



Second Quarter Financial Statements Announcement for the Period Ended 30-Sep-2020

Table of Contents	Page No:
1 (a) Consolidated Statement of Comprehensive Income	1
1 (b) (i) Statements of Financial Position	2
1 (b) (ii) Note on Borrowings and Debt Securities	3
1 (c) Consolidated Statement of Cash Flows	4
1 (d) Statements of Changes In Shareholders' Equity	5,6,7
1 (e) Notes to Financial Statements	8
2, 3 Audit / Review	8
4, 5 Accounting Policies	8
6 Earnings Per Share	9
7 Net Asset Value	9
8 Review of Performance	10,11,12
9 Variance From Prospect Statement	13
10 Commentary of the Competitive Conditions	13
11, 12 Dividend	13
13 Interested Person Transactions	14
14 Confirmation of undertaking from all its directors and executive officers	14
15 Confirmation By The Board	14

No.1(a) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

n.m - "not meaningful"

\$- SGD

	Group			YTD		
	Second Quarter Ended		Change	Half Year Ended		Change
	30-Sep-20	30-Sep-19		30-Sep-20	30-Sep-19	
	\$ '000	\$ '000	%	\$ '000	\$ '000	%
Revenue	5,203	1,953	166%	13,703	7,353	86%
Cost of sales	(4,852)	(1,902)	155%	(12,987)	(6,644)	95%
Gross profit	351	51	588%	716	709	1%
Other income	16	162	-90%	75	210	-64%
Selling & Distribution costs	(225)	(262)	-14%	(542)	(527)	3%
Administrative expenses	(132)	(253)	-48%	(325)	(590)	-45%
Other expenses	(61)	(2)	2950%	(95)	(2)	4650%
Finance costs	(7)	-	n.m	(9)	-	n.m
	(58)	(304)	-81%	(180)	(200)	-10%
Fair value change on financial liability arising from contingent issuance of shares	-	(649)	-100%	-	(649)	-100%
Loss for the period before income tax	(58)	(953)	-94%	(180)	(849)	-79%
Income tax expense	-	-	n.m	-	-	n.m
Loss for the period, net of income tax	(58)	(953)	-94%	(180)	(849)	-79%
Other comprehensive income :						
Items that may be reclassified subsequently to profit or loss:						
Exchange difference arising from translation of foreign operations	537	(115)	n.m	176	(291)	n.m
Total comprehensive income/(loss) for the period	479	(1,068)	n.m	(4)	(1,140)	-100%
Loss for the period included the following:						
- Depreciation of property, plant & equipment	(2)	(4)		(6)	(10)	
- Loss on disposal of property, plant and equipment	(2)	-		-	-	
- Interest expenses	(7)	-		(9)	-	
-Other receivables written off	-	(2)		-	(2)	
Other income included:						
- Government grant	9	1		49	1	
- Interest income	1	-		1	-	
- Other income	-	62		13	63	
- Foreign exchange gain, net	-	93		-	134	
- Franchise income	6	6		12	12	
	16	162		75	210	

No.1(b)(i) Statements of financial position as at :

	Group		Company	
	As at 30-Sep-20	As at 31-Mar-20	As at 30-Sep-20	As at 31-Mar-20
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets				
Subsidiaries	-	-	7,224	7,438
Investment securities	(Note 1)	-	-	-
Property, plant and equipment	27	17	-	-
Total non-current assets	27	17	7,224	7,438
Current assets				
Cash and cash equivalents	1,745	1,539	43	47
Trade receivables	7,654	7,163	-	-
Other receivables	3,136	5,225	5	15
Deposits and prepayments	549	880	32	20
Inventories	1,140	2,755	-	-
Total current assets	14,224	17,562	80	82
Total assets	14,251	17,579	7,304	7,520
Equity attributable to equity holders of the Company				
Share capital	141,887	141,887	141,887	141,887
Other reserves	16,536	16,360	18,086	18,085
Accumulated losses	(150,691)	(150,511)	(153,086)	(152,797)
Total equity	7,732	7,736	6,887	7,175
Non-current liabilities				
Finance lease obligation	5	6	-	-
Total non-current liabilities	5	6	-	-
Current liabilities				
Lease liability	3	3	-	-
Bank loan	604	-	-	-
Term loan	644	-	-	-
Trade payables	4,145	8,739	-	-
Other payables	180	256	88	345
Other liabilities	938	839	329	-
	6,514	9,837	417	345
Total liabilities	6,519	9,843	417	345
Total liabilities and equity	14,251	17,579	7,304	7,520

