

**UPDATE ON STATUS OF OUTSTANDING SERVICE FEES
IN RESPECT OF THE BOP 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 8 March 2019, 29 April 2019, 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, 26 January 2021 and 31 March 2021 (collectively, the “**Announcements**”) in respect of, among others, 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.

1. Background on collection of Outstanding Service Fees

A summary of the key events pertaining to the collection of the Outstanding Service Fee is set out below:

- (i) on 4 February 2020, the Company announced that Outstanding Service Fees amounting to an aggregate of RMB 120 million were due and payable to Wish by the 14 existing Secured Outlets as at 31 December 2019;
- (ii) on 26 March 2020, the Company announced that Wish had yet to receive the Outstanding Service Fees owed by the Secured Outlets and that the Company and Wish had appointed Ms Zhang Liying (“**Ms Zhang**”), the Company’s joint venture partner, as Wish’s authorised representative to collect the Outstanding Service Fee for and on behalf of Wish;
- (iii) on 14 April 2020, the Company announced that Ms Zhang had yet to collect any amount of the Outstanding Service Fees and that additional securities had been obtained in respect of Ms Zhang’s appointment and collection of the Outstanding Service Fees;
- (iv) on 2 October 2020, the Company announced, among others, that:
 - (a) in respect of the appointment of Ms Zhang as the authorised representative to collect the Outstanding Service Fees, that she had not been able to travel to the PRC to complete the necessary administrative procedures thereto due to travel restrictions in light of COVID-19. Accordingly, the Company and Wish intended to terminate the existing arrangements in connection with the appointment of Ms Zhang; and
 - (b) in view of the delays and difficulties for the Company / Wish to receive the Outstanding Service Fees, that Kaifeng Jufeel Biotechnology Co., Ltd. (“**Kaifeng Jufeel**”) had been appointed as the authorised representative to collect the remaining Outstanding Service Fees of RMB 96.0 million which were due as at 31 December 2019 from 11 Secured Outlets;

- (v) on 16 November 2020, the Company announced that an amount of RMB10.48 million in Outstanding Service Fees had been received by Wish Shanghai as at the same date and that the Group expected to receive the remaining amount of RMB 10.32 million of Outstanding Service Fees within the week of 16 November 2020.
- (vi) On 7 December 2020, the Company announced the receipt of the remaining amount of RMB 10.32 million (as mentioned in sub-paragraph (v) above);
- (vii) on 26 January 2021, the Company announced that the relevant parties had entered into the Definitive Documents in connection with the appointment of Kaifeng Jufeel as authorised representative to collect the remaining Outstanding Service Fees of RMB 96 million by 22 April 2021; and
- (viii) on 31 March 2021, the Company announced that an aggregate amount of RMB 132.67 million in service fees remained payable by the relevant Secured Outlets as at 31 March 2021, comprising (i) the remaining Outstanding Service Fees of RMB 96.0 million, and (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.

2. Update on the Outstanding Service Fee

An aggregate amount of RMB 132.67 million in service fees remains payable to Wish as at the date of this announcement, comprising (i) remaining Outstanding Service Fees of RMB 96 million which were due as at 31 December 2019 from 11 Secured Outlets, and (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. The foregoing outstanding amount remains unchanged since the Company's announcement dated 31 March 2021.

In respect of the remaining Outstanding Service Fees of RMB 96 million due as at 31 December 2019, Kaifeng Jufeel, being the authorised representative appointed by the Company and Wish, was required to collect such outstanding service fees from the relevant Secured Outlets by 22 April 2021.

The Company wishes to inform Shareholders that Wish did not receive the Outstanding Service Fees of RMB 96 million due as at 31 December 2019, on 22 April 2021. Notwithstanding the foregoing, as at the date of this announcement, Kaifeng Jufeel has notified Wish that it has received outstanding service fees amounting to RMB 100 million from the relevant Secured Outlets, and will transfer the foregoing amount to Wish Shanghai no later than 30 April 2021.

The Company will request its auditor to verify and confirm the receipt of the foregoing Outstanding Service Fees, once Kaifeng Jufeel notifies Wish and Wish Shanghai of the transfer of such amount.

Upon receipt of the RMB 100 million from Kaifeng Jufeel, the aggregate amount of outstanding service fees which remain payable by the 14 Secured Outlets would amount to RMB 32.67 million, being the amount of service fees billed up to 31 December 2020, which will remain outstanding and payable.

The Company wishes to highlight that, in connection with the appointment of Kaifeng Jufeel, certain undertakings and securities were provided by Kaifeng Jufeel in favour of Wish / Wish Shanghai (as the case may be), as set out in the Definitive Documents. Such securities include a mortgage over the land and factory buildings (the "**Mortgaged Properties**") independently

valued at RMB 221 million. Pursuant to the foregoing mortgage agreement, Wish Shanghai shall be entitled to enforce the Mortgage and dispose of the Mortgage Properties to recover the Outstanding Service Fee and enforcement costs incurred in their entirety in the event that Kaifeng Jufee! fails to perform its obligations pursuant to the Performance Guarantee Agreement. Shareholders may wish to refer to the Company's announcements dated 2 October 2020, 16 November 2020, 3 January 2021 and 26 January 2021 for further details on Kaifeng Jufee!'s appointment.

3. Lifting of Trading Halt and Cautionary Statement

The Board is of the opinion that sufficient information has been disclosed for the trading of the Company's securities to continue in an orderly manner; and confirmed that all material disclosures have been provided for the trading of the Company's shares to continue. As such, the Company will request to lift the trading halt following the release of this announcement.

The Board will make the relevant update announcements in relation to the receipt of the RMB 100 million from Kaifeng Jufee! by the Group, the collection of the remaining outstanding BOP monies of RMB32.67 million and 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 and other professional advisers.

By Order of the Board
Pang Pok
Chief Executive Officer and Executive Director

27 April 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.

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