



## SunMoon Food Company Limited

(Company Registration No. 198304656K)

(Incorporated in Singapore)

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### UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

n.m - "not meaningful"

\$- SGD

	Note	Group		Change
		Full Year		
		1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021	
		\$ '000	\$ '000	%
Revenue	4	38,949	33,145	18%
Cost of sales		(37,540)	(32,245)	16%
<b>Gross profit</b>		<b>1,409</b>	<b>900</b>	<b>57%</b>
Other income	5	60	2,223	-97%
Selling & Distribution expenses		(1,081)	(1,091)	-1%
Administrative expenses		(1,286)	(948)	36%
Other expenses	6	(2)	(86)	-98%
Finance costs	6	(33)	(92)	-64%
<b>(Loss)/profit for the year before income tax</b>	6	<b>(933)</b>	<b>906</b>	n.m
Income tax expense	7	(1)	-	
<b>(Loss)/profit for the year, net of income tax</b>		<b>(934)</b>	<b>906</b>	n.m
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange difference arising from translation of foreign operations		264	80	230%
Other comprehensive income/(loss) for the year, net of income tax:		264	80	230%
<b>Total comprehensive (loss)/income for the year</b>		<b>(670)</b>	<b>986</b>	n.m
<b>(Loss)/profit attributable to:</b>				
Equity holders of the Company		(955)	906	n.m
Non-controlling interest		21	-	n.m
		<b>(934)</b>	<b>906</b>	n.m
<b>Loss/Earnings per share attributable to equity holders of the Company (Cents per share)</b>				
<b>Basic and diluted (loss)/earnings per share</b>		<b>(0.12)</b>	<b>0.12</b>	<b>-205%</b>

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 31-Mar-22	As at 31-Mar-21	As at 31-Mar-22	As at 31-Mar-21
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment in subsidiaries	9	-	-	8,878	9,360
Investment in an associate	10	-	-	-	-
Investment in a joint venture	11	-	-	-	-
Financial assets, at fair value through profit or loss ("FVPL")	12	-	-	-	-
Plant and equipment	8	76	188	-	-
<b>Total non-current assets</b>		<b>76</b>	<b>188</b>	<b>8,878</b>	<b>9,360</b>
<b>Current assets</b>					
Cash and cash equivalents	13	565	1,153	53	33
Trade and other receivables	14	12,668	13,697	23	23
Inventories	15	1,980	1,949	-	-
<b>Total current assets</b>		<b>15,213</b>	<b>16,799</b>	<b>76</b>	<b>56</b>
<b>Total assets</b>		<b>15,289</b>	<b>16,987</b>	<b>8,954</b>	<b>9,416</b>
<b>Equity</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	19	141,887	141,887	141,887	141,887
Other reserves	20	16,704	16,440	18,085	18,085
Accumulated losses		(150,560)	(149,605)	(151,735)	(151,084)
		<b>8,031</b>	<b>8,722</b>	<b>8,237</b>	<b>8,888</b>
<b>Non-controlling interest</b>		<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>8,052</b>	<b>8,722</b>	<b>8,237</b>	<b>8,888</b>
<b>Non-current liability</b>					
Borrowings	16	1	101	-	-
<b>Total non-current liability</b>		<b>1</b>	<b>101</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Borrowings	16	714	692	-	-
Trade and other payables	17	6,521	7,472	717	528
Current tax liabilities		1	-	-	-
<b>Total current liabilities</b>		<b>7,236</b>	<b>8,164</b>	<b>717</b>	<b>528</b>
<b>Total liabilities</b>		<b>7,237</b>	<b>8,265</b>	<b>717</b>	<b>528</b>
<b>Total liabilities and equity</b>		<b>15,289</b>	<b>16,987</b>	<b>8,954</b>	<b>9,416</b>

## C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Share capital	Capital reduction reserve	Treasury shares	Foreign currency translation reserve	Other reserves total	Accumulated losses	Non controlling interest	Total equity
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000

