

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

RESPONSE TO SGX’S QUERY

In response to the query from Singapore Exchange Securities Trading Limited in their email dated 2 July 2019, the Board of Directors of the Company wishes to provide the information as set out below:

Query 1

How was the valuation of RMB4.3 billion of GF Hong Kong determined?

Company’s Response to Query 1

As disclosed in the Announcement, the Investor and Company’s management have agreed to set a consolidated profit target of RMB377 million (with 10% variance allowed) for GF Hong Kong for the financial year 2018. This will imply a price earnings multiple of approximately 11.4 times based on the investment valuation of RMB4.3 billion.

By Order of the Board

Huang Yupeng
Chairman and CEO
4 July 2019