No.1(b)(ii) Aggregate amount of group's borrowings and debt securities.

		(\$ '000)			
		As At	30-Sep-20	As At	31-Mar-20
		Secured	Unsecured	Secured	Unsecured
Bank loans		-	604	-	-
Term loans		-	644	-	-

Details of any collateral***Bank loan***

A bank loan of RMB 3,000,000 (or \$ 604,000) at interest rate of 4.5025% per annum was obtained from China Construction Bank under the personnel guarantee of a director. The loan would be due on 26 May 2021.

Term loan

Term loan pursuant to the interest free loan agreement through its wholly owned subsidiary Shanghai SunMoon Supply Chain management Co.Ltd("SMFShanmai") with Jiangzhong Shiliao (Hubei)Technology Co., Ltd. for amount of RMB34,893,795 (approximately \$6,856,631) ("Interest Free Loan"). The loan will be disbursed via 7 tranches from 30 September 2020 to 31 March 2021.

On 30 September 2020, the first tranche of interest free loan amount of RMB 3,200,000(or \$644,000) was disbursed to SMFShanmai.

Net assets subject to bank collaterals and guarantees, and contingent liabilities

Nil.

No.1(c) **A consolidated statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.**

	<u>Group</u>		<u>Group</u>	
	<u>Second Quarter Ended</u>		<u>Half Year Ended</u>	
	<u>30-Sep-20</u>	<u>30-Sep-19</u>	<u>30-Sep-20</u>	<u>30-Sep-19</u>
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Loss before tax	(58)	(953)	(180)	(849)
Adjustments for:				
Interest expense	7	-	9	-
Depreciation of property, plant and equipment	2	4	6	10
Other receivables written off	-	2	-	2
Write back of provision for other receivables	-	(62)	-	(62)
Foreign exchange	536	(93)	165	(134)
Loss on disposal of property, plant and equipment	-	-	2	-
Fair value changes on financial liability arising from contingent issuance of shares	-	649	-	649
	<u>487</u>	<u>(453)</u>	<u>2</u>	<u>(384)</u>
Operating profit/(loss) before working capital changes				
Change in working capital:				
Inventories	(648)	-	1,615	5
Trade receivables	4,452	2,420	(491)	6,968
Other receivables	(212)	(656)	2,089	(430)
Prepayment	119	1,844	331	(2,012)
Trade payables	(3,795)	(4,747)	(4,594)	(11,866)
Other payables	(122)	1,957	(76)	1,838
Other liabilities	(343)	(1,160)	99	(706)
Cash used in operations	(62)	(795)	(1,025)	(6,587)
Income tax refund	-	-	-	-
Net cash used in operating activities	<u>(62)</u>	<u>(795)</u>	<u>(1,025)</u>	<u>(6,587)</u>
Investing activities				
Purchase of property, plant and equipment	(19)	-	(19)	(3)
Proceeds from disposal of property, plant and equipment	-	-	1	-
Net cash used in investing activities	<u>(19)</u>	<u>-</u>	<u>(18)</u>	<u>(3)</u>
Financing activities				
Interest paid	(7)	-	(9)	-
Repayment of finance lease obligation	(1)	(1)	(1)	(1)
Bank loan	-	-	604	-
Term loan	644	-	644	-
Net cash generated from/(used in) financing activities	<u>636</u>	<u>(1)</u>	<u>1,238</u>	<u>(1)</u>
Net increase/(decrease) in cash and cash equivalents	555	(796)	195	(6,591)
Cash and cash equivalents at beginning of the period	1,177	2,373	1,539	8,305
Effect of exchange rate fluctuations on cash and cash equivalents	13	(20)	11	(157)
Cash and cash equivalents at end of the period	<u>1,745</u>	<u>1,557</u>	<u>1,745</u>	<u>1,557</u>

