CHINA MINZHONG FOOD CORPORATION LIMITED
(Registration No. 200402715N)

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The directors are pleased to announce the results for the quarter period from 1 April 2015 to 30 June 2015 ("4QFY2015") and the results for the financial year ended 30 June 2015 ("FY2015"). The comparatives are for the quarter period from 1 April 2014 to 30 June 2014 ("4QFY2014") and the financial year ended 30 June 2014 ("FY2014"). These figures have not been audited.

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group					
	Note 8(A)	FY2015	FY2014	Change	4QFY2015	4QFY2014	Change
		RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	1	1,971,145	2,896,635	(32.0)	463,818	663,599	(30.1)
Cost of sales		(1,359,785)	(1,944,495)	(30.1)	(286,371)	(443,192)	(35.4)
Gross profit	2	611,360	952,140	(35.8)	177,447	220,407	(19.5)
Gross profit margin (%)		31.0%	32.9%	(1.9ppt)	38.3%	33.2%	5.1ppt
(Loss) / gain on fair value of biological assets less estimated point of sales cost	3	(16,650)	8,800	nm	(11,750)	8,800	nm
Other income	4	208,990	136,403	53.2	55,269	44,401	24.5
Selling and distribution expenses	5	(83,512)	(161,593)	(48.3)	(9,668)	(41,912)	(76.9)
Administrative expenses	6	(158,058)	(165,039)	(4.2)	(35,966)	(47,763)	(24.7)
Other expenses	7	(58,959)	(83,966)	(29.8)	(31,953)	(17,831)	79.2
Finance cost	8	(100,778)	(65,089)	54.8	(18,381)	(15,520)	18.4
Profit before income tax	9	402,393	621,656	(35.3)	124,998	150,582	(17.0)
Income tax	10	(81,916)	(112,199)	(27.0)	(41,977)	(24,700)	69.9
Profit for the year / period		320,477	509,457	(37.1)	83,021	125,882	(34.0)
Net profit margin (%)		16.3%	17.6%	(1.3ppt)	17.9%	19.0%	(1.1ppt)
Other comprehensive income / (loss) :							
Items that may be reclassified subsequently to profit or loss							
Currency translation (loss) / gain arising from consolidation		(9,296)	1,483	(>100)	968	1,516	(36.1)
Fair value gain / (loss) arising from cash flow hedge		28,887	(29,173)	(>100)	30,794	3,292	>100
Total comprehensive income for the year / period		340,068	481,767	(29.4)	114,783	130,690	(12.2)
Earnings per share (RMB)							
Basic		0.49	0.78	(37.1)	0.13	0.19	(34.0)
Diluted		0.49	0.78	(37.1)	0.13	0.19	(34.0)

nm: Not meaningful

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Profit before income tax

Profit before income tax is arrived at after charging / (crediting) the following:

	Group			
	FY2015	**FY2014**	**4QFY2015**	**4QFY2014**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Depreciation of property, plant and equipment	118,857	97,979	30,886	27,827
Property, plant and equipment written off	199	455	-	-
Amortisation of land use rights	3,106	2,888	777	762
Amortisation of land improvement costs	78,774	84,472	19,395	20,470
Amortisation of operating lease prepayments	59,426	63,680	14,527	15,978
Impairment allowance for trade receivables	19,330	19,287	10,485	6,325
Reversal of allowance for trade receivables	(8,475)	(10,481)	(4,926)	(7,894)
Loss / (gain) on fair value of biological assets less estimated point of sales cost	16,650	(8,800)	11,750	(8,800)
Amortisation of government grant	(10,475)	(30,534)	(1,732)	(1,530)
Interest income	(106,614)	(46,023)	(28,270)	(20,739)
Finance cost	100,778	65,089	18,381	15,520
Amortisation of capitalised expenses	4,526	3,926	1,102	1,189

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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	Unaudited 30.6.2015	Audited 30.06.2014	Unaudited 30.6.2015	Audited 30.06.2014
	RMB'000	RMB'000	RMB'000	RMB'000
Share capital and reserves				
Share capital	1,503,789	1,503,789	1,503,789	1,503,789
Statutory reserve fund	130,507	114,349	-	-
Employees' share option reserve	2,889	4,629	2,889	4,629
Translation (deficit) / surplus	(8,490)	806	(116,720)	(1,207)
Hedging deficit	(286)	(29,173)	(286)	(29,173)
Retained earnings/ (Accumulated losses)	3,604,600	3,625,355	(86,873)	46,509
TOTAL EQUITY	5,233,009	5,219,755	1,302,799	1,524,547
Non-current assets				
Deferred tax assets	6,000	6,000	-	-
Property, plant and equipment	2,019,844	2,130,446	1,158	1,408
Land use rights	131,487	134,741	-	-
Biological assets	142,150	158,800	-	-
Land improvement costs	88,139	175,249	-	-
Investment in subsidiaries	-	-	1,194,617	1,300,835
Operating lease prepayments	241,598	328,775	-	-
Loan to a subsidiary	-	-	774,853	860,948
Current assets				
Land use rights	3,125	2,977	-	-
Biological assets	23,109	20,948	-	-
Inventories	61,507	106,614	-	-
Trade receivables	421,095	476,607	-	-
Due from a subsidiary (non-trade)	-	-	519,452	283,989
Operating lease prepayments	56,518	63,418	-	-
Other receivables and prepayments	136,058	149,895	273	220
Cash and bank balances	4,261,919	3,267,417	6,569	56,073
Loan to a subsidiary	-	-	86,095	-
	4,963,331	4,087,876	612,389	340,282
TOTAL ASSETS	7,592,549	7,021,887	2,583,017	2,503,473

