

STARLAND HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 20 October 2011)
(Company Registration No. 201131382E)

LOSS OF PUBLIC FLOAT

1. The Board of Directors (the "**Board**") of Starland Holdings Limited ("**Starland**" or the "**Company**") wishes to refer shareholders of the Company ("**Shareholders**") to (i) the offer document (the "**Offer Document**") dated 2 February 2016 issued by UOB Kay Hian Private Limited ("**UOBKH**"), for and on behalf of GRP Chongqing Land Pte. Ltd. (the "**Offeror**") in respect of the Offer, which was despatched to Shareholders on 2 February 2016; and (ii) the announcement issued by UOBKH for and on behalf of the Offeror dated 4 February 2016 in relation to the disclosure of dealings and the level of acceptances of the Offer (the "**Level of Acceptances Announcement**").

2. Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings ascribed to them in the Offer Document.

3. **Public Float**

The Company notes from the Level of Acceptances Announcement that as at 5.00 p.m. on 4 February 2016, the total number of (i) Shares owned, controlled or agreed to be acquired by the Offeror and its Concert Parties; and (ii) valid acceptances of the Offer, amounted to an aggregate of 131,872,300 Shares, representing approximately 91.11% of the total number of issued Shares.

The Board wishes to inform Shareholders that, as at 5.00 p.m. (Singapore time) on 4 February 2016, the percentage of the total number of Shares which are held in public hands is approximately 8.89% and no longer meets the free float requirement prescribed by Rule 723 of the Catalist Rules.

The Board would like to highlight to Shareholders that:

- a. under Rule 1104 of the Catalist Rules, upon the announcement by the Offeror that valid acceptances have been received that bring the Shares held by the Offeror and its Concert Parties 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 trading of the Shares in the Ready and Unit Share markets until such time it is satisfied that at least 10% of the total number of 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;
- b. 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; and
- c. in addition, Rule 723 of the Catalist Rules requires the Company to ensure that at least 10% of the total number of 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 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 from the SGX-ST.

Shareholders should also note that under paragraph 8.3 of the Offer Document, it is stated that ***“It is the current intention of the Offeror to preserve the listing status of the Company on Catalist. Accordingly, the Offeror when entitled, does not intend to exercise its rights of compulsory acquisition under Section 215(1) of the Act.”***

4. **Suspension of Trading**

The Company has ceased to comply with the requisite 10% public float requirement under Rule 723 of the Listing Manual with effect from 5.00 p.m. on 4 February 2016. Shareholders should note that the SGX-ST may suspend trading of the Shares on the close of the Offer. Appropriate announcements will be made by the Company to update Shareholders in due course.

In view of the foregoing, Shareholders should accordingly exercise caution in their investment decisions in the Company. In the event of any doubt, Shareholders should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

5. **Responsibility Statement**

The Directors of the Company (including those who 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 there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Document), the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Tan Hoe San
Executive Chairman and Managing Director
5 February 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the **“Sponsor”**) for compliance with the Singapore Exchange Securities Trading Limited (the **“SGX-ST”**) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact person for the Sponsor is Mr. Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.