

RESPONSES TO QUERIES FROM THE SGX REGCO

DBS Bank Ltd. and UOB Kay Hian Private Limited are the joint issue managers and global coordinators (the "**Joint Issue Managers and Global Coordinators**") for the initial public offering of shares in, and listing of, G.H.Y Culture & Media Holding Co., Limited on the Main Board of the Singapore Exchange Securities Trading Limited. The Joint Issue Managers and Global Coordinators assume no responsibility for the contents of this announcement.

The Board of Directors (the "**Board**") of G.H.Y Culture & Media Holding Co., Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company has received queries from the SGX RegCo on announcement made by the Company on SGXNet dated 14 May 2021 on the appointment of the Group Deputy CEO ("**Appointment**").

Query 1

*On page 243 of the Company's prospectus, an undertaking was provided by Mr. John Ho ("**Mr Ho**") ("**Undertaking**"), stating that,*

"Certain disciplinary actions were taken by the SGX-ST against the listed company and its directors (including Mr. John Ho) in October 2011 and as a result, Mr. John Ho was placed on the directors' and executive officers' watchlist of the SGX-ST. For further details, please refer to the SGX-ST's website at <https://www.sgx.com/regulation/directors-and-executive-officers-watchlist>. In light of the foregoing, Mr. John Ho has provided an undertaking to our Company that he will not, and will not procure any of his nominees, to be appointed as a director or executive officer of any of the entities in our Group for so long as he is named in the directors' and executive officers' watchlist of the SGX-ST.

Our Nominating Committee will also ensure that none of Mr. John Ho and/or his nominees will be appointed as a director or executive officer of any of the entities in our Group for so long as Mr. John Ho is named in the directors' and executive officers' watchlist of the SGX-ST. In the event that any associate of Mr. John Ho proposes to be a Director or Executive Officer of our Company or our Group, our Nominating Committee will assess that such relevant associate possesses the relevant experience, expertise, qualification, character and integrity to perform the proposed role as a Director or Executive Officer and will ensure that an announcement is made on the SGXNET, the web-based platform of the SGX-ST, on the proposed appointment of such relevant associate and our Nominating Committee's views (including bases), in a timely manner."

*In view of Ms. Lian Lee ("**Ms Lian**")'s Appointment and that she is the spouse of Mr Ho, please disclose and provide an assessment as to whether the Undertaking has been complied with.*

Response from the Company:

The Company wishes to highlight that the Undertaking is meant to ensure that Mr Ho is not appointed as a director or executive officer of any of the entities in the Group, and that Mr Ho does not appoint his nominee as a director or executive officer of the Group, given that Mr Ho is named in the directors' and executive officers' watchlist of the SGX-ST after certain disciplinary actions had been taken against him in October 2011.

In this regard, a person would typically be deemed a "nominee" of another person, if for example, such person is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of any other person. Accordingly, the Undertaking includes both Mr Ho as well as Mr Ho's nominees, in order to ensure a person who is on the SGX-ST's watchlist does not appoint himself or someone who acts in accordance with his directions, instructions or wishes as a director or executive officer in order to circumvent the SGX-ST's watchlist.

While Ms Lian is the spouse of Mr Ho, and by virtue of the Listing Manual of the SGX-ST, is therefore an "associate" of Mr Ho, a distinction should be drawn between the definition of an "associate" under the Listing Manual and "nominee", given that it is not necessarily the case that an associate of a person is a nominee of such person. Whether a person is an associate or a nominee of another person should be assessed on a case by case basis, and based on the facts on hand. This is particularly relevant, given that if such were the case, the intent of the Undertaking (as explained above, to guard against the risk that a person who is on the SGX-ST's watchlist appoints another person who acts in accordance with his directions in order to circumvent the SGX-ST's watchlist) would not be achieved because, such other person who is not an associate could potentially be a nominee and a person who is on the SGX-ST's watchlist could then potentially appoint a nominee who is not an associate as a director or an executive officer.

