

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

	Quarter Ended			Financial Year		
	(01/10/08 - 31/12/08)	(01/10/07 - 31/12/07)	Change	(01/07/07 - 31/12/08) (18 months)	(01/07/06 - 30/06/07) (12 months)	Change
	S\$ '000 Group	S\$ '000 Group		S\$ '000 Group	S\$ '000 Group	
Revenue	6,767	12,412	-45.5%	65,525	47,441	38.1%
Cost of sales (note 1,2,3)	(14,845)	(12,753)	16.4%	(78,674)	(50,623)	55.4%
Gross profit/(loss)	(8,078)	(341)		(13,149)	(3,182)	
Selling and distribution expenses (note 3)	(109)	(579)	-81.2%	(4,870)	(3,410)	42.8%
Administrative expenses	(3,316)	(3,439)	-3.6%	(15,257)	(10,901)	40.0%
Other income & charges (note 4)	(10,041)	2,711	-470.4%	(8,760)	(27,452)	-68.1%
Finance costs	(1,063)	(1,570)	-32.3%	(7,763)	(4,070)	90.7%
Loss before income tax	(22,607)	(3,218)	602.5%	(49,799)	(49,015)	1.6%
Income tax	104	(46)	n.m	(28)	(228)	-87.7%
Loss attributable to shareholders of the company	(22,503)	(3,264)	589.4%	(49,827)	(49,243)	1.2%

Additional information to the income statement

Note 1	Depreciation & amortization of Property, plant & Equipment			
	- charged to cost of sales	(137)	(1,140)	(4,029)
	- charged to selling, distribution and administrative expenses	(89)	(287)	(1,537)
Note 2	Provision for inventories / write-off charged to cost of sales			
	Write-back of inventories previously written off	(8,517)	0	(11,530)
		0	0	256
Note 3	Direct selling & distribution expenses has been classified as cost of sales. Prior periods' figures have been restated accordingly			
Note 4	Other income & charges includes :			
	- Profit/(loss) on disposal of property, plant and equipment	0	1,316	758
	- Foreign exchange gain/(loss)	2,446	(169)	2,058
	- Profit on disposal of investment	0	0	1,150
	- Provision for diminution of Investment	(135)	0	(1,007)
	- Provision for impairment loss on Property, plant & equipment	(298)	0	(292)
	- Excess of carrying amounts of total assets over total liabilities that are subject of bank collaterals & guarantees written off (note 5)	(11,833)	0	(11,833)
	- Write off of other receivables/advance to suppliers	(1,951)	0	(1,951)
	- Property, plant and equipment written off	(1,120)	0	(1,120)
	- Provision for doubtful debts - trade receivables	(1,019)	0	(1,019)
	- Provision for impairment loss on biological assets	0	0	0
				(26,698)

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 \$ '000		Company \$ '000	
	As at 31/12/08	As at 30/06/07	As at 31/12/08	As at 30/06/07
ASSETS				
Non-current assets :				
Subsidiaries	0	0	2,840	36,501
Associates	0	0	0	0
Other investments	107	1,075	0	1,007
Other assets	103	662	100	0
Property, plant and equipment	11,820	43,238	11,364	352
Biological asset - Plantations	0	9,342	0	0
Total non-current assets	12,030	54,317	14,304	37,860
Current assets :				
Cash and cash equivalents	2,675	6,480	631	81
Trade receivables	1,073	4,073	0	0
Other receivables and prepayments	292	2,778	33	61
Inventories	7,140	15,687	3,538	0
Total current assets	11,180	29,018	4,202	142
Total assets	23,210	83,335	18,506	38,002
Equity attributable to equity holders of the Company				
Share capital	100,508	85,006	100,508	85,006
Capital reserve	944	944	0	0
Capital reduction reserve	18,384	18,384	18,384	18,384
Foreign currency translation reserve	7,484	9,254	0	0
General reserve	2,201	2,201	0	0
Revaluation reserve	3,135	0	0	0
Accumulated losses	(152,412)	(102,585)	(133,768)	(89,924)
Total equity	(19,756)	13,204	(14,876)	13,466
LIABILITIES AND EQUITY				
Current liabilities :				
Bank loans - secured	0	5,728	0	0
Loans from investors	24,424	21,178	24,424	21,178
Trade payables	9,386	4,416	0	0
Other payables	9,156	13,747	8,958	3,257
Provision for taxation	0	895	0	0
Current portion of finance leases	0	21	0	21
Total current liabilities	42,966	45,985	33,382	24,456
Non-current liabilities :				
Finance leases	0	80	0	80
Long-term bank loans - secured	0	24,066	0	0
	0	24,146	0	80
Total liabilities	42,966	70,131	33,382	24,536
Total liabilities and equity	23,210	83,335	18,506	38,002

