

**SUNMOON FOOD COMPANY LIMITED**  
(Company Registration No. 198304656K)  
(the "**Company**")

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**PROPOSED ISSUE OF:**

- (1) 333,333,333 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S\$0.045 PER SHARE ("PLACEMENT SHARES"); AND
- (2) 166,666,667 NEW ORDINARY SHARES TO BE ISSUED UPON EXERCISE OF THE 166,666,677 UNLISTED WARRANTS AT THE EXERCISE PRICE OF S\$0.054 PER SHARE ("WARRANT SHARES"),

**(COLLECTIVELY, THE "PROPOSED PLACEMENT") – APPROVAL IN-PRINCIPLE**

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The board of directors ("**Board**") of SunMoon Food Company Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 7 October 2016 and 3 January 2017 (the "**Previous Announcements**"). Unless otherwise defined, terms used in this announcement will have the same meanings ascribed to them in the Previous Announcements.

The Board is pleased to announce that the SGX-ST has on 12 May 2017 granted its approval in-principle for the listing and quotation of the Placement Shares and the Warrant Shares to be allotted and issued pursuant to the Proposed Placement.

The listing and quotation of the Placement Shares and the Warrant Shares is subject to, inter alia, the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) shareholders' approval for the Proposed Placement, transfer of controlling interest, proposed Whitewash Waiver and proposed mandate for the interested persons transactions between the Placee's group of companies and the Group; and
- (c) submission of the following documents from the Company:
  - (i) a written undertaking that it will comply with Rule 704(30) and Rule 1207(20) of the SGX-ST Listing Manual in relation to the use of the proceeds from the Proposed Placement and from the exercise of the Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - (ii) a written confirmation that the Placement Shares, the Warrants, the Warrant Shares and the Adjustment Shares will not be issued to persons who, as at the date of the announcement of the Placement Agreement dated 3 January 2017, are prohibited under Rule 812(1) of the SGX-ST Listing Manual;
  - (iii) a written confirmation that the terms of the Warrants comply with Rule 829(1) of the SGX-ST Listing Manual;
  - (iv) a written undertaking to announce any adjustment made pursuant to Rule 829(1) of the SGX-ST Listing Manual; and
  - (v) a written undertaking that it will comply with Rule 831 of the SGX-ST Listing Manual.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Warrants, the Warrant Shares, the Adjustment Shares, the

Company and/or its subsidiaries. Further announcements on the Proposed Placement will be made by the Company and as and when appropriate.

**BY ORDER OF THE BOARD**

Gary Loh Hock Chuan  
Executive Chairman  
14 May 2017