**GROUP****Bal at 01/04/2021**

Loss for the period

Other comprehensive loss for the period

Exchange differences arising from translation of foreign operations

Total comprehensive loss for the period

**Bal at 31/3/2022**

<b>141,887</b>	18,384	(299)	(1,645)	<b>16,440</b>	<b>(149,605)</b>	-	<b>8,722</b>
-	-	-	-	-	(955)	21	(934)
-	-	-	264	264	-	-	264
-	-	-	264	264	(955)	21	(670)
<b>141,887</b>	<b>18,384</b>	<b>(299)</b>	<b>(1,381)</b>	<b>16,704</b>	<b>(150,560)</b>	<b>21</b>	<b>8,052</b>

## C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

**GROUP****Bal at 01/04/2020**

Profit for the period

Other comprehensive loss

Exchange differences arising from translation of  
foreign operations

Total comprehensive income for the period

**Bal at 31/03/2021**

<b>Share capital</b>	<b>Capital reduction reserve</b>	<b>Treasury shares</b>	<b>Foreign currency translation reserve</b>	<b>Other reserves total</b>	<b>Accumulated losses</b>	<b>Non controlling interest</b>	<b>Total equity</b>
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>141,887</b>	18,384	(299)	(1,725)	<b>16,360</b>	<b>(150,511)</b>	-	<b>7,736</b>
-	-	-	-	-	906	-	906
-	-	-	80	80	-	-	80
-	-	-	80	80	906	-	986
<b>141,887</b>	<b>18,384</b>	<b>(299)</b>	<b>(1,645)</b>	<b>16,440</b>	<b>(149,605)</b>	-	<b>8,722</b>

## D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>Group</b>	
	<b>Full Year</b>	<b>Full Year</b>
	<b>1 Apr 2021- 31 Mar 2022</b>	<b>1 Apr 2020- 31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities</b>		
(Loss)/profit before income tax	(933)	906
Adjustments for:		
Interest expense	33	92
Interest income	(2)	(2)
Write back of accrued payables	(24)	-
Write off long outstanding other receivables	1	-
Depreciation of plant and equipment	116	51
Reversal of impairment loss on trade and other receivables	-	(1,586)
Write back of accrued expenses and other payables	-	(531)
Allowance for impairment loss on trade receivables	-	13
Loss on disposal of plant and equipment	1	2
(Reversal)/Allowance for inventories obsolescence	-	(42)
Write off obsolescences inventories	13	-
Foreign exchange differences	263	46
<b>Operating loss before working capital changes</b>	<b>(532)</b>	<b>(1,051)</b>
Working capital changes:		
Trade and other receivables	1,028	1,144
Inventories	(44)	848
Trade and other payables	(926)	(1,831)
Cash used in operating activities	(474)	(890)
Income tax (paid)/ refund	(1)	-
<b>Net cash used in operating activities</b>	<b>(475)</b>	<b>(890)</b>
<b>Investing activities</b>		
Interest received	2	2
Purchase of plant and equipment	-	(19)
Proceeds from disposal of plant and equipment	-	1
<b>Net cash provided by/(used in) investing activities</b>	<b>2</b>	<b>(16)</b>
<b>Financing activities</b>		
Interest paid	(33)	(92)
Repayment of lease liabilities	(107)	(37)
Term Loan	-	615
<b>Net cash (used in)/provided by financing activities</b>	<b>(140)</b>	<b>486</b>
Net decrease in cash and cash equivalents	(613)	(420)
Cash and cash equivalents at beginning of the period	1,153	1,539
Exchange difference on cash and cash equivalents	25	34
<b>Cash and cash equivalents at end of the period</b>	<b>565</b>	<b>1,153</b>

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1 General information**

SunMoon Food Company Limited (the "Company") is a limited liability company incorporated and domiciled in the Republic of Singapore and is listed on the Mainboard of the Singapore Exchange. Its immediate holding company is Yiguo General Food Pte. Ltd., incorporated in the Republic of Singapore and its ultimate holding company is Shanghai Yiguo E-Commerce Co., Ltd, incorporated in the People's Republic of China.

The registered office of the Company is 1 Scotts Road, #21-07/08/09 Shaw Centre, Singapore 228202 and its principal place of business is at 71 Ubi Road 1, #08-47, Oxley Bizhub, Singapore 408732.

The principal activity of the Company is that of an investment holding company.

### **2 Basis of preparation**

The condensed interim financial statements for the financial year ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2021.