Note

The consolidation balance sheet of the Group excludes the net assets of subsidiaries that are subject to bank collaterals and guarantees. (Refer to Note 5 for details)

A subsidiary, Dongguan Fook Huat Tong Kee Refrigeration & Foodstuffs Co Ltd ("DG FHTK") had obtained separate loans from the Agricultural Bank of China ("ABC Bank"). As at 25 December 2008 the loans outstanding amounted to RMB117,875,155 (approximately S\$25,000,000). The ABC Bank loans are secured by the following:

- a) mortgages over certain land and buildings owned by each of DG FHTK and another subsidiary, Longkou Fook Huat Tong Kee Refrigeration Co Ltd ("LK FHTK"); and
- b) corporate guarantees executed by each of LK FHTK, Fook Huat Tong Kee Pte Ltd ("FHTK"), Taian Fook Huat Tong Kee Foodstuffs Co Ltd ("TA FHTK"), and Shanghai Fook Huat Tong Kee Cold Storage Co Ltd ("SH FHTK").

During the year, DG FHTK has defaulted in the repayment of the ABC Bank loans. On 25 December 2008, ABC Bank had obtained an order from a People's Republic of China Court allowing ABC Bank to enforce its rights against DG FHTK, LK FHTK, TA FHTK, SH FHTK, and FHTK and their assets to the extent of the value of the outstanding loans amounts (including interest and penalties). All the companies involved are subsidiaries of FHTK.

However, following a strategic business review and restructuring completed during the year, the business of FHTK and its subsidiaries are no longer significant to the SunMoon Group. As such, any action that may be undertaken by ABC Bank or any other creditors is unlikely to significantly affect the operations of the rest of the Group. The exposure to the Group is limited to the net assets of FHTK and its subsidiaries.

In the light of this, the Group has taken a conservative view by making a full provision against the net assets of FHTK and all its subsidiaries, and simultaneously by removing the related assets and liabilities of FHTK and its subsidiaries from the consolidated Group Balance sheet.

The net assets of FHTK and its subsidiaries are as follows:

ASSETS	\$ '000
Non-current assets :	
Other investments	68
Other assets	10,478
Property, plant and equipment	20,528
Biological asset - Plantations	9,663
Total non-current assets	<u>40,737</u>
Current assets :	
Cash and cash equivalents	635
Trade receivables	500
Other receivables and prepayments	1,890
Inventories	3,511
Total current assets	<u>6,536</u>
Total assets	<u>47,273</u>
LIABILITIES	
Current liabilities :	
Bank loans - secured	24,860
Trade payables	1,817
Other payables	8,763
Total current liabilities	<u>35,440</u>
Provision for Net assets pledge for bank collaterals & Guarantees	<u>11,833</u>

Had the related assets and liabilities of FHTK and its subsidiaries been included in the consolidated balance sheet, the effect on the consolidated balance sheet of the group as at 31 Dec 2008 would be:

