

MANDATORY UNCONDITIONAL CASH OFFER

by

UOBKayHian

UOB KAY HIAN PRIVATE LIMITED
(Company Registration Number 197000447W)
(Incorporated in the Republic of Singapore)

for and on behalf of

GRP CHONGQING LAND PTE. LTD.
(Company Registration Number 201535286N)
(Incorporated in the Republic of Singapore)

a wholly-owned indirect subsidiary of



GRP LIMITED
(Company Registration Number 197701449C)
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

STARLAND HOLDINGS LIMITED
(Company Registration Number 201131382E)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by
GRP Chongqing Land Pte. Ltd. and parties acting in concert with it

OFFER ANNOUNCEMENT (THE "ANNOUNCEMENT")

1. INTRODUCTION

1.1 UOB Kay Hian Private Limited ("**UOBKH**"), for and on behalf of GRP Chongqing Land Pte. Ltd. (the "**Offeror**") which is a wholly-owned indirect subsidiary of GRP Limited ("**GRP**"), refers to the announcement dated 14 October 2015 by UOBKH, for and on behalf of the Offeror (the "**Pre-conditional Offer Announcement**"), stating, *inter alia*, that:

- (i) the Offeror had entered into a conditional sale and purchase agreement (the "**SPA**") with Super Vantage Investment Limited, Able Lead International Limited, Billion Light Investment Limited, Zhongli Investment Limited (collectively the "**Vendors**") and their respective shareholders, namely Tan Hoe San, Fan Yi Ru, Chen Hui Bin and Zhong Jia Feng (collectively the "**Beneficial Owners**") in relation to the sale and purchase of 120,000,000 ordinary shares (the "**Sale Shares**") in the capital of Starland Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**"), representing approximately 82.91 per cent. of the total issued shares in the capital of the Company,

for a cash consideration of S\$0.236 per Sale Share ("**Acquisition**"); and

- (ii) pursuant to the requirements under the Singapore Code on Take-overs and Mergers (the "**Code**"), the Offeror intended to make a mandatory unconditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares in the share capital of the Company (the "**Shares**"), other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror (the "**Offer Shares**"), subject to the satisfaction of the Condition Precedent (as defined in section 1.2 below).

A copy of the Pre-conditional Offer Announcement is available on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at www.sgx.com.

- 1.2 The condition precedent to the making of the Offer (the "**Condition Precedent**") is the approval of the shareholders of GRP in an extraordinary general meeting being obtained for the transactions contemplated in the SPA upon the terms and conditions set out in the SPA. On 13 January 2016, shareholders of GRP approved, *inter alia*, the Acquisition and the making of the Offer.

Accordingly, UOBKH wishes to announce, for and on behalf of the Offeror, the Offeror's firm intention to make the Offer.

- 1.3 The completion of the Acquisition is expected to occur within two weeks after the satisfaction of the Condition Precedent or such other date as the parties may agree in writing. Following the completion of the Acquisition, the Offeror will own or control in aggregate 120,000,000 Shares, representing approximately 82.91 per cent. of the total issued Shares.

2. OFFER

- 2.1 Subject to the terms and conditions set out in the offer document to be issued by UOBKH for, and on behalf, of the Offeror (the "**Offer Document**"), the Offeror will make the Offer for the Offer Shares in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and Rule 14.1 of the Code on the following basis:

For each Offer Share: S\$0.236 in cash (the "Offer Price")

The Offer Price represents the following premium over the benchmark prices for the Shares:

Description	Benchmark Price ⁽²⁾ (S\$)	Premium of Offer Price to Benchmark Price
Last traded price of the Shares on the SGX-ST on 12 January 2016, being the last trading day prior to the date of this Announcement	0.230	2.6%
Last traded price of the Shares on the SGX-ST on 13 October 2015, being the last trading day prior to the date of the Pre-conditional Offer Announcement (" Last Trading Day ")	0.170	38.8%
Volume weighted average price (" VWAP ") ⁽¹⁾ of the Shares traded on the SGX-ST for the 1-month period up to and including the Last Trading Day	0.159	48.4%
VWAP of the Shares traded on the SGX-ST for the 3-month period up to and including the Last Trading Day	0.144	63.9%

