

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

ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING

The Board of Directors (the "**Board**") of GS Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company's indirect wholly-owned subsidiary, Sing Zhong Brands Management Pte. Ltd. ("**Sing Zhong Brands Management**") has on 28 January 2022 entered into a non-binding memorandum of understanding (the "**MOU**") with a third party, 深圳市龙巢餐饮管理有限公司 ("**深圳市龙巢餐饮**" or "**Long Chao Shenzhen**"), a company incorporated in the People's Republic of China ("**PRC**").

This MOU establishes the understanding between Sing Zhong Brands Management and Long Chao Shenzhen in respect of obligations to be fulfilled in the furtherance of the mutual goal of developing new franchisees for the food and beverage ("**F&B**") brands that are owned by Sing Zhong Brands Management and Long Chao Shenzhen.

This joint effort between Sing Zhong Brands Management and Long Chao Shenzhen aims to promote, through the F&B concepts, an exchange of cultural understanding across borders, and to enable prospective franchisees to grow their business portfolios in overseas markets mainly Singapore, PRC and Asian countries with the support of the franchising programs created and operated by Sing Zhong Brands Management. This is in accordance with and further to the Group's entry into the letter of intent with Action Culture Pte. Ltd. ("**Action Culture**") as set out in the Company's announcement dated 28 December 2021.

Pursuant to the MOU, Sing Zhong Brands Management is responsible for:

1. Creating and developing 10 PRC-influenced F&B brands, and 10 Singapore-influenced F&B brands;
2. Engaging a third-party consultant, Action Culture, for its expertise in the conceptualisation, branding, and marketing of the F&B brands;
3. Marketing and selling of franchise of selected F&B brands owned by Long Chao Shenzhen to its existing and new clientele (franchisees) in the territories of the Asian countries, including but not limited to PRC and the Republic of Singapore; and
4. Paying Long Chao Shenzhen service fees of 50% (fifty percent) based on gross initial franchise fees generated and received from the franchise sales of brands owned by Long Chao Shenzhen to its existing and new clientele.

Long Chao Shenzhen is responsible for:

1. Marketing and selling of franchise of selected F&B brands owned by Sing Zhong Brands Management to its existing and new clientele (franchisees) in the territories of the Asian countries, including but not limited to PRC and the Republic of Singapore; and
2. Paying Sing Zhong Brands Management service fees of 50% (fifty percent) based on gross initial franchise fees generated and collected from the franchise sales of brands owned by Sing Zhong Brands Management to its existing and new clientele.

Sing Zhong Brands Management and Long Chao Shenzhen have mutually agreed that, throughout the course of sales of franchises from this joint effort, any subsequent royalty fees, sales of products, design

fees, and training fees that are charged to franchisees shall be received by the party providing the relevant services or products.

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

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.

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 Long Chao Shenzhen.

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

28 January 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 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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