



SHENG SIONG GROUP LTD.

(the "**Company**")

(Incorporated in the Republic of Singapore)

(Company Registration No. 201023989Z)

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- (1) GRANT OF TEMPORARY OCCUPATION PERMIT IN RESPECT OF THE PURCHASE OF PROPERTIES AT 18 YISHUN AVENUE 9, SINGAPORE
 - (2) UPDATE ON USE OF PROCEEDS FROM PLACEMENT
 - (3) OPENING OF A NEW SUPERMARKET
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(1) GRANT OF TEMPORARY OCCUPATION PERMIT IN RESPECT OF THE PURCHASE OF PROPERTIES AT 18 YISHUN AVENUE 9, SINGAPORE

- 1.1 The board of directors (the "**Board**") of the Company (and together with its subsidiaries, the "**Group**") refers to the announcement made on 25 October 2013 (the "**Acquisition Announcement**") in relation to the proposed acquisition of a total of 6 units of properties (each a "**Property**" and collectively, the "**Properties**") at 18 Yishun Avenue 9, Singapore by Sheng Siong Supermarket Pte Ltd (the "**Purchaser**"), the Company's wholly-owned subsidiary, from CEL-Yishun (Commercial) Pte Ltd (the "**Vendor**") of the first part, and CEL-Yishun (Residential) Pte Ltd of the second part, for an aggregate consideration of S\$54.9 million ("**Proposed Acquisition**").
- 1.2 Unless otherwise defined, capitalised terms used in this announcement shall have the meanings as ascribed to them in the Acquisition Announcement.
- 1.3 Further to the Acquisition Announcement, the Company is pleased to announce that the temporary occupation permit ("**TOP**") for the Properties has been issued, pursuant to which the Purchaser has, on 23 February 2016, paid to the Vendor the aggregate sum of S\$15,070,722.53 (the "**TOP Payment**"), comprising, *inter alia*, 25% of the consideration for each of the Properties, and the corresponding goods and services tax, in accordance with the terms of the Agreements.
- 1.4 Approximately S\$12.0 million of the TOP Payment was paid out of the remaining proceeds of the September 2014 Placement (as defined in paragraph 2.1 below).
- 1.5 The Purchaser shall be entitled to take vacant possession of the Properties upon the Vendor's receipt of, *inter alia*, the TOP Payment. Following the taking of vacant possession, the Purchaser intends to apply for the approval of the relevant authorities for the change of use of the Properties, save for the #02-06 Property (collectively, the "**Remaining Properties**") for the operation of a supermarket.
- 1.6 The Company will make further announcements as and when there are material developments.

(2) UPDATE ON USE OF PROCEEDS FROM PLACEMENT

- 2.1 The Board refers to the announcement made on 4 September 2014 (the “**4 September Announcement**”) in relation to the placement of 120,000,000 new ordinary shares in the capital of the Company (the “**September 2014 Placement**”), and the subsequent announcements on 9 September 2014, 10 September 2014, 11 September 2014 and 31 December 2014.
- 2.2 Unless otherwise defined, all capitalised terms and references used herein shall have the same meaning as ascribed to them in the 4 September Announcement.
- 2.3 The Board wishes to announce that as at the date of this announcement, and pursuant to the TOP Payment set out in paragraph 1.4 above, the Group has fully utilised the gross proceeds from the September 2014 Placement, of approximately S\$80,400,000 (“**Gross Proceeds**”), as follows:

Purpose	Intended use of proceeds ⁽¹⁾		Actual use of proceeds	
	Estimated amount allocated (\$ million)	Estimated percentage of the Gross Proceeds	Amount utilised (\$ million)	As a percentage of the Gross Proceeds
To finance the future expansion plans of the Group in Singapore, including the purchase of retail space to expand the Group’s grocery retailing business in Singapore	78.8	98.0%	79.0 ⁽²⁾	98.3%
To pay the fees and expenses, including professional fees and expenses, incurred or to be incurred by the Group in connection with the Placement	1.6	2.0%	1.4	1.7%
Total	80.4	100%	80.4	100.0%

Notes:

- (1) Intended use of the Gross Proceeds as allocated in the 4 September Announcement.
- (2) Includes the sum of approximately S\$12.0 million for the TOP Payment as set out in paragraph 1.4 above.

- 2.4 The utilisation of the Gross Proceeds from the September 2014 Placement is in accordance with the intended use as stated in the 4 September Announcement.

(3) OPENING OF A NEW SUPERMARKET

- 3.1 The Group intends to open a new supermarket (the “**Junction Nine Supermarket**”) with a minimum gross floor area of approximately 10,500 square feet, at the #02-06 Property, which is expected to commence operations in the second quarter of 2016.
- 3.2 The Group intends to subsequently expand the gross floor area of the Junction Nine Supermarket to include the Remaining Properties, subject to receipt of the relevant authorities’ approval for change of use of the Remaining Properties for the operation of a supermarket.
- 3.3 The Company will make further announcements as and when there are material developments.

By Order of the Board

Lim Hock Chee
Chief Executive Officer

23 February 2016