

**BANK ACCOUNTS IN CHINA – ACCOUNTS FROZEN BY BANKERS
RESPONSE TO QUERIES FROM SGX-ST**

The Board of Directors (“**Board**”) of Starland Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the following in response to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) to the Company on the Company’s announcement dated 21 June 2020 (the “**Announcement**”) in relation to bank accounts in China being frozen by bankers. Unless otherwise defined in this announcement, all capitalised terms used herein bear the same meanings as in the Announcement.

SGX-ST Query 1

How material is the amounts in the affected bank accounts compared to the Group’s financial position?

Company’s Response

The Group’s total cash and bank balances as at 31 December 2019 is RMB125.20 million. The frozen amount of RMB25.39 million is about 20.28% of the Group’s total cash and bank balance. The balances as at 31 December 2019, are a fair representation, and do not materially differ from the balance as at 31 May 2020.

SGX-ST Query 2

How would this freezing of bank accounts affect the Group’s operations?

Company’s Response

The Group has significantly reduced costs, operational and manpower, and presently we have only a skeletal team to manage the day-to-day operations in Fuling, Chongqing, PRC. The Group has sufficient funds in China to be able to settle any obligations or liabilities payable to our vendors and our employees in China. In addition, the Group is towards the tail end of its two property projects in Fuling, Chongqing, People’s Republic of China (“**PRC**”).

The Board also wishes to clarify that the Group has not to date received any notification from any relevant Regulators / Authorities regarding the suspension of the bank accounts and have not been asked to cooperate in any investigation. The Company will update the shareholders via SGXnet announcement as and when there is further development on the matter.

BY ORDER OF THE BOARD

Peng Peck Yen
Executive Director
22 June 2020

*This announcement has been prepared by Starland 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 (the “**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 information, statements or opinions made or reports contained in this announcement.

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