



Sino Grandness Food Industry Group Limited
(Incorporated in the Republic of Singapore on 20 April 2007)
(Company Registration No. 200706801H)
56th Floor, Tower A, Lian He Plaza,
No. 5022, Bin He Road, Futian District, Shenzhen, PRC (518033)
深圳市福田区滨河大道 5022 号联合广场 A 座 56 楼(邮编:518033)
www.sinograndness.com

NEWS RELEASE

SINO GRANDNESS EXPANDS DISTRIBUTION NETWORK FURTHER THROUGH NEW JOINT VENTURE

- **JV Co to distribute products in various distribution channels including convenience stores within PetroChina and Sinopec petrol stations in China**

SINGAPORE – 2 August 2018 – Mainboard-listed Sino Grandness Food Industry Group Limited 中华食品工业集团有限公司 (“Sino Grandness” or “the Company” and together with its subsidiaries, the “Group”), a Shenzhen, China based integrated producer and distributor of own-branded juices, canned food and snack food is pleased to announce that its wholly-owned subsidiary, Garden Fresh (Shenzhen) Fruit & Vegetable Beverage Co., Ltd. (“Garden Fresh”) has entered into a joint venture agreement with Dongqi Shenzhen Trading Company Limited (the “Partner”) (深圳市东启商贸有限公司) to incorporate a new joint venture company namely, Pinle Shenzhen Industrial Company Limited (“JV Co”) (深圳市品乐实业有限公司) with a registered capital of RMB10 million. Garden Fresh shall take a 51% equity stake of the JV Co with the remaining 49% to be held by the Partner (the “Transaction”)

The JV Co shall be engaged in the distribution of food and beverage products under new brands to be registered with the relevant authorities. These new products shall be distributed into new channels to be established by the Partner, including supermarkets and convenience stores in China.

Commenting on the joint venture, Mr Huang Yupeng 黄育鹏, Chairman and CEO of Sino Grandness said, “What we bring to the table is our experience and capabilities in developing and producing a wide range of food and beverage products with premium quality. Whereas the Partner, through its existing network and business contacts shall assist the JV Co in expanding the distribution network in China market, including supermarkets and convenience stores within PetroChina and Sinopec petrol stations.”

“I am excited about this joint venture which targets new distribution channels especially petrol stations which may generate a new and growing source of revenue for the Group due to the steady customer flow each day as well as the demand for a broad range of food and beverage products. Apart from juices, some of the other beverages products which may be distributed by the JV Co include energy drinks and coffee,” added Mr Huang.

The Transaction is not expected to have any material impact on the earnings or net tangible asset value of the Company and the Group for the current financial year ending 31 December 2018.

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Transaction.

-- END --

About Sino Grandness Food Industry Group Limited

Headquartered in Shenzhen the PRC, Sino Grandness is an integrated manufacturer and distributor of own-branded 鲜绿园® (Garden Fresh) juices as well as canned fruits and vegetables. Since its establishment in 1997, the Group has rapidly grown to become the No.1 brand for loquat fruit juice in China as well as one of the top exporters of canned asparagus, long beans and mushrooms from China. The Group’s products are distributed globally across Europe, North America and in Asia, in renowned supermarkets, discount stores and convenience stores.

With stringent quality control and procedures implemented in its manufacturing processes, Sino Grandness’ canned products are compliant with international standards, including Hazard Analysis and Critical Control Point (“HACCP”) food safety system, British Retail Consortium (“BRC”), International Food Standard (“IFS”) and International Organization for Standardization (“ISO”) certifications. As such, Sino Grandness is able to export its canned products to customers globally including the European Union, which has enforced import restrictions (commonly known as “Green Barriers”) since 2000 on the grounds of environmental and food safety issues.

Sino Grandness’ production plants in China are strategically located in five provinces, namely Shandong, Shanxi, Sichuan, Hubei and Anhui. The production bases straddle different climatic regions so that production activities can be carried throughout the year. In recognition of the Group’s R&D and brand building efforts, Garden Fresh has been accorded the prestigious “Asian Brands Top 500 Award”, “Innovative, Outstanding and Nutritious Award” and “Top 100 Brand in China Award”.

Note :

This release may contain predictions, estimates or other information that may be considered forward-looking statements. Actual results may differ materially from those currently expected because of a number of factors. These factors include (without limitation) changes in general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, changes in operating expenses, including employee wages and raw material prices, governmental and public policy changes, social and political turmoil and major health concerns. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company

undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For further information please contact :

Mr. Stephen Yong

VP, Investor Relations

Sino Grandness Food Industry Group Limited

Tel : +65-92999316

Email : ssyong@grandnessgroups.com