

GRP LIMITED

(Company Registration No: 197701449C)
(Incorporated in the Republic of Singapore)

AGREEMENT IN RELATION TO AN INTEGRATED MIXED DEVELOPMENT PROJECT IN TANGSHAN CITY, PEOPLE'S REPUBLIC OF CHINA ("PRC")

The Board of Directors of GRP Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has entered into an agreement (the "**Agreement**") with the People's Government of Kaiping District, Tangshan City, PRC ("**Kaiping Government**") for the purposes of securing development rights from the People's Government of Kaiping District to undertake an integrated mixed development (the "**Project**"), subject to the Group's successful tender of the lands available for development to be released by the relevant authorities in the PRC from time to time.

The Company has done a preliminary Concept Master Design on the site of 1195.98 mu (equivalent to 797,360 square metres) and less its internal road, greenery, set-back & others, a land size of approximately 803 mu (equivalent to 535,360 square metres) will be available for integrated mixed development. The Company is in the course of undertaking the preparation of a detailed Master Plan.

It is situated at Xinghua Dong Dao of Tangshan City, adjacent to Dong Huan Xian ("**Lands**"), which was the original site where Tangshan Xinye Industrial & Trade Group Co. Ltd ("**Xinye**") and its related companies had its production facilities and operations, and is within the jurisdiction of the Kaiping Government. Xinye is currently in liquidation.

Pursuant to the Agreement, the Company will advance a sum of RMB85 million ("**Advance**") to the Kaiping Government to facilitate the land clearance and other processes in order to enable the Lands to be ready for public tender. In consideration of the Advance, Kaiping Government will grant the Group the first right of refusal to participate in the Project and will render the necessary assistance to the Group in connection thereto should it become a successful tenderer of the Lands. In the event that the Group is not successful in its tender for the Lands, Kaiping Government will be responsible and facilitate the repayment of the Advance to the Group.

Other than the tender for the Lands, the Group has/will have to enter into agreements with other third party(s) to implement the Project. As the Project is subject to the Group's successful tender for the Lands, the Company will make further announcements in relation to the Project when it is successful in the future land tender, or when there is a material development.

The Project is not expected to have any material effect on earnings per share or net tangible assets per share of the Group for the financial year ending 30 June 2015.

None of the directors or substantial shareholders of the Company has an interest, direct or indirect, in the Project other than through their shareholdings in the Company.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
6 February 2015