

Condensed Consolidated Interim Financial Statements
Yamada Green Resources Limited
and its subsidiaries

Three months ended 30 September 2023

Independent auditor's report on review of condensed consolidated interim financial statements

The Board of Directors
Yamada Green Resources Limited

Introduction

We have reviewed the accompanying statement of financial position of Yamada Green Resources Limited (the "Company") and the condensed consolidated statement of financial position of the Company and its subsidiaries (the "Group") as at 30 September 2023 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended and certain explanatory notes (the "Condensed Consolidated Interim Financial Statements"). Management is responsible for the preparation and presentation of this Condensed Consolidated Interim Financial Statements in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Condensed Consolidated Interim Financial Statements based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Condensed Consolidated Interim Financial Statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements is not prepared, in all material respects, in accordance with SFRS(I) 1-34 *Interim Financial Reporting*.

Independent auditor's report on review of condensed consolidated interim financial statements (Cont'd)

Other Matters

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Consolidated Interim Financial Statements for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company's announcement of its Condensed Consolidated Interim Financial Statements for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusion we have reached in our report.



Fook Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 14 November 2023

Condensed consolidated statements of financial position as at 30 September 2023

	Note	The Company		The Group	
		30 September 2023 RMB'000	30 June 2023 RMB'000	30 September 2023 RMB'000	30 June 2023 RMB'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	-	-	43,999	45,182
Intangible assets		-	-	8	12
Investment properties	5	8,556	8,556	252,197	252,197
Investments in subsidiaries	6	154,289	154,289	-	-
		162,845	162,845	296,204	297,391
Current Assets					
Inventories		-	-	2,996	4,596
Trade and other receivables		159,397	167,615	9,615	8,815
Prepayments		115	91	115	91
Cash and bank balances		2,885	72	26,180	27,984
		162,397	167,778	38,906	41,486
Total assets		325,242	330,623	335,110	338,877
EQUITY					
Capital and Reserves					
Share capital		322,210	322,210	322,210	322,210
Share-based payment reserve		2,016	2,016	2,016	2,016
Statutory reserve		-	-	30,176	72,558
Revaluation reserve		-	-	45,026	45,026
Other reserve		-	-	28,575	29,349
Accumulated losses		(40,499)	(39,309)	(134,311)	(178,806)
Total equity attributable to owners of the Company		283,727	284,917	293,692	292,353
LIABILITIES					
Non-Current Liabilities					
Bank borrowings	7	-	3,592	-	3,592
Deferred tax liabilities		-	-	32,837	32,837
		-	3,592	32,837	36,429
Current Liabilities					
Trade and other payables		41,515	41,687	8,030	8,553
Bank borrowings	7	-	427	-	427
Current income tax payable		-	-	551	1,115
		41,515	42,114	8,581	10,095
Total liabilities		41,515	45,706	41,418	46,524
Total equity and liabilities		325,242	330,623	335,110	338,877

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of profit or loss and other comprehensive income

for the three months ended 30 September 2023

The Group	Note	Three months ended 30 September	
		2023	2022
		RMB'000	RMB'000
Revenue	8	4,305	13,035
Cost of sales		(4,187)	(11,871)
Gross profit		118	1,164
Revenue from rental income from investment properties	8	4,254	2,828
Other operating income		547	895
Selling and distribution expenses		(67)	(499)
Administrative expenses		(3,140)	(3,382)
Other operating expenses		(867)	(7)
Finance costs		(70)	(25)
Profit before taxation	9	775	974
Taxation	10	564	-
Net profit, and total comprehensive income for the period attributable to owners of the Company		1,339	974
		Cents	Cents
		RMB	RMB
Earnings per share:			
- Basic	12	0.8	0.6
- Diluted	12	0.8	0.6

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity for the three months ended 30 September 2023

