



focusing on
freshness



SUNMOON FOOD COMPANY LIMITED

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369 Xian Xia Road, Chang Ning District
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UGC 2003, Inc.
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Norfolk, VA 23502
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2014

SUMMARY
FINANCIAL
REPORT

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Corporate Profile

SunMoon Food Company Limited is a fully integrated fresh fruit and dehydrated produce company well positioned to meet the increasing consumer demand for healthy, safe and premium grade agricultural produce in the globalised economy. The core businesses of SunMoon are Fruit Trading, Distribution and Retail & Franchise, and Dehydrated Produce Processing & Distribution. SunMoon is embarking on its next stage of growth with a renewed strategic focus on value creation capitalising on its strong brand equity to fuel growth in existing and new markets.

FRESH DIVISION – Fruit Trading And Distribution

The SunMoon Fresh Division is an international player in the fresh fruit industry, with an extensive sales and market network spanning five continents.

The Division has implemented improved global procurement strategies. SunMoon now manages a carefully controlled certified supplier program. Fruits from certified plantations comply with the 'SunMoon Quality Assurance' standard, a critical assurance of freshness, quality, safety and traceability as demanded by our discerning customers; a reputation also backed up by internationally recognised accreditations.

SunMoon continues to emphasise aggressive sales channel development by deepening its existing broad customer base. Our customers comprise importers, wholesalers, supermarket chains as well as individual consumers all over the world. The Division also manages a network of franchised SunMoon retail outlets that provide a valuable, direct connection to the end consumer.

SunMoon also develops new products, leveraging on our in-depth understanding of the consumers in

our key markets to bring them fruits and fruit-related products specially developed to suit their preferences in taste and packaging designs. Exciting new ranges of consumer products have been launched in Singapore and Indonesia stores.

PRODUCE DIVISION – Dehydrated Produce Processing and Distribution

SunMoon Produce Division is the largest processor and exporter of dehydrated garlic and onion in China. We serve global food companies in USA, Canada, Australia, Europe, South America, Asia, and the rest of the world. Our valued customers include Unilever, Newly Weds, Givaudan, Kerry, Symrise, MARS and other renowned global companies.

Our state-of-the-art facility and US-imported dehydrating lines in China can produce up to 12,000 MT of dehydrated garlic and onion annually

for export globally. Our products are 100% natural and contain no additives nor preservatives. With emphasis on strong flavour and aroma, they are regarded as direct substitutes to US dehydrated products by the food ingredient industry.

Core to our success is ensuring our operations and quality system are fully accredited and certified to international standards: HACCP; Good Manufacturing Practice (GMP); AIB (Excellent), ISO 22000, Halal and Kosher Certification. Our integrated dehydrating and milling operation, together with our quality assurance and quality control programmes, gives confidence to our customers especially on quality and consistency which are vital in the food ingredient industry. Our products thus command a premium and we remain focused on targeting the top food companies in the world to increase our market share.



Message from the Executive Chairman

Dear Shareholders,

On behalf of the Board, I am pleased to present my annual report as Executive Chairman, for the Financial Year 1st January 2014 to 31st December 2014 ("FY14").

STRATEGY:

Rebalancing Resources, Positioning for the Future

SunMoon Group continues to focus on quality and building the SunMoon brand. We are reallocating financial and human resources to high growth areas to position the Group as a Premium Brand company for the future in line with our belief that the growth in our key markets will be driven by consumer spending on premium products that are backed by SunMoon's quality assurance, strong branding and responsive, innovative marketing.

Our SunMoon Brand Strategy focuses on the Brand Purpose to provide Natural Goodness to the modern consumer who faces the problem of selecting quality and safe food choices for their family every day. Our goal is for consumers to equate SunMoon fresh fruits and products with natural goodness that can be enjoyed by the whole family. This will serve as our greatest differentiator.

RESULTS:

Sales Growth amid Asian Slowdown

Group revenue increased 10.0% to \$37.8M in FY14 compared to \$34.4M in FY13. Gross Profit at \$7.8M in



FY14 represents a 22.3% increase compared to Gross Profit of \$6.4M in FY13. Overall Gross Profit Margin improved from 18.5% in FY13 to 20.6% in FY14. The Group's Net Loss for FY14 was \$2.1M compared to a Net Profit of \$11.1M for FY13.

Revenue for Fresh Division was \$15.9M in FY14, an increase of 39.6% compared to revenue of \$11.4M in FY13. The increase in sales was mainly attributed to

aggressive sales and promotions of SunMoon products in Indonesia, and diversification of fresh fruit sources beyond our core China Fuji Apple. With the continuing implementation of import quotas on selected fresh fruits in Indonesia and high apple prices in China, the Division continues its efforts to secure other fresh products from other sources, including North and South American berries and Korean strawberries to mitigate the challenging trading environment.

Produce (Dehydrated Products) Division sales tonnage in FY14 decreased 3.8% compared to FY13 due to limited availability of fresh onion raw material. Sales value correspondingly decreased 4.7% in FY14. Gross profit margin improved 5.3% in FY14 due to lower weighted average production cost of dehydrated garlic. The North American market demand for dehydrated garlic remained strong in line with its improving economy.

In FY14, we continued expanding the range of SunMoon branded consumer products, which now includes Juice Drinks, Mineral Water, Ready-to-eat Corn and an expanded range of Exotic Fruit Cups. A co-branding deal was also secured with DC Comics to incorporate DC Comics Superhero characters into SunMoon packaging.

OUTLOOK:

New Products, New Strategic Focus

The Company is embarking on a strategic shift towards a consumer-centric, brand-focused business model. We aim to be a key Asian player in the growth of consumer spending, specialising in fruit-related and fresh products. Resources will have to be channelled from slow growth areas to this new growth engine.

We are stepping up the speed of new product developments, product launches and implementing aggressive marketing plans to secure the SunMoon brand within the mind-share of the new sophisticated consumer when it comes to health, freshness and natural goodness.

ACKNOWLEDGEMENTS

On behalf of the Company, I would like to welcome Mr Leslie Koh who joined the SunMoon Team as the CFO in July 2014.

On behalf of the Board, I would also like to thank the shareholders and customers of the Group for their strong support to grow SunMoon into a leading fruit brand company in Asia, and to thank fellow directors, management and staff for their contributions and commitment to the success of the SunMoon Group.



Gary Loh
Executive Chairman



Board of Directors



MR. GARY LOH HOCK CHUAN (Executive Chairman)

Mr. Loh was appointed to the Board as a Non-Independent Director on 15 April 2007, as Deputy Chairman of the Board on 22 May 2007 and as Executive Director and Chairman of the Executive Committee on 1 July 2007 which was dissolved on 5 November 2013. He was appointed as Executive Chairman of the Board on 7 October 2013. Mr. Loh is the Executive Chairman of First Alverstone Capital Ltd. He was the Director of Sales in UOB Kay Hian Pte Ltd. Mr. Loh graduated from the National University of Singapore (NUS) with a Bachelor of Arts (Political Science & Economics) and NUS Business School with a Master in Applied Finance. He completed an Executive Program (OPM) at Harvard Business School.



