

SGD HOLDINGS, LTD.

Stock Nears 52-Week High on Volume Rise; Reiterate Speculative Buy

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SGD HOLDINGS, LTD. (OTC:PK – SGDH - \$0.041)

Price Target: \$0.20

Rating: Speculative Buy

COMPANY SNAPSHOT

After developing an innovative and an economically feasible option for removing a portion of the more than 230,000 tons of agro-industrial waste generated annually by Costa Rica alone, SGD Holdings' operating subsidiary Ecopaper, Inc. became one of the first companies worldwide to create and implement processes for manufacturing and bringing to market tree-free, eco-friendly, beautiful, sustainable paper products of superior quality created from exotic tropical fibers. Every sheet of Ecopaper product is smooth, acid-free, durable, chemical-free, and caringly manufactured.

KEY STATISTICS

Price as of 12/13/13	\$0.041
52 Wk High – Low	\$0.045– 0.0175
Est. Shares Outstanding	116.0M
Market Capitalization	\$4.8M
3 Mo Avg Vol	508,000
Exchange	OTC:PK

COMPANY INFORMATION

SGD Holdings, Ltd.
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INVESTMENT HIGHLIGHTS

SGD Holdings' stock is up over 40% since our initiation of coverage report a month ago. In fact, at current levels, SGDH trades just below its 52-week high. The rise is in conjunction with a big spike in volume, which is a very bullish sign for shareholders. When we initiated coverage, average daily trading volume was only 159,000 shares. Today that number is over 500,000 shares traded per day.

We believe that the rise in the SGDH stock price may be reflective of increased sales traction and the potential addition of new retail distribution partners for its popular tree-free paper products in the coming months.

SGD Holdings' operating subsidiary, Ecopaper Inc. may be the first firm in history to manufacture and sell high quality, treeless paper that is smooth, acid-free, durable, and chemical free. Leveraging its proprietary manufacturing processes, all of Ecopaper's products are exclusively made from agro-industrial waste.

The replacement opportunity for treeless paper is enormous. The Company has a great brand name and a history of millions in annual sales to some of the largest and biodiversity conscious retail firms in the U.S. These include Starbucks (NASDAQ – SBUX), Whole Foods (NASDAQ – WFM).

This top-5 treeless paper provider is the only pure play on the exciting treeless paper market that appears to be entering a key inflection point in its adoption. We reiterate our Speculative Buy and \$0.20 price target, which reflects the value of its brand, innovative process, pure play leadership status, and a 4x multiple on future sales.

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Recent Trading History For SGDH

(Source: Stockta.com)



Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.



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