The Group	Share capital RMB'000	Share-based payment reserve RMB'000	Statutory reserve RMB'000	Revaluation reserve -non- distributable RMB'000	Other reserve -non- distributable RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 July 2023	322,210	2,016	72,558	45,026	29,349	(178,806)	292,353
Profit for the financial period, representing total other comprehensive income for the financial period	-	-	-	-	-	1,339	1,339
Transfer to accumulated losses upon deregistration of a subsidiary (Note 18)	-	-	(42,382)	-	(774)	43,156	-
At 30 September 2023	322,210	2,016	30,176	45,026	28,575	(134,311)	293,692
The Group	Share capital RMB'000	Share-based payment reserve RMB'000	Statutory reserve RMB'000	Revaluation reserve -non- distributable RMB'000	Other reserve -non- distributable RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 July 2022	322,210	2,016	72,449	43,782	29,349	(185,768)	284,038
Profit for the financial period, representing total other comprehensive income for the financial period	-	-	-	-	-	974	974
At 30 September 2022	322,210	2,016	72,449	43,782	29,349	(184,794)	285,012

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows

for the three months ended 30 September 2023

The Group	Three months ended 30 September	
	2023	2022
	RMB'000	RMB'000
Cash Flows from Operating Activities		
Profit before taxation	775	974
Adjustments for:		
Depreciation of property, plant and equipment	619	823
Amortisation of intangible assets	4	6
Exchange gain	(2)	-
Property, plant and equipment written off	52	-
Impairment loss on property, plant and equipment	729	-
Interest expense	70	25
Interest income	(163)	(15)
Operating cash flows before working capital changes	2,084	1,813
Decrease in inventories	1,600	4,745
Increase in trade and other receivables and prepayments	(824)	(6,282)
Decrease in trade and other payables	(401)	(3,780)
Cash generated from/(used in) operations	2,459	(3,504)
Income tax paid	-	15
Interest received	163	-
Net cash generated from/(used in) operating activities	2,622	(3,489)
Cash Flows from Investing Activity		
Acquisition of property, plant and equipment (Note A)	(316)	(36)
Net cash used in investing activity	(316)	(36)
Cash Flows from Financing Activities		
Repayment of bank borrowings - principal	(4,022)	(114)
Repayment of bank borrowings - interest	(70)	(25)
Net cash used in financing activities	(4,092)	(139)
Net decrease in cash and cash equivalents	(1,786)	(3,664)
Cash and cash equivalents at beginning of period	27,984	17,788
Effect on foreign exchange of rate changes on cash and cash equivalents	(18)	357
Cash and cash equivalents at end of period	26,180	14,481

Note A

During the three months ended 30 September 2023, the Group acquired property, plant and equipment with an aggregate cost of RMB 217,000 (30 September 2022 - RMB 36,000). As at 30 September 2023, the amount owing to a contractor for refurbishment work to the leasehold building was RMB Nil (30 June 2023 - RMB 99,000). Total cash payments of RMB 316,000 (30 September 2022 - RMB 36,000), included RMB 99,000 cash payment to the said contractor, were made to purchase property, plant and equipment.

Notes to the condensed consolidated interim financial statements

These notes form an integral part of the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements were authorised for issue by the directors on 14 November 2023.

1 Corporate information

The Company was incorporated in Singapore on 8 February 2010 as a private limited company under the name Yamada Green Resources Pte. Ltd. On 28 September 2010, the Company was converted into a public company and assumed the present name of Yamada Green Resources Limited. The Company was listed on the SGX-ST on 8 October 2010.

The registered office of the Company is located at 7 Temasek Boulevard #32-01 Suntec Tower One, Singapore 038987. The principal place of business is at No. 2 Dongling Road, Minhou Economic and Technological Development Zone, Ganzhe Street Minhou County, Fuzhou City, Fujian Province, the People's Republic of China ("PRC").

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are :

- Production and sales of processed food products;
- Sales of edible fungi; and
- Rental revenue from investment properties.

2 Basis of preparation

The condensed consolidated interim financial statements of the Group has been prepared on a condensed basis in accordance with the Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. They do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 30 June 2023.

The condensed consolidated interim financial statements, which do not include the full disclosures of the type normally included in full annual financial statements prepared in accordance with the SFRS(I)s, are to be read in conjunction with the last audited financial statements for the year ended 30 June 2023.

Accounting policies and methods of computation used in the condensed consolidated interim financial statements are consistent with those applied in the financial statements for the year ended 30 June 2023, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed consolidated interim financial statements is presented in Renminbi ("RMB") which is the Company's functional currency. All financial information presented in RMB has been rounded to the nearest thousand ("RMB'000") unless otherwise stated.