DR. TAN ENG LIANG (Independent Director)

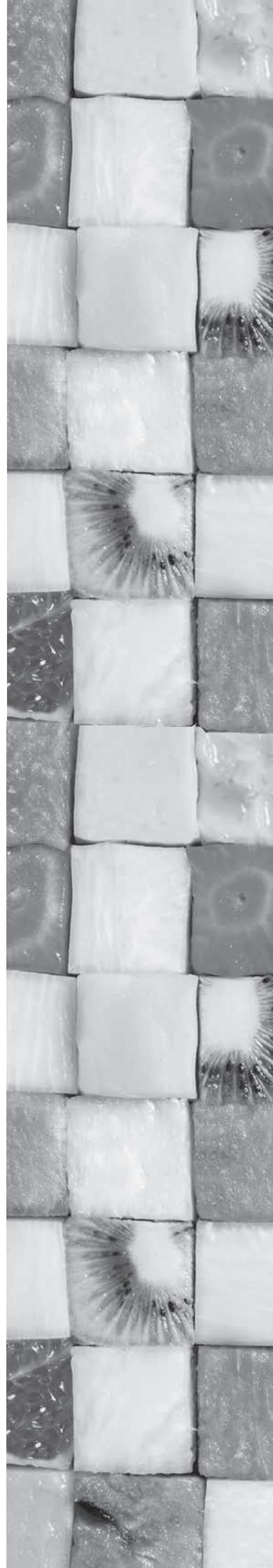
Dr. Tan was appointed to the Board as an Independent Director and as Chairman of Remuneration Committee on 7 October 2013. Dr. Tan held several directorships in private and public companies in Singapore, Hong Kong and Malaysia. He was a Member of Parliament, Singapore from 1972 to 1980. He was also a Chairman of Singapore Quality & Reliability Association, Urban Redevelopment Authority and Singapore Sports Council. He held the position of Senior Minister of State for National Development from 1975 to 1978 and Senior Minister of State for Finance from 1978 to 1979.

**MR. MICHAEL JOHN MARTIN** (Independent Director)

Mr. Martin was appointed as an Independent Director and Chairman of the Audit and Risk Committee of the Company on 15 April 2007. Mr. Martin was a partner in Cooper Lancaster Brewers, London and a member firm partner in Arthur Andersen, Singapore. He has his own business advisory firm, Michael Martin Business Advisory. He is a Fellow of the Institute of Chartered Accountants in England and Wales.

**MR. CHEE WAI PONG** (Independent Director)

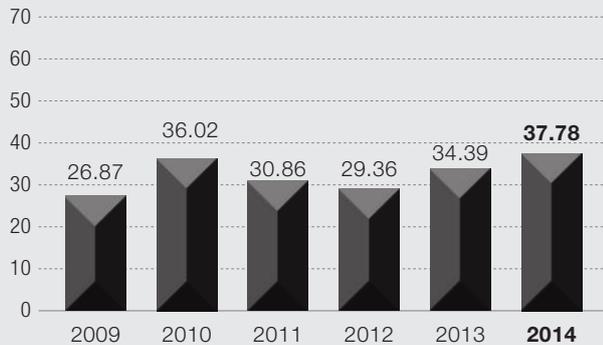
Mr. Chee was appointed to the Board as an Independent Director on 28 February 2005 and as Chairman of the Nominating Committee on 7 October 2013. He joined the Legal Service and was appointed a Deputy Public Prosecutor/State Counsel from 1971 to 1973. He was appointed a Magistrate and then District Judge and the State Coroner between 1973 and 1976. Mr. Chee joined M/s Osborne Jones & Co as a partner from August 1976 to December 1978. He was a partner of M/s Ng Ong & Chee from January 1979 to December 2006. From 1 January 2007 he started his own practice under the name and style of Chee Wai Pong & Co. Mr. Chee is the honorary legal advisor to the Medical Alumni and Ling Kwang Home for the Senior Citizens. He is also a member of the Management Committee of the Students Care Service and a member of the Yishun Centre Advisory Committee of the Students Care Service. Mr. Chee graduated from the University of Singapore with a Bachelor of Law Degree (L.L. B Hons) in 1971.



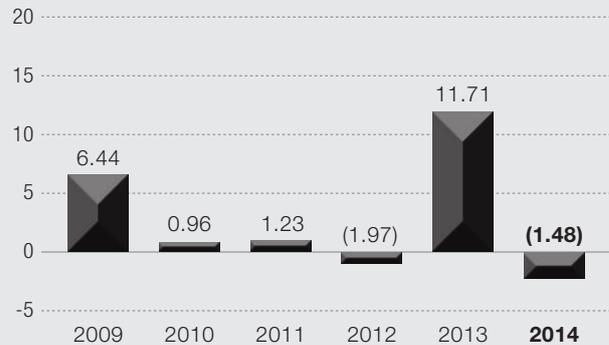
Financial Highlights

	FY2014	FY2013	FY2012	FY2011	FY2010	FY2009
Turnover (\$ Millions)	37.78	34.39	29.36	30.86	36.02	26.87
Profit/(loss) before Income Tax (\$ Millions)	(1.48)	11.71	(1.97)	1.23	0.96	6.44
Shareholders' funds (\$ Millions)	12.67	14.33	(21.20)	(17.60)	(19.27)	(19.30)
Net Tangible Assets per Share (Cents)	3.98	0.04	(0.27)	(0.22)	(0.24)	(0.24)
Net Earning/(Loss) per Share (Cents)	(0.66)	0.07	(0.03)	0.01	0.01	0.08
EBITDA (\$ Millions)	(0.47)	0.18	2.07	4.93	4.57	10.47

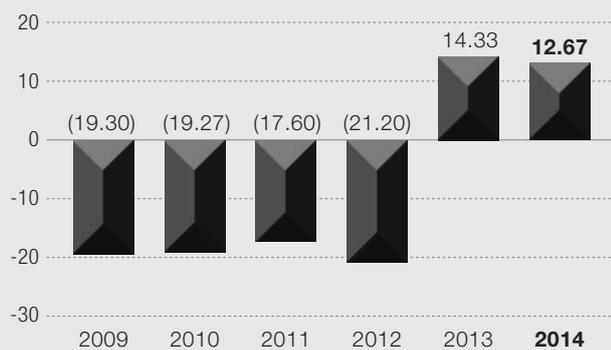
TURNOVER (\$ MILLIONS)



