



PRESS RELEASE

GSH to issue renounceable, non-underwritten rights issue of convertible bonds

- *Entitled shareholders can subscribe to 4 Convertible Bonds for every 100 existing shares.*
- *Priced at S\$1 each, the Convertible Bonds will raise approximately S\$78 million, with a maturity of 3 years, and a coupon rate of 5.20% per annum, payable on a semi-annual basis.*
- *Holder of the Convertible Bonds can convert their bonds into shares at the conversion price of S\$0.17 each, a discount of 9.6%.*
- *The Group's Executive Chairman Sam Goi intends to undertake to subscribe for his entire pro-rata allotment of Convertible Bonds, and for any remaining excess.*

SINGAPORE – 30 June 2021 – Mainboard-listed **GSH Corporation Limited** (“GSH” or the “Group”) today announced its proposal to issue a renounceable, non-underwritten Rights Issue of Convertible Bonds, which will raise approximately S\$78 million for the Group.

Entitled shareholders can participate in the growth of GSH Corporation by subscribing, on a pro-rata basis, the rights to subscribe to 4 Convertible Bonds for every 100 existing shares that they hold as at the Record Date, priced at S\$1.00 for every Convertible Bond. The Convertible Bonds will improve the Group's liquidity, and hence strengthen its financial position.

The Convertible Bonds have a maturity date of 3 years from the issue date of the bonds, at a coupon rate of 5.20% per annum, payable on a semi-annual basis. Holders of the Convertible Bonds will have the right to convert their Convertible Bonds into Conversion Shares, at the conversion price of S\$0.17.

The Conversion Price represents a discount of approximately 9.6% to the closing price of S\$0.188 per Share quoted on Singapore Exchange Trading Limited (the “SGX-ST”) on 30 June 2021.

To demonstrate his support for the Rights Issue and his commitment to, and confidence in, the Group, the Group’s Executive Chairman, Mr Sam Goi, whose shareholding amounts to approximately 59.82% of the Company’s existing issued and paid-up share capital, intends to provide an irrevocable undertaking to subscribe to his entire pro-rata allotment of Convertible Bonds, and for any remaining excess of this issuance.

The Rights Issue will strengthen the Group’s financial position and also provide Shareholders with an opportunity to further participate in the equity of the Company, through the conversion of the Convertible Bonds into Convertible Shares, at a reasonable discount and will allow the Group to be less reliant on external sources of funding, thereby potentially incurring lower external funding expenses.

Said Mr Sam Goi, the Group’s Executive Chairman,

“This Rights Issue of Convertible Bonds, will allow the Group to enhance its liquidity, enable it to navigate through the pandemic and put it in a strong financial position, for the recovery of regional economies, as vaccination rates increase. Meanwhile, we are accelerating the launch of our first luxury residential and hotel development project in Bishan District, near Chongqing. Construction of the hotel is slated for completion by end 2022, while the first phase of the residential component is targeted to commence in the third quarter of 2021 and complete by 2022.”

-end-

For more information, please contact:

Tishrei Communications

HO See Kim, seekim@tishrei.sg

Tel: 9631 3602