

**(1) ENTRY BY SUBSIDIARY INTO HEALTH MANAGEMENT SERVICE AGREEMENTS
(PREVIOUSLY KNOWN AS BOP SERVICE AGREEMENTS)
(2) OTHER UPDATES ON THE BOP SERVICES BUSINESS**

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of GS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**” and each a “**Group Company**”) refers to:

- (i) the Company’s announcement dated 8 March 2019 in respect of the entry by the Company’s subsidiary, Wish Hospitality Holdings Private Limited (“**Wish**”) into an exclusive branding, operation and procurement (“**BOP**”) master service agreement (the “**Master Service Agreement**”) with Henan Jufeel Technology Group Co., Ltd. (“**Henan Jufeel**”);
- (ii) the Company’s announcement dated 29 April 2019 in respect of the entry by Wish into exclusive BOP service agreements (each a “**BOP Service Agreement**”) with 8 food and beverage (“**F&B**”) outlets (each a “**Secured Outlet**”) secured by Henan Jufeel and the Company’s subsequent announcement dated 18 July 2019 in respect of the entry by Wish into BOP Service Agreements with 6 additional Secured Outlets; and
- (iii) the Company’s other announcements dated, among others, 11 July 2019, 4 February 2020, 5 February 2020, 26 March 2020, 14 April 2020, 26 June 2020, 2 October 2020, 16 November 2020, 7 December 2020, 3 January 2021, 22 January 2021 and 26 January 2021 in respect of, among others, updates on the BOP business of the Group.

2. ENTRY BY WISH INTO HEALTH MANAGEMENT SERVICE AGREEMENTS

2.1 The Existing BOP Service Agreements

As set out in the Company’s announcement dated 29 April 2019, pursuant to each BOP Service Agreement entered into by and between Wish and each Secured Outlet, Wish will provide such Secured Outlet with exclusive BOP services for a period of 1 year. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party. Under the respective BOP Service Agreements, each Secured Outlet is to pay a quarterly service fee to Wish for such BOP services until the termination of the respective BOP Service Agreement.

As at the date of this announcement, Wish has entered into BOP Service Agreements with 14 Secured Outlets. Please refer to the **Appendix** of this announcement for more information on the foregoing outlets.

2.2 The New Health Management Service Agreements

Pursuant to a review of the current BOP business operations and discussions with the Secured Outlets to ensure the sustainability and continuity of the BOP business, and in light of the business environment in the People’s Republic of China (“**PRC**”) as a result of the

evolving COVID-19 pandemic, the Company wishes to inform shareholders that there have been some modifications that have been (or will be) implemented to the commercial terms of the contracts entered into by Wish, the Company’s subsidiary, with the existing Secured Outlets. Accordingly, Wish has on 31 March 2021 entered into new agreements (each now referred to as a “**Health Management Service Agreement**” instead of BOP Service Agreement, and the BOP services provided thereunder now referred to as “health management services” instead of “BOP services”) with 8 out of the 14 existing Secured Outlets to reflect such new commercial terms, namely the Secured Outlets as set out in Section (1) of the **Appendix**.

Under the Health Management Service Agreements, the aggregate amount that will be payable by these 8 existing Secured Outlets on a quarterly basis comprise, in effect, the higher of (i) service fees, and (ii) variable fees to be accrued in proportion to the revenue derived by such Secured Outlets from products sales, such fees to be in the form of a commission (the “**Commission**”), if any. Please refer to **section 2.2.1** below on the relevant service fees and Commission payable by the Secured Outlets.

The new / amended key commercial terms which the Company deems material and which form part of the Health Management Service Agreements are set out below. These terms are expected to apply to all existing and future Secured Outlets which the Group may provide its health management services to.