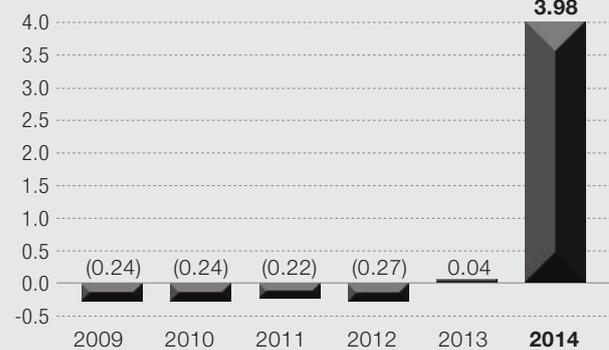
PROFIT/(LOSS) BEFORE INCOME TAX (\$ MILLIONS)



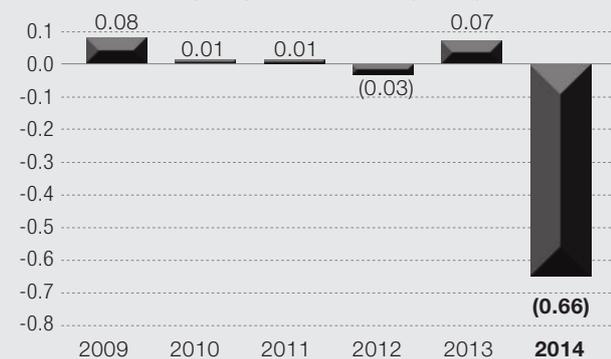
SHAREHOLDERS' FUNDS (\$ MILLIONS)



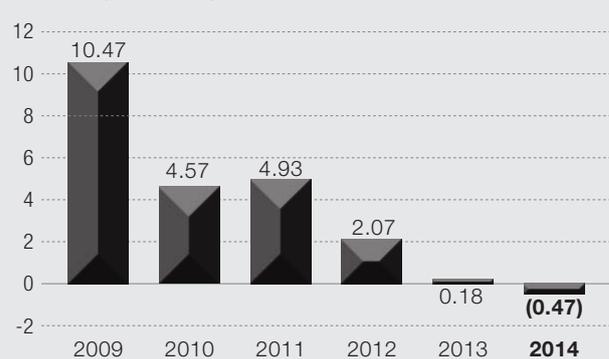
NET TANGIBLE ASSETS PER SHARE (CENTS)



NET EARNING/(LOSS) PER SHARE (CENTS)



EBITDA (\$ MILLIONS)



SUMMARY DIRECTORS' REPORT

IMPORTANT NOTES

The Summary Financial Statements as set out on pages 7 to 27 contains only a summary of the information in the Directors' report and a summary of the full financial statements. It also includes the information provided in compliance with the requirements of Section 203A of the Singapore Companies Act, Chapter 50 and regulations made thereunder, applicable to the Summary Financial Statements. It does not contain sufficient information to allow for a full understanding of the results and the state of affairs of the Group and the Company.

For further information, the full financial statements, the independent auditor's report on those financial statements and the Directors' report in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost. Please use the Request Form at the end of the Summary Financial Statements.

1. DIRECTORS

The Directors of the Company in office at the date of this report are:

Gary Loh Hock Chuan (Executive Chairman)
Dr. Tan Eng Liang
Chee Wai Pong
Michael John Martin

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding. The principal activities of the significant subsidiaries are as follows:

- Investment holding,
- Importer, exporter, wholesaler, retailer and commission agent of fruits,
- Distributor of dehydrated garlic and onion,
- To process, market and sell dehydrated garlic and onion,
- To own, operate and manage as principal franchisor and/or agent of all kinds of fruits,
- Headquarter for China operations, sales and other marketing and distribution, and
- To trade, distribute and market branded processed consumer food in USA.

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUMMARY DIRECTORS' REPORT

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), none of the Directors of the Company who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations except as detailed below:

	Shareholdings registered in the name of Director			Shareholdings in which Director is deemed to have an interest		
	Balance at 1 January 2014	Balance at 31 December 2014	Balance at 21 January 2015	Balance at 1 January 2014	Balance at 31 December 2014	Balance at 21 January 2015
	Number of ordinary shares					
The Company						
Gary Loh Hock Chuan	–	–	–	12,474,482,258	125,629,822*	114,998,572

Pursuant to Section 7 of the Act, Mr. Gary Loh Hock Chuan is deemed to have an interest in the 12,474,482,258 and 125,629,822 shares of the Company held by First Alverstone Capital Limited at the beginning and end of the financial year respectively.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited (SGX-ST), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Director's interests as at 21 January 2015 in the shares of the Company have changed from those disclosed as at 31 December 2014 for Mr. Gary Loh Hock Chuan whose deemed interests in the Company have reduced to 114,998,572 ordinary shares.

* On 4 July 2014, the Company completed a shares consolidation of 100 existing issued ordinary shares into one ordinary share.

5. DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except for salaries, bonuses and other benefits as disclosed in the financial statements.

SUMMARY DIRECTORS' REPORT

6. SHARE OPTIONS

There were no share options granted by the Company or its subsidiaries during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or of its subsidiaries under options as at the end of the financial year.

SunMoon Share Option Scheme

The Company has implemented an employee share option scheme known as SunMoon Share Option Scheme (the "Option Scheme"). The Option Scheme was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 30 April 2012. No share options have been granted or awarded pursuant to the Option Scheme.

7. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("ARC"), regulated by a set of written terms of reference, comprises three Independent Non-Executive Directors. The members of the ARC during the year and at the date of this report are:

Michael John Martin (Chairman)

Dr. Tan Eng Liang

Chee Wai Pong

The ARC performs the functions specified in Section 201B of the Singapore Companies Act, the SGX Listing Manual and the Code of Corporate Governance.

The ARC has held 4 meetings since the last report of the directors. In performing its functions, the ARC met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The ARC also reviewed the following:

- (i) assistance provided by the Company's officers to the external and internal auditors;
- (ii) interested person transactions (as defined in Chapter 9 of the SGX Listing Manual);
- (iii) quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the Directors of the Company for adoption.

SUMMARY DIRECTORS' REPORT

7. AUDIT AND RISK COMMITTEE (CONTINUED)

The ARC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director and Executive Officer to attend its meetings. The ARC also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees. The ARC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, BDO LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

8. ADDITIONAL DISCLOSURE REQUIREMENTS OF THE LISTING MANUAL OF THE SGX-ST

In the opinion of the Board of Directors and Audit and Risk Committee, Rule 712 and 715 of the Listing Manual of the SGX-ST has been compiled with.

On behalf of the Board of Directors

Gary Loh Hock Chuan

Director

Michael John Martin

Director

Singapore

27 March 2015

STATEMENT BY DIRECTORS

In the opinion of the Board of Directors,

- (a) the accompanying financial statements comprising the statements of financial position of the Group and of the Company as at 31 December 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows together with the notes thereon are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2014 and of the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors

Gary Loh Hock Chuan

Director

Michael John Martin

Director

Singapore

27 March 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUNMOON FOOD COMPANY LIMITED

We have examined the Summary Financial Statements set out on pages 14 to 27, which have been prepared by the Directors of the Company. In our opinion, the Summary Financial Statements is consistent, in all material aspects, with the full financial statements and Directors' Report of SunMoon Food Company Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2014, and complies with the requirement of Section 203A of the Singapore Companies Act, Chapter 50 (the "Act"), and regulations made thereunder, applicable to the Summary Financial Statements.