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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (Continued)

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30.6.2015	30.06.2014	30.6.2015	30.06.2014
	RMB'000	RMB'000	RMB'000	RMB'000
Current liabilities				
Trade payables	212,589	103,453	-	-
Other payables and accruals	320,805	124,640	213,793	20,338
Bank term loans	944,404	593,680	203,225	-
Income tax liabilities	7,098	820	7,098	820
Government grants	2,628	3,265	-	-
	1,487,524	825,858	424,116	21,158
Non-current liabilities				
Government grants	15,914	18,506	-	-
Bank term loans	810,816	903,595	810,816	903,595
Deferred tax liabilities	45,000	25,000	45,000	25,000
Derivative financial instruments	286	29,173	286	29,173
	872,016	976,274	856,102	957,768
TOTAL LIABILITIES	2,359,540	1,802,132	1,280,218	978,926
NET ASSETS	5,233,009	5,219,755	1,302,799	1,524,547

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1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Bank term loans

	Unaudited 30.6.2015 RMB'000	Audited 30.6.2014 RMB'000
Long term loan		
Interest bearing loan, unsecured [1]	922,068	922,068
Adjustments for		
- Loan expenses	(23,419)	(23,419)
- Currency alignment	(4,649)	1,026
	894,000	899,675
Add: Amortisation of loan expenses	8,446	3,920
Current	91,630	-
Non-current	810,816	903,595
Net carrying amount at end of period	902,446	903,595
Short term loan		
Interest bearing loans[2]		
- Unsecured	692,774	433,680
- Guaranteed [3]	160,000	160,000
	852,774	593,680
Total bank term loans	**1,755,220**	**1,497,275**

Note: (1) Interest rate for long-term bank loan is the aggregate of applicable USD LIBOR and 2.6% per annum.

Note: (2) Interest rates for short-term bank loans range from 3.204% to 9.276% (30 June 2014: 3.3% to 8.1%) per annum.

Note: (3) Sichuan Minzhong Organic Food Co., Ltd (a subsidiary of the Company) is providing guarantee for RMB160.0 million (30 June 2014: RMB160.0 million) short term bank loans to the Group.

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1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	FY2015	FY2014	4QFY2015	4QFY2014
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before income tax	402,393	621,656	124,998	150,582
Adjustments for:				
Depreciation of property, plant and equipment	118,857	97,979	30,886	27,827
Property, plant and equipment written off	199	455	-	-
Gain on disposal of operating lease prepayments and land improvement costs	(1,013)	-	-	-
Amortisation of land use rights	3,106	2,888	777	762
Amortisation of land improvement costs	78,774	84,472	19,395	20,470
Amortisation of operating lease prepayments	59,426	63,680	14,527	15,978
Impairment allowance for trade receivables	19,330	19,287	10,485	6,325
Reversal of allowance for trade receivables	(8,475)	(10,481)	(4,926)	(7,894)
Loss / (gain) on fair value of biological assets less estimated point of sales cost	16,650	(8,800)	11,750	(8,800)
Amortisation of government grant	(10,475)	(30,534)	(1,732)	(1,530)
Interest income	(106,614)	(46,023)	(28,270)	(20,739)
Interest expenses on bank term loans	105,304	69,015	19,483	16,709
Operating profit before working capital changes	677,462	863,594	197,373	199,690
Inventories	45,107	(37,217)	(4,591)	(11,932)
Biological assets	(2,161)	12,693	(663)	(2,883)
Trade receivables	44,657	612,555	(22,833)	44,780
Other receivables and prepayments	(16,793)	113,565	(35,327)	(16,325)
Trade payables	109,136	(200,245)	62,037	(43,347)
Other payables and accruals	189,212	24,902	160,262	(19,411)
Cash generated from operations	1,046,620	1,389,847	356,258	150,572
Income tax paid	(65,620)	(37,718)	(15,610)	(31,706)
Interest received	101,709	35,982	37,681	29,734
Net cash generated from operating activities	1,082,709	1,388,111	378,329	148,600

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1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Continued)

	Group			
	FY2015	**FY2014**	**4QFY2015**	**4QFY2014**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Cash flows from investing activities				
Purchase of property, plant and equipment	(22,584)	(98,682)	(6,772)	(19,897)
Refund from purchase of land use rights	43,840	48,160	26,040	48,160
Proceeds from construction deposits	11,051	348,000	-	-
Proceeds from disposal of operating lease prepayments and land improvement costs	44,000	-	-	-
Purchase of land use rights	-	(13,600)	-	(2,600)
Additional to operating lease prepayments	-	(20,304)	-	-
Net cash generated from investing activities	76,307	263,574	19,268	25,663
Cash flows from financing activities				
Proceeds from bank loans	1,066,248	1,663,156	159,800	185,591
Repayment of bank loans	(795,449)	(805,837)	(140,731)	(136,122)
Government grant received	7,246	27,216	925	718
Dividend paid	(326,814)	(32,026)	(190,642)	-
Interest paid	(88,908)	(65,020)	(6,511)	(15,520)
Pledged cash	-	41,195	-	-
Net cash (used in) / generated from financing activities	(137,677)	828,684	(177,159)	34,667
Net increase in cash and cash equivalents	**1,021,339**	**2,480,369**	**220,438**	**208,930**
Cash and cash equivalents at beginning of year / period	**3,267,417**	**785,236**	**4,040,384**	**3,059,425**
Effects of exchange rate changes in cash and cash equivalents	(26,837)	1,812	1,097	(938)
Cash and cash equivalents at end of year / period	**4,261,919**	**3,267,417**	**4,261,919**	**3,267,417**

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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 year.

