



SunMoon Food Company Limited
(Company Registration No. 198304656K)
(Incorporated in Singapore)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER/HALF YEAR ENDED 30 SEPTEMBER 2022**

TABLE OF CONTENTS		Page No.
A	CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1
B	CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	2
C	CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY	3
D	CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	4
E	NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	5-14
F	OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2	15-20

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

n.m - "not meaningful"

\$- SGD

	Note	Group			Group		
		Second Quarter Ended		Change	Half Year Ended		Change
		30-Sep-22	30-Sep-21		30-Sep-22	30-Sep-21	
		\$ '000	\$ '000	%	\$ '000	\$ '000	%
Revenue	4	10,921	6,834	60%	20,371	14,214	43%
Cost of sales		(10,584)	(6,613)	60%	(19,591)	(13,910)	41%
Gross profit		337	221	52%	780	304	157%
Other income	5	86	1	8500%	105	5	2000%
Selling & Distribution expenses		(120)	(256)	-53%	(338)	(393)	-14%
Administrative expenses		(419)	(387)	8%	(737)	(628)	17%
Other expenses		-	(4)	-100%	(7)	(4)	75%
Finance costs	6	-	(5)	-100%	(16)	(17)	-6%
Loss before income tax	6	(116)	(430)	-73%	(213)	(733)	-71%
Income tax expense	7	-	-		-	-	
Net loss for the period		(116)	(430)	-73%	(213)	(733)	-71%
Other comprehensive(loss)/ income:							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange difference arising from translation of foreign operations		(98)	103	n.m	(184)	193	n.m
Other comprehensive(loss)/ income for the period, net of income tax:		(98)	103	n.m	(184)	193	n.m
Total comprehensive loss for the period		(214)	(327)	-35%	(397)	(540)	-26%
Net Loss attributable to:							
Equity holders of the Company		(98)	(430)	-77%	(185)	(733)	-75%
Non-Controlling interests		(18)	-	n.m	(28)	-	n.m
Total comprehensive loss attributable to:							
Equity holders of the Company		(196)	(327)	-40%	(369)	(540)	-32%
Non-controlling interests		(18)	-	n.m	(28)	-	n.m
Loss per share attributable to equity holders of the Company (Cents per share)							
Basic and diluted loss per share		(0.01)	(0.05)	-73%	(0.05)	(0.17)	-71%

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30-Sep-22	As at 31-Mar-22	As at 30-Sep-22	As at 31-Mar-22
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Investment in subsidiaries	9	-	-	8,863	8,878
Financial assets, at fair value through profit or loss("FVPL")	10	-	-	-	-
Plant and equipment	8	77	75	-	-
Total non-current assets		<u>77</u>	<u>75</u>	<u>8,863</u>	<u>8,878</u>
Current assets					
Cash and cash equivalents	11	729	565	101	53
Trade and other receivables	12	15,241	12,669	44	23
Inventories	13	2,681	1,980	-	-
Total current assets		<u>18,651</u>	<u>15,214</u>	<u>145</u>	<u>76</u>
Total assets		<u><u>18,728</u></u>	<u><u>15,289</u></u>	<u><u>9,008</u></u>	<u><u>8,954</u></u>
Equity attributable to equity holders of the Company					
Share capital	17	141,887	141,887	141,887	141,887
Other reserves	18	16,520	16,704	18,085	18,085
Accumulated losses		(150,744)	(150,560)	(152,128)	(151,735)
		<u>7,663</u>	<u>8,031</u>	<u>7,844</u>	<u>8,237</u>
Non-Controlling interests		<u>(7)</u>	<u>21</u>	<u>-</u>	<u>-</u>
Total equity		<u><u>7,656</u></u>	<u><u>8,052</u></u>	<u><u>7,844</u></u>	<u><u>8,237</u></u>
Non-current liability					
Borrowings	14	25	1	-	-
Total non-current liability		<u>25</u>	<u>1</u>	<u>-</u>	<u>-</u>
Current liabilities					
Borrowings	14	649	714	-	-
Trade and other payables	15	10,398	6,521	1,164	717
Current tax liabilities		-	1	-	-
Total current liabilities		<u>11,047</u>	<u>7,236</u>	<u>1,164</u>	<u>717</u>
Total liabilities		<u><u>11,072</u></u>	<u><u>7,237</u></u>	<u><u>1,164</u></u>	<u><u>717</u></u>
Total liabilities and equity		<u><u>18,728</u></u>	<u><u>15,289</u></u>	<u><u>9,008</u></u>	<u><u>8,954</u></u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