No. 1 A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those (d)(i) arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

Share capital	Capital reduction reserve	Treasury shares	Foreign currency translation reserve	Reserve for contingent issuance of shares	Other reserves total	Accumulated losses	Total equity
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000

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

Loss for the period

Other comprehensive loss for the period

Exchange differences arising from translation of foreign operations

Total comprehensive (loss)/profit for the period

Bal at 30/06/2020

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 30/09/2020

141,887	18,384	(299)	(1,725)	-	16,360	(150,511)	7,736
-	-	-	-	-	-	(122)	(122)
-	-	-	(361)	-	(361)	-	(361)
-	-	-	(361)	-	(361)	(122)	(483)
141,887	18,384	(299)	(2,086)	-	15,999	(150,633)	7,253
-	-	-	-	-	-	(58)	(58)
-	-	-	537	-	537	-	537
-	-	-	537	-	537	(58)	479
141,887	18,384	(299)	(1,549)	-	16,536	(150,691)	7,732

COMPANY**Bal at 01/04/2020**

Total comprehensive loss for the period

Bal at 30/06/2020

Total comprehensive loss for the period

Bal at 30/09/2020

141,887	18,384	(299)	-	-	18,085	(152,797)	7,175
-	-	-	-	-	-	(158)	(158)
141,887	18,384	(299)	-	-	18,085	(152,955)	7,017
-	-	-	-	-	-	(130)	(130)
141,887	18,384	(299)	-	-	18,085	(153,085)	6,887

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

GROUP

Bal at 01/04/2019

Profit for the period

Other comprehensive loss for the period

Exchange differences arising from translation of foreign operations

Total comprehensive (loss)/profit for the period

Bal at 30/06/2019

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 30/09/2019

Share capital	Capital reduction reserve	Treasury shares	Foreign currency translation reserve	Reserve for contingent issuance of shares	Other reserves total	Accumulated losses	Total equity
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
139,508	18,384	(299)	(1,664)	(1,321)	15,100	(146,239)	8,369
-	-	-	-	-	-	104	104
-	-	-	(176)	-	(176)	-	(176)
-	-	-	(176)	-	(176)	104	(72)
139,508	18,384	(299)	(1,840)	(1,321)	14,924	(146,135)	8,297
-	-	-	-	-	-	(953)	(953)
-	-	-	(115)	-	(115)	-	(115)
-	-	-	(115)	-	(115)	(953)	(1,068)
139,508	18,384	(299)	(1,955)	(1,321)	14,809	(147,088)	7,229

COMPANY

Bal at 01/04/2019

Total comprehensive loss for the period

Bal at 30/06/2019

Total comprehensive loss for the period

Bal at 30/09/2019

139,508	18,384	(299)	-	(1,321)	16,764	(143,762)	12,510
-	-	-	-	-	-	(228)	(228)
139,508	18,384	(299)	-	(1,321)	16,764	(143,990)	12,282
-	-	-	-	-	-	(732)	(732)
139,508	18,384	(299)	-	(1,321)	16,764	(144,722)	11,550

No. 1 Details of any changes in the company's share capital arising from rights issue, bonus issue, (d)(ii) 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.

Changes in the Company's share capital and treasury shares are as follows:

As at 30 September 2020, the total number of ordinary shares issued by the Company was 784,635,371 (31 March 2020: 783,784,635,371).

