



**SIN GHEE HUAT CORPORATION LTD.**

*(Company Registration. No: 197700475Z)*

## **ESTABLISHMENT OF A SUBSIDIARY IN THE PEOPLE'S REPUBLIC OF CHINA ("PRC")**

The Board of Directors of Sin Ghee Huat Corporation Ltd (the "Company") wishes to announce that the Company has set up a wholly-owned subsidiary, SG Metals (Suzhou) Ltd (盛科不锈钢 (苏州) 有限公司), in Suzhou, PRC (the "Suzhou Subsidiary").

The Suzhou Subsidiary is a "wholly foreign owned enterprise" with a registered capital of USD 500,000 and is owned by the Company's subsidiary, SG Metals Pte. Ltd.

The Suzhou Subsidiary will undertake the provision of value-added services, import, export, distribution and sales of stainless steel and related products. The establishment of the Suzhou Subsidiary marks the Company's first overseas investment as part of its growth strategy.

None of the directors and/or substantial shareholders of the Company has any interest, direct or indirect, in the transaction, save their interests owing by way of their shareholdings and/or directorships, as the case may be, in the Company and its subsidiaries.

The incorporation of the Suzhou Subsidiary is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the financial year ending 30 June 2011.

**BY ORDER OF THE BOARD**

Lim Lian Soon  
Chief Executive Officer

8 July 2010