Group	Share Capital RMB'000	Statutory reserve fund RMB'000	Employees' share option reserve RMB'000	Translation (deficit) / reserve RMB'000	Hedging reserve RMB'000	Retained earnings RMB'000	Total equity RMB'000
Balance at 1.7.2013	1,503,789	93,995	4,629	(677)	-	3,168,278	4,770,014
Profit for the year	-	-	-	-	-	509,457	509,457
Other comprehensive income / (loss), net of tax	-	-	-	1,483	(29,173)	-	(27,690)
Total comprehensive income for the year	-	-	-	1,483	(29,173)	509,457	481,767
Dividend declared from profits for FY2013	-	-	-	-	-	(32,026)	(32,026)
Appropriation to statutory reserve fund	-	20,354	-	-	-	(20,354)	-
Balance at 30.6.2014	1,503,789	114,349	4,629	806	(29,173)	3,625,355	5,219,755

Group	Share Capital RMB'000	Statutory reserve fund RMB'000	Employees' share option reserve RMB'000	Translation reserve / (deficit) RMB'000	Hedging reserve RMB'000	Retained earnings RMB'000	Total equity RMB'000
Balance at 1.7.2014	1,503,789	114,349	4,629	806	(29,173)	3,625,355	5,219,755
Profit for the year	-	-	-	-	-	320,477	320,477
Other comprehensive (loss) / income, net of tax	-	-	-	(9,296)	28,887	-	19,591
Total comprehensive income for the year	-	-	-	(9,296)	28,887	320,477	340,068
Dividend declared from profits for FY2014	-	-	-	-	-	(136,172)	(136,172)
Dividend declared from profits for FY2015	-	-	-	-	-	(190,642)	(190,642)
De-recognition of employees' share option reserve	-	-	(1,740)	-	-	1,740	-
Appropriation to statutory reserve fund	-	16,158	-	-	-	(16,158)	-
Balance at 30.6.2015	1,503,789	130,507	2,889	(8,490)	(286)	3,604,600	5,233,009

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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 year. (Continued)

Company

	Share Capital RMB'000	Employees' share option reserve RMB'000	Translation deficit RMB'000	Hedging reserve RMB'000	(Accumulated losses) / Retained earnings RMB'000	Total equity RMB'000
Balance at 1.7.2013	1,503,789	4,629	(19,040)	-	(112,078)	1,377,300
Profit for the year	-	-	-	-	190,613	190,613
Other comprehensive income / (loss), net of tax	-	-	17,833	(29,173)	-	(11,340)
Total comprehensive income for the year	-	-	17,833	(29,173)	190,613	179,273
Dividend declared from profits for FY2013	-	-			(32,026)	(32,026)
Balance at 30.6.2014	1,503,789	4,629	(1,207)	(29,173)	46,509	1,524,547

Company

	Share Capital RMB'000	Employees' share option reserve RMB'000	Translation deficit RMB'000	Hedging reserve RMB'000	Retained earnings / (Accumulated losses) RMB'000	Total equity RMB'000
Balance at 1.7.2014	1,503,789	4,629	(1,207)	(29,173)	46,509	1,524,547
Profit for the year	-	-	-	-	191,692	191,692
Other comprehensive (loss) / income, net of tax	-	-	(115,513)	28,887	-	(86,626)
Total comprehensive income for the year	-	-	(115,513)	28,887	191,692	105,066
Dividend declared from profits for FY2014	-	-	-	-	(136,172)	(136,172)
Dividend declared from profits for FY2015	-	-	-	-	(190,642)	(190,642)
De-recognition of employees' share option reserve	-	(1,740)	-	-	1,740	-
Balance at 30.6.2015	1,503,789	2,889	(116,720)	(286)	(86,873)	1,302,799

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held on treasury shares, 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.

None

1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.

		Resultant Issued and Paid Up Share Capital	
	Number of new Shares	Number of Shares	(S$'000)
As at 30 June 2014 and 30 June 2015	-	655,439,000	304,706

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current period reported on.

During the current financial year and the immediately preceding financial year, the Company does not have any outstanding treasury shares.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been reviewed or audited by the Group's auditors.

The figures are management figures prepared in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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 has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those used in the audited financial statements as of 30 June 2014.

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.

As per above point 4.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding for the respective periods.

	FY2015	FY2014	4QFY2015	4QFY2014
Based on weighted average number of ordinary shares on issue (RMB)	0.49	0.78	0.13	0.19
Weighted average number of shares (in thousands)	655,439	655,439	655,439	655,439

Diluted earnings per share

For the purpose of calculating diluted earnings per share, net profit attributable to equity holders of the Company and weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has dilutive potential share options.

	FY2015	FY2014	4QFY2015	4QFY2014
On a fully diluted basis (RMB)	0.49	0.78	0.13	0.19
Weighted average number of shares (in thousands)	655,794	655,951	655,882	655,821

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 financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30.6.2015	30.6.2014	30.6.2015	30.6.2014
Net asset value per ordinary share based on issued share capital at the end of the financial year (RMB):	7.98	7.96	1.99	2.33
No. of shares in computing NAV (in thousands)	655,439	655,439	655,439	655,439

8. 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.

