

GRP LIMITED

(Company Registration Number 197701449C)

(Incorporated in the Republic of Singapore)

**REPLY TO SGX-ST'S QUERIES ON THE 20 SEPTEMBER 2023 ANNOUNCEMENT ON RESPONSE
TO SGX QUERIES ON FINANCIAL STATEMENT ANNOUNCEMENT FOR FINANCIAL YEAR
ENDED 30 JUNE 2023**

The Board of Directors ("**Board**") of GRP Limited ("**Company**") and together with its subsidiaries, the ("**Group**") wishes to inform the shareholders that the Company has received queries from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in relation to the Company's announcement dated 20 September 2023. The SGX queries, and our responses are as follows:

Question 1:

In the Company's response to Query 3(a), it is stated that "The S\$1,161,000 loan was given to a company owned by Mr David Hsieng Loong Su ("Mr David Su") in FY2018. The loan was guaranteed by Mr David Su.". Please disclose:

- (a) the circumstances and rationale of the S\$1,161,000 loan that was given to a company owned by Mr David Su in FY2018; and
- (b) whether the loan will be assessed by the audit firm appointed to review and assess the financial implications of the Transactions.

Company's response:

- (a) Mr David Su represented himself as the lead advisor and partner of a major property developer in People's Republic of China ("**PRC**") that was proposing to list some of its properties on REITs with Singapore in FY2018, the advance was made to his company and secured by his personal guarantee, with promises that such advance would allow the Company to participate as "pre-IPO" investor in the proposed REITs IPO. The alleged REITs IPO never materialized. The Company initiated legal action against Mr David Su and his company in the High Court of Singapore. At his request, a settlement was reached for the Company to discontinued legal action. The Company has since obtained judgment against Mr David Su and his company and is currently initiating recovery proceedings against them including bankruptcy proceedings against Mr David Su.
- (b) The loan will not be assessed by the audit firm appointed to review and assess the financial implications of the Transactions as this loan was granted in FY2018 and full provision has been made.

Question 2:

In the Company's response to query 4, it is stated that "The Company is currently working on the claims with the 5 professional firms.". Please provide more information about the claims, specifically the nature of the expenses and the amounts of the claims.

Company's response:

The 5 professional firms are (a) 2 law firms, 1 in Singapore and 1 in PRC; (b) 2 accounting firms, 1 in Singapore and 1 in USA; and (c) 1 consulting firm in Singapore. The expenses were mainly the engagement retainer sums of which, the Company has received full refund from the Singapore law firm in August 2023. The total claim amount is about S\$0.4 million, which the Company has expended.

Due to confidential or privileged nature of the information relating to the professional services, the Company is not at liberty to provide further information, except to state that the management is still working to ascertain if the services were indeed related to the Company's business or personal affairs of Mr David Su. The review is still ongoing.

BY ORDER OF THE BOARD

Colin Tay Yong Lee
Executive Director
25 September 2023