The accounting policies and method of computation adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial year beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the amounts reported for the current or prior year.

The condensed interim financial statements are presented in Singapore Dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2 Use of Judgement and Estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2021.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **2.3 Seasonal Operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

#### **2.4 Segment Information**

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker. A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2.4 Segment Information (continued)**

The Group is engaged in the sales of fruits, vegetables, seafood, meat, aqua-food and agri-food related products and including any other ancillary products globally. The management has determined all these products are reported together as one segment as these products have the same nature and economic characteristics. Hence, there are no other reportable segments to be presented.

**Geographical information**

The Group operates in several geographical areas. Revenue is based on the region in which the customers are located. Non-current assets comprise of the plant and equipment as presented in the balance sheet of the Group. Non-current assets are shown by the geographical area in which the assets are located.

	Revenue		Non-current assets	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021	31-Mar-22	31-Mar-21
	\$'000	\$'000	\$'000	\$'000
ASEAN	3,723	2,915	15	50
People's Republic of China	35,226	30,230	61	138
	<u>38,949</u>	<u>33,145</u>	<u>76</u>	<u>188</u>

**A breakdown of sales**

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
(a) Sales reported for the first six months	14,214	13,703
(b) Operating loss after tax reported for first six months	(733)	(180)
(c) Sales reported for the second six months	24,735	19,442
(d) Operating profit/(Loss) after tax reported for second six months	(201)	1,086

**3 Significant related party transactions**

During the financial period, the following were significant related party transactions at rates and terms agreed between the parties:

*Sales and purchases of goods and services*

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
<b>Companies related to the ultimate holding company</b>		
Sales	61	3,422
Purchases	42	(1,874)
Service received from	116	(129)
Service provided to	-	20
	<u>-</u>	<u>20</u>
<b>Company owned by a substantial shareholder</b>		
Purchases	140	-
Advances*	-	-
	<u>-</u>	<u>-</u>

The advance from a company owned by a substantial shareholder is due on 30 May 2022 with interest rate at 10% per annum.

**Advances from a director \***

\* The advances from a director is interest free and payable on demand.

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****4 Revenue***Revenue from contract with customers*

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
<u>At a point in time</u>		
Sales of fruits, seafood and others	38,949	33,145
	<u>38,949</u>	<u>33,145</u>

**5 Other income**

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
Franchise income	-	24
Government grants	29	69
Interest income	2	2
Rental rebate	-	6
SGX grant	-	5
Write back of accrued payables	24	-
Foreign exchange gains, net	5	-
Reversal of impairment loss on trade and other receivables	-	1,586
Write back of accrued expenses and other payables	-	531
	<u>60</u>	<u>2,223</u>

**6 Loss/Profit before income tax**

The following expense items have been included in arriving at loss before income tax:

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
<u>Cost of goods sold</u>		
Purchases of inventories	37,336	31,394
Changes in inventories	(31)	848
Allowance/(Reversal of) for inventory obsolescence	13	(42)
	<u>37,318</u>	<u>32,190</u>
<u>Selling and distribution expenses</u>		
Advertisement and promotion	59	93
Employee benefits expense:		
- Salaries, bonus and other benefits	609	761
- Defined contribution plans	208	88
Total employee benefits expense	817	849
	<u>866</u>	<u>930</u>
<u>Administrative expenses</u>		
Audit fees		
- Auditors of the Company	90	85
- Other auditors	2	37
Depreciation of plant and equipment	116	51
Rental expense for short-term lease	40	48
Allowance for impairment loss on trade receivables	-	13
Directors' fees	153	154
Employee benefits expense:		
- Salaries, bonus and other benefits	451	183
- Defined contribution plans	54	19
Total employee benefits expense	505	202
	<u>761</u>	<u>397</u>
<u>Other expenses</u>		
Foreign exchange losses, net	-	84
Loss on disposal of plant and equipment	1	2
Others	1	-
	<u>2</u>	<u>86</u>

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 6 Loss/Profit before income tax (Continued)

	Group	
	1 Apr 2021- 31 Mar 2022	1 Apr 2020- 31 Mar 2021
	\$'000	\$'000
Finance costs		
Interest expense:		
- Bank borrowings	27	22
- Lease liabilities	6	3
- Third parties	-	67
	<u>33</u>	<u>92</u>

## 7 Income tax expense

The Group calculates the year income tax expense using the tax rate that would be applicable to the expected total annual earnings. There was \$1,000 income tax expense accrued for the year ended 31 March 2022. There was no income tax expenses recognised for the year ended 31 March 2021 as the Group has no chargeable income.