As at 30 September 2020, there were 6,362,798 treasury shares (31 March 2020: 6,362,798)

No. 1 To show the total number of issued shares excluding treasury shares as at the end of current (d)(iii) financial period and as at the end of immediately preceding year.

Movements in the Company's issued and fully paid-up capital (excluding treasury shares) were as follows :

	<u>No. of Shares</u>
As at 01/04/2020 & 30/09/2020	778,272,573
Total purchase of treasury shares to date	<u><u>6,362,798</u></u>

No. 1 A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares (d)(iv) at the end of current financial reported on.

The Company did not sell, transfer, cancel or use any treasury shares for the quarter ended 30 September 2020.

No. 1 A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary (d)(v) holdings at the end of the current financial period reported

There are no subsidiary holdings for the quarter ended 30 September 2020.

No. 1 Notes to Financial Statements

(e)

Note 1 - Investment securities

Equity securities (unquoted) designated at fair value through other profit or loss ("FVPL") pertains to investment in Harvest Seasons Pte Ltd. As at 30 September 2020, management has ascertained the fair value to be zero.

No.2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or and equivalent standard).

The figures have not been audited or reviewed by the Company's auditor.

No.3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

No. 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and the Company have applied the same accounting policies and methods of computation for the current reporting period, compared with the last audited financial statements as at 31 March 2020.

No. 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There were no changes in the accounting policies and methods of computation.

No.6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial

	Group Second Quarter		Group Half Year	
	30-Sep-20 \$ '000	30-Sep-19 \$ '000	30-Sep-20 \$ '000	30-Sep-19 \$ '000
<u>Basic EPS</u>				
Loss attributable to shareholders	(58)	(953)	(180)	(58)
Weighted average number of ordinary shares applicable to basic earnings per share ('000)	778,273	713,362	778,273	713,362
per ordinary share, in cents :				
- basic	(0.0075)	(0.1336)	(0.0231)	(0.0081)
<u>Diluted EPS</u>				
Loss attributable to shareholders	(58) ^	(953) "	(180) ^	(58) "
Weighted average number of ordinary shares applicable to diluted earnings per share ('000)	778,273	713,362	778,273	713,362
Loss per ordinary share, in cents :				
- fully diluted	(0.0075)	(0.1336)	(0.0231)	(0.0081)

^ As at 30 September 2019, the unlisted warrants of 166,666,667 at an exercise price of \$0.054, totaling \$9 million issued to Yiguo were not included in the computation of diluted earnings per share because they are anti-dilutive.

The warrants have expired and remained unexercised by due date, on 3 July 2020.

No.7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial period.

	As at 30-Sep-20 cents	As at 31-Mar-20 cents
Group	0.99	0.99
Company	0.88	0.92
No of issued shares ('000)	# 778,273	778,273

Note :

As at 30 September 2020 and 31 March 2020, the number of issued shares excludes 6,362,798 treasury shares. Refer to No. 1(d)(iii).

The calculation of net asset value per ordinary share is based on the number of ordinary shares of the Company as at 30 September 2020 and 31 March 2020 respectively.

No. 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

2Q2020/21 vs.2Q2019/20

Material fluctuation in profit and loss and cash flow items: -

- 1 Revenue for the Group increased from \$1.95 million in 2Q2019/20 to \$5.20 million in 2Q2020/21. The increase was mainly due to the expanding of products offerings in China markets, such as seafood, meat, and other food-related products since September 2019, as compared to only fresh fruits sales for 2Q2019/20. The sales to Shanghai Yiguo E-Commerce Co. Ltd and its related companies ("Yiguo") for 2Q2020/21 was 11% of the revenue compared to 15% of the revenue for 2Q2019/20.
- 2 Gross profit for 2Q2020/21 was \$0.35 million (gross margin of 6.7%) compared to \$0.05 million (gross margin of 2.6%) for 2Q2019/20.
- 3 Other income for 2Q2020/21 was \$0.02 million compared to \$0.16 million for 2Q2019/20. The was due to foreign exchange gain of \$0.09 million and other income of \$ 0.06 million recognised in 2Q2019/20.
- 4 The selling and distribution expenses ("S&D") for 2Q2020/21 were \$0.23 million compared \$0.26 million for 2Q2019/20.

