

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

EXTENSION OF TRADING HALT

The Board of Directors of Sino Grandness Food Industry Group (the “Company” and together with its subsidiaries, the “Group”) refers to the Company’s earlier announcement dated 25 November 2020 in relation to the Company’s request for trading halt.

The Company would like to update shareholders that the Company has requested for SGX to extend the trading halt until 4 December 2020 (the “Extension”). The reason for the Extension is so that the Company can conduct negotiations with various parties to address the going concern issues (“Going Concern Issues”) highlighted in the independent auditors’ report dated 30 October 2020, which forms part of the Company’s annual report for the financial year ended 31 December 2019, as announced by the Company dated 19 November 2020.

The Company’s proposed actions to address the Going Concern Issues in this Extension (“Proposed Actions”) are set out as follows:

1. secure credit lines with banks and financial institutions, of which the Company is actively engaged with, in preparation and support for the Company to fulfil its debt obligations to address the Going Concern Issues; and
2. further engage with its current creditors to expedite the debt restructuring process and shall target to conclude such negotiations with new settlement terms. Such creditors of the Group include: Soleado Holdings Pte. Ltd. (loan amounting to RMB147.2 million (US\$ 21.1 million)), Deutsche Investitions-und Entwicklungsgesellschaft, (loan amounting to RMB169.8 million (US\$ 24.3 million)), and various bondholders (with liabilities amounting to RMB 742.2 million) (collectively, the “Creditors”). In aggregate, the amount owing to the Creditors by the Group is RMB 1,059.2 million

Should the company fail to secure additional credit lines or reach new settlement terms with its Creditors as set out in (1) or (2) above before the end of the Extension, trading in the shares of the Company shall be suspended pursuant to Listing Rule 1303(3). The SGX-ST will not grant any further trading halt extension for the Company.

The Company would make necessary announcements as and when there are any material developments.

By Order of the Board

Huang Yupeng
Chairman and CEO
29 November 2020