ASSETS	\$ '000	\$ '000
	Not Included	Included
Non-current assets :		
Other investments	107	175
Other assets	103	10,581
Property, plant and equipment	11,820	32,348
Biological asset - Plantations	0	9,663
Total non-current assets	<u>12,030</u>	<u>52,767</u>
Current assets :		
Cash and cash equivalents	2,675	3,310
Trade receivables	1,073	1,573
Other receivables and prepayments	292	2,182
Inventories	7,140	10,651
Total current assets	<u>11,180</u>	<u>17,716</u>
Total assets	<u>23,210</u>	<u>70,483</u>
LIABILITIES		
Current liabilities :		
Bank loans - secured	0	24,860
Loans from investors	24,424	24,424
Trade payables	9,386	11,204
Other payables	9,156	17,918
Provision for Net assets pledge for bank collaterals &	0	11,833
Total current liabilities	<u>42,966</u>	<u>90,239</u>
Net Assets/Equity	<u>(19,756)</u>	<u>(19,756)</u>

Had the related assets and liabilities of FHTK and its subsidiaries been included in the consolidated cashflow statement, the effect on the consolidated cashflow statement of the group for the financial year ended 31 Dec 2008 would be:

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	\$ '000 Not Included	\$ '000 Included
Cash flows from/ (used in) operating activities:		
Loss before Income Tax	(49,799)	(49,799)
Adjustments for:		
Interest expense	7,763	7,763
Interest income	(30)	(30)
Dividend income	(17)	(17)
Impairment of property, plant & equipment	292	292
Changes in fair value of plant, property & equipment	(3,135)	(3,135)
Write off of other receivables/advance to suppliers	1,951	1,951
Property, plant & equipment written off	1,120	1,120
Impairment of biological assets/biological assets written off	0	0
Provision of amortisation of other assets	1,244	1,244
Provision for Diminution in Other Investment	1,007	1,007
Depreciation expense	5,566	5,566
Gain on disposal of property, plant and equipment	(758)	(758)
Profit on disposal of shares in an associated company	(1,150)	(1,150)
Provision for doubtful debts - trade receivables	1,019	1,019
Provision for inventories/ write-off	11,530	11,530
Operating profit/(loss) before working capital changes	(23,397)	(23,397)
Trade receivables	2,177	1,677
Other receivables and prepayments	532	(1,358)
Inventories	(3,112)	(6,623)
Trade payables	5,311	7,128
Other payables	(2,692)	6,070
Cash from/(used in) operations	(21,181)	(16,503)
Interest paid	(2,206)	(2,206)
Interest received	30	30
Income tax paid	(194)	(194)
Net cash from/(used in) operating activities	(23,551)	(18,873)
Cash flows from/(used in) investing activities:		
Excess of carrying amounts of total assets over total liabilities that are subject to bank collaterals & guarantees	(11,833)	0
Dividend income	17	17
Decrease in Other investment	68	0
Decrease in property, plant & equipment	31,005	0
Purchase of property, plant and equipment	(1,688)	(1,688)
(Increase)/Decrease in biological assets	8,930	(733)
Profit on disposal of shares in an associated company	1,150	1,150
Purchase of associate	(105)	(105)
Proceeds from disposal of property, plant and equipment	2,031	2,031
Net cash from/(used in) investing activities	29,575	672
Cash flows from financing activities:		
Loans from investors	17,765	17,765
Repayment of loans from investors	(14,500)	(14,500)
Proceeds from issuance of shares	15,502	15,502
(Decrease) / Increase in bank loans	(28,733)	(3,873)
(Repayment) / Increase in finance lease	(101)	(101)
Net cash from financing activities	(10,067)	14,793
Net effect of exchange rate changes in consolidating subsidiaries	238	238
Net decrease in cash and cash equivalents	(3,805)	(3,170)
Cash and cash equivalents at beginning year	6,480	6,480
Cash and cash equivalents at end of reporting period	2,675	3,310

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 31/12/2008		As at 30/06/2007	
	Secured	Unsecured	Secured	Unsecured
Bank Loans	0	0	5,728	0
Loans from Investors	24,424	0	21,178	0

Amount repayable after one year

	(\$ '000)			
	As at 31/12/2008		As at 30/06/2007	
	Secured	Unsecured	Secured	Unsecured
Bank Loans	0	0	24,066	0
Loans from Investors	0	0	0	0

Details of any collateral

The loans from investors of \$24.4 million as at 31 Dec 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 investors are convertible loans at the discretion of the investors. Assuming the loans from investors are converted into shares, the Company would issue 2.44 billion new shares (based on the \$24.4 million loan at the conversion price of \$ 0.01 per share) to the investors.