## 8 Plant and equipment

As at 31 March 2022, the Group's plant and equipment amounted to \$76,000 (31 March 2021: \$188,000).

The right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. The Group's right-of-use assets pertain to the leases of office spaces for the purpose of back office operations in China and Singapore.

## 9 Investment in subsidiaries

	Company	
	31-Mar-22	31-Mar-21
	\$'000	\$'000
Unquoted equity shares, at cost	10,200	10,200
Allowance for impairment loss	<u>(10,200)</u>	<u>(10,200)</u>
	-	-
Amount due from subsidiaries (non-trade)	17,951	18,397
Allowance for impairment loss on receivables	<u>(9,073)</u>	<u>(9,037)</u>
	<u>8,878</u>	<u>9,360</u>

## 10 Investment in an associate

	Group	
	31-Mar-22	31-Mar-21
	\$'000	\$'000
Unquoted equity shares, at cost	-	101
Allowance for impairment loss	<u>-</u>	<u>(101)</u>
	-	-

There are no contingent liabilities relating to the Group's interest in the associate.  
The associate has been de-registered.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 11 Investment in a joint venture

The Company's indirect wholly-owned subsidiary, Shanghai SunMoon Food & Aquatic International Trading Co., Ltd. has on 12 May 2021 entered into a joint venture agreement with Thanh Vinh Le ("TVL"). TVL is one of the directors of Truong Giang Fishery Holdings Corporation ("TGFHC"). TGFHC is a company which specialises in the exports of fish and related products. The primary business scope of the joint venture company is to procure the sale and purchase of TGFHC Vietnamese Pangasius ("Basha Fish") as well as related products or such other businesses as the parties may agree from time to time. On 3 June 2021, the joint venture company, Shanghai Jiangshan International Trading Co., Ltd has been established. The share capital has not yet been paid up as of date of this financial statement.

### 12 Financial assets, At FVPL

	Group	
	31-Mar-22	31-Mar-21
	\$'000	\$'000
<u>Financial instruments</u>		
Equity security(unquoted)	-	-

It pertains to the equity security of Harvest Season Pte. Ltd. of \$752,000 and the management has ascertained its fair value to be zero as at 31 March 2021 and 31 March 2022.

### 13 Cash and cash equivalents

	Group		Company	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	\$'000	\$'000	\$'000	\$'000
Cash at bank	565	1,153	53	33

### 14 Trade and other receivables

	Group		Company	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	\$'000	\$'000	\$'000	\$'000
Trade receivables:				
- Third parties	7,167	6,729	-	-
- Third parties-SSMY	4,765	6,228	-	-
- Yiguo related parties	116	98	-	-
	12,048	13,055	-	-
Less: allowance for impairment loss				
- Third parties	(1,729)	(1,717)	-	-
	10,319	11,338	-	-
Other sundry receivables	20	209	-	-
Refundable deposits	259	4	-	-
Total trade and other receivables carried at amortised cost	10,598	11,551	-	-
GST/VAT refundable	246	66	2	3
Advances to suppliers:				
- Third parties	1,781	2,023	-	-
Prepayments	43	57	21	20
Total	12,668	13,697	23	23

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 15 Inventories

	Group	
	31-Mar-22 \$'000	31-Mar-21 \$'000
Fruits and aquatic products	1,980	1,949

## 16 Borrowings

	Group	
	31-Mar-22 \$'000	31-Mar-21 \$'000
<b>Current</b>		
Bank loan	640	615
Lease liabilities	74	77
	<u>714</u>	<u>692</u>
<b>Non-current</b>		
Lease liabilities	1	101
Total borrowings	<u>715</u>	<u>793</u>

The bank loan of RMB3,000,000 (or \$640,000)(31 March 2021: RMB3,000,000 (or \$615,000) at interest rate of 4.25% per annum was obtained from China Construction Bank under the personal guarantee of a director. The loan has been renewed for one year at an interest rate of 4.15% per annum and due on 6 May 2023.

