

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

UPDATE ON AMOUNT OWING BY MR ZHANG

The Board of Directors (the “**Board**”) of GS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated:

- (a) 12 October 2023 in respect of, among others, the amount owing by Mr Zhang;
 - (b) 17 October 2023 in respect of the issuance of letters of demand to Mr Zhang and Kaifeng Jufel and the suspension of Mr Zhang as the non-independent and non-executive chairman of the Company; and
 - (c) 10 November 2023 in respect of the unaudited condensed interim financial statements for the financial period ended 30 September 2023,
- (collectively the “**Announcements**”).

Unless otherwise defined herein, all capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Announcements.

1. UPDATE ON AMOUNT OWING BY MR ZHANG

- 1.1. As announced by the Company on 17 October 2023, the Company had then issued letters of demand to Mr Zhang and Kaifeng Jufel for the outstanding debt of RMB98,587,341.85 (the “**Debt**”) owing to the Company which was guaranteed by both Mr Zhang and Kaifeng Jufel.
- 1.2. As further announced by the Company on 10 November 2023, neither Mr Zhang nor Kaifeng Jufel responded to such letters of demand. In view of the foregoing, the Company had then recommended an impairment loss provision of approximately 50% of the Debt and the Board also engaged lawyers in the PRC to explore the next appropriate steps to take to recover the Debt from Mr Zhang and Kaifeng Jufel.
- 1.3. The Board wishes to announce that pursuant to the aforesaid engagement, the Board (save for Mr Zhang) understands from the PRC lawyers that there are currently several ongoing lawsuits against Mr Zhang in the PRC and that Mr Zhang had defaulted on some of the judgement(s) against him. In view of the latest aforesaid update on Mr Zhang and the uncertainty as to the recoverability of the Debt taking into account Mr Zhang’s ability to satisfy the Debt and/or other judgment(s) against him, the Board (save for Mr Zhang), in consultation with the Audit and Risk Committee, has decided to provide for a full impairment of the Debt in the interests of prudence while considering its next course of action. For the avoidance of doubt, such impairment of the Debt will be reflected in both the Company’s unaudited financial statements for the full year ended 31 December 2023 to be announced on or before 29 February 2024 and the Company’s annual report for the financial year ended 31 December 2023.
- 1.4. In connection with the foregoing, the NC, in conjunction with the Board, is currently reviewing and assessing the suitability of Mr Zhang’s continued appointment as a director of the Company. The Company will keep Shareholders updated on any material developments and make the appropriate announcements as and when there are any material updates on the above matters.

2. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully 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 and other professional advisers.

By Order of the Board

Lim Kee Way Irwin
Lead Independent Director and Acting Chairman

8 February 2024

*This announcement has been prepared by GS Holdings Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, Evolve Capital Advisory 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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