



SUNMOON FOOD COMPANY LIMITED

Registration No. 198304656K
(the "Company")

UPDATE ANNOUNCEMENT: CLAIM BY NTAN CORPORATE ADVISORY PTE LTD AGAINST SUNMOON FOOD COMPANY LIMITED

The Board of Directors (the "**Board**") of SunMoon Food Company Limited (the "**Company**") refers to its announcement on 14 April 2014 to shareholders of the Company in relation to the Writ of Summons served by nTan Corporate Advisory Pte Ltd ("**nTan**") on 10 April 2014 in Suit No. 936 of 2013 (the "**Suit**").

The Board is pleased to announce that the Company and nTan have reached a full and final settlement in relation to nTan's claim in the Suit (the "**Settlement**"). As part of the Settlement, the Company will pay to nTan a sum of S\$2,111,000 plus 7% GST (the "**Settlement Sum**") in instalments. The Company had provided for approximately half of the Settlement Sum in previous years, and all payments will be made from the Company's internal resources. The Settlement may have a significant impact on the Company's financial performance for the current financial year. Save for the Settlement Sum, there will be no other sums payable by the Company to nTan in relation to the Suit. Following this, nTan will discontinue the Suit and has confirmed that it has no further claim against the Company for any professional fees.

The Board is of the view that the Settlement represents a positive outcome for the Company, taking into account the legal fees that would be payable to its lawyers in continued litigation. The Settlement will also allow the Board and management of the Company to have certainty in its financial position, focus their time and energies on the business of the Company, and explore future growth opportunities in order to maximise profits and shareholders' returns.

BY ORDER OF THE BOARD
SunMoon Food Company Limited
(Company Registration No. 198304656K)

Chia Lay Beng
Company Secretary
20 October 2015