

POLICY & STRATEGY UPDATE

AS WE FACE THE ONGOING CHALLENGES OF THE IMPACT OF COVID-19

As we at Starworks continue to navigate COVID-19, we are committed to focusing on ensuring the health and well-being of our staff, our affiliates, associates and customers are maintained. Our operating businesses, largely based in Bali, closed their doors on the 23rd of March 2020, immediately prior to “**Nyepi**”.

Although we continue to operate essential services, we have no intention re-opening to the public until the Government has declared so, and the threat of Covid-19 is under control. This closure is already impacting severely on income and operating cash flow as we balance operating budgets and our need to protect staff welfare and customers alike. However, I am confident our management team with prudent strategies and implementations will steer us through these difficult times.

Nyepi which is New Year’s Day on the Balinese Calendar is a cultural and religious day observed on the Island of Bali, Indonesia from where many of the businesses of the Starworks Global group operate. On the Island all lights and sounds are turned off, all traffic stops and complete silence and serenity reigns over the whole of Bali.

No planes land or take off for 24 hours. All traffic across Bali is stopped. All shops are closed. No pedestrian traffic is allowed on the beach or on the streets, very similar to the lock-down we now face currently and globally and which will grip the world for a period of time not yet determined. The personal and economic impact will be felt for years to come as this Pandemic plays out country by country, city by city and household by household.

Starworks Global Pte Ltd has formed a CMT (a Critical Management Team) to set policy, to make strategic changes to manage its businesses and its people’s

welfare as best as possible through this catastrophic event and to plan a future based on uncertain outcomes.

Within the Group there are staff employed in physical, caretaker and custodial roles during this lock-down period to keep property safe and networks and systems functioning. However, the majority are working from home under strict quarantine. We are seeing this as the new paradigm, albeit fast tracked a few years, and are already implementing some of the elements of the Starworks Ecosystem which we predict are tools that will change the way the Hospitality Sector operates.

Starworks CMT is now fully committed to bringing the Starworks Eco System to market in the least possible time as we believe the elements of such will provide the where-with-all, the tools and systems now necessary as we attempt to combat the impact of COVID-19 on our lives.

We continue to monitor Government and World Health Organization's advice to ensure the most recent safe, healthy, and positive guidelines are incorporated into our operational functions and procedures.

Starworks Global Pte Ltd., stakeholders and management are committed to ensuring that we all stay safe, stay healthy and can survive the resultant financial pressures now upon us.

March 31st 2020