GROUP**Bal at 01/04/2022**

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 30/06/2022

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 30/09/2022**GROUP****Bal at 01/04/2021**

Loss for the period

Other comprehensive loss

Exchange differences arising from translation of foreign operations

Total comprehensive loss for the period

Bal at 30/06/2021

Loss for the period

Other comprehensive loss

Exchange differences arising from translation of foreign operations

Total comprehensive loss for the period

Bal at 30/09/2021

Share capital	Capital reduction reserve	Treasury shares	Foreign currency translation reserve	Other reserves total	Accumulated losses	Non Controlling interests	Total equity
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
141,887	18,384	(299)	(1,381)	16,704	(150,560)	21	8,052
-	-	-	-	-	(86)	(10)	(96)
-	-	-	(86)	(86)	-	-	(86)
-	-	-	(86)	(86)	(86)	(10)	(182)
141,887	18,384	(299)	(1,467)	16,618	(150,646)	11	7,870
-	-	-	-	-	(98)	(18)	(116)
-	-	-	(98)	(98)	-	-	(98)
-	-	-	(98)	(98)	(98)	(18)	(214)
141,887	18,384	(299)	(1,565)	16,520	(150,744)	(7)	7,656
141,887	18,384	(299)	(1,645)	16,440	(149,605)	-	8,722
-	-	-	-	-	(303)	-	(303)
-	-	-	90	90	-	-	90
-	-	-	90	90	(303)	-	(213)
141,887	18,384	(299)	(1,555)	16,530	(149,908)	-	8,509
-	-	-	-	-	(430)	-	(430)
-	-	-	103	103	-	-	103
-	-	-	103	103	(430)	-	(327)
141,887	18,384	(299)	(1,452)	16,633	(150,338)	-	8,182

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group		Group	
		Second Quarter Ended		Half Year Ended	
		30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Loss before income tax	6	(116)	(430)	(213)	(733)
Adjustments for:					
Interest expense	6	7	5	16	17
Interest income	5	-	(1)	(1)	(2)
Depreciation of plant and equipment	6	26	30	54	59
Foreign exchange differences		(122)	98	(233)	181
Operating loss before working capital changes		(205)	(298)	(377)	(478)
Working capital changes:					
Trade and other receivables		215	(854)	(2,572)	1,208
Inventories		(1,172)	(2,045)	(701)	(1,588)
Trade and other payables		1,445	2,006	3,877	340
Net cash provided by/(used in) operating activities		283	(1,191)	227	(518)
Investing activities					
Purchase of plant and equipment		(8)	-	(8)	-
Net cash used in investing activities		(8)	-	(8)	-
Financing activities					
Interest paid		(7)	(5)	(16)	(17)
Repayment of lease liabilities		(26)	(26)	(46)	(46)
Net cash used in financing activities		(33)	(31)	(62)	(63)
Net increase/(decrease) in cash and cash equivalents		242	(1,222)	157	(581)
Cash and cash equivalents at beginning of the period		482	1,806	565	1,153
Exchange difference on cash and cash equivalents		5	11	7	23
Cash and cash equivalents at end of the period	11	729	595	729	595

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 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.

The principal activities of the subsidiaries, please refer to Note 9 (pages 62-64) in the Annual Report for the financial year ended 31 March 2022.

2 Basis of preparation

The condensed interim financial statements for the second quarter/half year ended 30 September 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 2022.

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 periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the amounts reported for the current or prior period.

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 2022.

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 period.

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

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.

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	
	Half year ended		As at	As at
	30-Sep-22	30-Sep-21	30-Sep-22	31-Mar-22
	\$'000	\$'000	\$'000	\$'000
ASEAN	3,183	1,452	57	14
People's Republic of China	17,188	12,762	20	61
	<u>20,371</u>	<u>14,214</u>	<u>77</u>	<u>75</u>

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	
	Half year ended	Half year ended
	30-Sep-22	30-Sep-21
	\$'000	\$'000
Companies related to the ultimate holding company		
Sales	17	37
Purchases	(30)	(42)
Service received from	(5)	(94)
Service provided to	122	-
	<u>122</u>	<u>-</u>

4 Revenue

Revenue from contract with customers

At a point in time

Sales of fruits, seafood, sheep milk powders and others

	Group	
	Half year ended	Half year ended
	30-Sep-22	30-Sep-21
	\$'000	\$'000
	20,371	14,214
	<u>20,371</u>	<u>14,214</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**5 Other income**