Lease liabilities pertaining to office spaces and office equipment for the purpose of back office operations in China and Singapore.

The leases for office spaces contain extension periods, for which the related lease payments have not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

## 17 Trade and other payables

	Group		Company	
	31-Mar-22 \$'000	31-Mar-21 \$'000	31-Mar-22 \$'000	31-Mar-21 \$'000
Trade payables:				
- Third parties	1,757	1,919	-	-
- SSMY	2,143	2,447	-	-
- Yiguo related parties	128	123	-	-
- A company owned by a substantial shareholder	141	-	-	-
	<u>4,169</u>	<u>4,489</u>	<u>-</u>	<u>-</u>
Other payables:				
- Third parties	251	408	102	75
- Yiguo related parties	118	-	-	-
- A company owned by a substantial shareholder	58	-	-	-
- A director	140	-	140	-
Accrued operating expenses	790	513	475	453
Total trade and other payables carried at amortised cost	<u>5,526</u>	<u>5,410</u>	<u>717</u>	<u>528</u>
Advances from customers:				
- Third parties	982	2,062	-	-
- Yiguo related parties	13	-	-	-
Total	<u>6,521</u>	<u>7,472</u>	<u>717</u>	<u>528</u>

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 18 Leases

**Nature of the Group's leasing activities****Plant and machineries**

The Group leases office spaces for the purpose of back office operations in China and Singapore.

**Office equipment**

The Group leases copier for administrative purpose. The Group is restricted from assigning and subleasing the leased assets.

*Carrying amounts of right-of-use assets classified within plant and equipment*

	Group	
	31-Mar-22 \$'000	31-Mar-21 \$'000
Plant and machineries	76	170
Office equipment	-*	2
	76	172

\* Denotes less than \$1,000

## 19 Share capital

	Group and Company			
	31-Mar-22 '000	31-Mar-21 '000	31-Mar-22 \$'000	31-Mar-21 \$'000
Number of ordinary shares				
<b>Issued and fully paid</b>				
Balance at beginning and end of financial year	784,635	784,635	141,887	141,887

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares (except treasury shares of 6,362,798(\$299,000)) carry one vote per share and carry a right to dividends as and when declared by the Company.

## 20 Other reserves

Other reserves comprise the following:

	Group		Company	
	31-Mar-22 \$'000	31-Mar-21 \$'000	31-Mar-22 \$'000	31-Mar-21 \$'000
Capital reduction reserve	18,384	18,384	18,384	18,384
Foreign currency translation reserve	(1,381)	(1,645)	-	-
Treasury shares	(299)	(299)	(299)	(299)
	16,704	16,440	18,085	18,085

**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 \$55,393,000 of the issued and paid-up share capital of the Company was cancelled, of which \$37,009,000 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 \$18,384,000 was credited to a capital reduction reserve.

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****20 Other reserves (Continued)****Foreign currency translation reserve**

The foreign currency translation reserve comprises all foreign exchange differences arising from (i) the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as (ii) the translation of loans to subsidiaries deemed as quasi capital in nature.

**Treasury shares**

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company acquired 6,362,798 shares in the Company through purchases on the Singapore Exchange during the financial year ended 31 March 2019. The amount paid to acquire the shares was \$299,000 and this was presented as a component within shareholders' equity.

As at 31 March 2022, there were 6,362,798 treasury shares(31 March 2021: 6,362,798).

**21 Loss/Earnings per share**

Basic and diluted loss/earnings per share are calculated by dividing net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	<b>Group</b>	
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
Net loss/profit attributable to equity holders of the Company (\$'000)	<u>(955)</u>	<u>906</u>
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	<u># 778,273</u>	<u>778,273</u>
Basic and diluted loss/earnings per shares (cents)	<u>(0.12)</u>	<u>0.12</u>

There were no dilutive potential ordinary shares during the financial year ended 31 March 2022 and 31 March 2021.