It is further highlighted that none of Mr Ho's associates, which in this case refers to his immediate family (as defined in the Listing Manual), are named in the SGX-ST's watchlist. Thus, it would not be reasonable to restrict the ability of Mr Ho's immediate family members to be appointed as directors or executive officers of the Group solely on the basis that he is named in the SGX-ST's watchlist. Each of Mr Ho's associates, whilst his immediate family members, are separate and independent persons and are not his nominees or representatives, and should not be deemed to be his nominees or representatives solely by virtue of the fact that they are his immediate family members. Accordingly, a clear distinction must be drawn between a person who is simply an associate and a person who is a nominee.

In relation to the appointment of Ms Lian as the Deputy Group CEO, the Company wishes to highlight that Ms Lian, while an associate of Mr Ho, is not his nominee or a nominee of any other party as she has demonstrated that she acts independently. This is evidenced by her vast working experience, which includes having more than 25 years of experience in the media and entertainment industry in Singapore and the region, with a deep understanding of the Southeast Asian markets. She held the position of events director in other media and entertainment companies and was entrusted with leadership roles and responsibilities such as managing teams within the corporations, as well as events and projects. Having a direct involvement in the purchase, promotion and distribution of films regionally, she is familiar and experienced with the industry's ecosystem and the fast-evolving changes. Over the years, she has overseen the distribution of many high quality and well-received dramas and films and organised popular concerts which were fully sold out. These leadership roles and responsibilities would require Ms Lian to exercise independent decision-making. Given the foregoing, it would not be the case that she is a nominee of Mr Ho or any other party.

The Nominating Committee ("**NC**") comprises Mr Yeo Guat Kwang, Mr Guo Jingyu and Dr Jiang Minghua, who are reputable and experienced individuals, and who have independently and objectively reviewed the appointment of Ms Lian as the Group Deputy CEO.

The Company wishes to emphasise that all appointments to senior management are evaluated at length through a robust and comprehensive framework that considers the merits, in the context of the skills, extensive experience and knowledge, of such person. As stated in the Company's announcement dated 14 May 2021, the members of the NC had reviewed Ms Lian's curriculum vitae and conducted an interview with Ms Lian, and had taken into account her experience, expertise and knowledge in the business of media and entertainment, and are satisfied that she possesses the relevant experience,

expertise, qualification, character and integrity to perform the role as the Deputy Chief Executive Officer of the Group. In recommending the appointment of Ms Lian, the NC had taken into consideration the foregoing as well as all aspects of diversity, including diversity of skills, professional experience and knowledge, gender, age, tenure of service and other relevant factors.

As Ms Lian's role would be to work closely with the Executive Chairman and Group CEO and the Executive Directors, her experience in the media and entertainment industry (both within the Group and outside of the Group) will add strategic value and support the development and implementation of business strategies by the Executive Directors. Ms Lian's experience and industry knowledge, as well as her potential contribution to the Group, should be considered on its own merits. Ms Lian's professional experience and independent judgment should not be deemed to be affected by virtue of her being the spouse of Mr Ho or by her gender. In recommending the appointment of Ms Lian, the NC had also taken into consideration the Undertaking and as stated in the announcement dated 14 May 2021, the NC had conducted an interview with Ms Lian and assessed that she acts independently and does not act under the direction, control or influence of any party, nor is she a nominee of any party, including Mr Ho.

Accordingly, based on the abovementioned reasons, the Undertaking has been complied with.

Query 2

Please disclose the circumstances leading up to Ms Lian's Appointment, including but not limited to the following:-

- (a) whether the company was actively looking for a Group Deputy CEO;*
- (b) since when did the search began; and*
- (c) whether there were other potential candidates for the Group Deputy CEO position, and the reasons for choosing her over the other candidates.*

Response from the Company:

- (a) The Company had begun searching for a Group Deputy CEO in view of the Group's business expansion. The Group has started exploring several new business expansion and initiatives in Singapore and Malaysia since the start of 2021. This includes the non-binding memorandum entered into by the Company on 17 March 2021 for the establishment of a talent management agency to be based in Singapore, which aims to identify and promote talent across Southeast Asia.
- (b) On 26 February 2021, in view of the proposed business expansion in Singapore and Malaysia, the NC had noted the management's proposal on sourcing for a candidate for a senior management position to oversee business operations in Singapore and Malaysia (the "**Proposal**"). Having reviewed the Proposal, the NC had deliberated and approved that management be authorised to source for a suitable candidate for such senior management position, which is focused on overseeing the operations in Singapore, business development and supporting the Executive Directors in the development and implementation of business strategies in Singapore and Malaysia. Thereafter, the Company had actively reached out to recruiters and posted online job advertisements for this senior management position.
- (c) However, as the media and entertainment industry is a niche market in Singapore, the Company only received two applications, including Ms Lian's. The other candidate was a former TV host, presenter and producer who did not meet the criteria of the NC and the Board for such senior management position, given that the experience of the candidate is in old media and he did not

