

UPDATE ON BOP SERVICES BUSINESS

The Board of Directors (the “**Board**”) of GS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**” and each a “**Group Company**”) refers to the announcements dated, among others, 8 March 2019, 29 April 2019, 11 July 2019, 18 July 2019, 4 February 2020, 5 February 2020, 26 March 2020, 14 April 2020, 26 June 2020, 2 October 2020, 16 November 2020 and 7 December 2020 (collectively, the “**Announcements**”) in respect of the branding, operation and procurement (“**BOP**”) business of the Company’s subsidiary, Wish Hospitality Holdings Private Limited (“**Wish**”).

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

Update on the proposed appointment of Kaifeng Jufel as authorised representative to collect Outstanding Service Fee

In respect of the appointment of Kaifeng Jufel as authorised representative to collect the Outstanding Service Fee as announced on 16 November 2020, the Company wishes to update shareholders that the relevant PRC legal advisers have informed the Company that the Mortgage is still pending approval by the relevant PRC regulatory authority to ensure its validity and enforceability under PRC laws, before the Mortgage can be signed by the parties. The processing time to obtain such approval is expected to be approximately 30 to 45 days from the date of this announcement. Once the Mortgage has been registered with the relevant PRC regulatory authority, the relevant parties will enter into the Definitive Documents. Please refer to the Announcement dated 2 October 2020 for more information on the Definitive Documents and the appointment of Kaifeng Jufel as authorised representative to collect Outstanding Service Fee.

Termination of Arrangement with Ms. Zhang

Once the Definitive Documents have been entered into and the Mortgage has been successfully registered with the relevant PRC regulatory authority, the Company and Wish intend to terminate the existing arrangements in connection with the appointment of Ms. Zhang as authorised representative to collect the Outstanding Service Fee on behalf of Wish, including, among others, the documents pertaining to such authorisation and the existing securities procured / provided by Ms. Zhang (the “**Existing Arrangement**”).

Guarantees Provided by Directors

In view of the further time required for the registration of the Mortgage by the relevant PRC regulatory authority and the impending execution of the Definitive Documents thereafter, the Company has further agreed with Mr. Zhang and Mr. Pang Pok on the further amendment of the personal guarantees furnished by them in connection with the Existing Arrangement, such that each of Mr. Zhang and Mr. Pang guarantees (i) the transfer to the Company/Wish of the Outstanding Service Fee collected by Ms Zhang, and (ii) the collection by Ms Zhang of the entire Outstanding Service Fee by 15 February 2021, instead of the previously extended deadline of 31 December 2020.

The personal guarantee granted by Mr. Liu Changsheng to secure the transfer to the Company / Wish of the Outstanding Service Fee collected by Ms Zhang also remains effective until the termination of the Existing Arrangement.

Update on Tax Consultations

The Board also wishes to update the shareholders that the Tax Consultations for the remaining 11 Secured Outlets are still ongoing, to determine the requisite tax payable on the respective Outstanding Service Fee from such 11 Secured Outlets, amounting to RMB 96 million in aggregate. The Company has stated in the announcement dated 16 November 2020 that it targets to complete the Tax Consultations by 31 December 2020. However, the Group expects that additional time is required to conclude the Tax Consultations, and targets to complete such Tax Consultations by 31 March 2021. The Company wishes to inform that as the 14 Secured Outlets belong to different tax jurisdictions within PRC, the resolution of the Tax Consultations in relation to each Secured Outlet will occur at differing times.

Further Updates and Cautionary Statement

The Board will make relevant update announcements in relation to the BOP business as and when there are material developments on the same.

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 refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, 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 or other professional advisors.

By Order of the Board

Pang Pok
Chief Executive Officer and Executive Director 4

3 January 2021

*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 Catalist.*

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 statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.