For a better understanding of the state of affairs of the Group and the Company as at 31 December 2014 and of the results of the Group for the financial year ended on that date and of the scope of our audit, the Summary Financial Statements should be read in conjunction with the full financial statements and our audit report thereon.

We have issued an unqualified opinion in our audit report dated 27 March 2015 on the full financial statements of the Group and the Company for the financial year ended 31 December 2014. The auditors' report is as follows:

Report on the financial statements

We have audited the accompanying financial statements of SunMoon Food Company Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and of the Company as at 31 December 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUNMOON FOOD COMPANY LIMITED

Report on the financial statements (Continued)

Auditor's responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2014 and of the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore
27 March 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	2014 \$'000	2013 \$'000
Revenue	37,776	34,390
Cost of sales	(29,985)	(28,020)
Gross profit	7,791	6,370
Other item of income		
Other income	329	13,563
Other items of expense		
Selling and distribution expenses	(2,766)	(2,219)
Administrative expenses	(6,238)	(5,343)
Other expenses	(513)	(578)
Finance costs	(86)	(81)
(Loss)/Profit before income tax	(1,483)	11,712
Income tax expense	(623)	(651)
(Loss)/Profit for the financial year	(2,106)	11,061
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising from translation of foreign operations	448	558
Income tax relating to items that may be reclassified	-	-
	448	558
Items that will not be reclassified subsequently to profit or loss:		
Deficit on revaluation of property, plant and equipment	-	(86)
Income tax relating to items that will not be reclassified	-	-
Other comprehensive income for the financial year, net of tax	448	472
Total comprehensive income for the financial year	(1,658)	11,533
(Loss)/Profit attributable to owners of the parent	(2,106)	11,061
Total comprehensive income attributable to owners of the parent	(1,658)	11,533
(Loss)/Earnings per share		
- Basic	(0.661) cents	7.225 cents
- Diluted	(0.661) cents	7.225 cents

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Note	Group		Company	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Non-current assets					
Property, plant and equipment	6	4,416	5,089	6	24
Subsidiaries		-	-	18,930	17,831
Investment in associate		-	-	-	-
Available-for-sale financial asset		-	17	-	17
		<u>4,416</u>	<u>5,106</u>	<u>18,936</u>	<u>17,872</u>
Current assets					
Inventories		13,431	11,447	-	-
Trade and other receivables		7,272	4,468	8	34
Held-for-trading financial asset		242	-	-	-
Prepayments		77	63	25	23
Cash and bank balances		2,703	2,387	498	222
Current income tax recoverable		-	1	-	-
		<u>23,725</u>	<u>18,366</u>	<u>531</u>	<u>279</u>
Less:					
Current liabilities					
Trade and other payables		12,811	8,084	3,976	2,927
Bank borrowings	8	2,658	1,045	-	-
Current income tax payable		-	13	-	-
		<u>15,469</u>	<u>9,142</u>	<u>3,976</u>	<u>2,927</u>
Net current assets/(liabilities)		<u>8,256</u>	<u>9,224</u>	<u>(3,445)</u>	<u>(2,648)</u>
		<u>12,672</u>	<u>14,330</u>	<u>15,491</u>	<u>15,224</u>
Capital and reserves					
Share capital	3	124,508	124,508	124,508	124,508
Other reserves	4	26,010	25,562	18,384	18,384
Accumulated losses		(137,846)	(135,740)	(127,401)	(127,668)
Total equity attributable to owners of the parent		<u>12,672</u>	<u>14,330</u>	<u>15,491</u>	<u>15,224</u>

The accompanying notes form an integral part of these financial statements.

SUNMOON FOOD COMPANY LIMITED
SUMMARY FINANCIAL REPORT 2014

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Share capital \$'000	Capital reserve \$'000	Capital reduction reserve \$'000	Asset revaluation reserve \$'000	General reserve \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total equity attributable to owners of the parent \$'000
Balance at 1 January 2014	124,508	944	18,384	2,510	2,201	1,523	(135,740)	14,330
Loss for the financial year	-	-	-	-	-	-	(2,106)	(2,106)
Other comprehensive income for the financial year								
Foreign currency translation	-	-	-	-	-	448	-	448
Total comprehensive income for the financial year	-	-	-	-	-	448	(2,106)	(1,658)
Balance at 31 December 2014	<u>124,508</u>	<u>944</u>	<u>18,384</u>	<u>2,510</u>	<u>2,201</u>	<u>1,971</u>	<u>(137,846)</u>	<u>12,672</u>
Balance at 1 January 2013	100,508	944	18,384	2,596	2,201	965	(146,801)	(21,203)
Profit for the financial year	-	-	-	-	-	-	11,061	11,061
Other comprehensive income for the financial year								
Foreign currency translation	-	-	-	-	-	558	-	558
Deficit on revaluation of property, plant and equipment	-	-	-	(86)	-	-	-	(86)
Total comprehensive income for the financial year	-	-	-	(86)	-	558	11,061	11,533
Contributions by owners of the parent:								
Issuance of shares pursuant to conversion of loan	24,000	-	-	-	-	-	-	24,000
Total transactions with owners of the parent	<u>24,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,000</u>
Balance at 31 December 2013	<u>124,508</u>	<u>944</u>	<u>18,384</u>	<u>2,510</u>	<u>2,201</u>	<u>1,523</u>	<u>(135,740)</u>	<u>14,330</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	2014 \$'000	2013 \$'000
Operating activities		
(Loss)/Profit before income tax	(1,483)	11,712
Adjustments for:		
Interest expense	86	81
Write back of convertible loan interest	-	(12,577)
Interest income	(2)	(4)
Dividend income	(65)	(102)
Write back of allowance for inventory obsolescence	(16)	(399)
Depreciation of property, plant and equipment	927	940
Loss on disposal of property, plant and equipment	-	59
Property, plant and equipment written off	-	8
Write back of long overdue payables	(50)	(330)
Available-for-sale financial asset written off	17	-
Fair value loss arising from held-for-trading financial asset	85	-
Inventories written off	8	119
Other receivables written off	10	182
Allowance for impairment loss on third parties trade and other receivables	769	97
Allowance for slow moving inventories	254	227
Operating cash flows before working capital changes	540	13
Working capital changes:		
Inventories	(2,230)	1,424
Trade and other receivables	(3,583)	(1,677)
Prepayments	(14)	22
Trade and other payables	4,777	443
Cash (used in)/generated from operations	(510)	225
Income tax paid	(635)	(360)
Net cash used in operating activities	(1,145)	(135)
Investing activities		
Interest received	2	4
Dividend received	65	102
Purchase of property, plant and equipment	(187)	(150)
Proceeds from disposal of property, plant and equipment	-	5
Purchase of held-for-trading financial asset	(330)	-
Net cash used in investing activities	(450)	(39)
Financing activities		
Interest paid	(86)	(81)
Proceeds from bank borrowings	3,648	-
Repayments of bank borrowings	(2,035)	-
Issuance of share capital	-	24,000
Settlement of convertible loan	-	(24,424)
Net cash from/(used in) financing activities	1,527	(505)
Net change in cash and bank balances	(68)	(679)
Cash and bank balances at beginning of financial year	2,387	2,765
Exchange difference on cash and bank balances	384	301
Cash and bank balances at end of financial year	2,703	2,387