	Group	
	Half year ended	
	30-Sep-22	30-Sep-21
	\$'000	\$'000
Rental rebate	36	-
Government grants	-	3
Interest income	1	2
Foreign exchange gains, net	5	-
Other service income, net	63	-
	<u>105</u>	<u>5</u>

6 Loss before income tax

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

	Group	
	Half year ended	
	30-Sep-22	30-Sep-21
	\$'000	\$'000
<u>Cost of goods sold</u>		
Purchases of inventories	20,142	15,498
Changes in inventories	(701)	(1,588)
<u>Selling and distribution expenses</u>		
Advertisement and promotion	2	10
Employee benefits expense:		
- Salaries, bonus and other benefits	139	260
- Defined contribution plans	75	76
Total employee benefits expense	214	336
<u>Administrative expenses</u>		
Audit fees		
- Auditors of the Company	46	45
- Other auditors	1	1
Depreciation of plant and equipment	54	59
Rental expense for short-term lease	3	19
Directors' fees	77	77
Employee benefits expense:		
- Salaries, bonus and other benefits	180	198
- Defined contribution plans	55	38
Total employee benefits expense	235	236
Finance costs		
Interest expense:		
- Bank borrowings	14	17
- Lease liabilities	2	-*
	<u>16</u>	<u>17</u>

* Denotes less than \$1,000

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**7 Income tax expense**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. No income tax expense was recognised for the half year ended 30 September 2022 and 2021 as the Group has no chargeable income.

8 Plant and equipment

As at 30 September 2022, the Group's plant and equipment amounted to \$77,000 (31 March 2022: \$75,000).

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	
	As at 30-Sep-22	As at 31-Mar-22
	\$'000	\$'000
Unquoted equity shares, at cost	10,200	10,200
Allowance for impairment loss	(10,200)	(10,200)
	<u>-</u>	<u>-</u>
Amount due from subsidiaries (non-trade)	18,015	17,951
Allowance for impairment loss on receivables	(9,152)	(9,073)
	<u>8,863</u>	<u>8,878</u>

10 Financial assets, At FVPL

	Group	
	As at 30-Sep-22	As at 31-Mar-22
	\$'000	\$'000
<u>Financial instruments</u>		
Equity security(unquoted)	<u>-</u>	<u>-</u>

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

11 Cash and cash equivalents

	Group		Company	
	As at 30-Sep-22	As at 31-Mar-22	As at 30-Sep-22	As at 31-Mar-22
	\$'000	\$'000	\$'000	\$'000
Cash at bank	<u>729</u>	<u>565</u>	<u>101</u>	<u>53</u>

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

12 Trade and other receivables

	Group		Company	
	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Trade receivables:				
- Third parties	8,414	7,167	-	-
- Third parties-SSMY	2,763	4,765	-	-
- Yiguo related parties	110	116	-	-
	<u>11,287</u>	<u>12,048</u>	<u>-</u>	<u>-</u>
Less: allowance for impairment loss				
- Third parties	(1,817)	(1,729)	-	-
	<u>9,470</u>	<u>10,319</u>	<u>-</u>	<u>-</u>
Other sundry receivables:				
- Third parties	226	20	-	-
- Yiguo related parties	120	-	-	-
	<u>346</u>	<u>20</u>	<u>-</u>	<u>-</u>
Refundable deposits	693	259	-	-
Total trade and other receivables carried at amortised cost	<u>10,509</u>	<u>10,598</u>	<u>-</u>	<u>-</u>
GST/VAT refundable	316	246	11	2
Advances to suppliers:				
- Third parties	4,372	1,781	-	-
Prepayments	44	44	33	21
Total	<u>15,241</u>	<u>12,669</u>	<u>44</u>	<u>23</u>

13 Inventories

	Group	
	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Sheep milk powders, fruits and aquatic products	<u>2,681</u>	<u>1,980</u>

14 Borrowings

	Group	
	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Current		
Bank loan	605	640
Lease liabilities	44	74
	<u>649</u>	<u>714</u>
Non-current		
Lease liabilities	25	1
Total borrowings	<u>674</u>	<u>715</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**14 Borrowings (Continued)**

The bank loan of RMB3,000,000 (or \$605,000) (31 March 2022: RMB3,000,000 (or \$640,000) at interest rate of 4.25% (31 March 2022: 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.

