

GRP Limited

(Company Registration No.: 197701449C)

(Incorporated in the Republic of Singapore)

SETTLEMENT AGREEMENT WITH A SHAREHOLDER OF PENDRAGON DEVELOPMENT CORPORATION

The Board of Directors (the "Board") of GRP Limited (the "Company" together with its subsidiaries, the "Group") refers to the corporate advisory and engagement services agreement dated 4 July 2014, as supplemented by an addendum to corporate advisory and engagement services agreement dated 11 August 2014 (collectively the "**Agreement**") entered into by the Company with Pendragon Development Corporation ("**PDC**") where the Company will engage PDC as its adviser in relation to the setting up of a joint venture to undertake a property development project in Mayangone Township, Yangon, Myanmar ("**Proposed Investment**"). Pursuant to the Agreement, the shareholders of PDC, namely Aung Naing Oo, Ngwe Soe and Ryan Cecil Zwe, had on 12 August 2014 entered into a deed of guarantee to guarantee the refund to the Company of US\$1,060,000 being advance payment made by the Company to PDC (the "**Guarantee**").

The Proposed Investment was terminated on 10 February 2015. The Company commenced legal action to enforce the guarantee for the refund of US\$960,000 outstanding advance, as US\$100,000 had already been repaid by PDC.

As disclosed in note 10 to the Notes of Financial Statements for the financial year ended 30 June 2015, the Company had made an allowance for impairment of S\$1,188,950 (US\$960,000) being the balance of the remaining advance payment.

Consequently, the Company had entered into a settlement agreement dated 7 June 2016 with Ryan Cecil Zwe in relation to the Guarantee, pursuant to which Ryan Cecil Zwe will pay to the Company a sum of US\$500,000 in eight instalments, with the first and last instalment to be paid on 30 June 2016 and 2 January 2020, respectively. The Company intends to take legal action against Aung Naing Oo and Ngwe Soe to recover the balance sum of US\$460,000 in relation to the Guarantee.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
11 July 2016