YAMADA GREEN RESOURCES LIMITED

(Company Registration Number 201002962E)
(Incorporated in the Republic of Singapore)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FULL YEAR ENDED 30 JUNE 2018

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

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

	Group		
	#2018 (Unaudited) RMB'000	**#2017 (Unaudited) RMB'000**	Increase/ (Decrease) **%**
Revenue	107,101	224,072	(52.2)
Cost of sales	(105,265)	(396,703)	(73.5)
Gross profit / (loss)	1,836	(172,631)	n.m.
Other operating income	5,218	4,724	10.5
Fair value gain on investment properties	66,815	-	n.m.
Refunds from termination of unexpired prepaid leases of eucalyptus plantations	4,390	-	n.m.
Loss from changes in fair value of biological assets	-	(99,229)	n.m.
Reversal of impairment loss on leasehold property	532	-	n.m.
Impairment loss on leasehold property	-	(924)	n.m.
Selling and distribution expenses	(2,511)	(6,698)	(62.5)
Administrative expenses	(23,440)	(24,025)	(2.4)
Other operating expenses	(484)	(2,100)	(77.0)
Investment properties written off	(2,124)	-	n.m.
Loss on disposal of biological assets	-	(1,753)	n.m.
Prepayments written-off	-	(334,548)	n.m.
Unaccountable expenses	(1,675)	(139,774)	(98.8)
Finance costs	(261)	(112)	133.0
Share of loss of associates	(566)	(977)	(42.1)
Profit / (loss) before taxation	47,730	(778,047)	n.m.
Taxation	(18,594)	348	n.m.
Profit / (loss) after taxation	29,136	(777,699)	n.m.
Other comprehensive income			
Item that will never be reclassified subsequently to profit or loss			
Revaluation of property, plant and equipment - leasehold properties	35,775	-	n.m.
Total comprehensive income	35,775	-	n.m.
Total comprehensive income / (expense) for the year attributable to:			
Owners of the Company	64,911	(777,699)	n.m.
Earnings / (loss) per share (RMB cents)			
- Basic	16.5	(442.5)	
- Diluted	16.5	(442.5)	

*n.m. – not meaningful

The books and financial records of all the subsidiaries in PRC ("China subsidiaries") and a Hong Kong subsidiary of the Group for FY2017 and the first 2 months of FY2018 were destroyed by the outbreak of the fire on 30 August 2017. Details of the fire accident could be found in the announcement dated 4 September 2017.
The financial statements for FY2017 and the first 2 months of FY2018 was reconstructed based on available information and data from relevant sources (customers, contractors, suppliers and banks) and notarized letter of confirmations of amounts owing between the counter-parties and the China subsidiaries.
Although the management believed that the method of reconstruction is the most appropriate, the Board is unable to determine the completeness of the recording of the transactions that occurred during FY2017 and the transactions that occurred during the first 2 months of FY2018.

The profit/(loss) before taxation of the group is arrived at after (charging)/crediting the following:

	Group		
	2018 (Unaudited) RMB'000	**2017 (Unaudited) RMB'000**	**Increase / (Decrease) %**
Amortisation of land use rights	(542)	(542)	-
Amortisation of biological assets	(193)	(7,380)	(97.4)
Amortisation of intangible assets	(5)	(600)	(99.2)
Amortisation of prepayments	-	(47,435)	n.m.
Depreciation of property, plant and equipment	(1,169)	(3,927)	(70.2)
Depreciation of investment properties	(2,082)	-	n.m.
Reversal of impairment loss / (Impairment loss) on leasehold property	532	(924)	n.m.
Intangible assets written off	-	(2,100)	n.m.
Investment properties written off	(2,124)	-	n.m.
Loss from changes in fair value of biological assets	-	(99,229)	n.m.
Loss on disposal of biological assets	-	(1,753)	n.m.
Prepayments written-off	-	(334,548)	n.m.
Unaccountable expenses	(1,675)	(139,774)	(98.8)
Exchange gain, net	84	55	52.7
Fair value gain on investment properties	66,815	-	n.m.
Interest income	-	6	n.m.
Interest expense	(261)	(112)	133.0
Government subsidies	1,816	2,370	(23.4)
Rental income	2,792	2,243	24.5