15 Trade and other payables

	Group		Company	
	As at 30-Sep-22	As at 31-Mar-22	As at 30-Sep-22	As at 31-Mar-22
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- Third parties	3,344	1,757	-	-
- SSMY	-	2,143	-	-
- Yiguo related parties	119	128	-	-
- Company owned by a substantial shareholder	-	141	-	-
	<u>3,463</u>	<u>4,169</u>	<u>-</u>	<u>-</u>
Other payables				
- Third parties	695	251	634	102
- Yiguo related parties	102	118	-	-
- A substantial shareholder	-	58	-	-
- A director	456	140	-	140
Accrued operating expenses	<u>695</u>	<u>790</u>	<u>530</u>	<u>475</u>
Total trade and other payables carried at amortised cost	5,411	5,526	1,164	717
Advances from customers:				
- Third parties	4,974	982	-	-
- Yiguo related parties	13	13	-	-
Total	<u>10,398</u>	<u>6,521</u>	<u>1,164</u>	<u>717</u>

16 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

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

16 Leases(Continued)

	Group	
	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Plant and machineries	66	70
	<u>66</u>	<u>70</u>

17 Share capital

	Group and Company			
	As at 30-Sep-22 '000	As at 31-Mar-22 '000	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Number of ordinary shares				
Issued and fully paid				
Balance at beginning and end of financial period	<u>784,635</u>	<u>784,635</u>	<u>141,887</u>	<u>141,887</u>

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.

18 Other reserves

Other reserves comprise the following:

	Group		Company	
	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000	As at 30-Sep-22 \$'000	As at 31-Mar-22 \$'000
Capital reduction reserve	18,384	18,384	18,384	18,384
Foreign currency translation reserve	(1,565)	(1,381)	-	-
Treasury shares	(299)	(299)	(299)	(299)
	<u>16,520</u>	<u>16,704</u>	<u>18,085</u>	<u>18,085</u>

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.

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.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**18 Other reserves (Continued)****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 30 September 2022, there were 6,362,798 treasury shares(31 March 2022: 6,362,798).

19 Loss per share

Basic and diluted loss 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 period.

	Group	
	Half year ended	
	30-Sep-22	30-Sep-21
Net Loss attributable to equity holders of the Company (\$'000)	<u>(213)</u>	<u>(733)</u>
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	# 778,273	778,273
Basic and diluted loss per shares (cents)	<u>(0.05)</u>	<u>(0.17)</u>

Note:

As at 30 September 2022 and 31 March 2022, the number of issued shares excludes 6,362,798 treasury shares.

There were no dilutive potential ordinary shares during the financial period ended 30 September 2022 and 30 September 2021.

20 Net assets value per ordinary share

	Group	
	As at	As at
	30-Sep-22	31-Mar-22
	cents	cents
Group	<u>0.98</u>	<u>1.03</u>
Company	<u>1.01</u>	<u>1.06</u>
No of issued shares ('000)	# 778,273	778,273

Note:

As at 30 September 2022 and 31 March 2022, 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 30 September 2022 and 31 March 2022 respectively.

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

21 Financial assets and Financial liabilities

	SGD \$'000	USD \$'000	RMB \$'000	AUD \$'000	Others \$'000	Total \$'000
Group						
<u>At 30 Sep 2022</u>						
Financial assets						
Trade and other receivables (Note 12)	14	4,108	6,387			10,509
Cash and cash equivalents (Note 11)	161	343	223	2	-	729
	<u>175</u>	<u>4,451</u>	<u>6,610</u>	<u>2</u>	<u>-</u>	<u>11,238</u>
Financial liabilities						
Trade and other payables (Note 15)	(1,239)	(1,711)	(2,452)		(9)	(5,411)
Borrowings (Note 14)	(49)	-	(625)	-	-	(674)
	<u>(1,288)</u>	<u>(1,711)</u>	<u>(3,077)</u>	<u>-</u>	<u>(9)</u>	<u>(6,085)</u>
Net financial (liabilities)/assets	<u>(1,113)</u>	<u>2,740</u>	<u>3,533</u>	<u>2</u>	<u>(9)</u>	<u>5,153</u>
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies						
	<u>-</u>	<u>2,740</u>	<u>-</u>	<u>2</u>	<u>(9)</u>	<u>2,733</u>
	SGD \$'000	USD \$'000	RMB \$'000	AUD \$'000	Others \$'000	Total \$'000
Group						
<u>At 31 March 2022</u>						
Financial assets						
Trade and other receivables (Note 12)	22	3,512	7,064	-	-	10,598
Cash and cash equivalents (Note 11)	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>
Financial liabilities						
Trade and other payables (Note 15)	(777)	(1,378)	(3,304)	-	(67)	(5,526)
Borrowings (Note 14)	(12)	-	(703)	-	-	(715)
	<u>(789)</u>	<u>(1,378)</u>	<u>(4,007)</u>	<u>-</u>	<u>(67)</u>	<u>(6,241)</u>
Net financial (liabilities)/assets	<u>(656)</u>	<u>2,389</u>	<u>3,254</u>	<u>2</u>	<u>(67)</u>	<u>4,922</u>
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies						
	<u>-</u>	<u>2,389</u>	<u>-</u>	<u>2</u>	<u>(67)</u>	<u>2,324</u>

