

**SUNMOON FOOD COMPANY LIMITED**  
(Incorporated in the Republic of Singapore on 29 September 1983)  
Registration No. 198304656K  
(the “**Company**”)

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**WHITEWASH WAIVER BY THE SIC, APPROVAL IN PRINCIPLE BY THE SGX-ST AND OTHER MATTERS**

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**1. INTRODUCTION**

The Board refers to the Company’s announcement on 18 March 2013 (“**Revised Transaction Announcement**”) in relation to the entry by the Company into the Revised Transaction Documents.

*Terms defined in the Revised Transaction Announcement have the same meaning as the terms referred to herein.*

**2. APPROVAL-IN-PRINCIPLE BY SGX-ST**

The Board of Directors of the Company is pleased to announce that the SGX-ST had on 12 July 2013, granted its approval in-principle for the listing of and quotation for the issue of new Shares pursuant to the Revised New CL Agreement and the Revised Settlement Agreement subject to the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) independent shareholders’ approval for the (i) Revised New CL Agreement; (ii) Revised Settlement Agreement; and (iii) proposed Whitewash Resolution for the waiver of rights of independent shareholders to receive a mandatory general offer for the Company from FACL arising from the Revised New CL Agreement at an extraordinary general meeting (“**EGM**”) to be convened;
- (c) a written undertaking from the Company that it will not allot and issue the new Shares so as to transfer a controlling interest in the Company without the prior approval of the Company’s shareholders in a general meeting. For the avoidance of doubt, this does not apply to the issue of new Shares to FACL as the Company is seeking specific shareholders’ approval at an EGM to be convened for the Revised New CL Agreement entered into with FACL;
- (d) a written undertaking from the Company to make disclosure by way of an announcement each time the Revised Loan is converted into Shares including details on the conversion dates and conversion prices;
- (e) a written undertaking from the Company to make disclosure by way of an announcement each time the Revised Loan is prepaid and/or repaid including details on the principal

amount of the Revised Loan is prepaid and/or repaid and the prepayment and repayment terms;

- (f) a written undertaking from the Company to announce any adjustment made pursuant to Listing Rule 829(1);
- (g) a written confirmation from the Company that all material features, including adjustment terms, have been disclosed via SGXNET; and
- (h) a written confirmation from the Company that the terms of the Revised New CL Agreement provide that all adjustments to the conversion terms must be made only upon the written confirmation of the auditors of the Company (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Revised Loan, Revised New CL Agreement, Revised Settlement Agreement, the issue of new Shares, the Company and its subsidiaries.

### **3. OTHER MATTERS**

In relation to the Revised New CL Agreement which constitutes an Interested Person Transaction within the meaning of Chapter 9 of the Listing Manual, the Audit Committee of the Company is of the view Revised New CL Agreement that the Interested Person Transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

In addition, the Company wishes to announce that it is proposing to alter the existing memorandum and articles (“**Memorandum**”) and adopt new articles of association of the Company (“**New Articles**”) to incorporate as appropriate, changes effected under the Companies (Amendment) Act 2005 and the prevailing rules of the SGX-ST as set out in its listing manual. The Company is also taking the opportunity to streamline and rationalise certain other provisions in the New Articles. Accordingly, Shareholders’ approval will also be sought for the alteration of the existing Memorandum and adoption of New Articles of the Company.

### **4. CAUTION TO BE EXERCISED IN THE TRADING OF SHARES**

**The Directors wish to caution Shareholders that at the present moment, there is no certainty that the conditions precedent to the completion of the Revised New CL Agreement and the Revised Settlement Agreement would be fulfilled, and when fulfilled, completion thereof. Meanwhile, Shareholders should exercise due caution in trading of the Shares.**

### **5. DIRECTORS’ RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept 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 Revised New CL Agreement and the Revised Settlement Agreement, the proposed alteration of the Memorandum and adoption of the new articles of association of the Company, 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.

**6. CIRCULAR TO SHAREHOLDERS**

A circular containing, *inter alia*, the rationale and information relating to, *inter alia*, Revised New CL Agreement and the Revised Settlement Agreement, the Interested Party Transaction and the proposed alteration of the Memorandum and adoption of the new articles of association of the Company together with the notice of the EGM, will be despatched to the Shareholders by the Company in due course.

By Order of the Board

Dr Tan Eng Liang  
Chairman & Director  
14 July 2013