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

	Group		Company	
	30 June 18 (Unaudited) RMB'000	30 June 17 (Unaudited) RMB'000	30 June 18 (Unaudited) RMB'000	30 June 17 (Unaudited) RMB'000
Non-current assets				
Property, plant and equipment	71,179	25,375	8,395	7,974
Biological assets	-	68,117	-	-
Land use rights	22,931	23,473	-	-
Intangible assets	34	-	-	-
Investment properties	173,352	108,820	-	-
Investments in subsidiaries	-	-	149,762	149,762
Investments in associates	43,423	43,989	-	-
Deferred tax assets	-	2,005	-	-
Total non-current assets	310,919	271,779	158,157	157,736
Current assets				
Biological assets	-	-	-	-
Inventories	27,819	20,988	-	-
Trade and other receivables	54,820	141,775	154,077	153,215
Prepayments	126	18	126	18
Cash and bank balances	10,540	6,628	370	2,131
Total current assets	93,305	169,409	154,573	155,364
Total assets	**404,224**	**441,188**	**312,730**	**313,100**
Equity				
Share capital	322,210	322,210	322,210	322,210
Share-based payment reserve	2,016	2,016	2,016	2,016
Revaluation reserve	35,775	-	-	-
Statutory reserve	71,135	71,135	-	-
Accumulated losses	(138,503)	(167,639)	(23,695)	(19,358)
Total equity attributable to owners of the Company	292,633	227,722	300,531	304,868
Non-current liabilities				
Bank borrowings	4,509	4,843	4,509	4,843
Deferred tax liabilities	32,126	3,711	-	-
Total non-current liabilities	36,635	8,554	4,509	4,843
Current liabilities				
Trade and other payables	70,557	204,449	7,312	3,009
Bank borrowings	4,378	380	378	380
Current income tax payable	21	83	-	-
Total current liabilities	74,956	204,912	7,690	3,389
Total liabilities	**111,591**	**213,466**	**12,199**	**8,232**
Total equity and liabilities	**404,224**	**441,188**	**312,730**	**313,100**

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

Amount repayable in one year or less, or on demand

As at 30 June 2018 (Unaudited)		As at 30 June 2017 (Unaudited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
4,378	NA	380	NA

Amount repayable after one year

As at 30 June 2018 (Unaudited)		As at 30 June 2017 (Unaudited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
4,509	NA	4,843	NA

Details of any collateral

The Company's wholly-owned subsidiary, Fujian Wangsheng Industrial Co., Ltd. ("Wangsheng"), has credit facilities (the "Facilities") up to an aggregate principal amount of RMB20 million granted by Postal Savings Bank of China (the "Bank"). Wangsheng has pledged its buildings and land use rights as collateral for the Facilities in favour of the Bank. The Executive Chairman and Chief Executive Officer (the "CEO") of the Company and his wife have jointly and severally provided a personal guarantor for the facility offered by Postal Savings Bank of China.

During the financial year, Wangsheng drew down an aggregate amount of RMB4.0 million granted by the Bank for general working capital purposes.

In addition, the Company has taken a mortgage loan of approximately S$1.3 million granted by Hong Leong Finance to finance the acquisition of an office unit at GSH Plaza in Singapore ("Acquisition"). The loan tenure is 15 years. During the financial year, the Company drew down an aggregate amount of approximately S$1.2 million for the financing of the Acquisition.

As at 30 June 2018, the Group's outstanding loan amount was approximately RMB8.9 million, of which approximately RMB4.4 million are repayable within 1 year and the rest of the loan amount are repayable after 1 year.

