At the initial stage, GS Innovative and its related companies shall source for the raw materials (which are mainly tropical fruit(s)) required by Ants Innovate from different sources of suppliers and contacts available to the Group from the years of experience in the F&B industry. The Group plans to buy the requisite raw materials and then sell the raw materials to Ants Innovate.

At a later stage, where necessary, the Group is open to exploring actual plantation activities to supply the requisite tropical fruit(s) to Ants Innovate and/or for its Hainan factory which would be set up later. Prior to the commencement of the plantation activities, the Group shall seek shareholders' approval for the new business activities.

Subject to the satisfactory completion of certain matters set out in the MOU, the Parties have agreed to commit towards entering into a definitive agreement within six (6) months from the date of the MOU, after taking into account the current new Covid-19 outbreak situations in the PRC and travel restrictions imposed by the relevant authorities of the PRC. However, based on the initial discussions between both Parties, the supply of some raw materials by GS Innovative may commence in the third quarter of FY2022.

There will be no commitment on capital expenditure by the Group prior to the entry into a definitive agreement by the Parties.

This MOU shall not be terminated without mutual agreement by both Parties in writing.

3.1 RATIONALE FOR THE ENTRY INTO THE MOU

The entry into the MOU establishes the understanding between GS Innovative and Ants Innovate in respect of the Parties' cooperation in the production of among others, plant-based meat products and obligations to be fulfilled prior to the entry into any definitive agreement. By collaborating with Ants Innovate, it would differentiate our Group from other food and beverages ("F&B") companies as plant-based meat products and cell-based meat products are environmentally friendly in that they produce lower greenhouse gas emissions, and reduces land use and water usage, which are crucial in achieving sustainability. Given the increasing global demand for plant-based meat products, the Group is of the view that the collaboration between GS Innovative and Ants Innovate will open new opportunities for the Group and be beneficial to the Group in gaining popularity and recognition for the F&B brands developed and/or established.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company, as well as their respective associates, has any direct or indirect interest in the incorporation of GS Innovative and the MOU, other than through their respective shareholdings (if any) in the Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Board collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the incorporation of GS Innovative, the MOU, the Company and its subsidiaries, and the Board are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the MOU is available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements to keep shareholders informed, as and when there are further material updates and developments in respect of the MOU and entry into the definitive agreement with Ants Innovate.

8. 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 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 advisors.

BY ORDER OF THE BOARD

Pang Pok
Chief Executive Officer and Executive Director

9 May 2022

*This announcement has been prepared by GS Holdings Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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

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