

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

**RE-ALLOCATION OF USE OF NET PROCEEDS OF THE PLACEMENT OF  
26,675,555 NEW ORDINARY SHARES IN THE CAPITAL OF GS HOLDINGS LIMITED**

*Unless otherwise defined, all capitalised terms used and not defined herein shall bear the same meanings ascribed to them in the Company's circular dated 11 February 2019 ("**Circular**").*

**1. INTRODUCTION**

The Board of Directors (the "**Board**") of GS Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the announcements dated 17 December 2018, 3 January 2019, 7 January 2019, 25 March 2019, 5 April 2019 and the Circular dated 11 February 2019 in respect of, among others, the proposed placement of 26,675,555 new ordinary shares in the capital of the Company to Marvel Earn Limited and Chong Paw Long ("**Placement**") where the Company had raised a net proceeds of approximately S\$4.74 million ("**Net Proceeds**").

**2. RE-ALLOCATION OF THE USE OF NET PROCEEDS FROM THE PLACEMENT**

2.1 Pursuant to Rule 704(30) of the Catalist Rules, the Company wishes to announce the re-allocation of the use of Net Proceeds from the Placement which was previously set out in the Circular and the Company's announcement dated 17 December 2018.

Pursuant to the re-allocation (further details of which are provided for below), the use of Net Proceeds as at the date of this announcement is set out below:

<b>Use of Net Proceeds</b>	<b>Original amount allocated S\$'000</b>	<b>Amount allocated pursuant to the re-allocation S\$'000</b>	<b>Amount utilised as at the date of this announcement S\$'000</b>	<b>Amount unutilised as at the date of this announcement S\$'000</b>
Acquisition of companies and/or assets in the food & beverage business	3,792 (approximately 80% of Net Proceeds)	2,700	1,080	1,620
General working capital	950 (approximately 20% of Net Proceeds)	1,742	950 <sup>1</sup>	792
Capital expenditure for dishwashing business	-	300	-	300
<b>Total</b>	<b>4,742</b>	<b>4,742</b>	<b>2,030</b>	<b>2,712</b>

Note:

(1) The breakdown of the utilised working capital was as follows:-

	S\$'000
Instalment for loans and borrowings in relation to past utilisation of property, plant and equipment	764
Professional fees, audit fees, directors' fees, and others	186
Total	950

#### 4. RATIONALE FOR THE RE-ALLOCATION OF THE USE OF NET PROCEEDS

- 4.1 The Group had on 13 February 2019 signed a letter of acceptance to provide centralised dishwashing and table cleaning services to Marine Parade Central hawker centre which has approximately 50 hawker stalls commencing from May 2019. The Group had also secured approximately 40 new centralised dishwashing contracts from the F&B outlets located in Changi Airport from January to April 2019. In order to meet the needs of the new contracts, the Group plans to purchase new equipment and machineries in the near future. With that, the Company has allocated S\$0.3 million of the Net Proceeds originally allocated for acquisition of companies and/or assets in the food and beverage (“F&B”) business to be now used for capital expenditure for the dishwashing business.
- 4.2 With the finalisation of the F&B business plans in early April 2019 as well as the new contracts secured, the Group has allocated an additional amount of approximately S\$0.8 million of the Net Proceeds originally allocated for acquisition of companies and/or assets in the F&B business for general working capital needs to meet the business expansion needs of both the dishwashing and F&B businesses, such as hiring of more middle management and senior operations staff, launching of marketing and branding programs, and extending credit terms to new customers.
- 4.3 The Board considers that the aforementioned re-allocation of the use of Net Proceeds is advantageous to the Company and in the best interests of the Company and its shareholders as a whole as the re-allocation would enable the Group to carry out its expansion plans of its F&B and dishwashing businesses more effectively.

The Company will make periodic announcements via SGXNET on the utilisation of the re-allocated Net Proceeds as and when they are materially disbursed.

By Order of the Board

Pang Pok  
Executive Chairman and Chief Executive Officer

30 April 2019

*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 Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. 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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