**22 Net assets value per ordinary share**

	<b>Group</b>	
	<b>31-Mar-22</b>	<b>31-Mar-21</b>
	<b>cents</b>	<b>cents</b>
Group	1.03	1.12
Company	1.06	1.14
No of issued shares ('000)	<u># 778,273</u>	<u>778,273</u>

**Note:**

# As at 31 March 2022 and 31 March 2021, the number of issued shares excludes 6,362,798 treasury shares.

The calculation of net asset value per ordinary share is based on the number of ordinary shares of the Company as at 31 March 2022 and 31 March 2021 respectively.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 23 Financial assets and Financial liabilities

	SGD \$'000	USD \$'000	RMB \$'000	AUD \$'000	Others \$'000	Total \$'000
<b>Group</b>						
<u>At 31 March 2022</u>						
<b>Financial assets</b>						
Trade and other receivables	22	3,512	7,064	-	-	10,598
Cash and cash equivalents	111	255	197	2	-	565
	<u>133</u>	<u>3,767</u>	<u>7,261</u>	<u>2</u>	<u>-</u>	<u>11,163</u>
<b>Financial liabilities</b>						
Trade and other payables	(777)	(1,378)	(3,304)	-	(67)	(5,526)
Borrowings	(12)	-	(703)	-	-	(715)
	<u>(789)</u>	<u>(1,378)</u>	<u>(4,007)</u>	<u>-</u>	<u>(67)</u>	<u>(6,241)</u>
<b>Net financial (liabilities)/assets</b>	<u>(656)</u>	<u>2,389</u>	<u>3,254</u>	<u>2</u>	<u>(67)</u>	<u>4,922</u>
<b>Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies</b>						
	<u>-</u>	<u>2,389</u>	<u>-</u>	<u>2</u>	<u>(67)</u>	<u>2,324</u>
	SGD \$'000	USD \$'000	RMB \$'000	AUD \$'000	Others \$'000	Total \$'000
<b>Group</b>						
<u>At 31 March 2021</u>						
<b>Financial assets</b>						
Trade and other receivables	8	3,149	8,394	-	-	11,551
Cash and cash equivalents	141	273	737	2	-	1,153
	<u>149</u>	<u>3,422</u>	<u>9,131</u>	<u>2</u>	<u>-</u>	<u>12,704</u>
<b>Financial liabilities</b>						
Trade and other payables	(586)	(780)	(4,034)	-	(10)	(5,410)
Borrowings	(40)	-	(753)	-	-	(793)
	<u>(626)</u>	<u>(780)</u>	<u>(4,787)</u>	<u>-</u>	<u>(10)</u>	<u>(6,203)</u>
<b>Net financial (liabilities)/assets</b>	<u>(477)</u>	<u>2,642</u>	<u>4,344</u>	<u>2</u>	<u>(10)</u>	<u>6,501</u>
<b>Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies</b>						
	<u>-</u>	<u>2,642</u>	<u>-</u>	<u>2</u>	<u>(10)</u>	<u>2,634</u>

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 23 Financial assets and Financial liabilities(Continued)

	SGD \$'000	USD \$'000	RMB \$'000	Total \$'000
<b><u>Company</u></b>				
<u>At 31 March 2022</u>				
<b>Financial asset</b>				
Cash and cash equivalents	43	10	-*	53
<b>Financial liability</b>				
Trade and other payables	(717)	-	-	(717)
<b>Net financial (liabilities)/assets</b>	<b>(674)</b>	<b>10</b>	<b>-*</b>	<b>(664)</b>
<b>Currency exposure of financial assets net of those denominated in the Company's functional currency</b>				
	-	10	-*	10

	SGD \$'000	USD \$'000	RMB \$'000	Total \$'000
<b><u>Company</u></b>				
<u>At 31 March 2021</u>				
<b>Financial asset</b>				
Cash and cash equivalents	24	9	-*	33
<b>Financial liability</b>				
Trade and other payables	(528)	-	-	(528)
<b>Net financial (liabilities)/assets</b>	<b>(504)</b>	<b>9</b>	<b>-*</b>	<b>(495)</b>
<b>Currency exposure of financial assets net of those denominated in the Company's functional currency</b>				
	-	9	-	9

\* Denotes less than \$1,000

## 24 Subsequent Event

Nil.

