



LUZHOU BIO-CHEM TECHNOLOGY LIMITED

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

**PROPOSED RELOCATION OF LUZHOU BIO-CHEM TECHNOLOGY (SHANDONG) CO., LTD.
AND THE GROUP HEADQUARTERS**

The Board of Directors of Luzhou Bio-chem Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that due to local city zoning plans, the Group has been requested by the local government to relocate its wholly-owned subsidiary, Luzhou Bio-chem Technology (Shandong) Co., Ltd. (“**Luzhou Shandong**”), together with the Group's headquarters, at No. 18 Luzhou Road, Yishui County, Linyi City, Shandong Province (the “**Existing Premises**”) by mid-2016.

The Existing Premises is sited on land which belongs to Shandong Luzhou Food Group Co., Ltd., an associate of Niu Ji Xing, the Company's Executive Chairman and Chief Executive Officer, and is leased by Luzhou Shandong. The Group intends to relocate Luzhou Shandong and the Group's headquarters, comprising office, production facility, warehouse and research and development facilities, to the Economic Development Zone, Yishui County, Linyi City, Shandong Province (中国山东省临沂市沂水县经济开发区).

The Group expects to receive compensation for its fixed assets but the amount has not been confirmed by the local government and negotiations are ongoing. Based on preliminary estimates, the construction of the new headquarters and production facility is expected to require capital investment of approximately RMB250 million. The Group intends to carry out the relocation progressively in order to minimise the disruption to its production facility.

The proposed relocation is not expected to have a material impact on the financial statements for the current financial year ending 31 December 2015.

Further information on the proposed relocation will be announced when there are material developments.

By order of the Board

Niu Ji Xing
Executive Chairman and Chief Executive Officer
17 June 2015