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

	Group	
	2018 (Unaudited) RMB'000	**2017 (Unaudited) RMB'000**
Cash flows from operating activities:		
Profit / (loss) before taxation	47,730	(778,047)
Adjustments for:		
Amortisation of biological assets	193	7,380
Amortisation of land use rights	542	542
Amortisation of intangible assets	5	600
Amortisation of prepayments	-	47,435
Depreciation of property, plant and equipment	1,169	3,927
Depreciation of investment properties	2,082	-
Fair value gain on investment properties	(66,815)	-
Intangible assets written off	-	2,100
Investment properties written off	2,124	-
Interest expense	261	112
Interest income	-	(6)
Loss from changes in fair value of biological assets	-	99,229
Loss on disposal of biological assets	-	1,753
(Reversal of impairment loss) / Impairment loss on leasehold property	(532)	924
Prepayments written off	-	334,548
Share of loss / (profit) of associates	566	977
Exchange gain	(84)	(55)
Unaccountable expenses	-	135,091
Operating cash flows before working capital changes	(12,759)	(143,490)
Working capital changes:		
Biological assets	67,924	-
Inventories	(6,831)	(5,520)
Trade and other receivables	86,847	(65,834)
Trade and other payables	(133,891)	189,834
Cash generated from / (used in) operations	1,290	(25,010)
Interest received	-	6
Income tax paid	(162)	(3,141)
Net cash generated from / (used in) operating activities	1,128	(28,145)
Cash flows from investing activities:		
Proceeds from disposal of biological assets	-	10,809
Acquisition of property, plant and equipment	(664)	(8,354)
Acquisition of intangible assets	(39)	-
Net cash (used in) / generated from investing activities	(703)	2,455
Cash flows from financing activities:		
Proceeds from issuance of placement shares, net of issue costs	-	20,864
Proceeds from bank borrowings	4,160	3,249
Repayment of bank borrowings	(388)	(1,554)
Interest paid	(261)	(112)
Dividends paid	-	(1,401)
Net cash generated from financing activities	3,511	21,046
Net increase / (decrease) in cash and cash equivalents	3,936	(4,644)
Cash and cash equivalents at beginning of the financial year	6,628	11,143
Effect of foreign exchange rate changes on cash and cash equivalents	(24)	129
Cash and cash equivalents at end of the financial year	10,540	6,628

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					
(RMB'000)	**Share capital**	**Share-based payment reserve**	**Statutory reserve**	**Revaluation reserve**	**Accumulated (losses) / profit**	**Total equity**
2018 (Unaudited)						
Balance at 1 July 2017	322,210	2,016	71,135	-	(167,639)	227,722
Profit for the financial year	-	-	-		29,136	29,136
Other comprehensive income for the year	-	-	-	35,775	-	35,775
Total comprehensive income for the year	-	-	-	35,775	29,136	64,911
Balance as at 30 June 2018	322,210	2,016	71,135	35,775	(138,503)	292,633
2017 (Unaudited)						
Balance at 1 July 2016	301,346	2,016	71,135	-	611,461	985,958
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	-	(777,699)	(777,699)
Contribution by and distributions to owners of the Company						
Dividend paid during the year	-	-	-	-	(1,401)	(1,401)
Issue of placement shares	21,087	-	-	-	-	21,087
Share issue expenses	(223)	-	-	-	-	(223)
Total contributions by and distribution to owners of the Company	20,864	-	-	-	(1,401)	19,463
Balance as at 30 June 2017	322,210	2,016	71,135	-	(167,639)	227,722

	Company			
(RMB'000)	**Share capital**	**Share based payment reserve**	**Accumulated (losses) / profits**	**Total equity**
2018 (Unaudited)				
Balance as at 1 July 2017	322,210	2,016	(19,358)	304,868
Loss for the financial year	-	-	(4,337)	(4,337)
Total comprehensive expense for the year	-	-	(4,337)	(4,337)
Balance as at 30 June 2018	322,210	2,016	(23,695)	300,531

(RMB'000)	Company			
	Share capital	Share based payment reserve	Accumulated (loss) / profits	Total equity
2017 (Unaudited)				
Balance as at 1 July 2016	301,346	2,016	1,669	305,031
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	(19,626)	(19,626)
Contribution by and distributions to owners of the Company				
Dividend paid during the year	-	-	(1,401)	(1,401)
Issue of placement shares	21,087	-	-	21,087
Share issue expenses	(223)	-	-	(223)
Total contributions by and distribution to owners of the Company	20,864	-	(1,401)	19,463
Balance as at 30 June 2017	322,210	2,016	(19,358)	304,868

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share option 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.