2.1 Adoption of new and amended standards

A number of amendments to Standards have become applicable for the current reporting period:

Reference	Description	Effective date (Annual periods beginning on or after)
SFRS(I) 17	<i>Insurance Contracts</i>	1 January 2023
<u>Amendments to SFRS(I):</u>		
SFRS(I) 1-12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
SFRS(I) 1-8	<i>Definition of Accounting Estimates</i>	1 January 2023
Various SFRS(I)s	<i>SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies</i>	1 January 2023

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards, where applicable.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements as at and for the financial year ended 30 June 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Notes 4 & 5 – Valuation of right-of-use assets and investment properties
- Note 6 – Impairment of investments in subsidiaries

3 Seasonal operations

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

Yamada Green Resources Limited and its subsidiaries
Notes to the condensed consolidated interim financial statements
Three months ended 30 September 2023

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4 Property, plant and equipment

The Company

During the three months ended 30 September 2023, the Company has no acquisition of assets (30 September 2022 - Nil) and no disposal of assets (30 September 2022 - Nil).

The Group

	Leasehold buildings and structural improvements RMB'000 (At valuation)	Land use rights RMB'000 (At valuation)	Motor vehicles RMB'000	Office equipment RMB'000	Plant and machinery RMB'000	Fixtures and fittings RMB'000	Construction -in-progress RMB'000	Total RMB'000
At 30 June 2023								
At Valuation/Cost	29,393	17,367	332	19	5,752	294	121	53,278
Accumulated depreciation and impairment loss	(1,004)	(5,957)	(254)	(19)	(656)	(206)	-	(8,096)
Net book value at 30 June 2023	28,389	11,410	78	-	5,096	88	121	45,182
3 months ended 30 September 2023								
At Valuation/Cost								
At 1 July 2023	29,393	17,367	332	19	5,752	294	121	53,278
Additions	-	-	-	-	217	-	-	217
Reclassification	-	-	-	-	121	-	(121)	-
Elimination of accumulated depreciation	(347)	(112)	-	-	-	-	-	(459)
Written off	-	-	-	-	(100)	-	-	(100)
At 30 September 2023	29,046	17,255	332	19	5,990	294	-	52,936
Accumulated depreciation and impairment loss								
At 1 July 2023	1,004	5,957	254	19	656	206	-	8,096
Depreciation for the period	347	112	14	-	138	8	-	619
Impairment loss during the period	-	-	48	-	616	65	-	729
Elimination of accumulated depreciation	(347)	(112)	-	-	-	-	-	(459)
Written off	-	-	-	-	(48)	-	-	(48)
At 30 September 2023	1,004	5,957	316	19	1,362	279	-	8,937
Net book value								
At 30 September 2023	28,042	11,298	16	-	4,628	15	-	43,999

4 Property, plant and equipment (Cont'd)

- (i) Included in property, plant and equipment are rights-of-use assets of:

	30 September 2023 RMB'000	30 June 2023 RMB'000
The Group		
Net book value		
- leasehold buildings	22,180	22,431
- land use rights	11,298	11,410
	33,478	33,841

Management has carried out a review of the key parameters for the valuation of the Group's rights-of-use assets which are stated at valuation as at 30 September 2023. The management has adopted the same valuation approach and methodologies, key parameters and assumptions by reference to the valuation performed by independent professional valuers conducted for the financial year ended 30 June 2023. Management is therefore of the view that the fair value of the rights-of-use assets are approximately RMB 33,478,000 as at 30 September 2023.

The recoverable amount is based on their fair value as determined using income approach, which is a fair value hierarchy Level 3 measurement.

The valuation techniques, significant unobservable inputs and inter-relationships between key unobservable inputs and fair values are presented in the Group's audited financial statements for the year ended 30 June 2023.

- (ii) As at 30 September 2023, impairment indicators are identified and impairment testing has been performed for the Group's plant and equipment to the extent of RMB 1,022,000 relating to the food processing segment. Based on recoverable values determined by management using fair value less cost of disposal, impairment loss of RMB 729,000 has been made for the period ended 30 September 2023.

