

SUPER GROUP LTD.
(Company Registration No. 199101696K)

PROPOSED INVESTMENT IN BOTANICAL HERBAL EXTRACT IN MALAYSIA

The Board of Directors of Super Group Ltd. (the “Company”) is pleased to announce that its indirect wholly-owned subsidiary, Super Continental Pte Ltd (“SCPL”) had successfully applied for a Pioneer status with the Malaysian Industrial Development Authority (“MIDA”) for its proposed investment in Botanical Herbal Extract in Johor Bahru, Malaysia (the “Investment”).

Information on Botanical Herbal Extract (“BHE”)

Botanical Herbal Extract is derived from an extraction process encompassing microfiltration and low temperature concentration with Aroma Recovery System with either (i) Spray Dry; or (ii) Vacuum Belt Dry; or (iii) Freeze Dry.

The initial ingredients used for the Herbal Extraction will be Chicory, Green Tea, Black Tea, Tongkat Ali, Ginger, Chrysanthemum, Prunella and Medlar.

Salient Terms of the Investment

MIDA has in principle approved a 5 years tax incentive Pioneer status for the Investment (the “Tax Incentive”) on the condition that the total investment will not be less than RM 90 million. In view of the size of the Investment and the desire to maximize the utilization of the Tax Incentive, SCPL has made a counter request for an additional 3 years tax incentive period making a total of 8 years. The counter request will be subject to MIDA’s approval.

The total estimated BHE Investment will be in the region of RM138 million (approximately S\$56.6 million) and comprises the following:

	<u>RM \$'million</u>
a) Building	73
b) Herbal Extraction Plant, Spray Freeze and Vacuum Dried Facilities and Supplement Equipments such as boiler, waste water treatment, etc	65
TOTAL	<hr/> 138 <hr/>

The production capacity installed under the Investment is capable of producing up to 3,000 tons of BHE. The first phase of the production volume is planned to be around 1,500 tons of BHE.

Under the condition of the MIDA’s approval, a new company will be formed in Malaysia to house the entire BHE Investment. The Company will make the appropriate announcement when the new company is formed in Malaysia.

Rationale of the Investment

As part of the Group's ongoing strategy to enhance Super's brand recognition in Asia, the Directors of the Company continuously seek out complementary businesses in both its Branded Consumer segment and Ingredients segment.

Herbal extraction has its niche market in this region and this Investment is a complementary expansion to the Group's Ingredients segment given that the Group already possess the know-how expertise and will be further supported by the Group's in-house Research and Development team. BHE will serve as an additional product in the Ingredients segment on top of the current key products mainly soluble coffee powder, non-dairy creamer and fat-filled powder. This is in line with the Group's long-term strategy of becoming an ingredient specialist in Asia.

As the Group continuously seeks new products to increase its market share for its instant coffee-mixes in its Branded Consumer segment, certain BHE can be used to enhance the flavor of coffee thereby widening the range of coffee products offering by the Group.

Source of Funds

The Investment will be funded through a combination of internal resources and bank borrowings.

Financial Effects of the Investment

The Investment is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2011.

Relative Figures pursuant to Rule 1006 of the Listing Rules

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual with respect to the Investment are as follows:-

- | | |
|--|----------------|
| (a) Net asset value of the Investment to be disposed of compared with the Group's net asset value as at 30 September 2011 | Not applicable |
| (b) Net profits attributable to the Investment acquired of, compared with the Group's net profits as at 30 September 2011 | Not applicable |
| (c) The aggregate value of the consideration given or received, compared with the Company's market capitalization as at 18 November 2011 based on the total number of issued shares, excluding treasury shares | 7.0% |
| (d) The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue | Not applicable |

As the relative figure computed on the bases set out in Rule 1006 of the SGX Listing Manual exceed 5% but does not exceed 20%, the Investment would constitute a 'Discloseable Transaction' as defined in Chapter 10 of the SGX Listing Manual.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders has any interest, direct or indirect, in the above investment, save for their shareholdings in the Company.

**BY ORDER OF THE BOARD
SUPER GROUP LTD.**

**Tan Cher Liang
Company Secretary
18 November 2011**