
INTERESTED PERSON TRANSACTION – RENEWAL OF TENANCY AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**”) of GS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that Hao Kou Wei Pte. Ltd. (“**Hao Kou Wei**”), a wholly owned subsidiary of the Company, has entered into a renewal tenancy agreement with Mr Pang Pok, the Executive Director and Chief Executive Officer of the Company, on 21 December 2021. Hao Kou Wei had entered into a tenancy agreement with Mr Pang Pok on 7 December 2018 and this tenancy agreement expires on 22 December 2021. The entry into a new tenancy with Mr Pang Pok is an interested person transaction (“**IPT**”) pursuant to Chapter 9 of the Catalist Rules.

2. DETAILS OF THE INTERESTED PERSON

Mr Pang Pok is the Executive Director and Chief Executive Officer of the Company. He is also a substantial shareholder of the Company, with total direct and deemed interest of 81,079,705 shares, representing 42.9% of the Company’s shares.

3. DETAILS OF THE TENANCY AGREEMENT

The premise:	Block 271 Bukit Batok East Ave 4 #01-160, Singapore 650271 and level 2 living quarter
Rental:	S\$33,000 per month
Refundable deposit:	S\$33,000 as security deposit upon execution of tenancy agreement
Lease period:	3 years lease from 23 December 2021 to 22 December 2024, with an option to renew for 3 years
Market rental rate:	S\$37,000 per month (based on the valuation report prepared in accordance with the Singapore Institute of Surveyors and Valuers’ Valuation Standards and Practice Guidelines, 2015 Edition dated 7 December 2021 issued by PREMAS Valuers & Property Consultants Pte Ltd, an independent valuer appointed by the Company)

4. RATIONALE AND BENEFIT FOR THE TENANCY AGREEMENT

The premise is situated at a strategic location surrounded by the housing development blocks which is easily accessible by the residents. In addition, the entry into the tenancy agreement is expected to result in cost savings for the Group (as compared to renting from a third party) as the rental rate payable for the premise under the tenancy agreement is lower than the market rental rate as indicated in the valuation report.

5. DETAILS OF THE INTERESTED PERSON TRANSACTIONS

The aggregate value of interested person transactions (“**IPTs**”) (excluding transactions less than S\$100,000) entered into by the Group and Mr Pang Pok and his associates, conducted from 1 January 2021 up to the date of this announcement, including the renewal of the tenancy agreement which is the subject of this announcement, are as follows:

Name of Interested Person and details of transactions	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders’ mandate pursuant to Rule 920) (S\$)	Aggregate value of all interested person transactions conducted under Shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$)
<u>Koufu</u> Tenancy Agreements in relation to the rental of food stalls	Note (1)	836,000	-
<u>Pang Pok</u> Tenancy Agreement in relation to the rental of coffee shop	Note (2)	1,188,000	-
Total		2,024,000	-

Notes:

- (1) Rasa Sayang Village Pte. Ltd. and Hao Kou Wei are wholly-owned subsidiaries of the Company and both wholly-owned subsidiaries have signed two letters of offer with Koufu Group Limited (“**Koufu**”) in FY2021. The total value at risk of the two leases is estimated at S\$836,000 after taking into account variable components.

Jun Yuan Holdings Pte. Ltd. (“**Jun Yuan Holdings**”) is the controlling shareholder of Koufu, holding 428,048,800 shares (representing 77.18% direct interest) in Koufu. Mr Pang Lim holds 50.0% of the shares in Jun Yuan Holdings. Pursuant to Section 4 of the Securities and Futures Act (“**SFA**”), Mr Pang Lim is deemed to have an interest in the 428,048,800 shares held by Jun Yuan Holdings in Koufu.

Mr Pang Lim is the brother of Mr Pang Pok. As such, Koufu, Mr Pang Pok and Mr Pang Lim are deemed as the same interested person as defined under Chapter 9 of the Catalist Rules.

- (2) Hao Kou Wei has entered into a tenancy agreement with Mr. Pang Pok, the Company’s Chief Executive Officer and Executive Director on 21 December 2021 at

a monthly lease amount of S\$33,000 for a period of three years, with an option to renew for another three years.

Following the entry into a new tenancy agreement with Mr Pang, the aggregate value of all IPTs (excluding transactions which are less than S\$100,000) entered into between the Group and the same Interested Persons for FY2021 is approximately S\$2,024,000 (the **"Aggregate Value"**), representing approximately 7.5% of the Group's latest audited net tangible assets as at 31 December 2020 of S\$27,032,000 (**"NTA"**).

The Company is exempted from the requirement to obtain shareholders' approval pursuant to Rule 906(1)(b) of the Catalist Rules for the tenancy of property transaction, as it falls within the exemption under Rule 916(1) of the Catalist Rules. The tenancy agreement is for a period not exceeding three (3) years and the terms are supported by an independent valuation.

Save as disclosed above, there is no IPT that is S\$100,000 and above entered into by the Group from 1 January 2021 up to the date of this announcement.

The tenancy agreements entered into by the Group are in its ordinary course of business.

6. AUDIT AND RISK COMMITTEE'S STATEMENT

The Audit and Risk Committee has reviewed the above tenancy agreement and is of the view that the terms of the tenancy agreement are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective interests in the Company and save as disclosed in this announcement, none of the directors of the Company (the **"Directors"**) or substantial Shareholders or their associates, as far as the Company is aware, has any interest, direct or indirect, in the renewal of the tenancy agreement.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Tenancy Agreement and Independent Valuation Report are 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.

By Order of the Board

Chong Eng Wee
Lead Independent Director

21 December 2021

*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 Catalyst.*

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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