

SINO GRANDNESS FOOD INDUSTRY GROUP LIMITED

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

PLACEMENT OF 86,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF SINO GRANDNESS FOOD INDUSTRY GROUP LIMITED – APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Unless otherwise defined, capitalised terms used in this announcement, shall have the meaning ascribed to them in the announcements released on 6 November 2014, 29 October 2014 and the announcement dated 2 October 2014 released on 8 October 2014, unless otherwise stated or the context requires otherwise.

Further to the announcements released by the Company on 6 November 2014, 29 October 2014 and 8 October 2014 in relation to the Placement, the Board of Directors of the Company is pleased to announce that the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) has today granted approval in-principle for the listing and quotation of 86,000,000 Placement Shares on the Main Board of the SGX-ST.

The approval in-principle granted by the SGX-ST is subject to the following:-

- (a) compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval being obtained for the Placement at the extraordinary general meeting (“**EGM**”) to be convened;
- (c) Submission of:
 - (i) a written undertaking from the Company that it will comply with the Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report of the Company;
 - (ii) a written undertaking from the Company that it will not allot and issue any of the Placement Shares so as to transfer a controlling interest in the Company without the prior approval of the Company’s shareholders in a general meeting in compliance with Rule 803 of the Listing Manual and;
 - (iii) a written confirmation from StartUp Consultants Ltd that it will not directly or indirectly pass on any part or all of the referral fee to any of the Subscribers; and
 - (iv) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual; and
- (d) the Placement Shares having to be placed out within seven (7) market days from the date of the EGM to be convened.

The Company has, by way of a letter to the SGX-ST dated 6 November 2014, complied with items (c)(i), (c)(ii) and (c)(iv) above.

The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Placement, the Placement Shares, the Company and/or its subsidiaries.

Shareholders and potential investors should exercise caution when trading in the Shares in relation to this announcement as there is no certainty that the Placement will be completed as they are subject to, *inter alia*, fulfilment of terms and conditions set out in the Subscription Agreements and Shareholders' approval. When in doubt as to the action they should take, Shareholders and potential investors should consult their financial, tax or other advisors.

By Order of the Board

Huang Yupeng
Chairman and CEO

9 December 2014