

GRP LIMITED

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

UPDATE ON ENTRY INTO AFFORDABLE TERRACE HOUSING IN SRI ISKANDAR, PERAK, MALAYSIA BY RATUS NAUTIKA SDN. BHD.

The Board of Directors (the “**Board**”) of GRP Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 23 January 2020 (the “**Announcement**”) in relation to the appointment of Ratus Nautika Sdn. Bhd. (“**Ratus**”) as the developer to develop an affordable housing project in Sri Iskandar, Mukim Bota, Perak Tengah District by Lembaga Perumahan Dan Hartanah, Perak (“**LPHP**”), a corporation established under the Perak, Malaysia, Housing and Real Property Board Enactment 2016. Ratus is a wholly owned subsidiary of Rumah Kami Sdn. Bhd. (“**Rumah Kami**”), an indirect 30% owned associate of the Company. As per Shareholder Agreement signed in December 2018, the Company will be increasing our shareholding interest in Rumah Kami from 30% to 70% and will solely fund the Project. Further announcement will be made when the interest in shareholding in Rumah Kami to 70% is completed.

The Group wishes to update that Ratus has entered into a Joint Venture Development Agreement with LPHP (the “**JVDA**”) on 2 December 2020 to develop an affordable housing project, known as “Proposed Joint Venture Development in Special Program of Perwira Housing of Perak State” (the “**Project**”).

In the JVDA, LPHP, as landowner, has appointed Ratus as the developer to develop (design and build), sell and manage the Project. The Project consists of 1,039 units of single-storey terrace houses and 28 units of terraced shops and the building and construction works of the Project is to be completed within forty-two (42) months from the date of the JVDA.

A total of RM10,642,129.33 is to be paid to LPHP as compensation for works previously done on site (the “**Compensation**”). A sum of RM6,565,620.57 shall be paid in cash by the Company to the previous developer of the Project within fourteen (14) days from the date of the JVDA or upon receipt of written instruction from LPHP. The remaining RM4,076,508.76 shall be paid to LPHP in kind, and Ratus shall submit to LPHP completed commercial and/or residential lots within thirty (30) days from the date of Certificates of Completion and Compliance (CCCs) for the said lots.

Additionally, in consideration of LPHP, the landowner, appointing Ratus as the developer to develop the Project, LPHP is entitled to a return of RM5,818,400 (the “**LPHP Return**”) in kind, which has been fixed at 41 units of single-storey terrace houses within thirty (30) days from the date of CCCs for the said lots.

The Project is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Company and the Group for the financial year ending 30 June 2021.

Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest direct or indirect, in the Awarded Project, other than through their respective shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
4 December 2020