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

21 Financial assets and Financial liabilities(Continued)

	SGD \$'000	USD \$'000	RMB \$'000	Total \$'000
<u>Company</u>				
At 30 Sep 2022				
Financial asset				
Cash and cash equivalents (Note 11)	91	10	-*	101
Financial liability				
Trade and other payables(Note 15)	(1,164)	-	-	(1,164)
Net financial (liabilities)/assets	(1,073)	10	-*	(1,063)
Currency exposure of financial assets net of those denominated in the Company's functional currency				
	-	10	-	10

* Denotes less than \$1,000

	SGD \$'000	USD \$'000	RMB \$'000	Total \$'000
<u>Company</u>				
At 31 March 2022				
Financial asset				
Cash and cash equivalents (Note 11)	43	10	-*	53
Financial liability				
Trade and other payables (Note 15)	(717)	-	-	(717)
Net financial (liabilities)/assets	(674)	10	-*	(664)
Currency exposure of financial assets net of those denominated in the Company's functional currency				
	-	10	-	10

* Denotes less than \$1,000

22 Subsequent Event

Subsequent to 30 September 2022, there are no known subsequent events that may have a material effect on the condensed interim consolidated financial statements of the Group.

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 17.

- 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 17.

- 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 2022 and 30 September 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 period ended 30 September 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 30 September 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 second quarter/half 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 2022 was not subject to an adverse opinion, qualified opinion or disclaimer of opinion of any modifications or emphasis of matter.

- 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 20.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 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 second quarter ended at 30 September 2022("2Q2022/23") was \$10,921,000 compared to \$6,834,000 for the second quarter ended 30 September 2021("2Q2021/22"). The higher revenue was mainly due to the increase in sales volume of fruits, seafood, meat and sheep milk powder. The sales to Shanghai Yiguo E-Commerce Co.,Ltd and its related companies ("Yiguo") for 2Q2022/23 and 2Q2021/22 had remained at 0.1% of the Group's revenue.

As a result of the increase in sales volume of fruits, seafood, meat and sheep milk as explained above, the Group's revenue for the half year ended 30 September 2022("1H2022/23") was \$20,371,000 compared to \$14,214,000 for the half year ended 30 September 2021("1H2021/22"). The sales to Yiguo for 1H2022/23 was 0.1% of the Group's revenue compared to 0.3% of the Group's revenue for 1H2021/22.

2 Gross Profit

Gross profit for 2Q2022/23 was \$337,000 (gross margin of 3.1%) compared to gross profit of \$221,000 (gross margin of 3.2%) for 2Q2021/22. The increase in gross profit and gross margin was contributed by the increased sales in fruits, seafood and sheeppowders.

Gross profit for 1H2022/23 was \$780,000 (gross margin of 3.8%) compared to \$304,000 (gross margin of 2.1%) for 1H2021/22.

3 Other income

Other income for 2Q2022/23 was \$86,000 compared to \$1,000 for 2Q2021/22. Other income was mainly due to service fee charged to Yiguo.

Other income for 1H2022/23 was \$105,000 compared to \$5,000 for 1H2021/22.

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

The S&D expenses for 2Q2022/23 were \$120,000 compared to \$256,000 for 2Q2021/22. The lower S&D expenses for 2Q2022/23 were mainly due to reversal of previously accrued staff related expenses in the quarter.

The S&D expenses for 1H2022/23 were \$338,000 compared to \$393,000 for 1H2021/22.

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

5 Administrative expenses ("Admin")

The Admin expenses for 2Q2022/23 were \$419,000 compared to \$387,000 for 2Q2021/22. The higher Admin expenses for 2Q2022/23 were mainly due to professional fee expenses related to resumption for trading and increase in staff related expenses since 1 April 2022.

