

UPDATES ON BANK ACCOUNTS IN CHINA

The Board of Directors (“**Board**”) of Starland Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 21 June 2020 and 22 June 2020 (the “**Announcements**”), in relation to the bank accounts in China being frozen by bankers. Unless otherwise defined in this announcement, all capitalised terms used herein bear the same meaning as in the Announcements.

Background

On 19 June 2020, the Company had become aware that the Bank of China and the Industrial and Commercial Bank of China, had frozen the bank accounts of Chongqing Tianhu Land Co., Ltd (“**Tianhu**”) and Chongqing Gangyuan Property Development Co., Ltd (“**Gangyuan**”), two of our indirect wholly owned subsidiaries (the “**Subsidiaries**”) in the People’s Republic of China (“**PRC**”).

Updates

The Board wishes to provide the following updates:

1. The aggregate amounts in the affected bank accounts have increased from the 31 May 2020 balance of RMB25.4 million as announced on 21 June 2020 to RMB26.7 million as at 30 June 2020. The increase of RMB1.3 million was primarily due to subsequent receipts from the sales of units in the Group’s property projects in PRC. The amount of RMB26.7 million is about 21% of the Group’s total cash and bank balances of RMB125.2 million as at 31 December 2019.
2. The Subsidiaries have since appointed a Legal Counsel (“**Counsel**”) in the PRC to pursue a resolution of the matter. The Counsel has since initiated communications with the banks and was referred to an officer-in-charge (“**OIC**”) of the case in Yan Ta police station, Shanxi Province Xi’an City, PRC. The Counsel then approached the OIC who requested for supporting documents relating to certain payments made in the PRC. Management is in the process of collating such requested documents for submission to the OIC. Management intends to co-operate fully with the OIC to resolve this matter expeditiously.
3. At this juncture it remains premature to determine whether there would be any material financial impact on the Group relating to this matter. However, the Board wishes to reiterate that the Group has sufficient funds in the PRC for its operations. The Company will further update the shareholders via SGXnet announcement as and when there is any further development on this matter.

BY ORDER OF THE BOARD

Peng Peck Yen
Executive Director
3 August 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 Catalist.*

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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