Description	Benchmark Price⁽²⁾ (S\$)	Premium of Offer Price to Benchmark Price
VWAP of the Shares traded on the SGX-ST for the 6-month period up to and including the Last Trading Day	0.135	74.8%
VWAP of the Shares traded on the SGX-ST for the 12-month period up to and including the Last Trading Day	0.096	145.8%

Notes:

(1) The figures are based on data extracted from Bloomberg L.P.

(2) Rounded to the nearest three decimal places.

- 2.2 The Offer Shares will be acquired fully-paid and free from all liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights, benefits and entitlements attached to them as at the date of the Pre-conditional Announcement, and thereafter attaching to them (including the right to receive and retain all dividends, rights, return of capital and other distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the date of the Pre-conditional Announcement, together with all interest accrued thereon).

In the event that the record date or books closure date for determining the entitlement to any dividends, rights or other distributions announced or declared by the Company falls on or after the date of the Pre-conditional Announcement, the Offeror reserves the right to reduce the Offer Price by the amount of such dividends, rights or other distributions.

- 2.3 The Offer will not be conditional upon a minimum number of acceptances being received by the Offeror.
- 2.4 The Offeror does not intend to revise the Offer Price, except that the Offeror reserves the right to do so in a competitive situation.

3. INFORMATION ON THE OFFEROR, GRP LAND PTE. LTD. AND GRP

3.1 Information on the Offeror

The Offeror was incorporated in Singapore on 21 September 2015 as an investment holding company. The Offeror is wholly-owned by GRP Land which is in turn wholly-owned by GRP. As at the date of this Announcement, the Offeror has an issued and paid-up share capital of S\$1.00 comprising one ordinary share.

As at the date of this Announcement, the directors of the Offeror are (i) Mr Kwan Chee Seng and (ii) Ms Peng Peck Yen.

3.2 Information on GRP Land

GRP Land is a company incorporated in Singapore and is wholly-owned by GRP. Its principal activities are those of an investment holding company. As at the date of this Announcement, GRP Land has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares.

As at the date of this Announcement, the directors of GRP Land are (i) Mr Kantilal S/O Champaklal Ramdas and (ii) Ms Peng Peck Yen.

3.3 Information on GRP

GRP is a company incorporated in Singapore and is listed on the Main Board of the SGX-ST. The principal activities of GRP include the following:

- (i) Supply and servicing of industrial/marine hoses, fittings and related products;
- (ii) Trading and distribution of precision measuring instruments and equipment; and
- (iii) Property development.

As at the date of this Announcement, GRP has an issued and paid-up share capital of approximately S\$59,601,723¹ comprising 139,520,044 ordinary shares.

As at the date of this Announcement, the directors of GRP are (i) Mr Teo Tong How, (ii) Mr Kwan Chee Seng, (iii) Mr Goh Lik Kok, (iv) Mr Mahtani Bhagwandas and (v) Mr Peter Moe, and the controlling shareholder of GRP is Mr Kwan Chee Seng, holding 29.18% shareholding interest in GRP.

4. INFORMATION ON THE COMPANY

Based on publicly available information, the Company was incorporated in Singapore on 20 October 2011 and is listed on the Catalist board of the SGX-ST. The Group is primarily involved in the business of property development in the People's Republic of China (the "PRC") and is engaged in developing integrated residential and commercial properties in Chongqing, PRC. The Group has a vertically-integrated business model and operations with expertise to carry out various key aspects of property development and management.