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	01/07/2007 - 31/12/2008 (18 months) S\$ '000	01/07/2006 - 30/6/2007 (12 months) S\$ '000
Cash flows from/ (used in) operating activities:		
Loss before Income Tax	(49,799)	(49,015)
Adjustments for:		
Interest expense	7,763	4,070
Interest income	(30)	(28)
Dividend income	(17)	(14)
Impairment of property, plant & equipment	292	1,094
Changes in fair value of plant, property & equipment	(3,135)	0
Write off of other receivables/advance to suppliers	1,951	0
Property, plant and equipment written off	1,120	852
Impairment of biological assets/biological assets written off	0	26,698
Provision of amortisation of other assets	1,244	0
Provision for Diminution in Other Investment	1,007	271
Depreciation expense	5,566	14,660
Gain on disposal of property, plant & equipment	(758)	(128)
Profit on disposal of shares in an associated company	(1,150)	0
Provision for doubtful debts - trade receivables	1,019	(443)
Provision for inventories/ write-off	11,530	(256)
Operating profit/(loss) before working capital changes	(23,397)	(2,239)
Trade receivables	2,177	2,715
Other receivables and prepayments	532	25
Inventories	(3,112)	2,816
Trade payables	5,311	(5,437)
Other payables	(2,692)	(160)
Cash from/(used in) operations	(21,181)	(2,280)
Interest paid	(2,206)	(3,641)
Interest received	30	28
Income tax paid	(194)	(4)
Net cash from/(used in) operating activities	(23,551)	(5,897)
Cash flows from/(used in) investing activities:		
Excess of carrying amounts of total assets over total liabilities that are subject to bank collaterals & guarantees	(11,833)	0
Dividend income	17	0
Decrease in Other investment	68	14
Decrease in property, plant & equipment	31,005	(445)
Purchase of property, plant and equipment	(1,688)	(8,393)
(Increase)/Decrease in biological assets	8,930	0
Profit on disposal of shares in an associated company	1,150	0
Purchase of associate	(105)	108
Proceeds from disposal of property, plant and equipment	2,031	0
Net cash from/(used in) investing activities	29,575	(8,716)
Cash flows from financing activities:		
Loans from investors	17,765	21,178
Repayment of loans from investors	(14,500)	0
Proceeds from issuance of shares	15,502	110
(Decrease) / Increase in bank loans	(28,733)	(9,426)
(Repayment) / Increase in finance lease	(101)	89
Net cash from financing activities	(10,067)	11,951
Net effect of exchange rate changes in consolidating subsidiaries	238	(1,420)
Net decrease in cash and cash equivalents	(3,805)	(4,082)
Cash and cash equivalents at beginning year	6,480	10,562
Cash and cash equivalents at end of reporting period	2,675	6,480

Note

The consolidated cashflow statement of the Group excludes the net assets of subsidiaries that are subject to bank collaterals and guarantees. (Refer to Note 5 for details)

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.