The administrative expenses ("Admin") for 2Q2020/21 were \$0.13 million compared to \$0.25 million for 2Q2019/20. The Admin expenses were lower for 2Q2020/21 due to cost reduction measures undertaken to streamline the Group's operations.

Other expenses for 2Q2020/21 were \$0.06 million compared to \$0.002 million for 2Q2019/20. Other expenses were mainly due to foreign exchange loss net of foreign exchange gain.

- 5 Loss before fair value adjustment on contingent shares for the period: -
The Group's loss before fair value adjustment on contingent shares before tax for 2Q2020/21 was \$0.06 million compared to \$0.30 million for 2Q2019/20. The reason was mainly due to items (2) and (4) above.
- 6 Fair value loss on financial liability from contingent issuance of shares of \$0.65 million for 2Q2019/20 was due to fair value adjustment arising from an increase in the share price of the Company.
- 7 Loss after fair value adjustment on contingent shares for the period: -
The Group's loss after fair value adjustment on contingent shares before tax for 2Q2020/21 was \$0.06 million compared to \$0.95 million for 2Q2019/20. The reason was mainly due to items (2),(4) and (6) above.
- 8 Total comprehensive income/(loss) for the period: -
The Group's total comprehensive income after tax for 2Q2021/21 was \$0.48 million compared to total comprehensive loss after tax \$1.07 million for 2Q2019/20.
- 9 Operating cash flow: -
The Group's net cash used in operating activities for 2Q2020/21 was \$0.06 million compared to \$0.80 million for 2Q2019/20. The was due to items (2) and (4) and working capital changes.
- 10 Financing cash flow:-
The Group's net cash inflow from financing activities for 2Q2020/21 was \$0.64 million compared to Nil for 2Q2019/20. The increase in cash inflow was mainly due to term loan borrowed from Jiangzhong Shiliao (Hubei)Technology Co., Ltd of RMB 3.2 million (or \$0.64 million) in September 2020.(refer to No.1, page 3).

1HY2020/21 vs.1HY2019/20

- 11 Revenue for the Group increased from \$7.35 million in 1HY2019/20 to \$13.70 million in 1HY2020/21 mainly due to reasons as explained in item (1) above. The sales to Yiguo constituted 16% and 28% of the Group's revenue for 1HY2020/21 and 1HY2019/20 respectively.

No. 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

12 Gross profit for 1HY2020/21 was \$0.72 million (gross margin of 5.2%) compared to gross profit \$0.71 million (gross margin of 9.6%) for 1HY2019/20.

13 Other income for 1HY2020/21 was \$0.08 million compared to \$0.21 million for 1HY2019/20 due to item (3) above.

14 S&D for 1HY2020/21 were \$0.54 million compared to \$0.53 million for 1HY2019/20.

Admin expenses for 1HY2020/21 were \$0.33 million compared to \$0.59 million for 1HY2019/20. Admin expenses were lower for 1HY2020/21 due to cost reduction measures undertaken to streamline the Group's operations.

Other expenses for 1HY2020/21 were \$0.095 million compared to \$0.002 million for 1HY2019/20. Other expenses were mainly due to foreign exchange loss net of foreign exchange gain.

15 Loss before fair value adjustment on contingent shares for the period: -
The Group's loss before fair value adjustment on contingent shares before tax for 1HY2020/21 was \$0.18 million compared to \$0.20 million for 1HY2019/20.

16 Fair value loss on financial liability from contingent issuance of shares of \$0.65 million for 1HY2019/20 was due to fair value adjustment arising from an increase in the share price of the Company.

