

GS HOLDINGS LIMITED
(Company Registration No. 201427862D)
Incorporated in the Republic of Singapore

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 Company’s announcements dated:

- (i) 13 June 2021 in respect of, among others, the existing encumbrance on the outstanding services fees of RMB 100 million received by Wish Health Management (Shanghai) Co. Ltd. (the “**13 June 2021 Announcement**”) and the announcement dated 17 June 2021 in response to certain queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in respect of the 13 June 2021 Announcement;
- (ii) 1 July 2021 in respect of the status of registration of the New Third Party Mortgage and removal of the Relevant Encumbrance; and
- (iii) 19 July 2021 in relation to obtaining further guarantees from Kaifeng Jufel Biotechnology Co., Ltd. (“**Kaifeng Jufel**”) and Mr Zhang Rongxuan (“**Mr Zhang**”).

(collectively, the “**Announcements**”).

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

1. GUARANTEE AGREEMENTS

As announced by the Company in the 13 June 2021 Announcement, there is an encumbrance on the monies in Wish Health Management (Shanghai) Co. Ltd.’s (“**Wish Shanghai**”) bank account amounting to RMB100 million. As further set out in the Announcements dated 13 June 2021, 17 June 2021, 1 July 2021 and 19 July 2021, the Company had been working towards registering the New Third Party Mortgage and removing the Relevant Encumbrance with the bank. As at the time of release of this announcement, the Board understands that the Company has yet to receive any confirmation on the release and discharge of the Relevant Encumbrance. The Company understands from Mr Zhang that the main reason for the delay was the serious flood disasters which occurred from 21 July 2021 till around 25 July 2021 in China’s Henan province as a result of heavy rainfall since 17 July 2021, followed by lockdown curbs imposed in provinces across China by the local authorities since the end of July 2021 due to the outbreak of the highly infectious Delta variant virus. As a result of these factors, Mr Zhang could not travel to Shanghai to sign certain documents pertaining to the discharge of the Relevant Encumbrance.

On 18 August 2021, the guarantee agreements in favour of Wish Hospitality Holdings Private Limited were signed by Kaifeng Jufel and Mr Zhang (collectively, the “**Guarantors**”). The guarantee agreements provide that: -

- (a) The Guarantors shall guarantee and procure the complete release and discharge of the Relevant Encumbrance over the relevant bank account of Wish Shanghai by 30 September 2021; and

- (b) If the Relevant Encumbrance is not completely released and discharged by 30 September 2021, the Guarantors shall be liable to pay and guarantee payment to the Company (or any Group Company as elected by the Company) of such outstanding service fees in the sum of RMB100 million which has been duly received and is currently in such encumbered bank account.

In the meantime, the Company will continue to monitor the discharge of the Relevant Encumbrance over the foregoing amount of RMB100 million.

2. FURTHER UPDATES

The Board is of the view that the delayed removal of the Relevant Encumbrance does not affect its opinion on the Group's operations and its ability to continue as a going concern. The Company will keep Shareholders updated on any developments as and when there are any material updates on this matter.

3. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders should note that there is no certainty that the Relevant Encumbrance can be removed within the abovementioned timeline. Shareholders of the Company are advised 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 and other professional advisers.

By Order of the Board

Pang Pok
Chief Executive Officer and Executive Director

18 August 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 Catalyst.*

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.