## 25 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to No 2.4 (Page 7).

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

- F1(a)(i)** Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Refer to Note 19.

- F1(a)(ii)** To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Refer to Note 19.

- F1(a)(iii)** A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no sales, transfers, cancellation and/or use of treasury shares between 1 April 2021 and 31 March 2022.

- F1(a)(v)** A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There are no sales, transfers, cancellation and/or use of subsidiary holdings for the financial year ended 31 March 2022.

- F2** Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim statements of financial position of SunMoon Food Company Limited and its subsidiaries as at 31 March 2022 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed.

- F3** Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).

Not applicable. The Group's latest financial statements for the financial year ended 31 March 2021 was not subject to an adverse opinion, qualified opinion or disclaimer of opinion, but include a section of material uncertainty on going concern.

- F4** Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to the shareholders.

- F5** Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:—  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

Refer to Note 22.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDEX 7.2 (CONTINUED)**

**F6 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:—**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Condensed Interim Consolidated Statement of Comprehensive Income****1 Revenue**

The Group's revenue for the 12 months ended 31 March 2022 ("YTD2021/22") was \$38,949,000 compared to \$33,145,000 for the 12 months ended 31 March 2021 ("YTD2020/21"). The increase in revenue was mainly due to increase in customer base and more orders in seafood, meat, fresh fruits and sheep milk powder offset by decrease in sales to related parties. The sales to Yiguo for YTD2021/22 were 0.2% of the revenue compared to 10.3% of the revenue for YTD2020/21.

**2 Gross Profit**

Gross profit for YTD2021/22 was \$1,409,000 (gross margin of 3.6%) compared to \$900,000 (gross margin of 2.7%) for YTD2020/21. The higher gross profit margin was aligned with group strategy to focus on higher margin products.

**3 Other income**

Other income for YTD2021/22 was \$60,000 compared to \$2,223,000 for YTD2020/21. Other income for franchise fee has been suspended since 1 April 2021. The higher other income for YTD2020/21 was mainly due to reversal of impairment on trade and other receivables and write back of accrual expenses and other payables, refer to Note 5 (page 8) for details.

**4 Selling and distribution expenses ("S&D")**

The selling and distribution expenses("S&D") for YTD2021/22 were \$1,081,000 compared to \$1,091,000 for YTD2020/21. The S&D expenses has increased due to commencement of new business unit in 2Q2020/21. However the overall S&D expenses was lower due to the increase was offset by the allocation of management staff related expenses to Administrative Expenses.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDEX 7.2 (CONTINUED)**

**F6 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:—**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Condensed Interim Consolidated Statement of Comprehensive Income****5 Administrative expenses ("Admin")**

The administrative expenses ("Admin") for YTD2021/22 were \$1,286,000 compared to \$948,000 for YTD2020/21. This was mainly due to allocation of management staff related expenses from S&D expenses to Administrative expenses since this financial year.

**6 Loss for the period**

The Group's loss before income tax for YTD2021/22 was \$933,000 compared to group's profit before income tax of \$906,000 for YTD2020/21. The higher Group's profit before income tax for YTD2020/21 was mainly due to reversal of impairment of trade and other receivables and write back accrual and other payables as stated in item (3) above.

**7 Total comprehensive loss for the period**

The Group's total comprehensive loss after income tax for YTD2021/22 was \$670,000 compared to group's total comprehensive income after income tax of \$986,000 for YTD2020/21. The higher total comprehensive income after income tax for YTD2020/21 has been stated in item (6) above.

**Condensed Interim Consolidated Statement of Cash flows****8 Operating cash flow**

The Group's net cash used in operating activities for YTD2021/22 was \$475,000 compared to net cash used in operating activities of \$890,000 for YTD2020/21. The decrease in the cash outflow was mainly due to payments to suppliers was lower for YTD 2021/22 compared to YTD2020/21.

**9 Financing cash flow**

The Group's net cash outflow from financing activities for YTD2021/22 was pertaining to interest paid and repayment of lease liabilities.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDEX 7.2 (CONTINUED)**

**F6 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:—**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Condensed Interim Statements of Financial Position****10 Cash and cash equivalent**

The decrease in cash and cash equivalent was mainly due to net cash outflow used in operating activities as stated in item (8) above.