The Admin expenses for 1H2022/23 were \$737,000 compared to \$628,000 for 1H2021/22.

6 Loss for the period

The Group's loss before income tax for 2Q2022/23 was \$116,000 compared to \$430,000 for 2Q2021/22. This was mainly due to higher revenue and improved margin.

The Group's loss before income tax for 1H2022/23 was \$213,000 compared to \$733,000 for 1H2021/22.

7 Total comprehensive loss for the period

The Group's total comprehensive loss after income tax for 2Q2021/22 was \$214,000 compared to \$327,000 for 2Q2021/22. This was explained in item (6) above.

The Group's total comprehensive loss after income tax for 1H2022/23 was \$397,000 compared to \$540,000 for 1H2021/22.

Condensed Interim Consolidated Statement of Cash flows

8 Operating cash flow

The Group's net cash inflow generated from operating activities for 2Q2022/23 was \$283,000 compared to net cash outflow of \$1,191,000 in 2Q2021/22. The improve in net cash inflow were mainly due to higher revenue and margin, collection from customers and realisation of inventories higher than payment to suppliers.

The Group's net cash inflow from operating activities for 1H2022/23 was \$227,000 compared net cash outflow of \$518,000 for 1H2021/22.

9 Financing cash flow

The Group's net cash outflow from financing activities for 2Q2022/23 and 1H2022/23 were 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 (Note 11)**

The increase in cash and cash equivalent was mainly due to net cash inflow generated from operating activities as stated in item (8) above.

11 Trade and other receivables (Note 12)

Trade receivables from third parties have been increased to \$8,414,000 as at 30 September 2022 compared to \$7,167,000 as at 31 March 2022. This was mainly due to increase in credit sales.

Trade receivables from Yiguo related parties were \$110,000 as at 30 September 2022 compared to \$116,000 as at 31 March 2022.

Trade receivables from SSMY have been reduced to \$2,763,000 compared to \$4,765,000 as at 31 March 2022 as a result of the repayment made by SSMY pursuant to SMF Shanmai AR purchase agreement among SSMY, YG Group and Shanmai. The details can be found on the company update to shareholders' announcement dated 10 February 2021.

(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 increase in other receivables was mainly due to the advance payment to certain suppliers to secure procurement.

12 Inventories (Note 13)

The increase in inventories was due to increase in procurement for the orders fulfilment in the subsequent period.

13 Borrowings (Note 14)

The decrease in borrowings was due to principal repayment of lease liabilities for the period. As at 30 September 2022, bank loan remains unchanged at RMB3,000,000.

14 Trade and other payables (Note 15)

The decrease in trade payables was mainly due to 1) increase in trade payable to suppliers due to increase sales and therefore increase credit purchases; 2) amount to SSMY has been settled pursuant to SMF Shanmai AR purchase agreement among SSMY, YG Group and Shanmai. The details can be found on the company update to shareholders' announcement dated 10 February 2021.

The increase in other payables was mainly due to the partial advance payment for the sales made to certain customers.

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 would continue to be challenging especially for the business of the Group in China with its stringent Covid policy.

The Group will continue to focus on export of products (including Chinese fresh fruits) from China to Southeast Asian markets and import of products (including fresh produce) to China market. With the strategy we have put in place to focus on three main product categories of Fuji apple, Pangasius fish and durian, barring unforeseen circumstances, we believe that we will be able to see growth in top line revenues for the financial year.

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 quarter.

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).

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

F11. Interested Person Transactions

The Group had obtained shareholders' approval to renew the Interested Person Transactions ("IPT") on 29 September 2022.

The aggregate value of interested person transactions entered into during the reporting period ended 30 September 2022 is as follows : -

Name of interested person	Nature of relationship	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 of the listing manual) (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)
Shanghai Yiguo E-Commerce Co. Ltd and its related entities	Controlling shareholder			
	<i>Sales to</i>	-	-	17
	<i>Purchase from</i>	-	-	(30)
	<i>Service received</i>	-	-	(5)
Other related parties:				
Dimuto Pte Ltd	Substantial shareholder			
	<i>Interest expenses on advance from</i>	(1)	-	-

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.

F12. Confirmation Pursuant to The Rule 705 (5) of The Listing Manual

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited condensed interim financial statements for the period ended 30 September 2022 to be false or misleading in any material respect.

On behalf of the Board of Directors,

Mr Zhang Ye
Executive Director and Chief Executive Officer
3 November 2022