REVIEW OF PERFORMANCE

(A) Consolidated Income Statement

1. Revenue

The following table provides a breakdown of our revenue by business segments in FY2015, FY2014, 4QFY2015 and 4QFY2014 respectively:-

	FY2015 RMB'000	%	FY2014 RMB'000	%	4QFY2015 RMB'000	%	4QFY2014 RMB'000	%
Processed Business Segment:								
- Processed vegetables	904,777	45.9	1,435,825	49.6	191,054	41.2	342,088	51.6
Subtotal	**904,777**	**45.9**	**1,435,825**	**49.6**	**191,054**	**41.2**	**342,088**	**51.6**
Cultivation Business Segment:								
- Fresh vegetables produce	663,664	33.7	956,726	33.0	172,579	37.2	199,234	30.0
- Mushroom spores(1)	77,268	3.9	136,897	4.7	-	-	-	-
Subtotal	**740,932**	**37.6**	**1,093,623**	**37.7**	**172,579**	**37.2**	**199,234**	**30.0**
Branded Business Segment:								
- Beverages	312,358	15.8	335,545	11.6	97,609	21.0	116,050	17.5
- Others(2)	13,078	0.7	31,642	1.1	2,576	0.6	6,227	0.9
Subtotal	**325,436**	**16.5**	**367,187**	**12.7**	**100,185**	**21.6**	**122,277**	**18.4**
Total revenue	**1,971,145**	**100.0**	**2,896,635**	**100.0**	**463,818**	**100.0**	**663,599**	**100.0**

Note:-
(1) Sales of mushroom spores.
(2) Miscellaneous products, such as instant food and health food products.

1.1 Revenue (FY2015 vs FY2014)

Revenue for FY2015 decreased by 32.0% or RMB925.5 million, to RMB1,971.1 million (FY2014: RMB2,896.6 million). This was mainly due to a decrease in sales of RMB531.0 million from the processed business segment and RMB352.7 million from the cultivation business segment.

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

1.1 Revenue (FY2015 vs FY2014) (Continued)

Revenue of processed business segment decreased by 37.0% or RMB531.0 million, to RMB904.8 million (FY2014: RMB1,435.8 million), due to decrease in sales volume by 37.5% or 13,666 tons, to 22,742 tons (FY2014: 36,408 tons) as a result of weakened demand for processed vegetables.

Revenue from the sales of fresh vegetables decreased by 30.6% or RMB293.0 million, to RMB663.7 million (FY2014: RMB956.7 million) mainly due to decline in sales volume by 39.7% or 133,481 tons, to 203,128 tons (FY2014: 336,609 tons) offset by increase in average selling price ("ASP") by 15%. The scarcity of rural labour have resulted in the decline of fresh vegetables volume output.

Revenue from trading of mushroom spores decreased by 43.6% or RMB59.6 million, to RMB77.3 million (FY2014: RMB136.9 million), due to decline in sales volume by 41.8% or 16,849 tons, to 23,415 tons (FY2014: 40,264 tons), as a result of shortage of rural labour for cultivation activities.

1.2 Revenue (4QFY2015 vs 4QFY2014)

Revenue for 4QFY2015 declined by 30.1% or RMB199.8 million, to RMB463.8 million (4QFY2014: RMB663.6 million). The decline was due to a decrease in sales of RMB151.0 million from the processed business segment, RMB26.7 million from the cultivation business segment, and RMB22.1 million from the branded business segment.

Revenue of processed business segment decreased by 44.2% or RMB151.0 million, to RMB191.1 million (4QFY2014: RMB342.1 million), primarily due to decrease in sales volume by 50.6% or 3,533 tons, to 3,445 tons (4QFY2014: 6,978 tons) as a result of weakened demand for processed vegetables.

Revenue from the sales of fresh vegetables decreased by 13.4% or RMB26.6 million, to RMB172.6 million (4QFY2014: RMB199.2 million) mainly due to decline in sales volume by 29.7% or 22,702 tons, to 53,740 tons (4QFY2014: 76,442 tons) offset by increase in average selling price ("ASP") by 23.2%. The scarcity of rural labour have resulted in the decline of fresh vegetables volume output.

Revenue from beverage business decreased by 15.9% or RMB18.5 million to RMB97.6 million (4QFY2014: RMB116.1 million). Sales volume for 4QFY2015 decreased by 14.6% or 8.2 million units to 48.1 million units (4QFY2014: 56.3 million units). There was a surge in sales in the previous comparative period as a result from more aggressive marketing/branding promotion of beverage products.

