

SINO GRANDNESS FOOD INDUSTRY GROUP LIMITED
(Company Registration No. 200706801H)
(Incorporated in Singapore)
(the “Company”)

**UPDATE ON THE GROUP’S OPERATIONS IN THE PEOPLE’S REPUBLIC OF CHINA
AND IMPACT DUE TO COVID-19**

The Board of Directors of Sino Grandness Food Industry Group Limited (the “**Company**” or “**Group**”) wishes to update shareholders of the Company on the impact of its business in the People’s Republic of China (“**PRC**”) due to COVID-19 outbreak.

With the outbreak of COVID-19 in the PRC during the Chinese Lunar New Year period, the local governments in the PRC have implemented emergency proactive precautions to control human traffic in each city towards reducing the flow and concentration of people. The Guangdong Province Government of PRC has issued a directive instruction that all enterprises are not allowed to operate and will temporary closed until 9 February 2020. Subsequently, Baoan District, Shenzhen Municipal Government of PRC had on 5 February 2020 issued a directive that all enterprises are required to apply to the relevant authority for permission to resume operations subject to conditions.

The Company has on 6 February 2020 applied to the relevant authority in Baoan District, Shenzhen for resuming of operation of its headquarter. The Company has yet to receive the approval from the relevant authority as of today. In addition, two of the Company’s key wholly-owned subsidiaries, namely Grandness (Hubei) Foods Co., Ltd and Garden Fresh (Hubei) Food & Beverage Co., Limited are located at the epicentre of the COVID-19 outbreak which had completely ceased operation until further notice.

Given that the situation and the length of time of disruption in operations in connection to the spread of the COVID-19 remains uncertain, it is currently difficult to ascertain the financial impact it has on the financial performance of the Group. Nevertheless, the Group looks forward to resuming normal operation of its headquarter and subsidiaries as soon as it is appropriate to do so.

The Company will provide further updates as soon as there are material developments of the situation.

Shareholders and potential investors are advised to exercise caution when dealing with the Company’s securities. Shareholders and potential investors should seek advice from their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the action that they should take.

By Order of the Board

Huang Yupeng
Chairman and CEO
20 February 2020