

GRP LIMITED

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

- RECEIPT OF WHITEWASH WAIVER FROM THE SECURITIES INDUSTRY COUNCIL

The Board of Directors (the “**Directors**” or the “**Board**”) of GRP Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement made on 24 May 2016 (the “**Announcement**”) in relation to the Company’s proposed undertaking of a renounceable non-underwritten rights cum warrants issue of up to 69,760,022 new ordinary shares in the capital of the Company (the “**Rights Shares**”) with up to 69,760,022 free detachable warrants (the “**Warrants**”), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**New Share**”), on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the “**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a date and time to be determined by the Directors for the purpose of determining the Shareholders’ entitlement, fractional entitlements to be disregarded, with one (1) free Warrant for every one (1) Rights Share subscribed by the Shareholders (the “**Rights cum Warrants Issue**”). *Unless otherwise defined, all capitalised terms used herein bear the same meanings as in the Announcement.*

The Board is pleased to announce that the Undertaking Shareholder has received the Whitewash Waiver from the SIC, subject to:

- (a) a majority of holders of voting rights of the Company present and voting at a general meeting, held before the Rights cum Warrants Issue, approve by way of a poll, a resolution (the “**Whitewash Resolution**”) to waive their rights to receive a general offer from the Undertaking Shareholder;
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) Mr Kwan, his concert parties and parties not independent of them abstain from voting on the Whitewash Resolution;
- (d) Mr Kwan and his concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in the Circular):
 - (i) during the period between the date of the Announcement and the date Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the six months prior to the date of the Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Rights Cum Warrants Issue;
- (e) the Company appoints an independent financial adviser to advise the Independent Shareholders on the Whitewash Resolution;
- (f) the Company sets out clearly in the Circular:
 - (i) details of the Rights cum Warrants Issue;

- (ii) the possible dilution effect to existing holders of voting rights as a result of the Undertaking Shareholder acquiring (a) his entitlement of Rights Shares pursuant to the Irrevocable Undertaking and (b) New Shares upon exercise of the Warrants acquired pursuant to the Irrevocable Undertaking;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Undertaking Shareholder and his concert parties as at the latest practicable date;
 - (iv) the number and percentage of voting rights to be issued to the Undertaking Shareholder as a result of his acquisition of (a) his entitlement of Rights Shares pursuant to the Irrevocable Undertaking and (b) New Shares upon exercise of the Warrants acquired pursuant to the Irrevocable Undertaking;
 - (v) that Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Undertaking Shareholder at the highest price paid by the Undertaking Shareholder and his concert parties for Shares in the Company in the past six months preceding the commencement of the offer. In this regard, specific and prominent reference should be made to this;
- (g) the Circular states that the Whitewash Waiver is subject to the conditions stated at paragraphs (a) to (f) above;
 - (h) the Company obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution;
 - (i) to rely on the Whitewash Resolution, the acquisition by the Undertaking Shareholder of the Rights Shares and the Warrants pursuant to the Irrevocable Undertaking must be completed within three months of the date of approval of the Whitewash Resolution and the acquisition of New Shares upon exercise of the Warrants must be completed within five years of the issue of the Warrants; and
 - (j) the Undertaking Shareholder complying or procuring the relevant person(s) to comply with the disclosure requirements set out in Note 2 on Section 2 of Appendix 1 of the Singapore Code on Takeovers and Mergers.

In accordance with the SIC's condition set out in paragraph (e) above, the Company has appointed Xandar Capital Pte Ltd to advise the Directors who are deemed independent for the purpose of the Whitewash Resolution and the Independent Shareholders on the Whitewash Resolution.

Further announcements will be made by the Company in relation to the Rights cum Warrants Issue as and when appropriate.

BY ORDER OF THE BOARD

Kwan Chee Seng
Executive Director
1 August 2016