have the relevant experience in the areas of business development and expansion, or drama and film distribution to video streaming platforms.

In contrast, Ms Lian has more than 25 years of experience in media and entertainment industry, and mainly specialised in film production and distribution, concert production and talent management which includes but not limited to distribution of the intellectual property rights of dramas and films in Singapore and Malaysia. It was also taken into consideration that Ms Lian's experience in business development and familiarity with the nature of the businesses of the Group would likely contribute positively to the growth and business strategies of the Group, particularly in Southeast Asia. Furthermore, Ms Lian is familiar with the Group's operations having been a past director of its Singapore subsidiary for approximately 15 months and would thus be a valuable contribution at the senior management level, as the other senior management personnel are mostly based in the PRC. Based on the foregoing reasons, Ms Lian was chosen over the other candidate.

Query 3

*Please disclose the bases and assessment of the Nominating Committee ("**Assessment**") on the appointment of Ms Lian as Group Deputy CEO. In your response, please also provide the Assessment in view that Ms Lian is the spouse of Mr Ho, a substantial shareholder of the Company and is also on the directors' and executive officers' watchlist of the SGX-ST.*

Response from the Company:

Please see response to Query 1 above.

It is reiterated that Ms Lian has more than 25 years of experience in the media and entertainment industry in Singapore and is familiar with the Group's operations in Singapore. As stated in the announcement dated 14 May 2021, the NC had reviewed Ms Lian's curriculum vitae and conducted an interview with Ms Lian, and had taken into account her experience, expertise and knowledge in the business of media and entertainment. She is an experienced and professional individual, with prior leadership roles and responsibilities which should be considered on their own merits.

Ms Lian's professional experience and independent judgment should not be overlooked, or be deemed to be affected by virtue of her being the spouse of Mr Ho. As mentioned in the response to Query 1 above, the Undertaking is meant to guard against the risk that a person who is on the SGX-ST's watchlist appoints someone who acts in accordance with his directions in order to circumvent the SGX-ST's watchlist. As such, a clear distinction must be drawn between a person who is simply an associate and a person who is a nominee.

As stated in the announcement dated 14 May 2021, the NC had conducted an interview with Ms Lian and assessed that she acts independently and does not act under the direction, control or influence of any party, nor is she a nominee of any party, including Mr Ho.

The Assessment on the appointment of Ms Lian as Group Deputy CEO has already been disclosed in the announcement dated 14 May 2021 and reiterated in this announcement. Hence, the NC considers that there are no issues to her appointment as the Group Deputy CEO in view of the factors stated in the responses to Queries 1 and 2.

Concluding Remarks

The Company and the Board recognise individual merits and contributions, and celebrates achievements based on merits and encourages equality of opportunity within the organisation. Equality of opportunity and recognition based on merits are fundamental values of the Singapore society, including the recognition of the achievements and contributions of women in the workplace.

The Company also places great emphasis on diversity and inclusion as part of its efforts to foster a collaborative workplace environment that will attract greater talent pool and inspire new perspectives and innovation. The Company would particularly cite the global achievements and recognition of outstanding female individuals who have made Singapore extremely proud, including Mdm Halimah Yacob (President of Singapore), Mdm Ho Ching (CEO and Executive Director of Temasek Holdings), Professor Lily Kong (President of Singapore Management University), Ms Chong Siak Ching (CEO of National Gallery Singapore) and Ms Jessica Tan (Co-CEO and Executive Director of Ping An Group), as well as many others, who continue to demonstrate capabilities, competencies, professionalism, independence, dedication and leadership in both private and public sectors.

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

Guo Jingyu
Executive Chairman and Group CEO
18 May 2021