

GRP LIMITED

(Company Registration Number 197701449C)
(Incorporated in the Republic of Singapore)

**RESPONSE TO QUERY FROM SGX
IN RESPECT OF THE ANNOUNCEMENT OF 17 DECEMBER 2018
ACQUISITION OF SUBSIDIARY – VDH LAND SDN. BHD.**

The Board of Directors ("**Board**") of GRP Limited ("**Company**") and together with its subsidiaries, the "**Group**") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 18 December 2018, in relation to the Company's Announcement dated 17 December 2018 on the Acquisition of Subsidiary - VDH Land Sdn. Bhd., and would like to respond as follows:

SGX-ST Query 1

It is stated that VDH signed a letter of intent to purchase the Adjacent Plots. Is the Acquisition subject to VDH's successful acquisition of the Adjacent Plots?

Company Response

The Acquisition will be completed at or prior to the signing of the Sale and Purchase Agreement ("**SPA**") with the Perak Hainan Association for the acquisition of the Adjacent Plots. For whatever reason, in the event that the acquisition of the Adjacent Plots fails, the current Shareholders of VDH have given an undertaking to repurchase the shares of VDH from GRP.

SGX-ST Query 2

The Acquisition price of RM 3,800,114 is based on VDH's cost of acquisition. Please explain how the Audit Committee is satisfied that the Acquisition price is on normal commercial terms.

Company Response

The Acquisition price is based on VDH's cost of acquisition. The Audit Committee is satisfied that VDH acquired Plot 1 on normal commercial terms in the open market. The prices for the Adjacent Plots, and around the vicinity are much higher.

SGX-ST Query 3

Please disclose whether there were any transactions entered into by the Company and/or its subsidiaries with Mr. Kwan Chee Seng and/or his associates which are subject to aggregation with the Acquisition under Chapter 9 of the SGX Listing Manual.

Company Response

There were no other transactions entered into by the Company and/or its subsidiaries with Mr. Kwan Chee Seng and/or his associates which are subject to aggregation with the Acquisition under Chapter 9 of the SGX Listing Manual.

BY ORDER OF THE BOARD

Teo Tong How
Independent Director and Chairman
20 December 2018