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

2. Gross Profit

The following table provides a breakdown of our gross profit by business segments in FY2015, FY2014, 4QFY2015 and 4QFY2014 respectively:-

	FY2015 RMB'000	%	FY2014 RMB'000	%	4QFY2015 RMB'000	%	4QFY2014 RMB'000	%
Processed Business Segment:								
- Processed vegetables	222,802	36.5	387,877	40.7	60,216	33.9	85,649	38.9
Subtotal	**222,802**	**36.5**	**387,877**	**40.7**	**60,216**	**33.9**	85,649	**38.9**
Cultivation Business Segment:								
- Fresh vegetables produce	239,227	39.1	404,617	42.5	70,729	39.9	80,725	36.6
- Mushroom spores[(1)]	5,567	0.9	31,438	3.3	-	-	-	-
Subtotal	**244,794**	**40.0**	**436,055**	**45.8**	**70,729**	**39.9**	**80,725**	**36.6**
Branded Business Segment:								
- Beverages	143,244	23.4	132,317	13.9	46,274	26.1	55,025	25.0
- Others[(2)]	520	0.1	(4,109)	(0.4)	228	0.1	(992)	(0.5)
Subtotal	**143,764**	**23.5**	**128,208**	**13.5**	**46,502**	**26.2**	**54,033**	**24.5**
Total gross profit	**611,360**	**100.0**	**952,140**	**100.0**	**177,447**	**100.0**	**220,407**	**100.0**

Note:-
(1) Sales of mushroom spores.
(2) Miscellaneous products, such as instant food and health food products.

2.1 Gross Profit (FY2015 vs FY2014)

Gross profit for FY2015 decreased by 35.8% or RMB340.7 million, to RMB611.4 million (FY2014: RMB952.1 million), Overall gross profit margin for decreased by 1.9ppt to 31.0% (FY2014: 32.9%).

Gross profit of processed business segment decreased by 42.6% or RMB165.1 million, to RMB222.8 million (FY2014: RMB387.9 million), in tandem with the decrease in revenue. Gross profit margin for processed business segment decreased by 2.4ppt to 24.6% (FY2014: 27.0%), primarily due to an increase in raw materials costs.

Gross profit from cultivation business segment decreased by 43.9% or RMB191.3 million, to RMB244.8 million (FY2014: RMB436.1 million), in tandem with the decrease in revenue. Gross profit margin for cultivation business segment decreased by 6.9ppt to 33.0% (FY2014: 39.9%), primarily due to an increase in labour costs. While gross profit from beverage business has remained relatively constant at RMB143.2 million.

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

2.2 Gross Profit (4QFY2015 vs 4QFY2014)

Gross profit for 4QFY2014 decreased by 19.5% or RMB43.0 million, to RMB177.4 million (4QFY2014: RMB220.4 million), Overall gross profit margin for 4QFY2014 had increased by 5.1ppt to 38.3% (4QFY2014: 33.2%).

Gross profit of processed vegetables business segment decreased by 29.7% or RMB25.4 million, to RMB60.2 million (4QFY2014: RMB85.6 million), in tandem with the decrease in revenue. Gross profit margin for processed vegetables business segment increased by 6.5ppt to 31.5% (4QFY2014: 25.0%), primarily due to change in product mix.

Gross profit from cultivation business segment decreased by 12.4% or RMB10.0 million, to RMB70.7 million (4QFY2014: RMB80.7 million), in tandem with the decrease in revenue. Gross profit margin for cultivation business segment increased by 0.5ppt to 41.0% (4QFY2014: 40.5%), primarily due to change in product mix.

Gross profit from beverage business decreased by 15.8% or RMB8.7 million, to RMB46.3 million (4QFY2014: RMB55.0 million), in tandem with the decrease in revenue. Gross profit margin for beverage business has remained relatively constant.

3. (Loss) / gain on fair value of biological assets less estimated point of sales cost

The loss on fair value of biological assets of RMB16.65 million, was due to natural progression over the remaining lease term of the bamboo plantation, through realising the actual returns by recognising sales from harvesting during this financial year.

4. Other income

The breakdown of other income is as follows:

Other income	**FY2015**	**FY2014**	**4QFY2015**	**4QFY2014**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Interest income	106,614	46,023	28,270	20,739
Rental income(1)	73,838	47,932	20,288	13,559
Government grants	10,475	30,534	1,733	1,530
Gain on disposal of scrap materials	646	1,230	52	679
Reversal of allowance for doubtful debts	8,475	10,481	4,926	7,894
Gain on disposal of operating lease prepayments and land improvement costs	1,013	-	-	-
Others	7,929	205	-	-
Total	**208,990**	**136,403**	**55,269**	**44,401**

Note:-
(1) Comprise of proceeds from renting of farmland and building spaces to third parties

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

4.1 Other income (FY2015 vs FY2014)

Other income increased by 53.2% or RMB72.6 million, to RMB209.0 million (FY2014: RMB136.4 million), mainly due to increase in interest income of RMB60.6 million, increase in rental income of RMB25.9 million, refund of property tax of RMB7.5 million offset by decrease in government grants of RMB20.0 million received.

4.2 Other income (4QFY2015 vs 4QFY2014)

Other income increased by 24.5% or RMB10.9 million, to RMB55.3 million (4QFY2014: RMB44.4 million), mainly due to increase in interest income of RMB7.6 million from bank deposits and increase in rental income of RMB6.7 million offset by decrease in reversal of allowance for doubtful debts of RMB3.0 million.

5.1 Selling and distribution expenses (FY2015 vs FY2014)

Selling and distribution expenses decreased by 48.3% or RMB78.1 million, to RMB83.5 million (FY2014: RMB161.6 million), mainly due to decrease in marketing and advertising expenses of RMB67.4 million.

5.2 Selling and distribution expenses (4QFY2015 vs 4QFY2014)

Selling and distribution expenses decreased by 76.9% or RMB32.2 million, to RMB9.7 million (4QFY2014: RMB41.9 million), mainly due to decrease in marketing and advertising expenses of RMB24.6 million.

