G.H.Y CULTURE & MEDIA HOLDING CO., LIMITED

(Company Registration No. 337751)
(Incorporated in the Cayman Islands on 29 May 2018)

RESPONSES TO SGX REGCO'S QUERIES ON FY2022 ANNUAL REPORT

The Board of Directors (the "**Board**") of G.H.Y Culture & Media Holding Co., Limited (the "**Company**" and together with its subsidiaries and associated companies, the "**Group**") sets out below the Company's responses to the queries from the SGX RegCo received on 25 April 2023, with reference to the Company's announcement dated 12 April 2023 on the Company's Annual Report and Related Documents (the "**Annual Report**") for the year ended 31 December 2022 ("**FY2022**"):

Q1. Listing Rule 710A states that an issuer must describe in its annual report its board diversity policy, including the following. Please disclose whether and how Listing Rule 710A has been complied with.

a) the issuer's targets to achieve diversity on its board;
b) the issuer's accompanying plans and timelines for achieving the targets;
c) the issuer's progress towards achieving the targets within the timelines; and
d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

Company's Response:

Pursuant to Listing Rule 710A, a description of the Company's Board Diversity Policy is set out at page 142 of the Annual Report. The relevant paragraph is reproduced below.

*"The Company has also adopted the Board Diversity Policy which provides that, in reviewing Board composition and succession planning, the Nominating Committee ("**NC**") will consider the benefits of all aspects of diversity, including diversity of skills, professional experience and knowledge, gender, age, ethnicity and culture and educational background, tenure of service and other relevant factors. These differences and additional measurable objectives will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, extensive experience, and knowledge which the Board as a whole requires to be effective. Diversity is a key criterion in the instructions to external search consultants."*

As set out at pages 144 and 146 of the Annual Report, the NC reviews the Board composition annually as to whether it is of an appropriate level of diversity of thought and background, and as to whether it is of an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. When reviewing and recommending the appointment and re-appointment of new Directors, the Board takes into consideration the current Board's diversity, size and mix.

In recognition of the importance and value of gender diversity in the composition of the Board, the Board considered diversity in the appointment of the Directors when it was listed on the Mainboard of the SGX-ST on 18 December 2020 and continues to consider diversity in its subsequent appointments of Directors. The current Board comprises 3 female Directors and 8 male Directors.

As set out at pages 136 and 142 of the Annual Report, the Board comprises diverse and capable individuals who provide a range of perspectives at the top and enables the Board to make finer strategic decisions. The Directors bring with them a wide spectrum of skills, experience, expertise and perspectives to effectively lead and direct the Group. The diversity of the Directors' experience enables meaningful exchange of ideas and views in the development of the Group's strategy and performance. Each Director has been appointed based on the strength of his/her calibre, experience, grasp of corporate strategy and potential to contribute to the Company and its businesses. Please refer to pages 4 to 7 of the Annual Report for the profiles of the Directors. The Board, in concurrence of the NC, is of the view that the Directors possess the necessary competencies to provide the management with diverse and objective perspectives on issues so as to lead and govern the Company effectively.

In view of the foregoing, the Company is of the view that the intent of Listing Rule 710A was met.

Q2. **Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.2 of the Code with regard to inter alia, the disclosure of names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 per year, in bands no wider than S$100,000, in its annual report. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.**

Company's Response:

On pages 156 and 157 of the Annual Report, the Company disclosed the remuneration of the employees who were substantial shareholders of the Company, or were immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded $100,000 during the year, in bands of $250,000, as opposed to bands of $100,000, which constitutes a variation from Provision 8.2 of the Code.

The Company is of the view that the intent of Principle 8 of the Code was met, as the remuneration policies and the procedure for setting remuneration applicable to the key management personnel of the Company have been disclosed in the Annual Report.

Furthermore, as these employees are in senior positions and considered key management personnel, the disclosure made in bands of $250,000 would be meaningful to shareholders as to the level of remuneration paid to these employees.

In addition, the Company believes that the disclosure of the detailed remuneration figures paid to the Group's employees, including those who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, would not be in the best interests of the Company or its stakeholders, and may hamper its ability to retain and nurture the Group's talent pool. The Board has taken into consideration the highly competitive market in which the Group operates, the confidential nature and commercial sensitivity of remuneration matters, the

relative size of the Group and the negative impact such disclosure may have on the Group in attracting and retaining talent at the key management personnel level on a long-term basis. Hence, the remuneration disclosures in relation thereto were made in bands of $250,000 (instead of in incremental bands of $100,000) to maintain confidentiality.

By Order of the Board
G.H.Y CULTURE & MEDIA HOLDING CO., LIMITED

Guo Jingyu
Executive Chairman and Group CEO
27 April 2023