5 Investment properties

The Company	Leasehold buildings RMB'000 (At valuation)	Total RMB'000
At 30 June 2023		
<u>At valuation</u>		
Fair value at 30 June 2023	8,556	8,556
3 months ended 30 September 2023		
<u>At valuation</u>		
At 1 July 2023	8,556	8,556
Fair value adjustments	-	-
Fair value at 30 September 2023	8,556	8,556

The Group	Note	Leasehold buildings RMB'000 (At valuation)	Land use rights RMB'000 (At valuation)	Total RMB'000
At 30 June 2023				
<u>At valuation</u>				
Fair value at 30 June 2023		240,897	11,300	252,197
3 months ended 30 September 2023				
<u>At valuation</u>				
At 1 July 2023		240,897	11,300	252,197
Fair value adjustments		-	-	-
Fair value at 30 September 2023		240,897	11,300	252,197

The management has carried out a review of the key parameters for the valuation of the Group's investment properties which are stated at valuation as at 30 September 2023. The management has adopted the same valuation approach and methodologies, key parameters and assumptions by reference to the valuations performed by independent professional valuers conducted for the financial year ended 30 June 2023. Management is therefore of the view that the fair value of the investment properties are approximately RMB 252,197,000 as at 30 September 2023.

The management has considered and adopted the direct comparable method which involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The income capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The capitalisation rate applied for the valuation of investment properties was 4.5% - 5.5% for the financial period ended 30 September 2023 (30 June 2023 - 4.5% - 5.5%). The most significant input into this valuation approach is the monthly market rent per square metre of the properties. The higher the market rent, the higher the fair value of the investment properties.

6 Investments in subsidiaries

	30 September 2023 RMB'000	30 June 2023 RMB'000
The Company		
Unquoted equity investments, at cost	163,975	163,975
<u>Impairment loss on investments in subsidiaries</u>		
Balance at beginning of period/year	(9,686)	(16,195)
Reversal of impairment loss for the period/year	-	6,509
	(9,686)	(9,686)
Balance at end of period/year	154,289	154,289

The Company assessed the carrying amounts of its investments in subsidiaries for indicators of impairment and carried out a review on the recoverable amounts of its investments in subsidiaries as at the reporting date. The recoverable amounts of these investments are determined based on the revalued net assets of the subsidiaries as at the reporting date under the fair value hierarchy Level 3 measurement. The most significant input into this valuation approach is the selling price per square metre of the properties held by these subsidiaries (Note 5).

Under this assessment, the Company reversed impairment loss for a sum of RMB 6,509,000 for subsidiaries from the Investment Properties segment where the recoverable amount was higher than the carrying amount for the financial year ended 30 June 2023.

7 Bank borrowings

The Company and the Group

	30 September 2023 RMB'000	30 June 2023 RMB'000
Secured bank loan:		
#1 Term loan	-	4,019
Amount repayable:		
Not later than one year	-	427
Later than one year and not later than five years	-	1,940
Later than five years	-	1,652
	-	3,592
	-	4,019

As at 30 June 2023, the term loan of S\$ 751,000 or equivalent to RMB 4,019,000 was repayable over 180 (30 June 2023 - 180) monthly instalments commencing from 13 July 2016 with a principal payment of S\$ 6,461 (30 June 2023 - S\$ 6,712) plus any applicable interest. The effective interest rate of the term loan was 5.03% (30 June 2023 -3.51%) per annum.

The Company had financial covenants attached to this term loan which were related to restriction of limits imposed on certain ratios to be maintained. During the period ended 30 September 2023, there were no known instances of any breach of covenants.

The term loan has been fully repaid on 26 September 2023.

8 Revenue

	Three months ended 30 September	
	2023	2022
The Group	RMB'000	RMB'000
Processed food and food products - point in time	4,305	13,035
Revenue from rental income from investment properties - over time	4,254	2,828
	8,559	15,863

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point of time in the following major products lines and geographical regions. Revenue is attributed to countries by location of customers.

	At point in time RMB'000	Over time RMB'000	Total RMB'000
3 months ended 30 September 2023			
- Japan	4,064	-	4,064
- The People's Republic of China ("PRC")	241	4,187	4,428
- Singapore	-	67	67
	4,305	4,254	8,559
3 months ended 30 September 2022			
- Japan	12,740	-	12,740
- PRC	295	2,767	3,062
- Singapore	-	61	61
	13,035	2,828	15,863