There are no changes to the share capital of the Company since 30 June 2017.

The Company has no outstanding convertibles, treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2018.

1(d)(iii) 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.

	Group		Company	
	30 June 18 (Unaudited)	30 June 17 (Unaudited)	30 June 18 (unaudited)	30 June 17 (Unaudited)
Total number of issued shares	176,798,164	162,200,151	176,798,164	162,200,151
Issue of ordinary shares	-	14,598,013	-	14,598,013
Total number of issued shares	176,798,164	176,798,164	176,798,164	176,798,164
Less: Treasury shares	-	-	-	-
Total number of issued shares excluding treasury shares	176,798,164	176,798,164	176,798,164	176,798,164

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

There are no treasury shares held by the Company as at 30 June 2018.

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

The Company did not have any subsidiary holdings as at the end of the current financial period reported on.

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

The figures have neither been audited nor reviewed by the Company's auditors.

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

The figures have neither been audited nor reviewed by the Company's auditors.

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 reporting period compared with those of the financial statements for the financial year ended 30 June 2017.

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 reason for, and the effect of, the change.

The Group has adopted all new and revised Financial Reporting Standard ("**FRS**") and Interpretations of FRS ("**INT FRS**") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2017, where applicable.

The directors do not anticipate that the adoption of the new and revised FRS will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

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

	Group	
	2018 (Unaudited)	**2017 (Unaudited)**
Net profit / (loss) for the year (RMB'000)	29,136	(777,699)
Basic earnings / (loss) per share (RMB cent)	16.5	(442.5)
Diluted earnings / (loss) per share (RMB cent)	16.5	(442.5)

Explanatory notes:

Earnings/(loss) per share is calculated based on the Group's profit/(loss) after taxation divided by the weighted average issued share capital of the Company of 176,798,164 (2017: 175,758,305) shares for the period under review.

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

	Group		Company	
	30 June 18 (Unaudited)	30 June 17 (Unaudited)	30 June 18 (Unaudited)	30 June 17 (Unaudited)
Net Asset Value per share (RMB cents)	165.5	128.8	170.0	172.4

The net asset value per ordinary share of the Group and the Company as at 30 June 2018 and 30 June 2017 were calculated based on the issued share capital of the Company of 176,798,164 as at 30 June 2018 and 30 June 2017.

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.

The books and financial records of all the China subsidiaries and a Hong Kong subsidiary of the Group for FY2017 and partially for FY2018 were destroyed by the outbreak of the fire on 30 August 2017. The financial statements for FY2017 and FY2018 were reconstructed based on available information and data from relevant sources (customers, contractors, suppliers and banks) and notarized letter of confirmations of amounts owing between the counter-parties and the China subsidiaries. Although the management believed that the method of reconstruction is the most appropriate, the Board is unable to determine the completeness of the recording of the transactions that occurred during FY2017 and financial period from 1 July 2017 to 31 August 2017 for FY2018.

The Board is aware of the limitation that is being imposed in the process and, therefore, which affect the accuracy and reliability of the financial statements of the subsidiaries in the PRC within the Group and the consolidated financial statements of the Group. Hence, the review of performance below is solely based on the understanding of the management of the Group.

Review of Performance

FY2018 vs FY2017

	FY2018 (Unaudited)		FY2017 (Unaudited)	
	RMB'000	%	RMB'000	%
Self-Cultivated Products	10.1	9.4	95.8	42.7
Processed Food Products	97.0	90.6	128.3	57.3
Total	107.1	100.0	224.1	100.0

Revenue decreased by RMB117.0 million from RMB224.1 million in financial year ended 30 June 2017 ("FY2017") to RMB107.1 million in financial year ended 30 June 2018 ("FY2018") due mainly to the decrease in revenue in both processed food products business and self-cultivation business. The decrease in revenue in self-cultivation business was due mainly to the disposal of all the leases to moso bamboo plantations (gross land area measuring approximately 129,696 mu) during the financial year as a result of plant diseases and insect infestation. Meanwhile, the decrease in revenue from processed food products business was due to lower sales order from overseas customers.

