



LUZHOU BIO-CHEM TECHNOLOGY LIMITED

(Incorporated in the Republic of Singapore with Registration Number 200412523N)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES

Unless otherwise defined herein, all capitalised terms and references used in this announcement shall bear the meanings ascribed to them in the announcement dated 18 June 2015 relating to the Rights Issue (the “Announcement”).

IN-PRINCIPLE APPROVAL

The Board of Directors of Luzhou Bio-chem Technology Limited is pleased to announce that the in-principle approval in respect of the Company’s application for the listing and quotation of up to 198,000,000 Rights Shares on the Official List of the SGX-ST pursuant to the Rights Issue, has been obtained from the SGX-ST today, subject to the following:-

- (a) compliance with the SGX-ST’s listing requirements;
- (b) disclosure via SGXNet on how the shareholder’s loan of RMB9.8 million given to the Company in March 2013 was utilised by the Company and a breakdown with specific details on the use of proceeds for general working capital purposes;
- (c) disclosure via SGXNet on why the Rights Issue proceeds will first be applied to repayment of the shareholder’s loan, followed by the repayment of bank borrowings in the event that the Rights Issue is not fully subscribed taking into account the following:-
 - (i) the shareholder’s loan is interest free whereas the bank borrowings bear interest; and
 - (ii) the shareholder’s loan is due only in September 2016;
- (d) a written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
- (e) a written undertaking from the Company that it will comply with the confirmation given in Listing Rule 877(10) with regards to the allotment of any excess Rights Shares; and
- (f) a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under their undertakings.

It should be noted that the SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Rights Issue, Rights Shares, the Company and/or its subsidiaries.

The Company will make the announcements referred to in sub-paragraphs (b) and (c) above in due course.

By order of the Board

Niu Ji Xing
Executive Chairman and Chief Executive Officer
11 August 2015