The accompanying notes form an integral part of these financial statements.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

1. CONTINGENT LIABILITIES

Group

During the financial period ended 31 December 2008, one of the former subsidiaries (Dongguan Fook Huat Tong Kee Refrigeration & Foodstuffs Co., Ltd or the "Borrowing Subsidiary") of the Group had defaulted on the repayment of the loans ("Loan") from Dongguan Agricultural Bank of China (the "Bank"). The Loans are secured on the mortgages of land and buildings belonging to the Borrowing Subsidiary and another former subsidiary (Longkou Fook Huat Tong Kee Refrigeration Co., Ltd or the "Collateral Subsidiary"). The Borrowing Subsidiary and the Collateral Subsidiary have since been disposed in 2009.

There are three other subsidiaries which have furnished corporate guarantees to support the Loans (the Borrowing Subsidiary, Collateral Subsidiary and three other subsidiaries are collectively known as the "Sub-group" of the Group). These corporate guarantees may be called upon by the Bank. The three remaining subsidiaries are still subject to corporate guarantees in respect of the Loan from the Bank and may be subject to claims. The Company is unable to ascertain the likelihood, outcome and quantum of these potential claims. However, for these three subsidiaries, whether arising from the corporate guarantees or otherwise, based on the legal opinion obtained, the Company is of the view that any action that may be undertaken by the bank or any other creditors is unlikely to significantly affect the operation of the rest of the Group as these three subsidiaries have ceased operations, do not possess significant assets and are presently dormant, and the exposure to the Group in respect of any contingent claim arising from the above-mentioned corporate guarantees is limited to the net assets of these three dormant subsidiaries.

In August 2009, the Dongguan Municipal Intermediate People's Court issued a writ of seizure and sale against four apartments owned by Fook Huat Tong Kee Pte Ltd (one of the subsidiaries in the Sub-group). These four apartments had already been fully impaired in 2008, and accordingly has no financial impact to the results of the Group and the Company for the year ended 31 December 2014. Similarly, certain property amounting to \$118,000 which was subject to court seizure was impaired in 2009. The impairment arose as the application to transfer the said property from the Sub-group to the Group was not accepted by the China authority due to lack of proper proof of ownership. As at 31 December 2014, each of the three remaining subsidiaries has negative net assets and has been consolidated with the financial statements of the Group for the year ended 31 December 2014. In addition, the remaining assets of the three subsidiaries of the Sub-group that are still subject to bank collateral and guarantee amounting to \$3,500,000 have been fully impaired since 31 December 2009 and no further impairment has been made during the year in respect of these claims.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

1. CONTINGENT LIABILITIES (CONTINUED)

Company

- (i) The Company is currently involved in legal proceedings relating to a Claim (defined below). Save as disclosed, the Company is not involved currently in any legal or arbitration proceedings. Due to inherent uncertainties, no accurate quantification of any cost which may arise from the Claim can be made.

On 10 April 2014, the Company was served with a Writ of Summons (the "Writ") by nTan Corporate Advisory Pte Ltd ("nTan"). Pursuant to the Writ, nTan claimed against the Company, inter alia, the issue and transfer of 2,057,347,290 shares in the Company to nTan or, alternatively, the sum of S\$2,057,347.29 (the "Claim"). The Claim relates to fees allegedly due to nTan for services provided to the Company in identifying and securing investors. The Company has since appointed TSMP Law Corporation as its legal counsel and continues to vigorously defend the Claim, against which the Company believes it has a reasonably good defence. The Directors consider that disclosure of further details of the Claim could be prejudicial to the Group's case and accordingly, further information on the Claim has not been provided.

- (ii) The Company had given corporate guarantees to a bank in respect of banking facility granted to a subsidiary. These guarantees are financial guarantee contract as they require the Company to reimburse the banks if the subsidiary fails to make principal or interest payments when due in accordance with the terms of the facilities drawn. As at 31 December 2014, the total banking facilities granted to the subsidiary amounted to approximately \$1,982,000 (2013: \$Nil) and the amount utilised by the subsidiary amounted to approximately \$1,380,000 (2013: \$Nil).

As at the end of the reporting period, the Company has not recognised any liability in respect of the guarantee given to the bank for banking facility granted as the Directors have assessed that the likelihood of defaulting on repayment of its loan is remote.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

FRS and INT FRS issued but not yet effective

As at the date of the authorisation of these financial statements, the Group and the Company have not adopted the following FRS and INT FRS that have been issued but not yet effective:

		Effective date (annual periods beginning on or after)
FRS 1 (Amendments)	: <i>Disclosure Initiative</i>	1 January 2016
FRS 16 and FRS 38 (Amendments)	: <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
FRS 16, FRS 41 (Amendments)	: <i>Agriculture: Bearer Plants</i>	1 January 2016
FRS 27 (Amendments)	: <i>Equity Method in Separate Financial Statements</i>	1 January 2016
FRS 109	: <i>Financial Instruments</i>	1 January 2018
FRS 110, FRS 112 and FRS 28 (Amendments)	: <i>Investment Entities – Applying the Consolidation Exception</i>	1 January 2016
FRS 110 and FRS 28 (Amendments)	: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	1 January 2016
FRS 111 (Amendments)	: <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
FRS 114	: <i>Regulatory Deferral Accounts</i>	1 January 2016
FRS 115	: <i>Revenue from Contracts with Customers</i>	1 January 2017
Improvements to FRSs (January 2014)		
– FRS 16 (Amendments)	: <i>Property, Plant and Equipment</i>	1 July 2014
– FRS 24 (Amendments)	: <i>Related Party Disclosures</i>	1 July 2014
– FRS 103 (Amendments)	: <i>Business Combinations</i>	1 July 2014
– FRS 108 (Amendments)	: <i>Operating Segments</i>	1 July 2014
Improvements to FRSs (February 2014)		
– FRS 40 (Amendments)	: <i>Investment Property</i>	1 July 2014
– FRS 103 (Amendments)	: <i>Business Combinations</i>	1 July 2014
– FRS 113 (Amendments)	: <i>Fair Value Measurement</i>	1 July 2014
Improvements to FRSs (November 2014)		
– FRS 105 (Amendments)	: <i>Non-current Assets Held for sale and Discontinued Operations</i>	1 January 2016
– FRS 107 (Amendments)	: <i>Financial Instruments: Disclosures</i>	1 January 2016

Consequential amendments were also made to various standards as a result of these new/revised standards.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

FRS and INT FRS issued but not yet effective (continued)

The management anticipates that the adoption of the above FRS in future periods, if applicable, will not have a material impact on the financial statements of the Group and the Company in the period of initial adoption, except as discussed below.

