

**SUNTAR ECO-CITY LIMITED**

(Company Registration No. 200613997H)

(Incorporated in the Republic of Singapore)

---

**CLARIFICATION ON THE ANNOUNCEMENT PURSUANT TO RULE 703 (1) OF THE LISTING MANUAL**

---

The Board of Directors (the “Board”) of Suntar Eco-City Limited (the “Company” or together with its subsidiary, the “Group”) refers to the announcement made by the Company of Rule 703 (1) of the Listing Manual released to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 1 October 2020 (Announcement Reference: SG201001OTHR7LKE).

The Board wishes to provide the additional information in response to the SGX-ST’s query as follow: -

**Query 1:**

On 1 October 2020, the Company disclosed that “it has been informed by Mr Foong Daw Ching (“Mr Foong”), an independent director of the Company, that he has attended an interview with the Market Conduct Investigations (Enforcement Department) of Monetary Authority of Singapore (“MAS”) in conjunction with the Commercial Affairs Department (“CAD”) in relation to the investigation conducted by the MAS and CAD on Ayondo Ltd. (Company Registration No. 201728417D) regarding a possible offence under the Securities and Futures Act (Chapter 289) of Singapore.”

Listing Rule 720(1) of the Listing Manual provides that an issuer must also comply with Listing Rule 210(5) on a continuing bases, which requires among others, a consideration of the character and integrity of directors and management. Please provide the Board and Nominating Committee’s assessment and the bases for such assessment of whether Mr Foong Daw Ching is suitable to continue as an independent director of the Company.

**Company’s Response to Query 1:**

The Board had understood from the Ayondo Ltd Announcement that Mr Foong has been asked to assist with the ongoing CAD Investigations. However, no arrests or charges have been made, no bail has been required to be posted for any persons that are assisting with the CAD Investigations and Mr Foong’s passport has not been withheld.

Based on the Nomination Committee (“NC”) and the Board’s interactions with Mr Foong, the NC and the Board is of the view that Mr Foong has always displayed a high level of professionalism, integrity and strong leadership in his conduct during Board discussions and meetings, and the Company has benefited from Mr Foong’s strong guidance and leadership in his years of service of the Board.

In view of the foregoing, the NC had assessed the situation based on the information currently available to the Company as at the date of this announcement, and had formed the view that there is nothing at this juncture to indicate that Mr Foong’s ability to oversee and manage the affairs of the Company as Independent Director (“ID”) of the Company would be compromised as a result of the ongoing CAD Investigations, and that it would be in the best interest of the Company for Mr Foong to presently continue with his roles and responsibilities as ID. The Board (with Mr Foong abstaining) has accepted that NC’s recommendation and is supportive of his continued service on the Board as ID.

**Query 2:**

Please also disclose as to whether (i) the Board would be kept updated on the progress of the investigations and will make further announcements as and when necessary; and (ii) the Board will continue to monitor the progress of the investigations in evaluating continued suitability of its independent director and compliance with the continuing listing rules.

**Company's Response to Query 2:**

The Board will request that Mr Foong keeps the Board updated on the progress of the CAD Investigations in order for the Company to comply with its disclosure obligations under the listing rules of the SGX-ST. The NC and the Board will continue to evaluate the suitability of Mr Foong's service on the Board based on the progress of the CAD Investigation, and will make the relevant announcements as and when appropriate, in compliance with the listing rules of the SGX-ST.

**BY ORDER OF THE BOARD**

**Dr Lan Weiguang**  
**Non-Independent Non-Executive Chairman**

**5 October 2020**