



SUNMOON FOOD COMPANY LIMITED

Registration No. 198304656K
(the "Company")

INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF SUNMOON DISTRIBUTION & TRADING PTE LTD

1. The board of directors of SunMoon Food Company Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company had, on 6 September 2016, increased the issued and paid-up share capital of its wholly-owned subsidiary, SunMoon Distribution & Trading Pte Ltd ("**SMDT**") by way of capitalisation of accounts payables due and owing from SMDT to the Company amounting to S\$9,900,000 in exchange for 9,900,000 new ordinary shares in SMDT (the "**Capitalisation**").
2. Following the Capitalisation, SMDT's issued and paid-up share capital has increased from S\$100,000 comprising 100,000 ordinary shares to S\$10,000,000 of 10,000,000 ordinary shares.
3. The Capitalisation is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the current financial year ending 31 December 2016.
4. None of the directors or controlling shareholders of the Company (save for their respective shareholdings in the Company) has any interest, direct or indirect, in the Capitalisation.

BY ORDER OF THE BOARD

Gary Loh Hock Chuan
Executive Chairman

6 September 2016