

No.1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Third Quarter			Year-To-Date		
	(01/01/08 - 31/03/08)	(01/01/07 - 31/03/07)	Change	(01/07/07 - 31/03/08)	(01/07/06 - 31/03/07)	Change
	S\$ '000 Group	S\$ '000 Group		S\$ '000 Group	S\$ '000 Group	
Revenue	10,834	11,260	-3.8%	33,913	37,677	-10.0%
Cost of sales (see note 1)	<u>(9,865)</u>	<u>(9,727)</u>	1.4%	<u>(31,880)</u>	<u>(40,374)</u>	-21.0%
Gross profit/(loss)	969	1,533	-36.8%	2,033	(2,697)	n.m
Other income (see note 1)	355	120	195.8%	3,572	1,458	145.0%
Other operating expenses	(25)	(236)	-89.4%	(372)	(573)	-35.1%
Selling and distribution expenses	(1,194)	(1,397)	-14.5%	(3,340)	(4,121)	-19.0%
Administrative expenses	(2,658)	(3,191)	-16.7%	(8,733)	(7,974)	9.5%
Finance costs (interest expense)	<u>(1,156)</u>	<u>(1,082)</u>	6.8%	<u>(4,044)</u>	<u>(2,602)</u>	55.4%
(Loss)/profit before income tax	(3,709)	(4,253)	-12.8%	(10,884)	(16,509)	-34.1%
Income tax	<u>0</u>	<u>1</u>	n.m	<u>(104)</u>	<u>(15)</u>	593.3%
(Loss)/profit attributable to shareholders of the company	<u>(3,709)</u>	<u>(4,252)</u>	-12.8%	<u>(10,988)</u>	<u>(16,524)</u>	-33.5%
Additional information to the income statement						
(i) Depreciation & amortization						
- charged to cost of sales	(390)	(297)	31.3%	(2,544)	(10,693)	-76.2%
- charged to selling, distribution and administrative expenses	(423)	(288)	46.9%	(945)	(977)	-3.3%
(ii) Foreign exchange (loss)/gain	(66)	(130)	-49.2%	(324)	(277)	17.0%
(iii) Provision for inventories / write-off	(25)	0	n.m	(24)	(6)	n.m
(iv) Provision for doubtful debts	0	3	n.m	5	440	-98.9%
Profit on disposal of property, plant and equipment	0	0	n.m	1,316	0	n.m
(v)						

n.m. : Not meaningful comparison.

Note 1: During the current financial year, certain plantations were leased out to third parties. The rental income was credited to Other Income and the related rentals payable to the landlords were charged to Administrative Expenses. The YTD figures have been adjusted to reflect this accounting treatment.

No.1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	\$ '000		\$ '000	
	As at 31/03/08	As at 30/06/07	As at 31/03/08	As at 30/06/07
ASSETS				
Current assets :				
Cash	7,101	6,480	341	81
Trade receivables	3,117	4,073	0	0
Other receivables and prepayments	2,706	2,778	280	61
Inventories	17,892	15,687	0	0
Total current assets	30,816	29,018	621	142
Non-current assets :				
Subsidiaries	0	0	49,227	36,501
Other investments	1,075	1,075	993	1,007
Other assets	491	662	0	0
Property, plant and equipment	38,876	43,238	122	352
Biological asset - Plantations	9,719	9,342	0	0
Total non-current assets	50,161	54,317	50,342	37,860
Total assets	80,977	83,335	50,963	38,002
LIABILITIES AND EQUITY				
Current liabilities :				
Bank loans - secured	2,481	5,728	0	0
Loans from investor	26,500	21,178	26,500	21,178
Trade payables	4,381	4,416	0	0
Other payables	15,905	13,747	6,547	3,257
Income tax payable	710	895	0	0
Current portion of finance leases	0	21	0	21
Total current liabilities	49,977	45,985	33,047	24,456
Non-current liabilities :				
Finance leases	0	80	0	80
Long-term bank loans - secured	21,777	24,066	0	0
Total non-current liabilities	21,777	24,146	0	80
Capital and reserves :				
Issued capital	93,993	85,006	93,993	85,006
Capital reserve	944	944	0	0
Capital reduction reserve	18,384	18,384	18,384	18,384
Foreign currency translation reserve	7,274	9,254	0	0
General reserve	2,201	2,201	0	0
Accumulated (losses) profits	(113,573)	(102,585)	(94,461)	(89,924)
Total equity	9,223	13,204	17,916	13,466
Total liabilities and equity	80,977	83,335	50,963	38,002

No.1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

(\$ '000)

	As at 31/03/2008		As at 30/06/2007	
	Secured	Unsecured	Secured	Unsecured
Bank Loans	2,481	0	5,728	0
Loans from Investor	26,500	0	21,178	0

Amount repayable after one year

(\$ '000)

	As at 31/03/2008		As at 30/06/2007	
	Secured	Unsecured	Secured	Unsecured
Bank Loans	21,777	0	24,066	0
Loans from Investor	0	0	0	0

Details of any collateral

All the bank loans of \$24.3 million as at 31 March 2008 (30 June 2007: \$29.8 million) are secured by pledging fixed assets, mainly land and buildings of subsidiaries as collateral.