2.2.1 In respect of fees payable by a Secured Outlet and Referral Benefit

<p>Provision in the current BOP Service Agreement</p>	<p>A quarterly service fee is payable by a Secured Outlet to Wish in consideration for Wish providing the health management services. As the amount of service fees payable may be subject to review every quarter based on the business performance of the relevant Secured Outlet in the preceding quarter, the amount of service fees payable to Wish under the respective BOP Service Agreements may not necessarily be fixed.</p>
<p>New provision in the Health Management Service Agreement</p>	<p><u>Service Fees and Commission</u></p> <p>Similar to the BOP Service Agreements, each new Health Management Service Agreement entered into by Wish with a Secured Outlet will set out the amount of service fees payable by the Secured Outlet to Wish on a quarterly basis.</p> <p>In addition to the above quarterly service fees payable by a Secured Outlet to Wish in consideration for Wish providing the health management services, each new Health Management Service Agreement provides that Wish will charge variable fees in the form of the Commission.</p> <p><u>Amount of Commission</u></p> <p>The Commission payable to Wish will be based on a percentage of the total proceeds received by such Secured Outlet from its customers from the sale of products in a calendar month, and shall be payable within 7 days of the end of such calendar month. As set out in the table below, the percentage may differ depending on whether the Secured Outlet is a “<i>Core Outlet</i>” or a “<i>Referral Outlet</i>” (each as defined below).</p>

Type of Secured Outlet	Commission Payable ⁽¹⁾
Core Outlet ⁽²⁾	50% payable entirely to Wish
Referral Outlet ⁽³⁾	40% payable to Wish and 10% payable to the relevant referring Core Outlet

Notes:

- (1) As a percentage of the total proceeds for the relevant calendar month.
- (2) “**Core Outlet**” refers to any one of the existing 14 Secured Outlets or any Secured Outlet as may be secured by Wish or a Group Company, or Henan Jufeel under the Master Service Agreement.
- (3) “**Referral Outlet**” refers to any Secured Outlet which may have been referred by a Core Outlet to Wish/the Group, and which subsequently enters into a Health Management Service Agreement with Wish.

Under the Health Management Service Agreements, each Secured Outlet shall provide to Wish the sales report for such calendar month before the 14th day of the following calendar month. This will allow Wish to ensure and verify that the amount of Commission paid by a Secured Outlet to Wish for the relevant calendar month is accurate.

The part of the Commission which will be payable to a Core Outlet by the relevant Referral Outlet(s) represents a form of “referral benefit”. The Group intends for such “referral benefit” to incentivise the Core Outlets in increasing the Group’s network of health management service clients, and indirectly facilitating expansion of the Group’s network of clients under the health management service business. Shareholders may also wish to note that Wish is currently working towards implementing and effecting an automated system which is expected to allow Wish or such party as may be designated by Wish to receive the relevant amount of Commission immediately upon payment being made by the customers of the Secured Outlets for purchase of the products. The Company will update shareholders on any material development in this regard.

Payment of Service Fees

Pursuant to the Health Service Management Agreements, the total amount of Commission as may be received by Wish from a Secured Outlet in a particular quarter (the “**Quarterly Commission**”) shall be applied towards and offset against the amount of quarterly service fees payable by such Secured Outlet to Wish for the corresponding quarter, as follows:

- (A) if the total amount of the Quarterly Commission received by Wish is less than the amount of service fees payable by the Secured Outlet for the corresponding quarter, the relevant Secured Outlet shall pay such

amount equivalent to the difference between the Quarterly Commission and the services fees for the corresponding quarter; and

- (B) if the total amount of the Quarterly Commission received by Wish exceeds the amount of service fees payable by the Secured Outlet for the corresponding quarter, Wish shall be entitled to receive and keep such amount equivalent to the difference between the Quarterly Commission and the services fees for the corresponding quarter.

For the avoidance of doubt, based on the above, in effect, the amount that will be paid by each Secured Outlet under a Health Management Service Agreement will be whichever is the higher of (A) or (B).

Accordingly, the implementation of the "Commission" arrangement in the Health Management Service Agreements is intended to set an indicative sales target for the Secured Outlets, and to enable Wish to receive part of its quarterly service fees on a monthly basis. This will ensure that Wish will be able to receive (i) the base amount of quarterly service fees as prescribed in the respective Health Management Service Agreements even if the business of the Secured Outlet does not perform well, and (ii) an additional amount if the business of Secured Outlet performs well, such additional payment in recognition of Wish's efforts in increasing the revenue of the Secured Outlet.

