

SunMoon Food Company Limited

**INTERESTED PERSON TRANSACTION
LEASE OF PREMISES AT 56 TANGLIN ROAD, SINGAPORE 247964, UNIT #01-01B (the "Premises")**

The Company refers to its announcement of 15 April 2008 in relation to the abovementioned matter.

SunMoon Retail & Franchise Pte Ltd. ("SunMoon R&F"), the Company's wholly-owned subsidiary, and the lessee of the Premises, has conducted a survey of the Premises. The survey report reflects that the area of the Premises is smaller than envisaged in the lease agreement. Accordingly, SunMoon R&F has requested the lessor of the Premises; Friven & Co. International Pte. Ltd., and Friven & Co. International Pte. Ltd. has agreed, to correspondingly reduce the annual rental payable from S\$563,164.20 to S\$488,170.80, exclusive of goods & services tax.

By order of the Board