



SHENG SIONG GROUP LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 201023989Z)

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING ("IPO")

1. The Board of Directors of Sheng Siong Group Ltd. (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the Company's (i) prospectus registered by the Monetary Authority of Singapore on 4 August 2011 (the "**Prospectus**"); (ii) announcement on the change in use of proceeds from the Company's IPO dated 28 October 2014; (iii) announcement on the change in use of proceeds from the Company's IPO dated 24 April 2015; and (iv) announcement of the Group's unaudited financial results for the period ended 30 September 2015 dated 22 October 2015 ("**22 October Announcement**").
2. The Company had previously disclosed in the 22 October Announcement that the unutilised proceeds from the issue of new shares for the IPO ("**IPO Proceeds**") were as follows:
 - (a) approximately S\$3.7 million allocated for the repayment of the Term Loan (as defined in the Prospectus) (the "**Term Loan Unutilised Proceeds**");
 - (b) approximately S\$5.7 million allocated for the development and expansion of the Group's grocery retailing business and operations in Singapore and overseas; and
 - (c) approximately S\$0.2 million allocated for the expenses incurred in connection with the issue of the new shares for the IPO (the "**IPO Expenses Unutilised Proceeds**").
3. The Company wishes to announce that the Term Loan Unutilised Proceeds, and the IPO Expenses Unutilised Proceeds, as set out in paragraphs 2(a) and 2(c) above, have been utilised for the purposes of the development and expansion of the Group's grocery retailing business and operations in Singapore and overseas (the "**Revised Utilisation**").
4. The Term Loan Unutilised Proceeds and the IPO Expenses Unutilised Proceeds have been utilised as afore-mentioned, in deviation from the allocation in the Prospectus and the 22 October Announcement, as:
 - (a) the final aggregate drawdown on the Term Loan was less than the aggregate amount of S\$30 million as originally allocated for the repayment of the Term Loan; and
 - (b) the aggregate IPO expenses were less than the aggregate amount of S\$4.2 million as originally allocated for repayment of the IPO expenses.

5. Further to the Revised Utilisation, the Company wishes to update that it has fully utilised the IPO Proceeds as follows:

Purpose	Estimated amount allocated as set out in the 22 October Announcement (\$\$ million)	Estimated percentage of gross IPO Proceeds	Amount utilised as at the date of this announcement (\$\$ million)	Percentage of gross IPO Proceeds
Repayment of the Term Loan	30.0	39.3%	26.3	34.4%
Development and expansion of grocery retailing business and operations in Singapore and overseas	42.2 ⁽³⁾	55.2%	46.1 ⁽¹⁾⁽⁴⁾⁽⁵⁾	60.4%
Expenses incurred in connection with the issue of New Shares	4.2	5.5%	4.0	5.2%
Total	76.4 ⁽²⁾	100.0%	76.4	100.0%

Notes:

- (1) Relates to the opening of our new stores in Singapore, the purchase of retail space and equipment to support our supermarket operations.
- (2) Includes net proceeds from the exercise of the Over-allotment Option of S\$13.5 million.
- (3) Includes an amount of S\$22.2 million originally designated for working capital now re-allocated. Please refer to the Company's announcement dated 28 October 2014.
- (4) Includes an amount of S\$3.7 million originally allocated for repayment of the Term Loan. Please refer to paragraphs 2(a) and 3 of this announcement.
- (5) Includes an amount of S\$0.2 million originally allocated for expenses incurred in connection with the issue of the new shares for the IPO. Please refer to paragraphs 2(c) and 3 of this announcement.

By Order of the Board

Lim Hock Chee
Chief Executive Officer

6 January 2016