

SINO GRANDNESS FOOD INDUSTRY GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200706801H)

PROPOSED PLACEMENT OF 170,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY – IN-PRINCIPLE APPROVAL FOR THE SECOND TRANCHE PLACEMENT SHARES

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Company's announcements dated 25 March 2019, 3 May 2019, 24 May 2019, 14 June 2019, 20 June 2019 and 2 August 2019 in relation to the proposed placement of 170,000,000 new ordinary shares in the share capital of the Company.

The Company refers to:

- (a) its announcement dated 3 May 2019 (the “**Earlier AIP Announcement**”) in relation to the grant of the approval-in-principle from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the Proposed Placement (the “**Earlier SGX AIP**”); and
- (b) its announcement dated 2 August 2019 in relation to the Company's entry into a side letter with the Placee, pursuant to which the issue price in respect of the Second Tranche Placement Shares was revised from S\$0.04 to S\$0.043 per share, representing a discount of 6.11% to the volume weighted average price of S\$0.0458 for trades done on the Shares on the Mainboard of the SGX-ST on 2 August 2019 (being the full market day immediately preceding the signing of the side letter).

Further to discussions with the SGX-ST, the SGX-ST has confirmed that the Company may proceed with allotting and issuing the Second Tranche Placement Shares at the revised issue price in accordance with the Earlier SGX AIP granted, subject to compliance with the conditions of the Earlier SGX AIP as set out in the Earlier AIP Announcement. Accordingly, the conditions of the Earlier SGX AIP shall continue to apply.

A separate announcement will be released by the Company upon the allotment and issuance of the Second Tranche Placement Shares and upon the completion of the Proposed Placement.

The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Proposed Placement, the Second Tranche Placement Shares, the Placement Agreement, the Company, its subsidiaries and their securities.

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
26 August 2019