The loans from investor of \$26.5 million as at 31 March 2008 (30 June 2007: \$21.2 million) are secured by a charge on the shares of Fook Huat Tong Kee Pte Ltd, a wholly owned subsidiary of the Company. The loans from investor are convertible loans at the discretion of the investor. Assuming the loans from investor are converted into shares, the Company would have to issue 2.65 billion new shares (based on the \$26.5 million loan at the conversion price of \$ 0.01 per share) to the investor.

No.1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Cashflow Statement for the reporting period ended	31/03/2008 S\$ '000	31/03/2007 S\$ '000
Cash flows from/ (used in) operating activities:		
Loss before share of losses of associates	(10,884)	(16,509)
Adjustments for:		
Interest expense	4,044	2,602
Interest income	(17)	(22)
Dividend income	(14)	-
Depreciation expense	3,489	11,670
Profit on disposal of property, plant and equipment	(1,316)	-
Profit on disposal of shares in an associated company	(1,150)	-
Provision for doubtful debts - trade receivables	(5)	(440)
Provision for inventories/ write-off	(24)	6
Operating profit/(loss) before working capital changes	(5,877)	(2,693)
Trade receivables	1,148	(1,822)
Other receivables and prepayments	270	(171)
Inventories	(2,147)	4,892
Trade payables	(35)	(3,316)
Other payables	(677)	108
Cash from/(used in) operations	(7,318)	(3,002)
Interest paid	(722)	(2,602)
Interest received	17	22
Income tax received/(paid)	(289)	(15)
Net cash from/(used in) operating activities	(8,312)	(5,597)
Cash flows from/(used in) investing activities:		
Dividend income	14	-
Purchase of property, plant and equipment	(226)	(402)
(Increase)/Decrease in biological assets	(1,879)	(5,318)
Proceeds from disposal of property, plant and equipment	2,817	-
Repayment of loans from investor	(8,500)	-
Net cash from/(used in) investing activities	(7,774)	(5,720)
Cash flows from financing activities:		
Loans from investor	13,822	8,816
Proceeds from issuance of shares	8,987	736
(Decrease) / Increase in bank loans	(5,536)	(6,894)
(Repayment) / Increase in finance leases	(101)	93
Net cash from financing activities	17,172	2,751
Net effect of exchange rate changes in consolidating subsidiaries	(465)	(210)
Net decrease in cash and cash equivalents	621	(8,776)
Cash and cash equivalents at beginning year	6,480	10,562
Cash and cash equivalents at end of reporting period	7,101	1,786

No. 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Issued capital \$ '000	Capital reserve \$ '000	Capital reduction reserve \$ '000	Foreign currency translation reserve \$ '000	General reserve \$ '000	Accumulated gain/(losses) \$ '000	Total \$ '000
GROUP							
Bal at 01/07/2007	85,006	944	18,384	9,254	2,201	(102,585)	13,204
Currency translation arising during the reporting period	0	0	0	(389)	0	0	(389)
Loss for the reporting period	0	0	0	0	0	(4,015)	(4,015)
Bal at 30/09/2007	85,006	944	18,384	8,865	2,201	(106,600)	8,800
Currency translation arising during the reporting period	0	0	0	(580)	0	0	(580)
Loss for the reporting period	0	0	0	0	0	(3,264)	(3,264)
Bal at 31/12/2007	85,006	944	18,384	8,285	2,201	(109,864)	4,956
Currency translation arising during the reporting period	0	0	0	(1,011)	0	0	(1,011)
Loss for the reporting period	0	0	0	0	0	(3,709)	(3,709)
Issuance of Shares	8,987						8,987
Bal at 31/03/2008	93,993	944	18,384	7,274	2,201	(113,573)	9,223
COMPANY							
Bal at 01/07/2007	85,006	0	18,384	0	0	(89,924)	13,466
Loss for the reporting period	0	0	0	0	0	(1,389)	(1,389)
Bal at 30/09/2007	85,006	0	18,384	0	0	(91,313)	12,077
Loss for the reporting period	0	0	0	0	0	(2,305)	(2,305)
Bal at 31/12/2007	85,006	0	18,384	0	0	(93,618)	9,772
Loss for the reporting period	0	0	0	0	0	(843)	(843)
Issuance of Shares	8,987						8,987
Bal at 31/03/2008	93,993	0	18,384	0	0	(94,461)	17,916

No. 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.