GROUP	Issued capital \$ '000	Capital reserve \$ '000	Capital reduction reserve \$ '000	Foreign currency translation reserve \$ '000	Revaluation Reserve \$ '000	General reserve \$ '000	Accumulated gain/(losses) \$ '000	Total \$ '000
Bal at 01/07/2007	85,006	944	18,384	9,254	0	2,201	(102,585)	13,204
Currency translation arising during the reporting period	0	0	0	(389)	0	0	0	(389)
Loss for the reporting period	0	0	0	0	0	0	(4,015)	(4,015)
Bal at 30/09/2007	85,006	944	18,384	8,865	0	2,201	(106,600)	8,800
Currency translation arising during the reporting period	0	0	0	(580)	0	0	0	(580)
Loss for the reporting period	0	0	0	0	0	0	(3,264)	(3,264)
Bal at 31/12/2007	85,006	944	18,384	8,285	0	2,201	(109,864)	4,956
Currency translation arising during the reporting period	0	0	0	(1,011)	0	0	0	(1,011)
Loss for the reporting period	0	0	0	0	0	0	(3,709)	(3,709)
Issuance of Shares	8,987	0	0	0	0	0	0	8,987
Bal at 31/03/2008	93,993	944	18,384	7,274	0	2,201	(113,573)	9,223
Currency translation arising during the reporting period	0	0	0	0	0	0	0	0
Loss for the reporting period	0	0	0	1,339	0	0	(11,539)	(10,200)
Issuance of Shares	2,623	0	0	0	0	0	0	2,623
Bal at 30/06/2008	96,616	944	18,384	8,613	0	2,201	(125,112)	1,646
Currency translation arising during the reporting period	0	0	0	890	0	0	0	890
Loss for the reporting period	0	0	0	0	0	0	(4,797)	(4,797)
Issuance of Shares	0	0	0	0	0	0	0	0
Bal at 30/09/2008	96,616	944	18,384	9,503	0	2,201	(129,909)	(2,261)
Currency translation arising during the reporting period	0	0	0	(2,019)	0	0	0	(2,019)
Loss for the reporting period	0	0	0	0	0	0	(22,503)	(22,503)
Issuance of Shares	3,892	0	0	0	0	0	0	3,892
Revaluation Surplus arising during the reporting period	0	0	0	0	3,135	0	0	3,135
Bal at 31/12/2008	100,508	944	18,384	7,484	3,135	2,201	(152,412)	(19,756)
COMPANY								
Bal at 01/07/2007	85,006	0	18,384	0	0	0	(89,924)	13,466
Loss for the reporting period	0	0	0	0	0	0	(1,389)	(1,389)
Bal at 30/09/2007	85,006	0	18,384	0	0	0	(91,313)	12,077
Loss for the reporting period	0	0	0	0	0	0	(2,305)	(2,305)
Bal at 31/12/2007	85,006	0	18,384	0	0	0	(93,618)	9,772
Loss for the reporting period	0	0	0	0	0	0	(843)	(843)
Issuance of Shares	8,987	0	0	0	0	0	0	8,987
Bal at 31/03/2008	93,993	0	18,384	0	0	0	(94,461)	17,916
Loss for the reporting period	0	0	0	0	0	0	(1,904)	(1,904)
Issuance of Shares	2,623	0	0	0	0	0	0	2,623
Bal at 30/06/2008	96,616	0	18,384	0	0	0	(96,365)	18,635
Loss for the reporting period	0	0	0	0	0	0	(1,270)	(1,270)
Issuance of Shares	0	0	0	0	0	0	0	0
Bal at 30/09/2008	96,616	0	18,384	0	0	0	(97,635)	17,365
Loss for the reporting period	0	0	0	0	0	0	(36,133)	(36,133)
Issuance of Shares	3,892	0	0	0	0	0	0	3,892
Bal at 31/12/2008	100,508	0	18,384	0	0	0	(133,768)	(14,876)

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.

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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 investors' loan to equity on 15/2/08 - 180,289,184 ordinary shares.
- (b) Conversion of investors' loan to equity on 21/2/08 - 665,216,574 ordinary shares.
- (c) Conversion of investors' loan to equity on 27/2/08 - 53,184,805 ordinary shares.
- (d) Conversion of investors' loan to equity on 29/5/08 - 160,720,745 ordinary shares.
- (e) Conversion of investors' loan to equity on 18/6/08 - 101,672,986 ordinary shares.
- (f) Conversion of investors' loan to equity on 31/10/08 - 111,987,684 ordinary shares.
- (g) Conversion of investors' loan to equity on 4/11/08 - 224,156,596 ordinary shares.
- (h) Conversion of investors' loan to equity on 16/12/08 - 53,062,585 ordinary shares.

