

**NUTRYFARM INTERNATIONAL LIMITED**  
(Incorporated in Bermuda on 13 August 2003)  
(Company Registration Number: 32308)  
(the “**Company**”)

**CLARIFICATION AND TERMINATION OF THE PROPOSED ACQUISITION OF THE REMAINING 45% EFFECTIVE INTEREST IN NUTRYFARM BIOMEDICINE INTERNATIONAL LIMITED**

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**A. INTRODUCTION**

The Board of Directors of the Company refers to the Company's announcement dated 14 January 2016 (“**Announcement**”) on the proposed acquisition of the remaining 45% effective interest in NutryFarm Biomedicine International Limited. Capitalised terms not hereinafter defined shall have the meaning ascribed to them in the Announcement.

**B. CLARIFICATION**

The Company wishes to clarify that Section 6 of the Announcement shall be replaced with the following:

“Based on the latest announced audited consolidated results of the Group for FY2015, the relative figures applicable to the Proposed Acquisition computed on the bases pursuant to Rule 1006 (a) to (e) of the Listing Manual of the SGX-ST are as follows:

<b>Listing Rule</b>	<b>Basis</b>	<b>Relative figures (%)</b>
Rule 1006(a)	Net asset value of assets being disposed of, as compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable.
Rule 1006(b)	Net profits attributable to the NFB Sale Shares, compared with the net profits of the Group	106%
Rule 1006(c)	Aggregate value of consideration given for the acquisition of the NFB Sale Shares, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	115.5%
Rule 1006(d)	The number of equity securities to be issued by the Company as consideration for the acquisition of the NFB Sale Shares, compared with the number of equity securities previously in issue	Not applicable as no equity securities are to be issued as consideration.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable.

As the figure in Rule 1006(b) and (c) are more than 100%, the Proposed Acquisition will constitute a “Very Substantial Acquisition” to the Company within the meaning of Chapter 10 of the Listing Manual of the SGX-ST, as computed on the above bases.”

## C. TERMINATION OF THE SPA

Further to the Announcement, the Board wishes to announce that as market conditions are not appropriate and as the Company may not be able to complete the Proposed Acquisition within a reasonable time, the Company has on 26 January 2016 entered into a mutual termination deed with the Vendor to terminate the SPA with immediate effect (the "**Termination**").

The Company will continue to explore its options and other alternatives, including entering into a revised sale and purchase agreement with the Vendor when market conditions are appropriate.

Save for professional fees incurred, the Termination is not expected to have any material financial impact on the Company and its subsidiaries for the current financial year.

The Company has agreed with the Vendor that neither party shall have any claim against the other party hereafter arising from the Termination.

As at the date of this announcement, none of the directors or substantial shareholders of the Company, save for their respective shareholdings in the Company, has any interest, direct or indirect, in the Termination.

By Order of the Board  
NutryFarm International Limited

**Paul Gao Xiang Nong**  
Chief Executive Officer and Executive Director  
26 January 2016