Cost of sales decreased by RMB291.4 million to RMB105.3 million in FY2018 as compared to RMB396.7 million in FY2016 in tandem with decrease in revenue and disposal of leases to moso bamboo plantations.

As a result of the disposal of loss making moso bamboo plantations, the Group recorded gross profit of RMB1.8 million and gross profit margin of 1.7% in FY2018 as compared to gross loss of RMB172.6 million in FY2017.

Other operating income recorded in FY2018 comprised of interest income, rental income, government subsidies and other miscellaneous income.

During the financial year, independent valuation experts were appointed to assess the fair value of the investment properties and leasehold properties of the Group. Hence, fair value gain on investment properties of RMB66.8 million and revaluation gain on the leasehold properties of RMB47.7 million and deferred tax expenses on the revaluation of the leasehold properties of RMB11.9 million were recognised in FY2018. In addition, a reversal of impairment loss on leasehold property of RMB0.5 million was recognised.

Selling and distribution costs decreased by RMB4.2 million or 62.5% from RMB6.7 million in FY2017 to RMB2.5 million in FY2018. This was mainly due to a decrease in transportation charges in business of selling of beverages as a result of lower sales volume.

Administrative expenses decreased by RMB0.6 million from RMB24.0 million in FY2017 to RMB23.4 million in FY2018 due mainly to decrease a in research expenditure.

The Group recorded investment properties written off of RMB2.1 million in FY2018 due mainly to investment properties with a total gross floor area of approximately 7,810 square metres where there were no real estate title certificates.

Unaccountable expenses of RMB1.7 million recorded in FY2018 was due to no supporting documents and/or no available information during the reconstruction of books and records for the period from 1 July 2017 to 31 August 2017.

Finance costs recorded a marginal increase of RMB0.2 million from RMB0.1 million in FY2017 to RMB0.3 million in FY2018, which was due mainly to the drawdown of short-term bank borrowings during the financial year.

Share of results of associates' losses of RMB0.6 million relates to Fujian Tianwang Foods Co., Limited and its subsidiary, Sanming Sennong Forestry Co., Ltd. ("the Associates"), that the Group owns 45% of its shareholding. The Associates' revenue was generated mainly from the sales of processed vegetables, bamboo shoots and bamboo trees. The Associates' business was affected by rising labour costs, lower market price and sales orders of bamboo products during the financial year.

As a result of lower expenses and fair value gain on investment properties, the Group recorded a profit after tax of RMB29.1 million for FY2018, as compared to loss after tax of RMB777.7 million for FY2017.

Review of Balance Sheet

Non-current assets increased by RMB39.1 million, from RMB271.8 million as at 30 June 2017 to RMB310.9 million as at 30 June 2018 due mainly to fair value gain on investment properties of RMB66.8 million and revaluation gain of leasehold properties of RMB47.7 million recognised following a valuation exercise on the Group's investment properties and leasehold properties through appointment of independent valuation experts. This was partially offset by the decrease in biological assets of RMB68.1 million as a result of the disposal of the moso bamboo plantations and eucalyptus plantations.

Current assets decreased by RMB76.1 million, from RMB169.4 million as at 30 June 2017 to RMB93.3 million as at 30 June 2018 due mainly to decrease in trade and other receivables of RMB87.0 million which was partially offset by the increase in inventories of RMB6.8 million. The decrease in trade and other receivables was in line with the decrease in revenue during the financial year.

Non-current liabilities increased by RMB28.0 million, from RMB8.6 million as at 30 June 2017 to RMB36.6 million as at 30 June 2018 mainly attributable to deferred tax liability derived from the valuation of leasehold properties.

