



Live Announcement of Sinomax's First Manufacturing Facility in the U.S.

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*Represents an Important Milestone of the Group
Captures Greater Business Opportunities in the Region*

(Hong Kong, 11 November 2015) – **Sinomax Group Limited** (“Sinomax” and together with its subsidiaries, the “Group”) (stock code: 1418), a leading marketer, manufacturer and distributor of quality visco-elastic (“memory foam”) pillows, mattress toppers and mattresses in the United States (the “U.S.”), Hong Kong and the People’s Republic of China (the “PRC”), has held the live announcement of its first manufacturing facility at La Vergne, Tennessee, the U.S. yesterday. Mr Bill Haslam, Governor of State of Tennessee, Ms Megan Barry, Mayor of City of Nashville, Mr Randy Boyd, Commissioner of Tennessee Department of Economic and Community Development, Mr Ralph Schulz, President and CEO, Nashville Area Chamber of Commerce and various business partners were in attendance to demonstrate strong support and witness this strategically important moment.

The new manufacturing facility will cover approximately 505,000 square feet with an estimated aggregate annual production capacity of 33,000 tonnes. The estimated total investment of this new manufacturing facility is expected to be around USD28 million to be incurred in different phases over a number of years. An additional 350 employees are planned to be recruited in the city to ensure a sufficient workforce. Trial production is to commence in mid-2016 and the facility will be in full operation in early 2017.

Mr Lam Chi Fan, Chairman of Sinomax, said, “We are pleased to announce the commencement of our very first manufacturing facility in the U.S. opening a new chapter in our development by expanding our production base outside the PRC. It would benefit us in capturing greater business opportunities in the U.S., enhancing our production efficiency and also optimising our operations and management. The facility features state-of-the-art automated equipment and we will recruit more experienced staff to better accommodate our customers’ requirements. With a clear strategy and a sound foundation in place, I believe we can create long-term value for our shareholders.”

Mr Frank Chen, Executive Director of Sinomax, added, “In view of the growing demand for ‘made in U.S.’ products in the U.S., our new manufacturing facility would significantly shorten the lead time between production and product delivery, as well as further enhance our vertically-integrated business model and cost efficiency. The ‘made in U.S.’ products will also be shipped and available to customers in Hong Kong and the PRC markets. Moreover, we plan to launch our new brands – ‘Customizer’ and ‘Zeopedic’ and promote our flagship brand ‘SINOMAX’ in the U.S., focusing on the mid-range to high-end retail segments to further enlarge the customer base. Thus we are strongly poised for long-term growth as the manufacturing facility becomes a solid foundation for the Group’s future development and greatly enhances our competitive advantage in the U.S.”

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About Sinomax Group Limited (stock code: 1418)

Sinomax is a leading marketer, manufacturer and distributor of quality memory foam pillows, mattress toppers and mattresses in the U.S., Hong Kong and the PRC. It is a well-known brand in both Hong Kong and the PRC retail markets for visco-elastic health and wellness products and it is also one of the leading suppliers of mainstream visco-elastic health and wellness products in the U.S. The Group sells its comprehensive product line in different markets under its own brands “SINOMAX”, “ComforZen”, “Dream Serenity”, “Customizer” and “Zeopedic” and licensed brands “Sharper Image”, “Awaken by Joan Lunden” and “HoMedics”. As at 30 June 2015, the Group had an estimated retail and distribution network comprising more than 6,000 points of sale in the U.S. and 442 points of sale in Hong Kong, the PRC and Macau. For more information, please visit <http://www.sinomax.com/group/>.

Photo Caption 1:

Mr Frank Chen, Executive Director of Sinomax delivered his opening remarks at the live announcement



Photo Caption 2:

(From left to right) The live announcement hosted by Mr Eric Cheung, Chief Executive of Sinomax; Mr Bill Haslam, Governor of State of Tennessee; Mr Frank Chen, Executive Director of Sinomax; Mr Lam Chi Fan, Chairman of Sinomax; Ms Megan Barry, Mayor of City of Nashville; Mr Randy Boyd, Commissioner of Tennessee Department of Economic

