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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE IN THE CAPITAL OF THE COMPANY

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1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Sino Grandness Food Industry Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refer to its following earlier announcements:

(a) its earlier announcement entitled "*Proposed Renounceable Non-Underwritten Rights Issue in the Capital of the Company*" dated 13 December 2016;

(b) its earlier announcement entitled "*Receipt of Approval In-Principle from the Singapore Exchange Securities Trading Limited for the Proposed Renounceable Non-Underwritten Rights Issue in the Capital of the Company*" dated 4 February 2017 (the "**AIP Announcement**"), and

(c) its earlier announcement entitled " *Notice Of Record Date For The Rights Issue*" dated 6 February 2017.

(collectively, the "**Earlier Announcements**").

Unless otherwise defined here, all capitalised terms herein shall bear the same meanings ascribed to them in the Earlier Announcements.

2. IRREVOCABLE UNDERTAKING BY MR SAM GOI

2.1 The Company wishes to announce that Mr. Goi Seng Hui ("**Mr. Sam Goi**") had on 17 February 2017, given an irrevocable undertaking (valid up to 31 March 2017) to the Company (the "**Investor Irrevocable Undertaking**") that, amongst others:

(a) he has acquired 1,000 Shares on or before the Record Date (being 15 February 2017), and he will not sell, transfer or otherwise dispose of, encumber or part with, or instruct his nominee(s) to sell, transfer or otherwise dispose of, encumber or part with, the ownership of, any of the 1,000 Shares already acquired by him (the "**Relevant Securities**");

(b) his total shareholding in the Company as at the Record Date will not be less than that represented by the Relevant Securities;

(c) he will subscribe and pay, or procure the subscription and payment, in full for the aggregate of 454 Rights Shares to be provisionally allotted to him in respect of the Relevant Securities pursuant to the Rights Issue ("**Undertaking Entitled Rights Shares**") in accordance with the terms and conditions of the Rights Issue, as soon as practicable but on or prior to the latest time and date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue (the "**Closing Date**");

(d) he shall subscribe, apply for and pay, or procure the subscription, application and payment, in full for the aggregate of 145,500,000 excess Rights Shares ("**Undertaking Excess Rights Shares**") in accordance with the terms and conditions of the Rights Issue, as soon as practicable but on or prior to the Closing Date;

(e) he has sufficient financial resources to subscribe and pay for in full the Undertaking Entitled Rights Shares and the Undertaking Excess Rights Shares and will provide, promptly upon the execution of the Investor Irrevocable Undertaking, a confirmation from a financial institution in Singapore in a format that is reasonably acceptable to the Company, or such evidence as may be required by and reasonably acceptable to the Company, that he has the necessary and sufficient financial resources to carry out his obligations under the Investor Irrevocable Undertaking; and

(f) he will do all such things, provide all such information, confirmations, undertakings and certificates and execute all such documents as may be required by, *inter alia*, the Central Depository (Pte) Limited, the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Company, for the purpose of subscribing for the Undertaking Entitled Rights Shares and the Undertaking Excess Rights Shares, and as it is necessary to ensure that the Undertaking Entitled Rights Shares and the Undertaking Excess Rights Shares can be validly and legally provisionally allotted to him;

2.2 Mr Sam Goi's obligations under paragraph 2.1 are subject to and conditional upon:

2.2.1 the approval in-principle given by the SGX-ST on 3 February 2017 (the "**Listing Approval**") for the dealing in, listing of and quotation for the Rights Shares on the Official List of the SGX-ST continuing to be valid, and such approval not having been withdrawn or revoked as at the completion of the Rights Issue and if such approval is granted subject to conditions, such conditions being acceptable and fulfilled by the Company;

2.2.2 all other conditions of the Listing Approval having been complied with;

2.2.3 all other necessary consents, approval and waivers from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before the completion of the Rights Issue;

2.2.4 the market price of the Shares as and when he decides (in his sole discretion) to submit his acceptance of and/or excess application and payment for the Rights Shares (which shall be within the Company's stipulated time period for submission of such application) being at least S$0.21 per Share; and

2.2.5 the lodgement of an offer information statement in relation to the Rights Issue, together with all other accompanying documents, by the Company with the Monetary Authority of Singapore, in accordance with Section 277 of Securities and Futures Act, Chapter 289 of Singapore.

2.3 Mr. Sam Goi is the Executive Chairman of Tee Yih Jia Group, a global food and beverage group and GSH Corporation Ltd, a regional developer of premium residential and commercial properties as well as the owner and operator of the 5-Star Sutera Harbour Resorts, Marina and Golf Course in Kota Kinabalu. In addition, Mr. Sam Goi serves on other Mainboard-listed companies – as Vice Chairman of Super Group Ltd, Vice Chairman of Envictus International Holdings Limited, and Vice-Chairman of JB Foods Limited. He also has investments across a range of listed and private entities in numerous industries, such as property development, food and beverage, consumer essentials, recycling, distribution and logistics.

In 2014, Mr. Sam Goi was named Businessman of the Year by Singapore's Business Times and at the 49th National Day Awards, Mr. Sam Goi was conferred the Public Service Star (Bar) – Bintang Bakti Masyarakat (Lintang), BBM (L) – by the President of Singapore for his contributions to the community.

In 2015, he received the Long Service Award from Singapore's People's Action Party. He was also conferred the State Award of Panglima Gemilang Darjah Kinabalu (PGDK), which carries the title of Datuk, from the Head of State of Sabah, for his social and business contributions to Kota Kinabalu. In addition, he was awarded the SG50 Outstanding Chinese Business Pioneers Award and Enterprise Asia's Lifetime Achievement Award in 2015, as well as the Asian Strategy & Leadership Institute's Lifetime Achievement Award in 2016. Most recently, on 8 January 2017, he was honored for his contributions and success as an overseas Chinese by People's Tribune magazine in Beijing.

3. GENERAL

3.1 Offer Information Statement

Further details of the Rights Issue will be made available in the Offer Information Statement to be despatched to Entitled Shareholders in due course.

3.2 Further announcements

Where appropriate, further details will be disclosed in subsequent announcements.

BY ORDER OF THE BOARD

Huang Yupeng
Chairman and CEO
17 February 2017