Current liabilities decreased by RMB129.9 million, from RMB204.9 million as at 30 June 2017 to RMB75.0 million as at 30 June 2018 due to a decrease in trade and other payables of RMB133.9 million which was partially offset by the increase in short-term bank borrowings of RMB4.0 million. The decrease in trade and other payables was due mainly to certain offsetting arrangement where the proceeds from the consideration sum received from the disposal of the bamboo plantations were used to settle the liabilities owing to contractors for the plantation maintenance work and provision of related processing services on the cultivation of self-cultivation business.

Review of Cash Flow Statement

FY2018 vs FY2017

For FY2018, the Group recorded net cash inflow of RMB1.1 million from operating activities compared to net cash outflow of RMB28.1 million in FY2017. This was mainly attributable to higher profit generated during the financial year and lower receivables which was partially offset by higher inventories and lower payables.

Net cash used in investing activities was RMB0.7 million in FY2018 which was mainly due to capital expenditure on acquisition of property, plant and equipment.

There was a net cash inflow of RMB3.5 million from financing activities in FY2018 arising from drawdown of bank borrowings. This was partially offset by repayment of bank borrowings.

As a result of the above, cash and cash equivalents increased from RMB6.6 million as at FY2017 to RMB10.5 million as at FY2018.

9. 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 previously disclosed.

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.

The market conditions in the PRC is full of uncertainties which was mainly due to the trade war between the PRC and the United States of America couple with the impending global tightening monetary policy, resulting the slow down or even downward trend of PRC economy conditions. This will affect the demand of our products in the domestic market and increase challenges on our expansion into overseas markets.

Whilst market demand for our products has become more challenging, our Group will continue to enhance our product quality and production efficiency and making more marketing efforts to retain our leadership position. The Management believe and are making effort in building a stronger foundation and creating a sustainable growth for the Group.

Barring unforeseen circumstances, the Group expects its financial performance for FY2019 to be marginally weaker than the FY2018.

11. If a decision regarding dividend has been made

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

None.

(b) (i) Amount per share

Not Applicable.

(ii) Previous corresponding period

Not Applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not Applicable.

(d) The date the dividend is payable

Not Applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Not Applicable.

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

The Board of Directors of the Company does not recommend that a dividend be paid for the financial year ended 30 June 2018.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interest person transactions conducted for the financial year from 1 July 2017 to 30 June 2018:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	RMB'000	RMB'000
N/A	-	-

There have been no interested person transactions during the financial year ended 30 June 2018. The Company does not have a general mandate from shareholders for interested person transactions.

14. Negative Confirmation Pursuant to Rule 705(5) of the SGX-ST Listing Manual

Not required for announcement on full year results.

15. Undertaking Confirmation Statement from all its directors and executive officers under Rule 720(1)

The Company has procured undertakings from all its directors and executive officer (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. 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.

(a) Business Segment

	Self - cultivation	Processed food products	Corporate	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
FY2018 (Unaudited)				
Revenue				
Total revenue	10,059	97,042	-	107,101
Segment results	(1,870)	(12,735)	(4,776)	(19,381)
Reversal of impairment loss on leasehold property	-	-	532	532
Fair value gain on investment properties	1,311	65,504	-	66,815
Refunds from termination of unexpired prepaid leases of eucalyptus plantations	4,390	-	-	4,390
Investment properties written off	-	(2,124)	-	(2,124)
Unaccountable expenses	(197)	(1,478)	-	(1,675)
Finance costs	1	(169)	(93)	(261)
Share of associates' losses	-	(566)	-	(566)
(Loss) / profit before taxation	3,635	48,432	(4,337)	47,730
Taxation	(114)	(18,480)	-	(18,594)
Profit / (loss) after taxation	3,521	29,952	(4,337)	29,136
Other segment items				
Addition to biological assets – synthetic logs	2,756	-	-	2,756
Capital expenditure				
- property, plant and equipment	13	645	6	664
- Intangible assets	-	39	-	39
Investment properties written off	-	2,124	-	2,124
Fair value gain on investment properties	1,311	65,504	-	66,815
Depreciation and amortisation	471	3,403	117	3,991
Segment assets	9,325	340,511	8,897	358,733
Segment liabilities	1,170	64,292	9,764	75,226

