

STARLAND HOLDINGS LIMITED
(Company Registration Number: 201131382E)
(Incorporated in the Republic of Singapore)

SETTLEMENT AGREEMENTS WITH AYONDO HOLDING AG

The Board of Directors (the “**Board**” or the “**Directors**”) of Starland Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 25 September 2017 in relation the termination of the (i) proposed acquisition of the equity interest of ayondo Holding AG (the “**Proposed Acquisition**”), (ii) proposed subscription of 134,943,181 new ordinary shares of the Company and (iii) proposed disposal of the entire issued share capital of Starland Axis Pte Ltd and Starland Commercial Trading Pte Ltd (the “**Announcement**”).

All capitalised terms used in this announcement shall, unless otherwise defined herein, have the same meanings as used in the Announcement.

Further to the Announcement, the Board wishes to announce that the Company had entered into the following settlement agreements with ayondo Holding AG (“**ayondo**”) on 27 October 2017 in view that ayondo is currently planning to list on Catalist board of the Singapore Exchange Securities Trading Limited (“**IPO**”):

(A) RCL Settlement

The Company and ayondo had agreed to convert the S\$0.992 million expenses incurred by ayondo which was paid by the Company on its behalf plus interest of S\$0.035 million into a redeemable convertible loan (“**RCL**”) amounting to S\$1.027 million (the “**RCL Settlement**”). The interest payable on the RCL is eight percent (8%) per annum. Maturity date of the RCL is 30 September 2018 or such later date to be mutually agreed between the two parties.

Under the RCL Settlement, the Company has the option to elect to convert the RCL into new ordinary shares of ayondo at an agreed conversion price. The number of new shares to be allotted and issued shall be based on the agreed conversion price of 33% discount to the IPO price. Upon the conversion of the RCL into new ordinary shares of ayondo, the RCL shall be deemed to have been fully settled between the Company and ayondo.

In the event that the RCL is not converted into new ordinary shares of ayondo, ayondo will repay the Company the RCL and all accrued and unpaid interest in cash upon the earliest of (i) 14 days from the date of admission of the Company to the Official List of the Catalist; (ii) within 14 days from the maturity date; (iii) at any time before the maturity date; or (iv) within 14 days from the occurrence of a default event.

As disclosed in the Announcement, the Company had previously made full provision for the S\$0.992 million receivable from ayondo. As such, necessary adjustments will be made by the Company following the issuance of the RCL.

(B) Conversion Settlement

The Company and ayondo had agreed to issue new ordinary shares of ayondo, at an agreed conversion price of 33% discount to the IPO price, as reimbursement of S\$1.141 million of expenses ("**Acquisition Expenses**") incurred by the Group in connection with the Proposed Acquisition ("**Conversion Settlement**"). Upon the conversion of the Acquisition Expenses into new ordinary shares, ayondo shall be released and discharged from any and all further payment obligations in respect of the Acquisition Expenses.

In the event that the IPO does not occur prior to 30 September 2018, the Conversion Settlement shall cease and ayondo will not be required to reimburse the Company for the Acquisition Expenses.

The Company had fully expensed off the Acquisition Expenses in its financial statements up to the six months ended 30 June 2017.

The Company will make the necessary announcement(s) in relation to the RCL Settlement and Conversion Settlement as and when there are any material developments on the same.

BY ORDER OF THE BOARD

Peng Peck Yen
Executive Director
30 October 2017

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 Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President and Mr Lan Kang Ming, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.