

HOSEN GROUP LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number: 200403029E

DISPOSAL OF AN INDIRECT SUBSIDIARY

The Board of Directors (the “**Board**”) of Hosen Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Hock Seng Food (Shanghai) Co. Ltd., (“**Hock Seng**”) has disposed of its entire 51% owned subsidiary, Shi Chen (Shanghai) Trading Co. Ltd. (“**Shi Chen**”) (the “**Assets**”) to an unrelated independent third party, Mr Chen Xiao Long (the “**Purchaser**”) (hereinafter referred to as the “**Disposal**”).

The consideration for the Disposal is RMB5,000 or approximately S\$1,000 in cash. The consideration was arrived at after arms' length negotiations between Hock Seng and the Purchaser, on a "willing-buyer, willing-seller" basis after taking into consideration of (i) net liabilities of the Assets of approximately RMB737,000 or S\$146,000; (ii) slowing trading activities of seaweed and frozen seafood products within Shi Chen and (iii) management time involvement and relevance to the Group's strategy.

As a result of the Disposal, the Group will make a gain of approximately S\$147,000. The Disposal is not expected to have a material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2019.

None of the Company’s Directors and controlling shareholders has any interests, direct or indirect, in the above Disposal, save for their respective interests in the shareholding of the Company.

BY ORDER OF THE BOARD

Lim Hai Cheek
Chief Executive Officer

27 December 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in the announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).