9 Profit before taxation

	Note	Three months ended 30 September	
		2023	2022
The Group		RMB'000	RMB'000
Profit before taxation has been arrived at after charging/ (crediting):			
Depreciation of property, plant and equipment	4	619	823
Amortisation of intangible assets		4	6
Cost of inventories charged to cost of sales		4,187	11,871
Property, plant and equipment written off	4	52	-
Exchange loss/(gain), net		85	(791)
Employee benefits costs		1,966	3,718
Impairment loss on property, plant and equipment	4	729	-
Interest expense		70	25
Interest income		(163)	(15)

10 Taxation

The Group calculates the period income tax expense/(credit) using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense/(credit) in the condensed interim consolidated statement of profit or loss are:

	Three months ended 30 September	
	2023	2022
The Group	RMB'000	RMB'000
Current taxation		
- Current financial period	320	-
- Overprovision in respect of prior period	(884)	-
Tax credit	(564)	-

11 Net asset value

	The Company		The Group	
	30 September	30 June	30 September	30 June
	2023	2023	2023	2023
	RMB'000	RMB'000	RMB'000	RMB'000
Net asset value per ordinary share	160.5	161.2	166.3	165.4

12 Earnings per share

	Three months ended 30 September	
	2023	2022
The Group	RMB'000	RMB'000
Net profit attributable to equity holders of the Company	1,339	974
	'000	'000
Weighted average number of ordinary shares outstanding for the purpose of diluted earnings per share	176,798	176,798
	RMB	RMB
The Group		
Basic earnings per share (cents)	0.8	0.6
Diluted earnings per share (cents)	0.8	0.6

In the current and previous financial period, diluted earnings per share are the same as basic earnings per share as the Group does not have any dilutive potential ordinary shares and issuance of ordinary shares for less than the average market price of the ordinary shares.

13 Statement of operations by segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker.

A segment is a distinguishable component of the Group that is engaged with either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Management monitors the operating results of the segments separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operation profit or loss which is similar to the accounting profit or loss.

Income taxes are managed by the management of respective entities within Group.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies in the annual financial statements for the year ended 30 June 2023. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense.

There is no change from the prior periods in the measurement methods used to determine reported segment profit or loss.

Allocation basis and transfer pricing

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax expense.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transaction with third parties, if any.

Business segments

The Group is organised into the following business segments, namely:

Processed food products

The processed food products segment comprises processed vegetable products and dietary fibre food products.

Investment properties

The rental income from investment properties constitutes an operating business segment in accordance with accounting standard SFRS(I) 1-40.

Corporate

Corporate comprises the Company, which principal activity is that of investment holding company.

13 Statement of operations by segments (Cont'd)

(a) Business segments

The following tables present revenue, profit or loss and certain assets, liabilities and expenditure information for the Group for the three months ended 30 September 2023:

	Investment properties RMB'000	Processed food products RMB'000	Corporate RMB'000	Total RMB'000
<u>1 July 2023 to 30 September 2023</u>				
Revenue				
- Sale of goods	-	4,305	-	4,305
- Rental income from investment properties	4,254	-	-	4,254
Segment results	3,422	(837)	(1,174)	1,411
Interest income	-	163	-	163
Finance costs	(70)	-	-	(70)
Impairment loss on property, plant and equipment	-	(729)	-	(729)
Profit/(loss) before taxation	3,352	(1,403)	(1,174)	775
Taxation	(320)	884	-	564
Profit/(loss) after taxation	3,032	(519)	(1,174)	1,339
Other segment items				
Capital expenditure				
- Property, plant and equipment	-	217	-	217
Property, plant and equipment written off	-	52	-	52
Depreciation and amortisation	-	623	-	623
Segment assets	257,199	71,787	3,002	331,988
Segment liabilities	3,277	1,868	2,319	7,464

13 Statement of operations by segments (Cont'd)

(a) Business segments (Cont'd)

The following tables present revenue, profit or loss and certain assets, liabilities and expenditure information for the Group for the three months ended 30 September 2022:

	Investment properties RMB'000	Processed food products RMB'000	Corporate RMB'000	Total RMB'000
<u>1 July 2022 to 30 September 2022</u>				
Revenue				
- Sale of goods	-	13,035	-	13,035
- Rental income from investment properties	2,828	-	-	2,828
Segment results	2,214	(439)	(791)	984
Interest income	-	15	-	15
Finance costs	(25)	-	-	(25)
Profit/(loss) before taxation	2,189	(424)	(791)	974
Taxation	-	-	-	-
Profit/(loss) after taxation	2,189	(424)	(791)	974
Other segment items				
Capital expenditure				
- Property, plant and equipment	-	36	-	36
Depreciation and amortisation	-	829	-	829
Segment assets	236,255	91,519	895	328,669
Segment liabilities	4,733	7,604	1,521	13,858

