

GRP LIMITED

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

PROPOSED DISTRIBUTION *IN SPECIE* OF SHARES IN LUMINOR FINANCIAL HOLDINGS LIMITED TO SHAREHOLDERS OF THE COMPANY BY WAY OF CAPITAL REDUCTION**- RESPONSE TO QUERIES FROM SHAREHOLDERS IN RELATION TO THE COMPANY'S CIRCULAR DATED 7 SEPTEMBER 2021**

The Board of Directors (the "**Board**") of GRP Limited (the "**Company**") refers to the Company's announcement dated 4 June 2021 and the Company's circular dated 7 September 2021 (the "**Circular**") in relation to the proposed distribution *in specie* of shares in Luminor Financial Holdings Limited ("**LFHL**") to shareholders of the Company by way of capital reduction. Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Circular.

The Board further refers to the queries submitted by the Shareholders and appends the replies as follows:

Question 1

What is the NTA of LFHL?

Company's response

Based on the latest announced unaudited consolidated financial statements of the LFHL Group for the half year ended 30 June 2021, the Net Tangible Assets (NTA) of the LFHL Group is RMB112.08 million (or approximately S\$23.32 million) and the NTA per LFHL Share is RMB0.774 (or S\$0.161) as at 30 June 2021.

Question 2

LFHL is making a half year loss of S\$0.232 million as at 30 June 2021, please elaborate on the potential of LFHL's business over the next two years.

Company's response

LFHL is growing its factoring business and barring unforeseen circumstances, or unforeseen deterioration in the business environment, the Board is cautiously optimistic for this business sector over the next two years.

Further information on the LFHL's strategy is provided in the attached Business Update on LFHL released by LFHL via SGXNet on 28 September 2021.

Question 3

What is the anticipated timeline on the completion of the distribution?

Company's response

After Shareholders' approval has been obtained for the Proposed Distribution by way of Capital Reduction at the EGM on 29 September 2021, there is a 6-week publication period for creditor objection. With this, the Board anticipates that the completion of the Proposed Distribution would take place only after mid-November 2021. The Company will announce and notify Shareholders of the Effective Date of the Capital Reduction and the Record Date via announcement(s) on SGXNet.

Question 4

From the past announcements of LFHL, kindly advise:

- (a) the current staff strength of its FSB in Malaysia?
- (b) since the commencement of business, what were the quarterly growth rates achieved?
- (c) has the growth rate met Management's target?

Company's response

- (a) The current staff strength of the Financial Solution Business in Malaysia is 30.
- (b) Kindly refer to the attached Business Update on LFHL for the information.
- (c) Kindly refer to the attached Business Update on LFHL for the information.

BY ORDER OF THE BOARD

Teo Tong How
Independent Director and Chairman
28 September 2021