FRS 109 – Financial Instruments

FRS 109 supersedes FRS 39 *Financial Instruments: Recognition and Measurement* with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

Under FRS 109, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Group will have a choice to recognise the gains and losses in other comprehensive income. A third measurement category has been added for debt instruments – fair value through other comprehensive income. This measurement category applies to debt instruments that meet the Solely Payments of Principal and Interest contractual cash flow characteristics test and where the Group is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets.

FRS 109 carries forward the recognition, classification and measurement requirements for financial liabilities from FRS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, FRS 109 retains the requirements in FRS 39 for de-recognition of financial assets and financial liabilities.

FRS 109 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in FRS 39. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or fair value through other comprehensive income, the Group will now recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.

FRS 109 also introduces a new hedge accounting model designed to allow entities to better reflect their risk management activities in their financial statements.

The Group plans to adopt FRS 109 in the financial year beginning on 1 January 2018 with retrospective effect in accordance with the transitional provisions. There may be a potentially significant impact on the accounting for financial instruments on initial adoption. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard, however the Group will be required to reassess the classification and measurement of financial assets, particularly those currently classified as available for sale and the new impairment requirements are expected to result in changes for impairment provisions on trade receivables and other financial assets not measured at fair value through profit or loss.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

FRS and INT FRS issued but not yet effective (continued)

FRS 115 – Revenue from Contracts with Customers

FRS 115 introduces a comprehensive model that applies to revenue from contracts with customers and supersedes all existing revenue recognition requirements under FRS. The model features a five-step analysis to determine whether, how much and when revenue is recognised, and two approaches for recognising revenue: at a point in time or over time. The core principle is that an entity recognises revenue when control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FRS 115 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

On initial adoption of this standard there may be a potentially significant impact on the timing and profile of revenue recognition of the Group. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 January 2017 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

3. SHARE CAPITAL

	Group and Company			
	2014	2013	2014	2013
	'000	'000	\$'000	\$'000
Number of ordinary shares				
Issued and fully paid:				
Balance at beginning of financial year	31,878,441	7,878,441	124,508	100,508
Issuance of shares pursuant to conversion of loan	–	24,000,000	–	24,000
Shares consolidation	(31,559,657)	–	–	–
Balance at end of financial year	318,784	31,878,441	124,508	124,508

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

On 10 September 2013, the Company issued 6,000,000,000 ordinary shares (“Settlement Shares”) at \$0.001 per share amounting to \$6,000,000 by the way of full and final settlement of the outstanding convertible loan to the investors in accordance with the terms of the Revised Settlement Agreement dated 18 March 2013.

On 10 September 2013, the Company also issued 18,000,000,000 ordinary shares (“Conversion Shares”) at \$0.001 per share amounting to \$18,000,000 to First Alverstone Capital Limited by way of converting the entire convertible loan into ordinary share capital in accordance with the terms of the Revised New Convertible Loan Agreement dated 18 March 2013.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

3. SHARE CAPITAL (CONTINUED)

On 4 July 2014, the Company completed a shares consolidation of 100 existing issued ordinary shares into 1 ordinary share. As a result, the number of issued shares of approximately 31,878,441,000 has been reduced to approximately 318,784,000 as at 31 December 2014.

4. OTHER RESERVES

Reserves comprise the following:

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Capital reserve	944	944	-	-
Capital reduction reserve	18,384	18,384	18,384	18,384
Asset revaluation reserve	2,510	2,510	-	-
General reserve	2,201	2,201	-	-
Foreign currency translation reserve	1,971	1,523	-	-
	26,010	25,562	18,384	18,384

4.1 Capital reserve

The capital reserve arose on consolidation of foreign operations since 1997. The capital reserve is a non-distributable reserve.

4.2 Capital reduction reserve

A capital reduction reserve application was made and completed on 13 June 2005 to reduce the par value of each ordinary share in the capital of the Company from \$0.05 to \$0.005. The effect of the capital reduction exercise was that an aggregate amount of \$55,390,000 of the issued and paid-up share capital of the Company was cancelled, of which \$37,010,000 represented issued and paid-up share capital which had been lost or was unrepresented by available assets as at 31 December 2004 and was applied towards the writing off of the accumulated losses of the Company, and the balance amount of \$18,380,000 was credited to a capital reduction reserve.

4.3 Asset revaluation reserve

The asset revaluation reserve arises on the revaluation surpluses of leasehold properties and certain plant and machinery and is non-distributable.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

4. OTHER RESERVES (CONTINUED)

4.4 General reserve

The general reserve relates to those transferred from accumulated losses since 1997.

4.5 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency and is non-distributable.

5. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, in addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the parties during the financial year:

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Related company				
Issue and conversion of convertible loans	-	18,000	-	18,000
Related party				
Loans from a Director	529	-	-	-
Subsidiaries				
Management fee income	-	-	1,094	1,311
Loan to a subsidiary	-	-	380	-
Advances to subsidiaries	-	-	1,829	-
Advances from subsidiaries	-	-	571	1,354

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

5. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation of key management personnel

The remuneration of Directors and other key management personnel of the Group during the financial year are as follows:

	Group	
	2014	2013
	\$'000	\$'000
Directors' fees	156	186
Short-term benefits	1,630	1,507
Post-employment benefits	79	72
	1,865	1,765

The above includes the following remuneration to the Directors of the Company:

	Group	
	2014	2013
	\$'000	\$'000
<i>Directors of the Company</i>		
Directors' fees	156	186
Short-term benefits	393	389
Post-employment benefits	14	10
	563	585

Other key management comprises the Chief Executive Officer, Chief Financial Officer, Managing Director of Fresh Division, Senior Sales Manager and General Manager.

6. MATERIAL CHANGES IN ASSET VALUES

There are no material changes to the asset values of the Group and the Company for the financial year ended 31 December 2014.

As at the end of the reporting period, the leasehold properties of the Group with carrying amount of approximately \$2,143,000 (2013: \$2,650,000) has been pledged to secure bank borrowings as referred to Note 8.

Leasehold properties and plant and machinery of the Group were valued as at 31 December 2013 by Taian Tian Cheng, an independent professional valuation firm using the cost replacement approach. The valuation conforms to International Valuation Standards and is based on the assets' highest and best use, which is in line with their actual use. The resulting fair values of leasehold properties and plant and machinery are considered as level 3 recurring fair value measurements. Had the assets being carried at cost, the carrying amount of these assets would be \$1,769,000 (2013: \$2,310,000) as at 31 December 2014.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

6. MATERIAL CHANGES IN ASSET VALUES (CONTINUED)

Level 3 fair value measurements

<u>Description</u>	<u>Valuation techniques used</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between key unobservable inputs and fair value</u>
Property, plant and equipment – Leasehold properties – Plant and machinery	Cost replacement approach The management considers the fair value of leasehold properties and plant and machinery based on physical deterioration and economic obsolescence of the leasehold properties and plant and machinery, and replacement cost of improvements.	Physical deterioration and economic obsolescence – Wear and tear and utilisation of building and machinery are taken up into consideration. – 8% to 90%; weighted average 61% Replacement cost of improvement Budgeted cost to improve the building and machinery condition has been considered.	The estimated fair value varies inversely against the physical deterioration and economic obsolescence rate. The estimated fair value increases with higher budgeted replacement cost of improvement.

