

STARLAND HOLDINGS LIMITED
Company Registration No.: 201131382E
(Incorporated in the Republic of Singapore)

**APPOINTMENT AND CESSATION OF DIRECTORS
RESPONSE TO QUERIES FROM SGX-ST**

The Board of Directors (“**Board**”) of Starland Holdings Limited (“**Starland**” or 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 announcements dated 21 December 2020 (the “**Announcement**”) in relation to the appointment and cessation of directors.

SGX-ST Query 1

Given the changes in board composition, Ms Kwan will be the only Executive Director on the Board. Please elaborate on Nominating Committee’s assessment on suitability and experience of Ms Kwan to lead the management, being the only Executive Director.

Company’s Response

Ms Kwan has been associated with GRP Limited (“**GRP**” and together with its subsidiaries, the “**GRP Group**”), the holding company of the Group, with the commencement of her employment as a Management Associate since September 2015, and her subsequent appointment as an Executive Director of GRP in February 2019. Following Ms Kwan’s appointment as an Executive Director of the Company, she has been re-designated as a Non-Executive Director of GRP.

The Group had diversified its business into the Financial Solution Business in 2019 and had also completed the acquisition of a 51% controlling interest in Luminor Capital (Malaysia) Sdn Bhd (“**LCM**”) in February 2020. The Company believes that the Financial Solution Business will be a key revenue generating business for the Group going forward and Ms Kwan has been directly involved in the control and implementation of corporate structure, operations and business development of LCM. These include the strategising, development, evaluation and approval of the launch of various financial products offered by LCM.

While it is envisioned that Ms Kwan’s main role will be to spearhead and grow the Group’s Financial Solution Business, as the Executive Director of Starland, she will also be ably supported by the Group’s existing management team, which include the various heads of the business units in PRC and Malaysia and the Group’s finance team. In addition, the Board will continue to provide guidance to Ms Kwan and management.

The Nominating Committee (“NC”) takes cognizance of Ms Kwan’s responsibilities and past experience, including her interaction with the directors during the Company’s board meetings and involvement to date on the development of the Financial Solutions Business, and has duly assessed Ms Kwan to be suitable as the executive director, to lead management and executives to achieve the mission and vision for the Group.

SGX-ST Query 2

Please provide Sponsor’s assessment and justification on (1) above.

Sponsor’s Response

Although Ms Kwan was only just appointed as an Executive Director of the Company on 21 December 2020, she is not unfamiliar to the Sponsor as Ms Kwan had been attending Board and other meetings of the Company at the invitation of the Board since 2016, where the Sponsor was also in attendance. The Sponsor also notes that Ms Kwan has been part of the development of the Group’s Financial Solutions Business, and the Board had been assessing her performance in preparation for her subsequent appointment as an Executive Director of the Company as part of its succession planning efforts.

Based on the independent due diligence, assessment and interview conducted and considering the NC’s assessment and views as set out above, nothing has come to the attention of the Sponsor that would affect Ms Kwan’s suitability as an Executive Director of the Company.

SGX-ST Query 3

On the cessation of Ms Peng, it was disclosed that she is resigning as Executive Director due to the Board’s succession planning. Please elaborate on the Board’s further plans in place in respect of its succession planning.

Company’s Response

The Company continues to be mindful of having a succession plan in place so as to ensure business continuity of the Group. The appointment of Ms Kwan is one such step towards this. The Board has no immediate plans to add more directors to the Board and will continue to evaluate for any other changes to both Board and key management as and when appropriate.

As disclosed, although Ms Peng has ceased to be an Executive Director of the Group, she continues to oversee the finance function of the Group and is supported by Ms Annie Xiong Ying, the Finance Manager of the Group.

SGX-ST Query 4

We also note that bulk of the Group's operations are in China. The Group also announced that certain of its bank accounts in China were frozen in the past few months. Whilst the Group is now able to utilize the funds from these bank accounts, the bank is still requesting for some documents. Does Ms Kwan have the relevant experience in the Chinese market?

Company's Response

As communicated to shareholders previously, although currently the Group's Property Development Business contributes a significant proportion of the Group's revenue, the Group's property development projects in PRC have been completed and are near the end of sale cycle, with a substantial portion of the projects already sold and currently, the Group has no upcoming property development projects in the PRC. The Group has thus sought to transfer excess funds back to Singapore and expedited the diversification of the Group's business into the Financial Solutions Business which will be led by Ms Kwan.

Mr. Kelvin Kwan Chee Hong, the General Manager for the Group's business activities in PRC and Mr. Luo Deng Xiao, the Deputy General Manager, have been and will continue to oversee the sales of the remaining unsold units in the Group's projects and other affairs of the PRC subsidiaries (including the matters involving the bank accounts) and report to the management and Board accordingly. Ms Kwan also has been kept updated on the operations in PRC since GRP's acquisition of the Group in 2016. As such, the Board is of the view that Ms Kwan's relevant experience in the Chinese market may not be pertinent to the Group's current strategy going forward.

BY ORDER OF THE BOARD

Tan Chade Phang
Independent Director
23 December 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 Catalyst.*

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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