

GRP LIMITED

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

**BANK ACCOUNT IN CHINA – ACCOUNTS FROZEN BY BANKER
RESPONSE TO QUERIES FROM SGX-ST**

The Board of Directors (the “**Board**”) of GRP Limited (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 announcement dated 25 June 2020 (the “**Announcement**”) in relation to bank account in China being frozen by banker. Unless otherwise defined in this announcement, all capitalised terms used herein bear the same meaning as the Announcement.

SGX-ST Query 1

How would the freezing of the bank accounts (including the bank accounts of the Company’s subsidiary, Starland Holdings Limited) affect the Group’s operations (“Freezing of Bank Accounts”)?

Company’s Response

Tangshan GRP Trading Co Ltd (“**Tangshan GRP**”) has minimal business activities at Tangshan, PRC. As for the China-based subsidiaries of Starland Holdings Limited (“**Starland**”), they have significantly reduced costs, operational and manpower, and presently we have only a skeletal team to manage the day-to-day operations in Fuling, Chongqing, PRC. As a result, the Group has sufficient funds in China to be able to settle any obligations or liabilities payable to our vendors and our employees in China.

SGX-ST Query 2

What is the proportion of the Freezing of Bank Accounts vis-à-vis the net tangible assets and net asset value of the Group as at its half year results announced on 13 February 2020?

Company’s Response

Total amount in the frozen Bank Accounts is RMB26,133,923.28 (approximately S\$5,166,938); and the proportion vis-à-vis the net tangible assets and net asset value of the Group as at its half year results announced on 13 February 2020 are as follows:

S\$’000	Net tangible assets	Net asset value
Balance as at half year results announced on 13 February 2020	63,613	63,644
Total amounts frozen in the Bank Accounts	5,167	5,167
Total amount frozen in Bank Accounts as proportion of Net tangible assets/Net asset value	8.12%	8.12%

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
29 June 2020