

## SUNMOON FOOD COMPANY LIMITED

### ANNOUNCEMENT

The Board of Directors of Sunmoon Food Company Limited (the "**Company**") refers to the announcement on 21 March 2007 relating to the Convertible Loan Agreement entered into between the Company and FACT 2006 Pte Ltd ("Convertible Loan").

The Company announced on 16 October 2007 that all the resolutions, including the resolutions to approve the Convertible Loan, proposed at the Extraordinary General Meeting held on 16 October 2007 had been duly passed. Accordingly disbursement of the Convertible Loan has taken place and as at 31 December 2007 S\$ 30 million has been advanced under the Convertible Loan to the Company.

The Board of Directors is pleased to announce that FACT 2006 Pte Ltd has informed the Company that it has transferred its interest in relation to S\$ 30 million in principal amount of the Convertible Loan to certain investors, which inter alia, include the following investors: Alpha Securities, Beng Teck Liang, Champion International Investments Holdings Limited, Cluny Capital, First Alverstone Capital Ltd, Frank Reidy, G.K.Goh Strategic Holdings Pte Ltd, Jopie Ong Hie Koan, Mark Wee Keng Hong, Prima Portfolio Pte Ltd, QAP Capital Pte Ltd, Skylight Enterprises Group Limited, Tang Wee Loke and Tony Tan Choon Keat.

The Board of Directors of the Company believes that such investment indicates a level of confidence in the Company's management and looks forward to working with all stakeholders of the Company towards a more successful future business.

By Order of the Board