

SINO GRANDNESS FOOD INDUSTRY GROUP LIMITED

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

PLACEMENT – SUPPLEMENTAL AGREEMENTS TO SUBSCRIPTION AGREEMENTS

Unless otherwise defined, capitalised terms used in this announcement, shall have the meaning ascribed to them in the announcements released on 8 October 2014, 29 October 2014, 6 November 2014, 9 December 2014 and 11 December 2014, unless otherwise stated or the context requires otherwise.

Further to the announcements released by the Company on 8 October 2014, 29 October 2014, 6 November 2014, 9 December 2014 and 11 December 2014 in relation to the Placement, the Board of Directors of the Company is pleased to announce that the Company and each of the Subscribers have agreed on the terms of completion in relation to the Subscription Agreements and the Company has on 25 December 2014 entered into a supplemental agreement with each of the Subscribers respectively in connection thereto (collectively, “**Supplemental Agreements**”).

1. TERMS OF COMPLETION

Pursuant to the Supplemental Agreements, the Company and the Subscribers have agreed that, subject to and in accordance with the terms and conditions of the Subscription Agreement, the Letter Agreement and the Supplemental Deed, upon and subject to fulfilment of the Conditions:

- (a) the Completion Date (as defined in Clause 1.1 of the Subscription Agreement) will be 30 December 2014, and
- (b) the venue for Completion, as specified in Clause 3 of the Subscription Agreement, will be the offices of RHT Corporate Advisory Pte. Ltd. at 6 Battery Road, #10-01, Singapore 049909.

2. SHAREHOLDERS' APPROVAL AND DESPATCH OF CIRCULAR

The Company has convened an extra-ordinary general meeting to be held on 30 December 2014 to seek specific approval of Shareholders for the Proposed Placement pursuant to Rule 811(3) of the Listing Manual. A circular dated 12 December 2014 containing information in connection with the Placement has been despatched to the Shareholders.

The Company will make further announcements relating to the Placement as and when necessary. As there is no assurance that the aforementioned transactions will be completed, Shareholders are advised to refrain from taking any action which may be prejudicial to their interests before seeking advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers (as appropriate).

3. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

4. TRADING CAUTION

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.

5. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at 6 Battery Road #10-01 Singapore 049909 during normal office hours for a period of three (3) months from the date of this Announcement:-

- (i) The PM Group Subscription Agreement dated 1 October 2014;
- (ii) The Soleado Subscription Agreement dated 1 October 2014;
- (iii) The Letter Agreement dated 1 October 2014 entered into between PM Group and the Company;
- (iv) The Letter Agreement dated 1 October 2014 entered into between Soleado and the Company;
- (v) The Supplemental Deed dated 29 October 2014 entered into between PM Group and the Company;
- (vi) The Supplemental Deed dated 29 October 2014 entered into between Soleado and the Company;
- (vii) The Supplemental Agreement dated 25 December 2014 entered into between PM Group and the Company; and
- (viii) The Supplemental Agreement dated 25 December 2014 entered into between Soleado and the Company.

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.

By Order of the Board

Huang Yupeng
Chairman and CEO

26 December 2014