



SHENG SIONG GROUP LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 201023989Z)

CONDITIONAL JOINT VENTURE AGREEMENT IN RELATION TO THE PROPOSED JOINT VENTURE IN THE PEOPLE'S REPUBLIC OF CHINA WITH KUNMING LUCHEN GROUP CO., LTD
(昆明绿辰集团有限责任公司)

The Board of Directors ("**Board**") of Sheng Siong Group Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement made on 21 August 2014 in relation to the Company's proposed joint venture ("**Proposed Joint Venture**") with Kunming LuChen Group Co., Ltd (昆明绿辰集团有限责任公司) ("**LuChen Group**") to operate supermarkets in the People's Republic of China ("**PRC**").

The Board is pleased to announce that the Company has executed a conditional joint venture agreement with each of the LuChen Group and the Company's Executive Director, Mr. Tan Ling San, (collectively, the "**Parties**") dated 27 December 2014 ("**Conditional JVA**") in relation to the Proposed Joint Venture.

It is envisaged under the Conditional JVA that: (i) the joint venture company ("**JVC**") will be incorporated under the laws of the PRC with a registered capital of US\$10 million; (ii) the Company will provide a cash consideration of US\$6 million for 60% equity interest in the JVC; (iii) the LuChen Group will provide a cash consideration of US\$3 million for 30% equity interest in the JVC; and (iv) Mr. Tan Ling San will provide a cash consideration of US\$1 million for 10% equity interest in the JVC.

Notwithstanding execution by the Parties, the Conditional JVA remains subject to, *inter alia*, the receipt of approval(s) from the relevant authorities in the PRC.

The Board notes that the Proposed Joint Venture will constitute an interested person transaction within the meaning of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, and will make further announcements when there are material developments in the matter (including if/ when the Company obtains the relevant approvals from the relevant authorities in the PRC), and will comply with, *inter alia*, the requirements of Rule 916(2) of the Listing Manual.

Save for Mr. Tan Ling San, none of the directors, controlling or substantial shareholders of the Company has any interest, direct or indirect, in the Conditional JVA and/ or the Proposed Joint Venture.

As the Proposed Joint Venture may or may not proceed, shareholders and potential investors of the Company are strongly advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers if in doubt as to any action to be taken.

By Order of the Board

Lim Hock Chee
Chief Executive Officer

27 December 2014