6.1 Administrative expenses (FY2015 vs FY2014)

Administrative expenses have remained relatively constant at RMB158.1 million.

6.2 Administrative expenses (4QFY2015 vs 4QFY2014)

Administrative expenses decreased by 24.7% or RMB11.8 million, to RMB36.0 million (4QFY2014: RMB47.8 million), mainly due to decrease in professional fees of RMB1.9 million and decrease in salary costs of RMB9.3 million.

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

7. Other expenses

The breakdown of other expenses is as follows:

Other expenses	FY2015	FY2014	4QFY2015	4QFY2014
	RMB'000	RMB'000	RMB'000	RMB'000
Rental expenses	60,437	39,502	16,492	11,053
Allowance for doubtful trade debts	19,330	19,288	10,485	6,325
Exchange (gain) / loss, net	(22,764)	8,022	4,097	(3,068)
Loss of biological assets	-	4,651	-	206
Others	1,956	12,503	879	3,315
Total	**58,959**	**83,966**	**31,953**	**17,831**

7.1 Other expenses (FY2015 vs FY2014)

Other expenses decreased by 29.8% or RMB25.0 million to RMB59.0 million (FY2014: RMB84.0 million), mainly due to decrease in exchange loss of RMB30.8 million and other expenses of RMB10.5 million offset by increase in rental expenses of RMB20.9 million.

7.2 Other expenses (4QFY2015 vs 4QFY2014)

Other expenses increased by 79.2% or RMB14.1 million to RMB32.0 million (4QFY2014: RMB17.8 million), mainly due to increase in rental expenses of RMB5.5 million and exchange loss of RMB7.2 million.

8.1 Finance cost (FY2015 vs FY2014)

Finance cost increased by 54.8% or RMB35.7 million, to RMB100.8 million (FY2014: RMB65.1 million) due to increased bank borrowings.

8.2 Finance cost (4QFY2015 vs 4QFY2014)

Finance cost increased by 18.4% or RMB2.9 million, to RMB18.4 million (4QFY2014: RMB15.5 million) due to increased bank borrowings.

9.1 Profit before income tax (FY2015 vs FY2014)

Profit before income tax decreased by 35.3% or RMB219.3 million, to RMB402.4 million (FY2014: RMB621.7 million) in tandem with lower gross profit.

9.2 Profit before income tax (4QFY2015 vs 4QFY2014)

Profit before income tax decreased by 17.0% or RMB25.6 million, to RMB125.0 million (4QFY2014: RMB150.6 million) in tandem with lower gross profit.

REVIEW OF PERFORMANCE (Continued)

(A) Consolidated Income Statement (Continued)

10.1 Income tax expense (FY2015 vs FY2014)

Income tax expense decreased by 27.0% or RMB30.3 million, to RMB81.9 million (FY2014: RMB112.2 million), in tandem with the decrease of profit before tax.

10.2 Income tax expense (4QFY2015 vs 4QFY2014)

Income tax expense increased by 69.9% or RMB17.3 million, to RMB42.0 million (4QFY2014: RMB24.7 million), mainly due to withholding tax of RMB20 million.

11.1 EBITDA (FY2015 vs FY2014)

EBITDA decreased by 23.4% or RMB207.0 million, to RMB677.9 million (FY2014: RMB884.9 million).

11.2 EBITDA (4QFY2015 vs 4QFY2014)

EBITDA decreased by 4.6% or RMB9.3 million, to RMB193.5 million (4QFY2014: RMB202.8 million).

A reconciliation of the net income and EBITDA is as follows:

	FY2015 RMB'000	FY2014 RMB'000	4QFY2015 RMB'000	4QFY2014 RMB'000
Net income	**320,477**	**509,457**	**83,021**	**125,882**
Add / (Less):				
Finance cost	100,778	65,089	18,381	15,520
Interest income	(106,614)	(46,023)	(28,270)	(20,739)
Income tax expense	81,916	112,199	41,977	24,700
Depreciation of property, plant and equipment	118,857	97,979	30,886	27,827
Amortisation of land use right	3,106	2,888	777	762
Amortisation of land improvement costs	78,774	84,472	19,395	20,470
Amortisation of operating lease prepayments	59,426	63,680	14,527	15,978
Amortisation of capitalised expense	4,526	3,924	1,102	1,189
Loss / (Gain) on fair value of biological assets less estimated point-of-sales cost	16,650	(8,800)	11,750	(8,800)
EBITDA	**677,896**	**884,865**	**193,546**	**202,789**
EBITDA margins	**34.4%**	**30.5%**	**41.7%**	**30.6%**

REVIEW OF PERFORMANCE (Continued)

(B) Consolidated Balance Sheet (30 June 2015 vs 30 June 2014)

Non-current assets

Non-current assets decreased by 10.4% or RMB304.8 million to RMB2,629.2 million (30 June 2014: RMB2,934.0 million), primarily due to amortisation and depreciation expenses.

Current assets

Current assets increased by 21.4% or RMB875.5 million to RMB4,963.3 million (30 June 2014: RMB4,087.9 million), primarily due to increase in cash and bank balances of RMB994.5 million offset by a decline in trade and other receivables and inventories of RMB69.3 million and RMB45.1 million respectively. The increased in cash and bank balances was mainly due to collections from trade debtors over the financial year.