17 Loss after fair value adjustment on contingent shares for the period: -
The Group's loss after fair value adjustment on contingent shares before tax for 1HY2020/21 was \$0.18 million compared to a loss of \$0.85 million for 1HY2019/20. The reason was mainly due to items (12),(14) and (15) above.

18 Total comprehensive loss for the period: -
The Group's total comprehensive loss after tax for 1HY2020/21 was \$0.004 million compared to \$1.14 million for 1HY2019/20.

19 Operating cash flow: -
The Group's net cash outflow from operating activities for 1HY2020/21 was \$1.03 million compared to \$6.59 million for 1HY2019/20. This was due to items (12) and (14) and working capital changes.

20 Financing cash flow:-
The Group's net cash inflow from financing activities for 1HY2020/21 was \$1.24 million compared to Nil for 1HY2019/20. The increase in cash inflow was mainly due to bank loan of RMB 3 million (or \$0.6 million) borrowed from China Construction Bank in May 2020 and term loan borrowed from Jiangzhong Shiliao (Hubei)Technology Co., Ltd of RMB 3.2 million (or \$0.64 million) in September 2020.(refer to No.1, page 3).

No. 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

30 September 2020 vs.31 March 2020

21 Material fluctuations in balance sheet items: -

- (a) Increase in cash and cash equivalent was mainly due to cash inflow from financing activities offset with cash used in operating activities as stated in items (10) and (20) above.
- (b) The details of trade receivables are as follow:

	30-Sep-20	30-Jun-20	31-Mar-20
	\$'000	\$'000	\$'000
Trade receivables -third parties	3,965	4,783	3,816
Allowance for impairment loss on third	(1,691)	(1,717)	(1,817)
Sub-total	2,274	3,066	1,999
Trade receivables -related parties	6,965	10,620	6,605
Allowance for impairment loss on related	(1,585)	(1,580)	(1,441)
Sub-total	5,380	9,040	5,164
Total	7,654	12,106	7,163

Trade receivables from third parties of \$4.0 million as at 30 September 2020 increased slightly compared to the amount of \$3.8 million as at 31 March 2020 but decreased compared to the amount of \$4.8 million as at 30 June 2020. This was mainly due to increase in sales and collection of payment from customers.

The receivables from related parties has been reduced to \$7.0 million on 30 September 2020 from \$10.6 million on 30 June 2020.

The changes in allowances for impairment were due to exchange difference.

The Board would like to update that the receivables from related parties arising from sales from 31 July 2020 to 30 September 2020 (the period after the filing of the bankruptcy reorganization as announced to shareholders) to related parties, 99 percent had been fully collected as at date of this announcement.

- (c) The details of other receivables are as follow:

	30-Sep-20	30-Jun-20	31-Mar-20
	\$'000	\$'000	\$'000
GST/VAT receivables and others	527	273	797
Advance payment to Yiguo related parties	2,609	2,651	4,428
	3,136	2,924	5,225

For the advance payment to Yiguo related parties of \$4.4 million for purchases of goods as of 31 March 2020, approximately \$1.8 million had been delivered during 1Q2020/21.

- (d) Decrease in deposits and prepayments were mainly due to service/goods fulfilled.
- (e) Decrease in inventories was a result of inventories being sold.
- (f) Increase in bank loan was due to borrowing from China Construction bank in May 2020 (refer to No.1 Page 3).
- (g) Increase in term loan was due to borrowing from Jiangzhong Shiliao (Hubei)Technology Co., Ltd. in September 2020 pursuant to interest free loan agreement (refer to No.1 Page 3).
- (h) Decrease in trade payables was mainly due to payment to suppliers.
- (i) Decrease in other payables was due to payment made to non-trade creditors.
- (j) Increase in other liabilities was accrual liabilities made to non-trade creditors.

No.9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None.