	Self - cultivation	Processed food products	Corporate	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
FY2017 (Unaudited)				
Revenue				
Total revenue	95,809	128,263	-	224,072
Segment results	(132,202)	(63,383)	(5,145)	(200,730)
Impairment loss on leasehold property	-	-	(924)	(924)
Loss from changes in fair value of biological assets	(99,229)	-	-	(99,229)
Loss on disposal of biological assets	(1,753)	-	-	(1,753)
Prepayments written off	(334,548)	-	-	(334,548)
Unaccountable expenses	(46,748)	(93,026)	-	(139,774)
Finance costs	2	(35)	(79)	(112)
Share of associates' loss	-	(977)	-	(977)
Loss before taxation	(614,478)	(157,421)	(6,148)	(778,047)
Taxation	-	(387)	735	348
Loss after taxation	(614,478)	(157,808)	(5,413)	(777,699)
Other segment items				
Capital expenditure				
- property, plant and equipment	3	4,083	4,268	8,354
Intangible assets written off	-	2,100	-	2,100
Depreciation and amortisation	55,110	4,768	6	59,884
Segment assets	140,583	236,963	16,049	393,595
Segment liabilities	126,958	70,266	8,232	205,456

Reconciliation of segments' total assets and total liabilities:

	FY2018 RMB'000 (Unaudited)	**FY2017 RMB'000 (Unaudited)**
Reportable segments assets are reconciled to total assets:		
Segment assets	358,733	393,595
Investment in associates	43,423	43,989
Deferred tax assets	-	2,005
VAT receivable	2,068	1,599
	404,224	441,188
Reportable segments liabilities are reconciled to total liabilities:		
Segment liabilities	75,226	205,456
Deferred tax liabilities	32,126	3,711
Current income tax payable	21	83
VAT payable	3,724	3,720
Government tax payable	494	496
	111,591	213,466

(b) Geographical information

Sales to external customers

	Financial Year Ended 30 June		
	2018 (Unaudited) RMB'000	2017 (Unaudited) RMB'000	Increase / (Decrease) %
China (domicile)	15,403	103,617	(85.1)
Netherlands	847	*	n.m.
Japan	90,851	*	n.m.
	107,101	224,072	

*No information available

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

Please refer to "Review of Performance" of the Group in paragraph 8 above.

18. A breakdown of sales

In view that the FY2017 and FY2018 results are based on the Group's reconstructed accounts, the Group does not have the corresponding quarterly financials on a reconstructed basis.

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

	FY2018 RMB'000	FY2017 RMB'000
Ordinary	Nil	Nil
Preference	Nil	Nil
Total	Nil	Nil

21. 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.

Name	Age	Family relationship with any director and/ or substantial shareholders	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Chen Qiuhai	53	Brother of Chen Qiufa	- Executive chairman and CEO. - Mr Chen is responsible for overall management of the Group. - 2010	None
Chen Qiufa	54	Brother of Chen Qiuhai, Executive Chairman and CEO	- General Manager of Zhangping Fengwang Agricultural Products Co., Ltd - Mr Chen is responsible for overall management of shiitake mushroom cultivation bases and heads the cultivation, administration and finance department at Zhangping Fengwang Agricultural Products Co., Ltd.. - 2008	Resigned in April 2018.
Goi Kok Neng	43	Son of Goi Seng Hui, Substantial Shareholder of the Company	- Non-Executive Director - Mr Goi discharge his duties as a member of the Audit Committee, Remuneration Committee and Nominating Committee under its Terms of Reference of each Committee. - 2014	None

The following directors have confirmed that as at 30 June 2018, there were no appointments of any relative of any Director/Chief Officer/Substantial Shareholder of the issuer who were holding a managerial position in the issuer or any of its principal subsidiaries:

Mr Chua Ser Miang
Mr Chang Feng-chang

BY ORDER OF THE BOARD

Chen Qiuhai
Executive Chairman and CEO
28 January 2019