Non-current liabilities

Non-current liabilities decreased by RMB104.3 million to RMB872.0 million (30 June 2014: RMB976.3 million), mainly due to decreased in long term bank loan of RMB92.8 million.

Current liabilities

Current liabilities increased by 80.1% or RMB661.7 million, to RMB1,487.5 million (30 June 2014: RMB825.9 million), mainly attributable to increase in short term bank borrowings of RMB350.7 million and increased in trade and other payables of RMB305.3 million.

Working capital days

Days	**FY2015**	**FY2014**
Trade Receivables Turnover (1)	83	99
Trade Payables Turnover (2)	(42)	(38)
Inventory Turnover (3)	36	25
Cash Conversion	77	86

The improved cash conversion days was mainly due to the healthy receipts of the trade receivables.

Note:-
(1) Average trade receivables / revenue X 365 days
(2) Average trade payables / cost of goods sold X 365 days
(3) Average inventory balance / cost of goods sold for processed products x 365 days

REVIEW OF PERFORMANCE (Continued)

(C) Consolidated Cash Flow Statement

FY2015

For the financial year ended 30 June 2015, net cash generated from operating activities amounts to RMB1,082.7 million. This comprises cash generated from operating activities before changes in working capital of RMB677.5 million, net working capital inflow of RMB369.1 million, income tax of RMB65.6 million paid and interest income of RMB101.7 million received. The net working capital inflow was a result of an decrease in inventories of RMB45.1 million, a increased in biological assets of RMB2.2 million; a decrease in trade and other receivables of RMB27.9 million and increase in trade and other payables of RMB298.3 million.

For the financial year ended 30 June 2015, net cash generated from investing activities of RMB76.3 million was mainly attributable to proceeds from disposal of operating lease prepayments of RMB44 million, refund of deposits for land use right and construction of an aggregate amount of RMB54.9 million, offset by property, plant and equipment additions of RMB22.6 million.

For the financial year ended 30 June 2015, net cash used in financing activities of RMB137.7 million was mainly attributable to net proceeds from bank loans of RMB270.8 million, offset by interest expenses paid for the bank loans of RMB88.9 million and dividend payout of RMB326.8 million.

4QFY2015

For the 3 months ended 30 June 2015, net cash generated from operating activities amounts to RMB378.3 million. This comprises cash generated from operating activities before changes in working capital of RMB197.4 million, net working capital inflow of RMB158.8 million, income tax of RMB15.6 million paid and interest income of RMB37.7 million received. The net working capital inflow was a result of an increase in inventories of RMB4.6 million, an increased in biological assets of RMB0.7 million; an increased in trade and other receivables of RMB58.2 million and increase in trade and other payables of RMB222.3 million.

For the 3 months ended 30 June 2015, net cash generated from investing activities of RMB19.3 million was attributable to refund of deposits for land use rights of RMB26 million offset by property, plant and equipment additions of RMB6.8 million.

For the 3 months ended 30 June 2015, net cash used in financing activities of RMB177.2 million was mainly attributable to net proceeds from bank loans of RMB19.1 million offset by interest expenses paid for the bank loans of RMB6.5 million.

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

No forecast had been issued for the financial period under review.

10. A commentary at the date of the announcement of the significant trends and 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.

On the back of rising urbanization and declining rural labour, the cultivation and processed business segments will continue to face challenges ahead in view of the shortage of rural labour for cultivation activities and rising costs. However the agriculture industry in PRC continues to be strongly supported and favoured by the PRC government, particularly in the use of modern agriculture technology to increase food security.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

There is no final dividend to be declared for FY2015. On 9 June 2015, interim one-tier tax exempt dividend in respect of the financial year ending 30 June 2015 has been declared and announced.

Interim dividend

Name of Dividend	: Interim
Dividend Type	: Cash
Dividend Rate	: S$0.0643 per share
Number of shares	: 655,439,000
Tax rate	: Tax exempt one-tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

There was no final dividend declared for FY2014. On 2 July 2014, interim one-tier tax exempt dividend in respect of the financial year ended 30 June 2014 has been declared and announced.

Interim dividend

Name of Dividend	: Interim
Dividend Type	: Cash
Dividend Rate	: S$0.0419 per share
Number of shares	: 655,439,000
Tax rate	: Tax exempt one-tier

(c) Date payable

29 June 2015

(d) Books closure date

17 June 2015

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

Not applicable.

13. Present on-going interested person transactions

For the financial year ended 30 June 2015, the Group has been supplying processed vegetables to the Company's immediate holding company, PT Indofood Sukses Makmur Tbk. These sales, amounting to RMB2.5 million, were transacted on an arm's length basis in the ordinary and usual course of business. To date, no interested person transactions ("IPT") mandate has been obtained.

14. A breakdown of sales as follows:-

	FY2015 RMB'000	FY2014 RMB'000	Decrease %
(a) Sales reported for first half year	1,021,505	1,542,757	33.8%
(b) Operating profit for first half year	134,554	306,993	56.2%
(c) Sales reported for second half year	949,640	1,353,878	29.9%
(d) Operating profit for second half year	235,236	318,515	26.1%

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Operating segments are identified on the basis of internal reports about operating divisions of the Group that are regularly reviewed by the Board of Directors for the purpose of resource allocation and performance assessment.

The Group is organised on a worldwide basis into three main operating divisions, namely:
- Processed business segment, which is the processing and sale of processed vegetables;
- Cultivation business segment, which is the production and sales of fresh vegetable produce and trading of mushroom spores;
- Branded business segment, which is the production and sales of branded beverages, instant food, and health food products.

