

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

UPDATE ON DEFAULT IN REPAYMENT OF LOAN TO DEG

The Board of Directors of Sino Grandness Food Industry Group Limited (the “Company” or “Group”) refers to the Company’s earlier announcement dated 30 December 2019 and the Company’s Annual Report for the financial year ended 31 December 2018 (collectively referred to as the “Earlier Announcements”). Unless otherwise defined, capitalised terms used herein shall have the same meanings ascribed to them in the Earlier Announcements.

The Board wishes to update that Garden Fresh (Hubei) Fruit & Vegetable Beverage Co., Limited (“GF Hubei”), a wholly-owned subsidiary of the Company, had on 12 October 2020 entered into an amendment agreement No. 4 to the loan agreement with DEG for an extension of time for the repayment of the Loan until 30 November 2020 (the “Amendment Agreement”).

Pursuant to the Amendment Agreement, the parties hereto agree GF Hubei shall, amongst other conditions, pay to DEG an amount of USD 2,600,000 before 10 November 2020, DEG shall not claim any remaining outstanding amounts from GF Hubei under the loan agreement until 10 November 2020. Subsequent to which, and fulfilment of the conditions set out below, DEG will waive all the remaining outstanding amount due by the Company according to the Loan Agreement. The conditions are: (a) that all authorisation (including but not limited to any necessary registration with the competent State Administration of Foreign Exchange) shall have been obtained on or before 10 November 2020 if applicable and only to the extent that such authorisation is legally required for DEG to receive the aforesaid payment, and (b) that DEG has received the original signed Amendment Agreement.

The Company would make the necessary announcement as and when there is any material development.

Shareholders are advised to exercise caution when dealing with the Company’s securities. Shareholders 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
21 October 2020