

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

RESPONSE TO SGX QUERIES IN RELATION TO LOAN AGREEMENT BETWEEN GRP LIMITED AND AYONDO HOLDING AG

Unless otherwise defined, all capitalized terms used herein shall bear the same meaning as in the Company's announcement dated 12 April 2017.

The Board of Directors of GRP Limited (the "Company" and together with its subsidiaries, the "Group") would like to provide the following information in response to the queries raised by SGX-ST on 17 April 2017.

1. How did the Company fund the Loan to ayondo?

The Company funded the loan to ayondo through its available internal funds.

2. What is the Company's cost of capital and how is it arrived at?

The Company's cost of capital is approximately about 1%, based on the current S\$ fixed deposit rate.

3. How is the board of the Company satisfied that ayondo has the ability to meet its obligation on the Loan by 30 Sep 2017? Is this dependent on whether the reverse takeover of Starland is successful?

The Company understands that Starland and ayondo are working towards completing the proposed acquisition of ayondo by Starland by 30 September 2017, following which, the enlarged ayondo group will have the ability to repay the Loan. However, in the event that the proposed acquisition is not completed by 30 September 2017 for whatsoever reasons, the Company intends to assess the situation together with ayondo, and consider options including but not limited to (i) extending the repayment deadline; (ii) re-financing by ayondo with another lender to repay the Loan; (iii) re-negotiate the repayment terms including provisions for partial or total capitalisation of the Loan in ayondo; or (iv) any combinations of the aforementioned.

BY ORDER OF THE BOARD

Teo Tong How
Independent Director and Chairman
19 April 2017