7. MATERIAL ACQUISITIONS AND DISPOSALS

There were no material acquisitions and disposals for the financial year ended 31 December 2014.

8. BANK BORROWINGS

	Group	
	2014 \$'000	2013 \$'000
Secured		
Term loan I	–	1,045
Term loan II	1,278	–
Term loan III	1,380	–
	2,658	1,045

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

8. BANK BORROWINGS (CONTINUED)

	Group	
	2014	2013
	%	%
Effective interest rates per annum		
Term loan I	–	8.10
Term loan II	7.2	–
Term loan III	4.5	–

Term loan I from a bank was rolled over in August 2013 and fully settled during the financial year.

Term loan II from a bank is repayable in August 2015. Term loan II is secured by legal mortgage on the Group's leasehold properties which are located in the People's Republic of China (Note 6) and floating charge over the machineries and inventories of a subsidiary. The interest is computed based on 20% above the prevailing prime lending rate set by People's Bank of China.

Term loan III from a bank is a short term revolving credit repayable in June 2015. Term loan III is secured by floating charge over the assets of a subsidiary and corporate guarantee provided by the Company. The interest is computed based on 0.75% above the prime rate published in the Wall Street Journal.

STATISTICS OF SHAREHOLDINGS

AS AT 12 MARCH 2015

ISSUED AND FULLY PAID-UP CAPITAL	:	\$124,508,483
NO. OF SHARES ISSUED	:	318,784,382
CLASS OF SHARES	:	ORDINARY SHARES FULLY PAID WITH EQUAL VOTING RIGHTS EACH
NUMBER OF TREASURY SHARES	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS		NO. OF SHARES	
		%		%
1 – 99	4,775	34.62	126,529	0.04
100 – 1000	4,249	30.80	2,086,918	0.66
1,001 – 10000	3,691	26.76	15,363,224	4.82
10,001 – 1000000	1,055	7.65	62,048,955	19.46
1,000,001 & ABOVE	23	0.17	239,158,756	75.02
TOTAL	13,793	100.00	318,784,382	100.00

TOP TWENTY SHAREHOLDERS	NO. OF SHARES	%
UOB KAY HIAN PTE LTD	117,824,632	36.96
MAYBANK KIM ENG SECURITIES PTE LTD	19,617,788	6.15
DBS NOMINEES PTE LTD	13,509,243	4.24
QAP CAPITAL PTE LTD	12,592,514	3.95
PRIMA PORTFOLIO PTE LTD	12,222,400	3.83
TAN KAH BOH ROBERT@ TAN KAH BOO	9,068,385	2.84
CHUA KENG LOY	6,826,000	2.14
NEO WEI MING	6,500,000	2.04
LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	6,363,425	2.00
CITIBANK CONSUMER NOMINEES PTE LTD	5,214,850	1.64
BANK OF SINGAPORE NOMINEES PTE LTD	5,130,000	1.61
LEE FANG WEN	3,950,000	1.24
RAFFLES NOMINEES (PTE) LTD	3,036,267	0.95
ONG HIE KOAN	2,454,681	0.77
LIM & TAN SECURITIES PTE LTD	2,177,565	0.68
CHIN SHU HWA CORINNA	2,110,000	0.66
TAN KOK SIANG GARY	2,000,000	0.63
UNITED OVERSEAS BANK NOMINEES PTE. LTD	1,826,067	0.57
OCBC SECURITIES PRIVATE LTD	1,587,137	0.50
PHILLIP SECURITIES PTE LTD	1,578,456	0.50
	235,589,410	73.90

STATISTICS OF SHAREHOLDINGS

AS AT 12 MARCH 2015

On the basis of the information available to the Company, approximately 63.93% of the equity securities of the Company are held in the hands of the public. This is in compliance with Rule 723 of the Listing Manual of the SGX-ST, which requires at least 10% of a listed issuer's equity securities to be held by the public.

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	NO. OF SHARES	
	Direct Interest	Deemed Interest
First Alverstone Capital Ltd	114,998,572	–
Gary Loh Hock Chuan	–	114,998,572
Selena Cheng Koh Min	–	114,998,572

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of SUNMOON FOOD COMPANY LIMITED will be held at Vine II Ballroom (Level 2), Metropolitan YMCA Singapore, 60 Stevens Road, Singapore 257854 on 28 April 2015 at 2.30 p.m. to transact the following business:

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company and the Group for the year ended 31 December 2014.
2. To approve the payment of Directors' Fees in respect of the year ended 31 December 2014.
3. To re-elect Mr Chee Wai Pong, a Director who is retiring by rotation in accordance with Article 102 of the Company's Articles of Association and who, being eligible, offer himself for re-election.
4. To consider and, if thought fit, to pass the following as an ordinary resolution:

"That pursuant to Section 153(6) of the Companies Act, Cap. 50, Dr Tan Eng Liang be and is hereby re-appointed Director of the Company, to hold office until the next Annual General Meeting."

5. To re-appoint Messrs BDO LLP, Public Accountants and Certified Accountants, Singapore as Auditors of the Company and to authorise the Directors to fix their remuneration.
6. **As Special Business**

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

- 6.1 That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, authority be given to the Directors of the Company to issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:
 - a) the aggregate number of Shares (including Shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to all shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the Company;

NOTICE OF ANNUAL GENERAL MEETING

- b) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares of the Company (excluding treasury shares) as at the date of the passing of this Resolution, after adjusting for:
- i) new shares arising from the conversion or exercise of convertible securities;
 - ii) new shares arising from exercising share options or vesting of Share awards outstanding or subsisting at the time this Resolution is passed; and
 - iii) any subsequent bonus issue, consolidation or subdivision of shares;
- c) And that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities. [See Explanatory Note (iii)]

6.2 That approval be and is hereby given to the Directors to grant awards in accordance with the provision of the SunMoon Share Option Scheme and/or SunMoon Share Plan and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the SunMoon Share Option Scheme and/or SunMoon Share Plan, provided that:

- a) the aggregate number of new ordinary shares which may be issued pursuant to the SunMoon Share Option Scheme and SunMoon Share Plan on any date, shall not exceed 15% or such other per centum as may be determined by the committee and permitted under the Listing Manual, of the total number of issued shares of the Company, excluding Treasury Shares, on the day immediately preceding the relevant date of grant; and
- b) such approval shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

