



GS HOLDINGS LIMITED

(Incorporated in Singapore on 19 September 2014)
(Company Registration Number: 201427862D)

ENTRY BY SUBSIDIARY INTO BOP SERVICE AGREEMENTS

1. INTRODUCTION

The Board of Directors (the "**Board**") of GS Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on 8 March 2019 (the "**Announcement**") in respect of the entry by the Company's subsidiary, Wish Hospitality Holdings Private Limited ("**Wish**") into an exclusive branding, operation and procurement master service agreement with Henan Jufeel Technology Group Co., Ltd. ("**Henan Jufeel**"). Unless otherwise defined herein, all capitalised terms shall have the meanings ascribed to them in the Announcement.

As set out in the Announcement, Henan Jufeel will procure that each of the Secured Outlets signs an individual BOP Service Agreement with Wish once such Secured Outlet is ready for opening or commencement of business. The Board is pleased to announce that Wish has, on 24 April 2019, entered into exclusive BOP Service Agreements with eight (8) Secured Outlets.

2. THE BOP SERVICE AGREEMENTS

2.1 Services Provided

Pursuant to each BOP Service Agreement, Wish will provide each Secured Outlet with exclusive BOP Services for a period of one (1) year from the date of each BOP Service Agreement. In consideration of the foregoing, Wish will provide the BOP Services to each Secured Outlet, and the Optional Services, if required by the relevant Secured Outlet.

Pursuant to each BOP Service Agreement, Wish will also recruit, train, evaluate and send its employees and executives to each respective Secured Outlet's designated operating locations on a secondment basis to render the BOP Services. Each Secured Outlet will be responsible for the remuneration of such employees and executives and all related mandatory expenses.

2.2 Service Fee

Pursuant to each BOP Service Agreement, a quarterly Service Fee (instead of monthly) will be payable by each Secured Outlet to Wish in consideration for Wish providing the BOP Services. Based on the BOP Service Agreements entered into with the eight (8) Secured Outlets, an aggregate of RMB 30,000,000 is payable by the eight (8) Secured Outlets as a quarterly Service Fee to Wish.

The quantum of the Service Fee payable for each Secured Outlet was arrived at after arm's length negotiations between the respective parties and after taking into consideration the size and location of the respective Secured Outlet and the expected total turnover of the respective Secured Outlet.

If a Secured Outlet requires any of the Optional Services, both Wish and such Secured Outlet will negotiate and agree on the terms of the Optional Services to be provided, including but

not limited to the exact scope of Optional Services to be provided and the fees payable. The terms of the provision of the Optional Services will be separate from the BOP Services, which are subject to the terms of the BOP Service Agreement.

2.3 The Term

Each BOP Service Agreement is valid for a period of one (1) year from the date of each BOP Service Agreement unless terminated earlier in accordance with the terms therein. For so long as each BOP Service Agreement is valid, Wish will be the exclusive provider of the Services and each Secured Outlet shall not accept and use the services of any third party to provide the Services and any related services related to that unless written consent has been given by Wish in advance, and for Wish to determine the third party.

3. FINANCIAL EFFECTS

The entry by Wish into the BOP Service Agreements is expected to have a positive impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2019 and for the financial year ending 31 December 2020.

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 or their associates, has any interest, direct or indirect, in the BOP Service Agreements.

5. UPDATE

The Company will update Shareholders on any further material developments in connection with the foregoing where required under SGX-ST Listing Manual Section B: Rules of Catalyst. For the foregoing purposes, the Company intends to release such relevant announcements as and when (i) the Service Fee payable pertaining to new BOP Service Agreement(s) entered into by Wish, on an accumulated basis, is RMB 30,000,000 or more, or (ii) material developments such as litigation or termination/ dissolution of the Company's joint venture in respect of Wish occurs.

6. TRADING CAUTION

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
Executive Chairman and Chief Executive Officer

29 April 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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