As at 31 Dec 2008, the total number of ordinary shares issued by the Company was 7,878,441,204

Please see page 5 on the loans from investors 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 financial information for period ended 31.12.08 have not been audited or reviewed by the company 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 excepts as stated in item 5 below.

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.

The Group has adopted the following new FRS/Int FRS which became effective to the Group:

FRS 1	Presentation of Financial Statements
FRS 21	The effects of changes in Foreign Exchange Rates
FRS 32	Financial Instrument - Disclosure and Presentation
FRS 39	Financial Instrument - Recognition and Measurements
FRS 101	First-time Adoption of Financial Reporting Standard
FRS 106	Exploration for and Evaluation of Mineral Resources
IFRS 105	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IFRS 107	Applying the Restatement Approach under FRS 29 Financial Reporting in Hyperinflationary Economies
IFRS 109	Resassessment of Embedded Derivatives
IFRS 110	Interim Financial Reporting and Impairment
IFRS 111	FRS 102 - Group and Treasury Share Transactions

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.

	Quarter Ended		Full Year	
	(01/10/08 - 31/12/08) \$ '000	(01/07/06 - 30/06/07) \$ '000	(01/07/07 - 31/12/08) \$ '000	(01/07/06 - 30/06/07) \$ '000
Earnings attributable to shareholders	(22,503)	(3,264)	(49,827)	(49,243)
Weighted average number of ordinary shares applicable to basic earnings per share	7,878,441	6,248,109	7,878,441	6,248,109
Weighted average number of ordinary shares applicable to diluted earnings per share	7,878,441	6,248,109	7,878,441	6,248,109
Earnings per ordinary share, in cents :				
- basic	(0.29)	(0.05)	(0.63)	(0.79)
- fully diluted	(0.29)	(0.05)	(0.63)	(0.79)

Note: Basic and diluted earnings per share are the same. The loans from investors, which could be convertible into ordinary shares of the Company, were not included in the computation of diluted loss per share as it is anti-dilutive.

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 31/12/08 cents	As at 30/06/07 cents
Group	(0.25)	0.21
Company	(0.19)	0.21
No of issued shares ('000)	7,878,441	6,328,150

The calculation of net asset value per ordinary share is based on the number of ordinary shares of the Company as at 31 December 2008 and 30 June 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 Group's revenue for the 6th Quarter of the financial year (Q608) was \$6.8 million as compared with \$12.4 million for the corresponding period last year (Q208), a reduction of \$5.6 million.

Fruits sales was lower due to inability to meet customers' demand as a result of the ineffective procurement process of the Longkou Operation which was therefore closed down in November 2008 following a strategic review. Sales of dehydrated products was lower due to significant drop in prices and a much lower yield for certain products during the 2007 production season.

For YTD, the Group's revenue was \$65.5 million (18 months) as compared with \$47.4 million for the last financial year (12 months). While sales of dehydrated products reduced from \$28.9 million to \$25.0 million, sales of fruits increased from \$18.5 million to \$40.3 million.

- (2) The gross loss of the Group for Q608 was \$8.1 million. However this was after inventory provisions of \$8.5 million. Without these inventory provisions, the gross profit would have been a positive figure of \$0.4 million (6.5% of sales), as compared with a gross loss of \$0.3 million (-2.7% of sales) reported for the corresponding period last year (Q208). The improvement in gross profit is attributable to the new business model for the fruits trading division.
- (3) The YTD 18 months gross loss of the Group was \$13.1 million after inventory provision of \$11.5 million. Without these inventory provisions, the gross loss would only be \$1.6 million, which was substantially down from the \$3.2 million reported for the last financial year. This is attributable to the new business model for the fruits trading division including cost reduction from closing down the Longkou & Dongguan operations.
- (4) The net loss for the current quarter (Q608) was \$22.5 million compared with net loss of \$3.2 million for the corresponding quarter last year (Q208). This was due to inventory provisions of \$8.5 million and the \$11.8 million provision for net assets pledged for bank collaterals and guarantees (Refer to note 5). Without these provisions, the net loss would have been only \$2.2 million.
- (5) YTD (18 months) net loss was \$49.8 million as compared with net loss of \$49.2 million for the last financial year (12 months). Both financial years reported large amount of various provisions, as disclosed in notes 2 and 4 on page 1.