7. To transact any other business that may be transacted at an Annual General Meeting.

By Order of the Board

Chia Lay Beng
Secretary

Date: 10 April 2015

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes

- (i) Mr Chee Wai Pong, if re-appointed, will remain as an Audit and Risk Committee member, and is considered independent for the purposes of Rule 704 (8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- (ii) Dr Tan Eng Liang, if re-appointed, will remain as an Audit and Risk Committee member, and is considered independent for the purposes of Rule 704 (8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- (iii) (a) The Ordinary Resolution 6.1 proposed in item 6 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro rata basis.
- (iii) (b) For the purpose of this resolution, the total number of issued shares (excluding treasury shares) is based on the Company's total number of issued shares (excluding treasury shares) at the time this proposed Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this proposed Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint any number of proxies to attend and vote on his/her behalf. A proxy need not be a Shareholder.
2. Where a Shareholder appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second/ other named proxy/proxies shall be deemed to be an alternate to the first named.
3. A corporation which is a Shareholder may authorize by resolution of its directors or other governing body such persons as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act.
4. The instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), duly executed, must be deposited at the registered office of the Company at 1 Scotts Road #21-07/08/09 Shaw Centre, Singapore 228208 not less than 48 hours before the time appointed for holding the AGM.
5. The instrument appointing a proxy or proxies must be signed by the appointor or his/her attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer duly authorized.
6. A Depositor's name must appear on the Depository Register maintained by the CDP at least 48 hours before the time appointed for holding AGM in order for the Depositor to be entitled to attend and vote at the AGM.

SUNMOON FOOD COMPANY LIMITED

(Incorporated in Singapore)

Company Registration No. 198304656K

Registered Office: 1 Scotts Road
#21-07/08/09
Shaw Centre
Singapore 228208

PROXY FORM

I/We _____
of _____

being a member/members of the abovementioned Company, hereby appoint

Name	Address	NRIC/Passport No	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

or failing him/her or both of the persons mentioned above, the Chairman of the Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at Vine II Ballroom (Level 2), Metropolitan YMCA Singapore, 60 Stevens Road, Singapore 257854 on 28 April 2015 at 2.30 p.m.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, your proxy/proxies will vote or abstain from voting as he/she/they may think fit at his/her/their discretion, as he/she/they will on any other matters arising at the Annual General Meeting and any adjournment thereof.)

	Resolutions	For	Against
1	Ordinary Business Adoption of Report and Accounts		
2	Approval of amount proposed as directors' fees		
3	Re-election of Mr. Chee Wai Pong as Director retiring under Article 102		
4	Re-election of Dr. Tan Eng Liang as Director retiring pursuant to Section 153(6) of the Companies Act, Cap. 50.		
5	Re-appointment of Auditors		
6.1	Special Business Approval to issue Shares pursuant to Section 161 of the Companies Act, Cap. 50		
6.2	Approval to grant awards in accordance with the provision of the SunMoon Share Option Scheme and/or SunMoon Share Plan		
7	Any Other Business		

If you wish to exercise all your votes "For" or "Against", please indicate an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate for each resolution.

If this form of proxy contains no indication as to how the proxy should vote in relation to each resolution, the proxy shall, as in the case of Any Other Business raised at the meeting, vote as the proxy deems fit.

As witness my/our hand(s) this _____ day of _____ 2015

No. of Ordinary
Shares held

Signature(s) or Common Seal of Shareholder(s)



Important please read notes overleaf

Notes

1. Please insert the total number of ordinary shares in the issued share capital of the Company (the "Shares") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number of Shares. If you have Shares registered in your name in the register of members of the Company (the "Register of Members"), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. A shareholder of the Company (the "Shareholder") entitled to attend and vote at the annual general meeting (the "AGM") is entitled to appoint any number of proxies to attend and vote on his behalf. A proxy need not be a Shareholder.
3. Where a Shareholder appoints more than one proxy, he/she shall specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or percentage is specified, the first named proxy shall be deemed to represent 100% of the shareholding and the second/other named proxy/proxies shall be deemed to be an alternate to the first named.
4. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act (Cap. 50) of Singapore.
5. The instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), duly executed, must be deposited at the registered office of the Company at 1 Scotts Road, #21-07/08/09, Shaw Centre, Singapore 228208 not less than 48 hours before the time appointed for holding the AGM or any postponement or adjournment thereof.
6. The instrument appointing a proxy or proxies must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The submission of an instrument or form appointing a proxy by a Shareholder does not preclude him/her from attending and voting in person at the AGM if he/she so wishes.
9. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the Shareholder, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register maintained by the CDP at least 48 hours before the time appointed for holding the AGM.

REQUEST FORM

SUNMOON FOOD COMPANY LIMITED

(Incorporated in Singapore)
Company Registration No. 198304656K

10 April 2015

Dear Shareholder,

This is a copy of the Summary Financial Report (“SFR”) of SUNMOON FOOD COMPANY LIMITED (“Company”) for the financial year 2014. The SFR contains a review of the Company for the financial year ended 31 December 2014. It also contains a summary of the information in the Directors’ Report and financial statements of the Company’s Annual Report (“AR”) 2014. We will be sending you a copy of the SFR for so long as you are the Company’s shareholder unless you indicate otherwise.

The full financial statements for the financial year ended 31 December 2014 are set out in a separate report called the AR for 2014. This report is available to all registered shareholders of the Company at no cost upon request.

For shareholders receiving this SFR for the first time, if you wish to receive a copy of the AR for 2014 or for so long as you are a shareholder of the Company, please complete the request form below by ticking the first or third box respectively and return it to us by 18 April 2015. If we do not receive your request form, it would indicate that you do not wish to receive copies of the AR for 2014 and for future financial years.

For the convenience of the shareholders, a copy of the AR for 2014 will be posted at SGX website from 10 April 2015. Shareholders may request for physical copies of the AR for 2014 as indicated above.

Yours faithfully,

Chia Lay Beng
Secretary

REQUEST FORM

To: SUNMOON FOOD COMPANY LIMITED

N.B. Please tick only one box. Incomplete or improperly completed forms will not be processed.

- Please send me/us the Annual Report in addition to the Summary Financial Report for financial year 2014.
- Please do not send me/us the *Summary Financial Report or the Annual Report/Annual Report for so long as I/we am/ are a shareholder(s) of SunMoon Food Company Limited.
- Please send me/us the Annual Report in addition to the Summary Financial Report for financial year 2014 and for so long as I/we am/are a shareholder(s) of SunMoon Food Company Limited.

Name(s) of shareholder(s): _____

*NRIC/Passport Number(s): _____ CDP Securities Account No: _____

Address: _____

_____ Singapore _____

Signature(s): _____ Date: _____

* delete where inapplicable



Fold along this line (1)



Postage will be
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Singapore only.

**BUSINESS REPLY SERVICE
PERMIT NO. 08431**



SunMoon Food Company Limited
21, Bukit Batok Crescent
#10-75 WCEGA Tower
Singapore 658065

Fold along this line (2)