(a) Operating segments

Inter-segment pricing is on arm's length basis. Unallocated costs represent corporate expenses. Segments assets consist primarily of property, plant, equipment, lease payments, inventories, and receivables. Segments liabilities comprise payables, provisions and government grants.

(b) Geographical information

The Group operates in two geographical areas:

- Singapore – the Company is headquartered and has operations in Singapore. The operations in this area is primarily investment holding.

- People's Republic of China – the operations in this area are principally the production and sales of processed products and fresh produce.

Operations in People's Republic of China contributed 100% of consolidated revenue. Revenue is based on the country in which the customer is located, regardless of where the goods are delivered. Assets and additions to property, plant and equipment are based on the location of those assets.

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (Continued)

(a) Operating segments

2015	Processed business segment	Cultivation business segment	Branded business segment	Group
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue				
External sales	904,777	740,932	325,436	1,971,145
Results	141,609	200,479	42,640	384,728
Unallocated expenses				(14,938)
Operating profit				369,790
Loss on fair value of biological assets less estimated point of sales cost		(16,650)		(16,650)
Other income				208,990
Other expenses				(58,959)
Financial cost				(100,778)
Profit before income tax				402,393
Segment assets	1,690,482	1,104,366	467,156	3,262,004
Unallocated assets				
- Construction in progress				62,353
- Other receivables and prepayments				273
- Cash and bank balances				4,261,919
- Deferred tax assets				6,000
Total assets				7,592,549
Segment liabilities	200,779	39,454	85,932	326,165
Unallocated liabilities				
- Other payables and accruals				214,327
- Government grants				18,542
- Bank loans				1,755,220
- Derivative financial instruments				286
- Deferred tax liabilities				45,000
Total liabilities				2,359,540

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (Continued)

(a) Operating segments (Continued)

2015

	Processed business segment	Cultivation business segment	Branded business segment	Group
	RMB'000	RMB'000	RMB'000	RMB'000
Other segment items				
Capital expenditure				
- Property, plant and equipment, including transfers in from construction in progress	181,844	22,390	61,379	265,613
- Construction in progress (unallocated)	-	-	-	8,329
Depreciation and amortization	59,602	178,684	21,877	260,163

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (Continued)

(a) Operating segments (Continued)

2014	Processed business segment	Cultivation business segment	Branded business segment	Group
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue				
External sales	1,435,825	1,093,623	367,187	2,896,635
Results	315,107	388,418	(43,341)	660,184
Unallocated expenses				(34,676)
Operating profit				625,508
Gain on fair value of biological assets less estimated point of sales cost		8,800		8,800
Other income				136,403
Other expenses				(83,966)
Financial cost				(65,089)
Profit before income tax				621,656
Segment assets	1,602,694	1,355,281	470,875	3,428,850
Unallocated assets				
- Construction in progress				319,400
- Other receivables and prepayments				220
- Cash and bank balances				3,267,417
- Deferred tax assets				6,000
Total assets				7,021,887
Segment liabilities	103,693	45,738	58,611	208,042
Unallocated liabilities				
- Other payables and accruals				20,871
- Government grants				21,771
- Bank loans				1,497,275
- Derivative financial instruments				29,173
- Deferred tax liabilities				25,000
Total liabilities				1,802,132

(a) Operating segments (Continued)

2014	Processed business segment	Cultivation business segment	Branded business segment	Group
	RMB'000	RMB'000	RMB'000	RMB'000
Other segment items				
Capital expenditure				
- Property, plant and equipment, including transfers in from construction in progress	316,727	128,802	78,127	523,656
- Construction in progress (unallocated)	-	-	-	119,441
- Operating lease prepayments	-	20,304	-	20,304
- Land use rights, including transfers in from prepayments	-	3,100	11,000	14,100
Depreciation and amortization	49,766	181,669	17,584	249,019

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (Continued)

(b) Geographical information

Revenue is based on the location of customers.

	Revenue	
	FY2015	FY2014
Overseas based customers:	RMB'000	RMB'000
America	169,783	134,848
Europe	37,249	48,526
Asia (excluding the PRC) and other regions [(1)]	209,267	217,442
Subtotal	416,299	400,816
PRC based customers [(2)]	1,554,846	2,495,819
Total revenue	1,971,145	2,896,635

Note [(1)]: These other regions include countries along the Asia-Pacific Rim and other countries such as South Africa and New Zealand.

Note [(2)]: Including PRC domestic distributors and export distributors

Non-current assets are mainly based in the PRC.

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

See paragraphs in 8(A) above.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

(S$)	FY2015	FY2014
First and Final Dividend, paid	-	-
Interim Dividend, declared	42,144,727	27,462,894

18. 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

None.

19. Proceeds Usage Report

The Company refers to the net proceeds amounted to S$85.2 million raised from the allotment and issuance of 98,000,000 New Shares to PT Indofood Sukses Makmur Tbk, at S$0.915 per New Share, on 27 February 2013.

As at the date of this announcement, the utilisation of the net proceeds is as follows:

Intended Use	**Amount allocated**	**Amount utilised (S$' million)**
Expansion of the Group's industrialised farming operation	70.0	70.0
General working capital	15.2	15.2
Total	**85.2**	**85.2**

BY ORDER OF THE BOARD

LIN GUO RONG
Chief Executive Officer
29 July 2015