Expected amount of Service Fees under the new Health Management Service Agreements

Subject to the remaining 6 existing Secured Outlets entering into the Health Management Service Agreements, the Company intends to maintain an aggregate of RMB 10 million in quarterly service fees which shall be payable by the 14 Secured Outlets as the base service fees for each quarter. This is consistent with the aggregate quarterly service fees which have been charged by Wish in respect of the 14 existing Secured Outlets for the most recent financial quarters ended 30 September 2020 and 31 December 2020.

Based on the foregoing, under the new Health Management Service Agreements, the Company expects the aggregate quarterly service fees payable by the foregoing existing 8 Secured Outlets which have entered into the Health Management Service Agreements to be approximately RMB 6.1 million. As provided in the respective Health Management Service Agreements and by virtue of the Commission arrangement, Wish is expected to receive at least such amount of quarterly service fees as prescribed under the Health Management Service Agreements notwithstanding the business performance of such Secured Outlets.

2.2.2 *In respect of Designation of Representative to collect Service Fee*

Provision in the BOP Service Agreement	None.
New provision in the Health Management Service Agreement	If a Secured Outlet is unable to pay the service fees to Wish by the payment due date due to tax or such other regulations in the PRC (whether pertaining to tax or foreign exchange), Wish is entitled to require such Secured Outlet to pay such service fees to a domestic collection agent as Wish may designate, such payment to be made within such period of time as may be prescribed in the Health Management Service Agreement.

2.2.3 *Term*

Each Health Management Service Agreement with the foregoing 8 existing Secured Outlets shall be valid for a period of 1 year commencing on 1 April 2021 and will be automatically renewed for a period of 1 year up to a maximum of 4 renewal terms unless terminated by either party in accordance with the terms therein. This is similar to the provision set out in the BOP Service Agreements.

Accordingly, in respect of the foregoing 8 existing Secured Outlets, the terms of the Health Management Service Agreements shall take effect, and shall supersede the previous BOP Service Agreements entered into by Wish with such Secured Outlets, on and from 1 April 2021. The entry by Wish and such 8 existing Secured Outlets into the Health Management Service Agreements will not constitute a waiver of, or affect, any outstanding obligations and liabilities (including any outstanding service fee payable to Wish) of the Secured Outlets under the previous BOP Service Agreements.

2.2.4 *Deposit*

Similar to the provisions set out in the BOP Service Agreements, under the Health Management Service Agreements, Wish is required to pay to the Secured Outlets a refundable deposit of RMB 1 million within 1 month from the date of signing of the respective Health Management Service Agreements. The deposit will be refunded to Wish within 1 month from the date of termination of the Health Management Service Agreements.

2.3 **Status of the remaining 6 existing Secured Outlets**

The Group is still in discussions with the remaining 6 out of the 14 existing Secured Outlets as to the entry into a new Health Management Service Agreement with each of them, and will update shareholders once there is any development on the same.

As far as the Company is aware, the foregoing 6 existing Secured Outlets have in January and February 2021 recently moved their operations entirely to an online platform upon expiry of the term of their respective leases, removing the need for a physical store. The Company understands that the online platform being utilised by these Secured Outlets is a PRC e-commerce marketplace that facilitates the search for health supplements and products by customers, and the sale and distribution of the same by businesses and suppliers (such as the Secured Outlets) which utilises the platform's services. The online platform not only serves as a virtual marketplace for businesses such as the Secured Outlets to advertise, market and sell their health supplements and products, but also enables the Secured Outlets to better serve customers by providing personalised services. Essentially, the Secured Outlets will encourage their customers to register as members of the online platform and

complete surveys relating to the customer's specific needs and health conditions. Based on information provided in the completed surveys, the Secured Outlets would then make recommendations which are specifically customised to each customer's needs and health conditions as disclosed in the completed survey. Should a customer register himself/herself on the online platform, any purchase made by the customer would be tagged to the Secured Outlet that had recommended the customer to register. Prior to or after the customer's successful registration with the online platform, based on the customer's needs or health conditions disclosed in the completed survey, the Secured Outlet may (i) provide online medical consultation, and/or (ii) recommend the customer to undergo relevant health screening/checks/scans by referring the customer to other Secured Outlet(s) which are in the nearest vicinity to the customer's location and has the necessary machine and equipment to conduct such physical health screening/checks/scans, or any nearby hospital or medical centre that has entered into a co-operation agreement with the Secured Outlet.

