

NUTRYFARM INTERNATIONAL LIMITED

(Company Registration No. 32308)

(Incorporated in Bermuda)

BREAKDOWN OF USE OF PROCEEDS RAISED FROM THE PLACEMENT OF 20,000,000 NEW ORDINARY SHARES TO DENG JIAOYAN, LI XIAOMIN, TIAN HENG AND ZHU LIN

The Board of Directors (the "**Board**") of NutryFarm International Limited (the "**Company**") refers to the announcements dated 19 December 2014, 8 January 2015, 12 May 2015, 15 May 2015, 8 June 2015, 17 June 2015, 24 June 2015 and 29 June 2015 (the "**Placement Announcements**"), and the Circular dated 15 May 2015 ("**Circular**"), in respect of, *inter alia*, the Proposed Placement. Capitalised terms not hereinafter defined shall, in their respective contexts, bear the meanings ascribed to them in the Circular.

The Company had in the Circular announced that the net proceeds of the Proposed Placement would be used for business investments and working capital purposes. Further to the Placement Announcements, the Board wishes to provide an update on the use of the net proceeds amounting to approximately S\$6.2 million ("**Net Proceeds**") raised from the Proposed Placement which was completed on 24 June 2015.

The Net Proceeds have been utilized by the Company for business investments and as general working capital, in accordance with the intended use as stated in the Circular, in the manner as set out below:

| | Amount Balance (S\$'000) |
|---|--------------------------------|
| Net Proceeds Raised | 6,200 |
| Application of proceeds for business investments and working capital purposes: | |
| Acquisition of 45% effective interest in NutryFarm Biomedicine International Limited | (5,500) |
| Staff Costs | (144.4) |
| Listing Expenses | (83.3) |
| Professional fees | (270.3) |
| Audit fees | (183.9) |
| Other operating expenses | <u>(18.1)</u> |
| Balance | NIL |

BY THE ORDER OF THE BOARD

Paul Gao Xiang Nong
Chief Executive Officer and Executive Director
12 July 2016