



GS HOLDINGS LIMITED

GS Holdings to Accelerate Business Expansion in Asia with New F&B Brands and Franchises

- *Establishment of a new subsidiary to promote and sell food originating from the People's Republic of China and Singapore*
- *Letter of Intent with an aim to establish 10 Chinese F&B brands and 10 Singapore F&B brands and to develop a franchising model targeted at Asian countries*

SINGAPORE, 28 December 2021 – GS Holdings Limited (“GS Holdings” or the “Company” or “伟盛有限公司” and together with its subsidiaries, the “Group”), is pleased to announce that its indirect wholly-owned subsidiary, Hao Kou Wei Pte. Ltd. (“**HKW**”), has set up a new subsidiary, Sing Zhong Brands Management Pte. Ltd. (“**Sing Zhong Brands Management**”), to manage and operate restaurants and food outlets in coffee shop and food court and also to develop, franchise and manage food and beverage (“**F&B**”) brands with a primary focus to facilitate its plans to promote and sell food originating from the People's Republic of China and Singapore.

In addition, Sing Zhong Brand Management has entered into a Letter of Intent with Action Culture Pte. Ltd. (“**Action Culture**”) with the aim of establishing 10 Chinese F&B brands and 10 Singapore F&B brands, which will be sold as franchise in Asian countries.

With Action Culture’s strong experience and knowledge of the culture and food consumption patterns in both China and Singapore, Action Culture will be responsible for identifying and designing the 10 Chinese F&B brands and concepts as well as sourcing for interested franchisees or investors.

All 20 F&B brands developed will be owned and registered as the intellectual properties of Sing Zhong Brands Management.

Furthermore, by leveraging on Action Culture’s understanding of both countries’ market cultures and its expertise and experience in social media, marketing and content creation, there is good potential for the F&B brands to gain popularity and recognition.

In addition, the Group believes that in executing its plans pursuant to the Letter of Intent, it would be able to contribute towards assisting individuals in realising their aspirations to become entrepreneurs by way of franchise while creating job opportunities in the community.

Under the Letter of Intent, the fees payable to Action Culture will be via the issuance of new shares in the Company based on certain performance targets agreed upon. A definitive agreement will be entered into by the parties after all the other terms for the transaction with Action Culture have been finalised.



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Mr Pang Pok (庞威), Chief Executive Officer and Executive Director of the Company, said, *"We aim to broadly expand our business presence across high-growth end markets within Asia with new F&B brands, concepts and franchises."*

By leveraging on Action Culture's strengths, there are strong opportunities to drive new growth, while diversifying our revenue base and generating new cashflows.

With aligned interests via a performance-based structure for this business collaboration, we look forward to accelerate our business plans to create new and highly compelling value propositions in Asia's F&B industry."

The incorporation of the new subsidiary and the Letter of Intent are not expected to have any material financial impact on the consolidated earnings per share and consolidated net tangible assets per share of the Company and its subsidiaries for the current financial year ending 31 December 2021.

Note: This press release is to be read in conjunction with the SGX announcement released on the same date.

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Issued on behalf of GS Holdings Limited by 8PR Asia Pte Ltd.

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About GS Holdings Limited

(Bloomberg Code: GSHL:SP / Reuters Code: GSHO.SI / SGX Code: 43A)

With an aim to diversify its business model and create additional streams of income, GS Holdings Limited ("**GS Holdings**") has expanded into various business ventures in the food and beverage ("**F&B**") industry.

To harness its growth opportunities, GS Holding is looking to further expand its brand presence across Asia and beyond via new franchising, licensing and distribution models.

*This press release 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**")*



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for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this press release.

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