As at the date of this Announcement, based on publicly available information, the directors of the Company are (i) Mr Tan Hoe San, (ii) Ms Fan Yi Ru, (iii) Mr Foong Daw Ching and (iv) Mr Low Wai Cheong.

As at the date of this Announcement, based on publicly available information, the total number of Shares in issue is 144,733,000 Shares and there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights, in the Company.

5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTION FOR THE COMPANY

5.1 Rationale for the Offer

The Acquisition presents an opportunity for the GRP Group to accelerate its strategy to grow and gain a firm foothold into the vast PRC property market. While the GRP Group is making its first foray into the PRC property market with the securing of development rights from the People's Government of Kaiping District to undertake an integrated mixed development (subject to successful tender of lands available for development to be released by the relevant authorities in the PRC) as announced by GRP in February 2015, the Group has established a presence in the property market in Chongqing, PRC, having launched two residential cum commercial properties in Chongqing (namely, University Town and Singapore Garden) with another residential property development project in the pipeline. With the Acquisition, the GRP Group will be able to immediately extend its property development business to the PRC which will augment and deepen its reach to property development business.

In addition, the Group has been active in the PRC property market since 2008 and has gained substantial knowledge and expertise of the property market in the PRC, which include the knowledge of the regulatory and compliance requirements for the property business in the PRC. The GRP Group could leverage on such knowledge for its expansion in the property development business in the PRC.

¹ Based on information maintained with the Accounting and Corporate Regulatory Authority as at 12 January 2016

The Acquisition will also enable the GRP Group to expand its property portfolio. The Group has near completion property of 915 residential units in the Singapore Garden project, of which 669 units has been sold as at March 2015. As at September 2015, the project has been completed. Revenue attributable to 695 residential units handed over to buyers, has been recognised. The revenue for the remaining units will be recognised as and when they are sold and handed over to buyers.

Further details on the Acquisition are set out in the announcement dated 14 October 2015 made by GRP in connection with the Acquisition, a copy of which is available on the website of the SGX-ST at www.sgx.com.

5.2 Offeror's Intentions for the Company

In accordance with the Code, as a consequence of the Acquisition, the Offeror will hold more than 50% of the voting rights in the Company and therefore, the Offeror is required to make the Offer.

It is the current intention of the Offeror to expand and grow its property business in the PRC following the Acquisition. This will include mixed-use integrated property development projects in the larger cities of PRC.

As the Group has a strong foothold and is active in Chongqing, the Offeror intends for the Group to continue to focus on sourcing and acquiring property development projects in this region and within the Sichuan province, including Chengdu.

Save as aforesaid and other steps to be taken in connection with the ordinary course of business of the Group, the Offeror presently has no plan to (i) introduce any major changes to the business of the Group, (ii) redeploy the fixed assets of the Group, or (iii) discontinue the employment of the employees of the Group, save in the ordinary course of the business.

However, the directors of the Offeror retain the flexibility at any time to consider any options in relation to the Group which may present themselves and which they may regard to be in the best interest of the Offeror.

6. LISTING STATUS

6.1 Compulsory acquisition

Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), in the event the Offeror receives valid acceptances pursuant to the Offer in respect of not less than 90% of the Shares (other than those already held by the Offeror and its concert parties, as at the date of the Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer at a price equal to the Offer Price.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares at a price equal to the Offer Price in the event that the Offeror and parties acting in concert with it acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror and its concert parties, comprise 90% or more of the total number of Shares in issue (excluding any Shares held by the Company as treasury shares). Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

6.2 Free float requirement

Under Rule 1104 of Section B: Rules of Catalist of the SGX-ST Listing Manual (the "**Catalist Rules**"), upon the announcement by the Offeror that valid acceptances have been received that bring the Shares held by the Offeror and parties acting with it to above 90% of the total

number of Shares in issue (excluding any Shares held by the Company as treasury shares), the SGX-ST may suspend the listing of the Shares in the Ready and Unit Share markets until such time it is satisfied that at least 10% of the Shares in issue (excluding any Shares held by the Company as treasury shares) are held by at least 200 shareholders who are members of the public.