The Company understands that the shift to an e-commerce business model for these 6 existing Secured Outlets were made so as to, among others, increase revenue opportunity for these Secured Outlets given the trend in increased online shopping for consumers in the PRC, and reduce operating costs by eliminating the need to pay for rental and basic utilities that are usually associated with the rental of a physical space. Given the evolving nature of the COVID-19 pandemic and the risk of any government lockdowns or quarantine measures, the Company is also of the view that an online e-commerce business model will, to a certain extent, ensure a degree of business continuity for these Secured Outlets. Based on the foregoing, the Group envisages that other Secured Outlets (whether existing or future ones) may also implement/adopt an e-commerce business model with limited/zero reliance on the use of physical space.

As such, the Secured Outlets (whether existing or future ones) which the Group may provide its health management services to may or may not have a physical store for the operation of their business.

2.4 No change in nature of Group's BOP Business

The health management services to be provided by Wish under the Health Management Service Agreements will be the same as the existing BOP services being provided under the BOP Service Agreements and notwithstanding the change in nature of the business of the Secured Outlets. The entry by Wish into the Health Management Service Agreements with the 8 existing Secured Outlets, the remaining 6 existing Secured Outlets (subject to such outlets entering into the Health Management Service Agreements) and such other new customers is not expected to, and will not, materially change the nature of the BOP business currently engaged by Wish and / or the Group. The Group also does not expect the nature of its current BOP business to materially change even if the Secured Outlets and its potential BOP customers adopt an e-commerce business model as detailed above. Shareholders may wish to refer to the Company's circular dated 13 December 2019 for further information on the Group's BOP business.

Shareholders should note that, moving forward, the Company intends for each contract to be entered into by Wish with each new customer in respect of the provision of the BOP services (to be referred to as "health management services") to substantially be in the form of the Health Management Service Agreement.

3. OTHER UPDATES ON THE BOP SERVICES BUSINESS

The Company also wishes to inform shareholders that the Board, upon the recommendation of the management, has decided to grant such Secured Outlets a reduction in the aggregate service fee of RMB 40 million (from an aggregate of RMB 50 million to RMB 10 million) for the months of January 2021 to March 2021 (collectively, the "**Reduction**") after taking into

consideration the respective Secured Outlets' performance for the months of January 2021 to March 2021 and the approximately 2 weeks of closure of business due to the long Chinese New Year holidays in the PRC, and with a view towards building a long term working relationship between Wish and these Secured Outlets.

As at the date of this announcement, an aggregate amount of RMB 132.67 million in service fees remains payable by the relevant Secured Outlets. For the avoidance of doubt, such amount comprises (i) the remaining outstanding service fees of RMB 96.0 million which were due as at 31 December 2019, (ii) service fees of RMB 36.67 million which were billed up to 31 December 2020 and are currently due and payable by the relevant Secured Outlets as at 31 December 2020.

Out of the aggregate amount of RMB 132.67 million in outstanding service fees, approximately RMB 69.37 million remains outstanding and payable by the 8 existing Secured Outlets that have entered into the Health Management Service Agreements while approximately RMB 63.3 million remains outstanding and payable by the remaining 6 existing Secured Outlets. As at the date of this announcement, Wish has not received any of the foregoing outstanding amount in service fees.

Shareholders should note that Kaifeng Jufee Biotechnology Co., Ltd. ("**Kaifeng Jufee**") has been appointed as authorised representative to collect the outstanding service fees of RMB 96.0 million which were due as at 31 December 2019 from the existing Secured Outlets. Under the appointment, Kaifeng Jufee is authorised and required to collect such outstanding service fees before 22 April 2021 (i.e. within 90 days from 22 January 2021 being the date of the performance guarantee agreement executed by Kaifeng Jufee). In connection with its appointment, Kaifeng Jufee has granted in favour of the Company/Wish/ Wish Health Management (Shanghai) Co. Ltd several undertakings/guarantees/securities comprising (i) the foregoing performance guarantee, (ii) a registered mortgage over land and factory buildings in Kaifeng City, Henan, PRC held by Kaifeng Jufee, (iii) pursuant to its execution of a commitment letter (which is also executed by Mr Zhang Rongxuan, a director of the Company), undertakings to ensure fulfilment of obligations of Kaifeng Jufee under the performance guarantee agreement, and to unconditionally assist with the enforcement of the mortgage in the event Kaifeng Jufee fails to fulfil its obligation under the performance guarantee agreement, and (iv) a deed of trust confirming that all such outstanding service fees collected by Kaifeng Jufee are held on trust for and on behalf of Wish. In addition to the foregoing, Mr Zhang Rongxuan has executed a personal guarantee in favour of the Company to, among others, secure and guarantee the obligations of Kaifeng Jufee under the relevant agreements. Shareholders may wish to refer to the Company's announcements 2 October 2020, 16 November 2020, 3 January 2021 and 26 January 2021 for further details on Kaifeng Jufee's appointment.