(b) Geographical segments

The following table shows the distribution of the Group's sales based on geographical location of customers:

	Three months ended 30 September	
	2023 RMB'000	2022 RMB'000
The Group		
Revenue - sale of goods		
- Japan	4,064	12,740
- PRC	241	295
	4,305	13,035
Revenue - rental income from investment properties		
- PRC	4,187	2,767
- Singapore	67	61
	4,254	2,828

13 Statement of operations by segments (Cont'd)

(c) Reconciliation of segments' total assets and total liabilities

The Group	30 September 2023 RMB'000	30 June 2023 RMB'000
Reportable segments' assets are reconciled to total assets:		
Segment assets	331,988	335,016
VAT receivable	3,122	3,861
	335,110	338,877
Reportable segments' liabilities are reconciled to total liabilities:		
Segment liabilities	7,464	12,034
Deferred tax liabilities	32,837	32,837
Current income tax payable	551	1,115
Government tax payable	566	538
	41,418	46,524

(d) Information about major customers

The revenue from one customer of the Group's processed food products segment amounted to approximately RMB 4,085,000 (2022 - RMB 10,924,000) and accounted for 95% (2022 - 84%) of the Group's revenue for the three months ended 30 September 2023.

14 Dividend

No interim dividends were paid by the Company in respect of the three months ended 30 September 2023 and 2022.

15 Commitment

Capital commitment

Capital expenditure contracted for as at the end of the reporting period but not recognised in the condensed consolidated interim financial statements are as follows:

The Group	30 September 2023 RMB'000	30 June 2023 RMB'000
Capital commitments in respect of investment properties	2,390	-

16 Related party transactions

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and senior management are considered as key management personnel of the Group.

Key management personnel compensation comprise:

	Three months ended 30 September	
	2023	2022
The Group	RMB'000	RMB'000
Directors' fee	242	-
Short-term benefits	372	435
	614	435

In relation to the related party information disclosed elsewhere in the condensed consolidated interim financial statements, the following are significant transaction with related party at mutually agreed amounts:

	Three months ended 30 September	
	2023	2022
The Company	RMB'000	RMB'000
Repayment of advances from a subsidiary	8,173	2,363

17 Fair value measurements

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 : unobservable inputs for the asset or liability.

The following table shows an analysis of each class of assets and liabilities measured at fair value at end of the reporting period:

	Level 1	Level 2	Level 3	Total
The Company	RMB'000	RMB'000	RMB'000	RMB'000
30 September 2023				
<u>Non-financial assets</u>				
Investment properties	-	-	8,556	8,556
30 June 2023				
<u>Non-financial assets</u>				
Investment properties	-	-	8,556	8,556

17 Fair value measurements (Cont'd)

The following table shows an analysis of each class of assets and liabilities measured at fair value at end of the reporting period: (Cont'd)

The Group	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
30 September 2023				
<u>Non-financial assets</u>				
Investment properties:				
- Leasehold buildings	-	-	240,897	240,897
- Land use rights	-	-	11,300	11,300
Property, plant and equipment:				
- Leasehold buildings and structural improvements	-	-	28,042	28,042
- Land use rights	-	-	11,298	11,298
<hr/>				
30 June 2023				
<u>Non-financial assets</u>				
Investment properties:				
- Leasehold buildings	-	-	240,897	240,897
- Land use rights	-	-	11,300	11,300
Property, plant and equipment:				
- Leasehold buildings and structural improvements	-	-	28,389	28,389
- Land use rights	-	-	11,410	11,410
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There were no transfers into or out of fair value hierarchy levels for financial periods ended 30 September 2023 and 30 June 2023.

18 Deregistration of a subsidiary

During the financial period ended 30 September 2023, following the completion of the Compulsory Acquisition on 22 May 2023 as described in the Annual Report 2023, a wholly-owned subsidiary, Zhangping Fengwang Agricultural Products Co Ltd. became dormant and had been deregistered on 8 August 2023.