Under Rule 1303(1) of the Catalist Rules, if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares in issue (excluding any Shares held by the Company as treasury shares), thus causing the percentage of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) held in public hands to fall below 10%, whether through acceptances of the Offer or otherwise, the SGX-ST will suspend trading of the Shares on the SGX-ST only at the close of the Offer.

In addition, Rule 723 of the Catalist Rules requires the Company to ensure that at least 10% of all the Shares in issue be held by the public. Under Rule 724(1) of the Catalist Rules, if the percentage of the Shares held in public hands falls below 10%, the Company must, as soon as possible, notify its sponsor and announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be delisted.

It is the current intention of the Offeror to preserve the listing status of the Company on Catalist.

7. DISCLOSURES OF SHAREHOLDINGS, DEALINGS AND TRANSFERS

7.1 Holdings of Shares

Save as disclosed below, as at the date of this Announcement, none of the Offeror, its concert parties or directors, or UOBKH (each a **“Relevant Person”**) owns, controls or has agreed to acquire any (a) Shares or securities which carry voting rights in the Company; and (b) convertible securities, warrants, options and derivatives in respect of (a) (collectively, the **“Company Securities”**):

Name	Number of Shares	Percentage (%)
Offeror	120,000,000	82.91

7.2 Dealings in Shares

Save as disclosed below, as at the date of the Pre-conditional Offer Announcement, none of the Relevant Persons has dealt for value in any Company Securities during the six-month period immediately preceding the Pre-conditional Offer Announcement Date and up to and including the date of this Announcement:

Name	Date of Acquisition	Number of Shares acquired and/or agreed to acquire	Transaction Price per Share (\$)
Offeror	14 October 2015	120,000,000	0.236

7.3 Disclosures of Holdings and Dealings

As at the date of this Announcement, none of the Relevant Persons has (i) granted a security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise, (ii) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold), or (iii) lent any Company Securities to another person.

7.4 As at the date of this Announcement, neither the Offeror nor any of its concert parties has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material to the Offer.

7.5 As at the date of this Announcement, neither the Offeror nor any of its concert parties has received any irrevocable undertaking from any holder of the Offer Shares to accept or reject the Offer (if and when made).

8. CONFIRMATION OF FINANCIAL RESOURCES

UOBKH, the financial adviser to the Offeror in relation to the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares.

9. DESPATCH OF THE OFFER DOCUMENT

Further information on the Offer will be set out in the Offer Document. The Offer Document, which will contain the terms and conditions of the Offer and enclose the appropriate form(s) of acceptance, will be despatched to holders of the Offer Shares not earlier than 14 days and not later than 21 days from the date of this Announcement. The Offer will remain open for acceptances by shareholders of the Company for a period of at least 28 days from the date of posting of the Offer Document.

10. OVERSEAS SHAREHOLDERS

The availability of the Offer to shareholders of the Company whose addresses are outside of Singapore as shown in the register of members of the Company or, as the case may be, in the records of The Central Depository (Pte) Limited ("**Overseas Shareholders**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about and observe any applicable legal requirements in their own jurisdictions. Further details in relation to the Overseas Shareholders will be contained in the Offer Document.

11. RESPONSIBILITY STATEMENT

The directors of the Offeror and GRP (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company (including, without limitation, information relating to the Company), the sole responsibility of the directors of the Offeror and GRP has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources and/or reflected or reproduced in this Announcement in its proper form and context.

The directors of the Offeror and GRP accept full responsibility accordingly.

Issued by
UOB Kay Hian Private Limited

For and on behalf of
GRP Chongqing Land Pte. Ltd.

13 January 2016

Any enquiries relating to this Announcement or the Offer should be directed to:

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Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor UOBKH undertake any obligation to update publicly or revise any forward-looking statements.