



SHENG SIONG GROUP LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 201023989Z)

**LETTER OF INTENT IN RELATION TO 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**") is pleased to announce that the Company has entered into a non-binding letter of intent ("**LOI**") dated 21 August 2014 in relation to a 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**").

At this juncture, it is envisaged that: (i) the joint venture company ("**JVC**") will have a registered capital of US\$10 million; (ii) the Group will hold 60% of the equity interest in the JVC; (iii) the LuChen Group will hold 30% of the equity interest in the JVC; and (iv) the Company's Executive Director, Mr. Tan Ling San, will hold 10% of the equity interest in the JVC.

Based on publicly available information, the LuChen Group was established in 1954 and is principally engaged in the manufacture and distribution of food products such as sauces and condiments. Further information on the LuChen Group is available at <http://www.kmlcjt.com/list?cid=64>.

The Proposed Joint Venture is subject to, *inter alia*, (i) the entry into definitive agreement(s) by the parties; (ii) receipt of approval(s) from the relevant authorities in the PRC; and (iii) receipt of approval from the shareholders of the Company (if required).

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 LOI and/ or the Proposed Joint Venture.

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 if/ when the Company enters into definitive agreements and/ or as and when there are material developments in the matter.

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

21 August 2014