**11 Trade and other receivables**

Trade receivables from third parties have increased to \$7,167,000 as at 31 March 2022 compared to \$6,729,000 as at 31 March 2021. This was mainly due to increase in credit sales.

Trade receivables from Yiguo related parties were \$116,000 as at 31 March 2022 compared to \$98,000 as at 31 March 2021, which were due to the sales of seafood, fruits and sheep milk powder to Yiguo during this financial year.

Trade receivables from SSMY have been reduced to \$4,765,000 compared to \$6,228,000 as at 31 March 2021 and these were due to payment made from SSMY according to repayment schedule.

*(For details of receivables from SSMY pertaining to purchase AR from SMF Shanmai and SMDT and repayment schedules, please refer to update to shareholders announcement dated 10 February 2021, 10 June 2021, 14 July 2021, 16 July 2021, 25 July 2021 and 27 March 2022).*

The decrease in other receivables was mainly due to the decrease in advances to suppliers.

**12 Inventories**

The inventories were slightly higher compare to 31 March 2021 mainly due to stocking up some of the products for subsequent fulfilment.

**13 Borrowings**

The decrease in borrowings was due to principal repayment of lease liabilities for the period. As at 31 March 2022, bank loan remains unchanged at RMB3,000,000.

**14 Trade and other payables**

The decrease in trade payables was mainly due to decrease in credit purchases.

The decrease in other payables was mainly due to decrease in advance from customers and deposit refund during the financial year ended.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONTINUED)**

- F7. A commentary at the date of the announcement of the significant trends and competitive condition of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The operating conditions remain challenging amidst the global and domestic economic uncertainties resulting from the COVID-19 pandemic.

The Group will continue our focus on import (of products including fresh produce) to China market and export (of products including Chinese fresh fruits) from China to Southeast Asian markets. The Group will focus on high quality products with better margin while expanding our product offerings and enhance the higher value-added supply chain services.

**F8. Dividend**

- (a) Any dividend declared for the current financial period reported on?**

None.

- (b) Any dividend declared for the preceding financial period?**

None.

- (c) The date the dividend is payable.**

Not applicable.

- (d) Books closure date**

Not applicable.

- F9. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision**

No dividend has been declared or recommended for the quarter, as the Group is still in accumulated loss position as of current financial year.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDEX 7.2 (CONTINUED)****F10. Confirmation that the issuer has procured undertakings from all its directors and executive officers Pursuant to Rule 720 (1) of The Listing Manual (in the format set out in Appendix 7.7).**

The Board of Directors of SunMoon Food Company Limited hereby confirms it has procured the undertakings from all Directors and executive offices as required under SGX Listing Rule 720(1).

**F11. Interested Person Transactions**

The Group had obtained shareholders' approval to renew the Interested Person Transactions ("IPT") on 29 September 2021.

The aggregate value of interested person transactions entered into during the financial year ended 31 March 2022 is as follows : -

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)  (In \$ '000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)  (In \$ '000)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Listing Manual (including transactions less than S\$100,000 for the reasons set out below)  (In \$ '000)
<b>Shanghai Yiguo E-Commerce Co. Ltd and its related entities: -</b>			
<i>Sales to</i>	-	-	61
<i>Purchase from</i>	-	-	42
<i>Service received</i>	-	-	116
<b>Other related parties:-</b> -Dimuto Pte Ltd is owned by a substantial shareholder			
<i>Purchase from</i>	140	-	-
<i>Interest on advance from</i>	*-	-	-

*For clarity, as many of the interested person transactions are expected to fall below \$100,000, the disclosures in the financial statement will also include transactions each below \$100,000.*

*\*In accordance with Rule 909(3), the amount at risk in relation to the advance by a company (wholly-owned by a substantial shareholder) to SunMoon Food Company Limited is the interest payable on the advance. For Shareholders' information, the interest payable on the said advance will be computed from 1 April 2022. Accordingly, no interest is payable on the advance for the financial year ended 31 March 2022.*

**F12 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or a substantial shareholder of the Company.

**On behalf of the Board of Directors,**

Mr Zhang Ye  
Executive Director and Chief Executive Officer  
28 July 2022