In respect of the service fees of RMB 10.0 million for the period from January 2021 to March 2021, this will be billed on (and become due and payable by the relevant Secured Outlets as at) 31 March 2021.

Shareholders should note that the Reduction is expected to have a substantial impact on the Group's revenue and earnings for the first quarter of the financial year ending 31 December 2021 ("**FY2021**"). As such, in addition to the "referral benefit" that the Group will be implementing to expand its customer base, the Group will continue to explore and evaluate other business opportunities/strategies to complement/supplement its existing businesses so as to cushion the financial impact that the Group may suffer in the FY2021 due to negative impact from the on-going COVID-19 situation.

The Company will update shareholders on any further material developments in relation to the BOP business (including the entry, if any, by the 6 remaining existing Secured Outlets

into the Health Management Service Agreements) and as and when required under the SGX-ST Listing Manual Section B: Rules of Catalist.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective shareholding interests in the Company (if any), none of the Directors or their associates or, as far as the Company is aware, substantial shareholders of the Company or their associates, has any interest, direct or indirect, in the Health Management Service Agreements which have been entered into by Wish with the relevant 8 existing Secured Outlets.

5. CAUTIONARY STATEMENT

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

31 March 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.

APPENDIX

Details of the 14 Existing Secured Outlets

(1) List of 8 Secured Outlets which have entered into the new Health Management Service Agreements

No.	Name of Outlet	Location	Term of BOP Service Agreement
1.	河南沃明健康管理有限公司	河南 (Henan Province)	24 April 2019 to 31 March 2021
2.	杭州民析健康管理有限公司	浙江 (Zhejiang Province)	24 April 2019 to 31 March 2021
3.	秦皇岛沃析健康管理有限公司	河北 (Hebei Province)	24 April 2019 to 31 March 2021
4.	义乌市沃析健康管理有限公司	义乌市 (Yiwu city)	24 April 2019 to 31 March 2021
5.	杭州沃析健康管理服务有限公司	浙江 (Zhejiang Province)	24 April 2019 to 31 March 2021
6.	盘锦沃析健康管理有限公司	辽宁 (Liaoning Province)	3 May 2019 to 31 March 2021
7.	浙江自贸区泓德健康管理有限公司	浙江 (Zhejiang Province)	3 May 2019 to 31 March 2021
8.	江苏新出发生物科技 有限公司	南京 (Nanjing city)	3 May 2019 to 31 March 2021

(2) List of 6 Secured Outlets which are still in discussions with Wish to enter into the new Health Management Service Agreements

No.	Name of Outlet	Location	Term of BOP Service Agreement
1.	上海沃析健康管理有限公司	Online platform	24 April 2019 to 23 April 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party.
2.	杭州沃明健康管理有限公司	Online platform	24 April 2019 to 23 April 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party.
3.	云南沃长大健康管理有限公司	Online platform	24 April 2019 to 23 April 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal

No.	Name of Outlet	Location	Term of BOP Service Agreement
			terms) unless terminated by either party.
4.	广州沃兴健康管理有限公司	Online platform	3 May 2019 to 2 May 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party.
5.	驻马店沃析健康服务有限公司	Online platform	3 May 2019 to 2 May 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party.
6.	新乡市沃析健康管理有限公司	Online platform	3 May 2019 to 2 May 2021. The period of service is automatically renewed for an additional period of 1 year (up to a maximum of 4 renewal terms) unless terminated by either party.