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 our cost structure, procurement, marketing and sales. However, operating performance is already improving as evidenced in the results of the current quarter.

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 31/12/2008.

Note 13.

Business Segments

Business Segments (S\$ '000)	Garlic & Onions		Fruits		Others		Consolidated	
	01/07/2007 - 31/12/2008	01/07/2006 - 30/6/2007	01/07/2007 - 31/12/2008	01/07/2006 - 30/6/2007	01/07/2007 - 31/12/2008	01/07/2006 - 30/6/2007	01/07/2007 - 31/12/2008	01/07/2006 - 30/6/2007
REVENUE								
External sales	25,017	28,961	40,338	18,480	170	0	65,525	47,441
RESULT								
Segment result	(11,742)	(868)	(16,900)	(47,876)	(347)	0	(28,989)	(48,744)
Share of results of associates							0	(271)
Loss before income tax							(28,989)	(49,015)
Income tax							(28)	(228)
Unallocated loss (Note 5)							(11,833)	0
Unallocated Corporate loss							(8,977)	0
Loss attributable to shareholders of the company							(49,827)	(49,243)
OTHER INFORMATION								
Segment assets	4,400	18,370	2,346	64,965	799		7,545	83,335
Investment in associates								0
Unallocated corporate assets							15,666	
Consolidated total assets							23,211	83,335
Segment liabilities	5,225	2,674	6,362	66,461	589		12,176	69,135
Unallocated corporate liabilities							30,791	996
Consolidated total liabilities							42,967	70,131
Capital expenditure	209	163	993	8,675	386	0	1,588	8,838
Depreciation expense	2,319	528	3,212	14,132	35	0	5,566	14,660
Geographical Segments (S\$ '000)								
	Revenue		Assets		Capital Expenditure			
	01/07/2007 - 31/12/2008	01/07/2006 - 30/6/2007	01/07/2007 - 31/12/2008	01/07/2006 - 06/2007	01/07/2007 - 31/12/2008	01/07/2006 - 06/2007		
ASEAN	26,897	9,403	3,586	3,231	551	3		
China	15,885	3,559	16,701	73,449	1,034	8,834		
America and Europe	17,961	32,530	2,924	6,655	3	0		
Others	4,782	1,949	0	0	0	1		
	65,525	47,441	23,211	83,335	1,588	8,838		

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Revenue from sales of dehydrated products reduced from \$28.9 million (in the last financial year 12 months) to \$25.0 million in the financial year (18th months). This was due to significant drop in product prices and also due to much lower yield from ELB products during the 2007 production season.

Revenue from fruits sales increased from \$18.5 million in the last financial year (12 months) to \$40.3 million in the current financial year (18 months). This is due to availability of working capital provided by investors loan.

ADDITIONAL INFORMATION**Interested Person Transactions**

(In S\$ '000)

The aggregate value of interested person transactions entered into during the reporting period ended 31 Dec 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

	Group		% increase/ (decrease)
	01/07/07-31/12/08 18months S\$ '000	01/07/06-30/06/07 12months S\$ '000	
(a) Sales reported for 1st six months	23,079	26,417	-12.6%
(b) Operating loss after tax reported for 1st six months	-7,279	-12,272	-40.7%
(c) Sales reported for 2nd six months	24,288	21,024	15.5%
(d) Operating loss after tax reported for 2nd six months	-15,248	-36,971	-58.8%
(e) Sales reported for 3rd six months	18,158	-	n.m
(f) Operating loss after tax reported for 3rd six months	-27,300	-	n.m