No. 10 A commentary at the date of the announcement of the competitive conditions 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 main business of the Group is in agri-food including delivering value added fresh produce in China and South East Asia. The Group will continue to focus on businesses with positive margin as part of its strategy to increase revenues.

The COVID-19 outbreak has resulted in significant disruption to all aspects of the Group's operations, including its supply chain as well as distribution.

Currently, we have no visibility on when things would return to normal. During this difficult time, we will continue to control our costs and streamline our supply chain management and expand the scope of the fulfilment of various types of fresh produce within the agri-product segment.

On or around late Friday evening 9 October 2020, Independent Directors and Vice Chairman, became aware that Shanghai Yiguo E-Commerce Co., Ltd, Shanghai Winchain Supply Chain Management Co. Ltd and Shanghai Exfresh Logistic Co Ltd ("3 YG Entities"), were placed into involuntary bankruptcy reorganisation ("Bankruptcy Re-organisation") under Chinese law on 30 July 2020. The Board promptly took action to announce this event on Monday, 12 October 2020 as it was deemed to be a material information.

The Board would like to update that the Chinese legal counsel appointed to deal with Yiguo bankruptcy reorganisation had filed proof of debts to the bankruptcy administrators between 28 October 2020 and 30 October 2020.

On 28 October 2020, the Company has, through Shanghai SunMoon Supply Chain Management Co., Ltd (上海膳麦供应链管理有限公司) ("SMFShanmai"), entered into an interest-free loan agreement with Jiangzhong Shiliao (Hubei) Technology Co., Ltd. ("Lender") ("Loan Agreement") and in connection with the Loan Agreement, the Company has entered into a placement agreement with the Lender for the proposed allotment and issuance of new ordinary shares (to be determined) ("Placement Agreement").

Pursuant to the Loan Agreement, the Lender will provide a loan of RMB34,893,795 (approximately \$6,856,631) ("Interest Free Loan") to the Company. The Interest Free Loan amount will be disbursed directly to SMF Shanmai via 7 tranches from 30 September 2020 to 31 March 2021.

The Board would like to update that the disbursement of the loan for September 2020 and October 2020 has been fully received.

Based on the financial statement for the financial period ended 30 June 2020 ("1Q FY2020/21 Results"), the total account receivables, which include advances/prepayment net of accounts payables due from the Yiguo-related entities amount to approximately \$13.2 million (and approximately \$12.4 million from the 3 YG Entities).

The Board would also like to update that as of 30 September 2020 total receivables due from the Yiguo-related entities have been reduced to \$9.99 million and approximately \$9.51 million from the 3 YG Entities.

No. 11 Dividend

(a) Current Financial Period Reported On

None.

(b) Corresponding Period of the Immediately Preceding Financial Period

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

No. 12 If no dividend has been declared/recommended, a statement to that effect.

After considering the Group's financial position, no dividend has been declared.

No. 13 Interested Person Transactions

The Group had obtained shareholders' approval to renew the Interested Person Transactions ("IPT") on 29 September 2020.

The aggregate value of interested person transactions entered into during the reporting period ended 30 September 2020 is as follows : -

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted 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)
Shanghai Yiguo E-Commerce Co. Ltd and its related entities: -		
<i>Sales to</i>	-	2,213
<i>Purchases</i>	-	1,730
<i>Service received</i>	-	47
<i>Service provided</i>	-	19

*For clarity, as many of the interested person transactions were fall below \$100,000, therefore the disclosures include transactions each below \$100,000.

No.14 Has the issuer procured confirmations undertakings from all its directors and executive officers? (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms it has procured the undertakings from all Directors and executive officers as required under SGX Listing Rule 720(1).

No.15 Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual

As at the date of this announcement, the Board of Directors confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial statements for the period ended 30 September 2020 to be false or misleading, in any material aspect.

BY ORDER OF THE BOARD

Mr Zhang Ye
Executive Director and Chief Executive Officer
10 November 2020