As at 1 July 2007, the total number of ordinary shares issued by the Company was 6,328,150,045. The movement of shares of the Company is given below:

- (a) Conversion of investor's loan to equity on 15/2/08 - 180,289,184 ordinary shares.
- (b) Conversion of investor's loan to equity on 21/2/08 - 665,216,574 ordinary shares.
- (c) Conversion of investor's loan to equity on 27/2/08 - 53,184,805 ordinary shares.

As at 31 March 2008, the total number of ordinary shares issued by the Company was 7,226,840,608.

Please see page 3 on the loans from investor which are convertible to ordinary shares of the Company.

No. 2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or and equivalent standard).

The figures for the current reporting period have not been audited or reviewed by the auditors.

No.3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not Applicable

No. 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting polices and methods of computation in the financial statements for the current reporting period as those in the audited annual financial statements as at 30 June 2007.

No. 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

No.6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	(01/07/07 - 31/03/08) \$ '000	(01/07/06 - 31/03/07) \$ '000
Earnings attributable to shareholders	(10,988)	(16,524)
Weighted average number of ordinary shares applicable to basic earnings per share	6,461,642	6,306,150
Weighted average number of ordinary shares applicable to diluted earnings per share	6,461,642	6,328,150
Earnings per ordinary share, in cents :		
- basic	(0.17)	(0.26)
- fully diluted	(0.17)	(0.26)

Note: Basic and diluted earnings per share are the same. The loans from investor, which could be convertible into ordinary shares of the Company, were not included in the computation of diluted loss per share.

No.7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	As at 31/03/08 cents	As at 31/03/07 cents
Group	0.13	0.71
Company	0.25	0.96
No of issued shares ('000)	7,226,841	6,306,150

The calculation of net asset value per ordinary share is based on the number of ordinary shares of the Company as at 31 March 2008 and 31 March 2007 respectively.

No. 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

- (1) The revenue for the 3rd Quarter of the financial year (Q3 08) was \$10.8 million compared with \$11.3 million in the corresponding quarter (Q3 07), a decrease of \$0.5 million (3.8%).

This was mainly due to the lower sales of dehydrated products by \$6.0 million, arising from limited availability of specific products and lower sales to United States in Q3 08. This was compensated by higher fruit sales (\$5.5 million).

For the nine months of the financial year (YTD 08), the Group's revenue was \$33.9 million compared with \$37.7 million in the corresponding period (YTD 07). A decrease of \$3.8 million (10.0%) was due to the same reasons stated above.

- (2) The gross profit for Q3 08 was \$1.0 million compared with gross profit of \$1.5 million for Q3 07. This was mainly due to lower revenue from dehydrated products in Q3 08.

For YTD 08, the Group's gross profit was \$2.0 million compared with gross loss of \$2.7 million for YTD 07. This was mainly due to better gross profit margin from fruit trading and lower losses from the plantations.

- (3) The Group continued to reduce the loss attributable to shareholders for Q3 08 at \$3.7 million compared with a loss of \$4.3 million for Q3 07. This was mainly due to lower administrative expenses and selling & distribution expenses.

- (4) As at 31 March 2008, the current liabilities of the Group was \$50.0 million compared with \$46.0 million as at 30 June 2007. This was mainly due to the additional drawdown on loans from investor.

- (5) In Q3 08, loans from investor plus interest (\$9.0 million) were converted to equity, increasing the share capital to \$94.0 million.

No.9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None

No. 10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

- (i) The Group continues to operate under difficult conditions and is facing intense competition in the fruit and produce industry.
- (ii) The Group is still restructuring with a view to enhance the shareholders' value as well as to improve on the marketing and sales network.
- (iii) The fluctuating prices of crude oil affecting the freight and transport cost.
- (iv) The strengthening exchange rate of the Renminbi against the US Dollar.

No. 11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ?

None.

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

No. 12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the reporting period ended 31/3/2008.

ADDITIONAL INFORMATION

No. 13 Interested Person Transactions

(In S\$ '000)

The aggregate value of interested person transactions entered into during the reporting period ended 31 March 2008 is as follows :-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
None	0	0

SUNMOON FOOD COMPANY LIMITED
Company Registration Number 198304656K

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705 (4) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter ended 31 March 2008 to be false or misleading.

On behalf of the Directors

(signed)
Tan Eng Liang
Director

(signed)
Michael John Martin
Director

14 May 2008