



## SUNMOON FOOD COMPANY LIMITED

Registration No. 198304656K  
(the "Company")

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### RECEIPT OF APPROVAL FOR APPLICATION FOR EXTENSION OF TIME TO COMPLY WITH MINIMUM TRADING PRICE

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The board of directors ("**Board**") of SunMoon Food Company Limited (the "**Company**") and its subsidiaries (the "**Group**") wishes to announce that the Company had on 22 February 2016 applied to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") to seek approval for a 6-month extension to meet the minimum trading price ("**MTP**") requirement that the 6-month volume weighted average price ("**6-month VWAP**") be maintained at a MTP of S\$0.20 (the "**Extension Application**") and that the SGX-ST had on 29 February 2016 approved the Extension Application.

As cited in the Extension Application, the reasons given by the Company for seeking the extension were:

- (a) Following SGX-ST announcement on or around February 2015 that from March 2015, all issuers listed on the Main Board of the SGX-ST have to comply with the MTP requirement, the Company had acted promptly to address compliance with the MTP requirement. In this regard, Company had obtained approval of shareholders of the Company ("**Shareholders**") at an extraordinary general meeting held on 28 April 2015 to approve, *inter alia*, the share consolidation<sup>(1)</sup> ("**Share Consolidation EGM**") ;
- (b) Events subsequent to the Share Consolidation EGM, which were not within the Company's control, had unfortunately resulted in delays to consolidate the Company's shares so as to meet the 6-month VWAP;
- (c) For example, the requisition notice to remove certain directors of the Company (as announced on 6 August 2015), the lapse of a conditional sale and purchase agreement (as announced on 14 September 2015) and the voluntary suspension of Company's shares from 14 October 2015 to resumption on 11 November 2015 (as announced on 14 October 2015);
- (d) As disclosed in the Company's annual report 2014, the Company has embarked on a strategic shift towards a new business model, of which, there are plans to explore potential acquisitions and/or partnerships. In view of the current global market development, if the Company is placed on watch-list as a result of the MTP requirement, it will not be in the best interests of the Shareholders;
- (e) The Company has been actively seeking potential acquisitions of new businesses which would create and bring additional value to the Shareholders; and
- (f) The Company has been exploring other options such as a transfer to the Catalist Board and/or new corporate actions such as acquisitions of new businesses and/or new plans to increase current sales. For avoidance of doubt, the Company wishes to emphasise that the Board has not made any decisions on seeking an admission to the Catalist board.

**Note:**

- (1) Please refer to the circular to Shareholders dated 13 April 2015 for more information on the share consolidation.

Pursuant to the SGX-ST's approval in principle for the Extension Application, the SGX-ST will review the Company's compliance with the MTP requirement on 1 September 2016 instead of 1 March 2016.

The SGX-ST's approval for the Extension Application is subject to the following:

- (i) The Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107;
- (ii) Submission of a written confirmation from the Company that the extension does not contravene any laws and regulations governing the Company and the articles of association of the Company; and
- (iii) Submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

**The SGX-ST reserves the right to amend and/or vary the above decision and such decision is subject to changes in the SGX-ST's policies.**

**BY ORDER OF THE BOARD**

Ms. Chia Lay Beng  
Company Secretary

29 February 2016