



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

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## **UPDATE ON BOP SERVICES BUSINESS**

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The Board of Directors (the “**Board**”) of GS Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcements dated, among others, 8 March 2019, 26 March 2020 and 14 April 2020 (collectively, the “**Announcements**”) in respect of 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.*

### **Update on BOP services business and granting of Service Fee waiver**

As set out in the Announcement dated 4 February 2020, the Secured Outlets have closed temporarily since the Chinese New Year holidays in the PRC in mid-January due to the outbreak of the COVID-19, in compliance with directives issued by the local authorities in PRC. In the foregoing Announcement, it was further mentioned that such temporary closure of the Secured Outlets and restriction of movement of Wish’s working team in PRC are expected to affect the Group’s provision of the BOP services. The Board wishes to provide an update that some of the Secured Outlets have resumed business since mid-May.

Notwithstanding the foregoing, the businesses of the Secured Outlets had been slow in the first few weeks since the resumption of the businesses. The Secured Outlets had therefore requested for a waiver of the BOP Service Fees, on the basis that the Secured Outlets had been closed from mid-January to mid-May and the slow business since the re-opening of the Secured Outlets in mid-May. In view of the business conditions faced by the Secured Outlets, the Board has decided to grant each of them a waiver of 5 months of Service Fees amounting to RMB 83.3 million in aggregate from 16 January 2020 to 15 June 2020 (collectively, the “**Waivers**”), taking into consideration and with a view towards building a long term working relationship between Wish and the Secured Outlets, and the support and co-operation provided by the Secured Outlets in 2019. The Waiver is expected to have a substantial impact on the Group’s revenue and earnings for the first half of its financial year ending 30 June 2020 (“**HY2020**”), the results of which will be announced in due course on or before 14 August 2020.

Subject to any unforeseen circumstances not within the control of the Group, the Group expects to enter into further BOP agreements with additional BOP outlets in the second half of FY2020. Accordingly, the Group believes the additional revenue from the new BOP agreements may cushion the financial impact that the Group may suffer in the first half of FY2020 as a result of the Waivers.

### **Future Updates and Cautionary Statement**

The Company will provide an update as soon as the remaining Outstanding Service Fee has been fully or partially received by Wish or the Company. As set out in the Company’s announcement dated 29 April 2019, the Company will continue to provide updates as and when (i) the Service Fee payable pertaining to new

BOP Services 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.

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

26 June 2020

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*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.*

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