



## Yamada Green Resources Limited

(Company Registration No. 201002962E)  
(Incorporated in the Republic of Singapore)**Unaudited Financial Statements And Dividend Announcement for The Third Quarter and Nine Months Ended 31 March 2016****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>The Group</b>	<b>3 Months Ended</b>			<b>9 Months Ended</b>		
	<b>31 Mar 2016 RMB'000</b>	<b>31 Mar 2015 RMB'000</b>	<b>Change %</b>	<b>31 Mar 2016 RMB'000</b>	<b>31 Mar 2015 RMB'000</b>	<b>Change %</b>
Revenue	<b>105,957</b>	198,060	(46.5)	<b>276,330</b>	430,697	(35.8)
Cost of sales	<b>(94,605)</b>	(152,495)	(38.0)	<b>(232,104)</b>	(325,689)	(28.7)
Gross profit	<b>11,352</b>	45,565	(75.1)	<b>44,226</b>	105,008	(57.9)
Gross profit margin	<b>10.7%</b>	23.0%	(12.3 ppt)	<b>16.0%</b>	24.4%	(8.4 ppt)
Other items of income						
Interest income	<b>20</b>	18	11.1	<b>73</b>	46	58.7
Other income	<b>1,573</b>	1,425	10.4	<b>6,037</b>	2,421	149.4
Other items of expenses						
Selling and distribution expenses	<b>(1,676)</b>	(1,947)	(13.9)	<b>(3,328)</b>	(3,730)	(10.8)
Administrative expenses	<b>(4,362)</b>	(6,073)	(28.2)	<b>(22,597)</b>	(28,016)	(19.3)
Other operating expenses	<b>(965)</b>	(1,094)	(11.8)	<b>(3,476)</b>	(4,874)	(28.7)
Finance cost	<b>(179)</b>	(490)	(63.5)	<b>(1,350)</b>	(1,543)	(12.5)
Share of results of associated company	<b>3,674</b>	-	n/m	<b>3,674</b>	-	n/m
Profit before income tax	<b>9,437</b>	37,404	(74.8)	<b>23,259</b>	69,312	(66.4)
Income tax expense	<b>(2,180)</b>	(2,791)	(21.9)	<b>(5,492)</b>	(7,766)	(29.3)
Profit for the financial period, representing total comprehensive income for the financial period	<b>7,257</b>	34,613	(79.0)	<b>17,767</b>	61,546	(71.1)
Profit attributable to:						
Owners of the Company	<b>7,257</b>	34,613	(79.0)	<b>17,767</b>	61,546	(71.1)
Total comprehensive income attributable to:						
Owners of the Company	<b>7,257</b>	34,613	(79.0)	<b>17,767</b>	61,546	(71.1)

- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.**

The Group's total comprehensive income for the financial period is derived after charging/(crediting):						
	<b>3 Months Ended</b>			<b>9 Months Ended</b>		
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>	<b>Change</b>	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>	<b>Change</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>
Amortisation of land use rights	135	154	(12.3)	406	1,347	(69.9)
Amortisation of biological assets <sup>(1)</sup>	30,928	80,784	(61.7)	56,399	144,479	(61.0)
Amortisation of intangible assets	150	-	n/m	150	-	n/m
Amortisation of prepayments	39,412	19,314	104.1	85,122	38,059	123.7
Depreciation of property, plant and equipment	2,097	2,019	3.9	6,851	6,201	10.5
Depreciation of investment properties	571	-	n/m	1,142	-	n/m
Gain on disposal of property, plant and equipment	-	-	-	-	(2)	n/m
Loss on disposal of land use rights of eucalyptus plantations	-	-	-	-	6,075	n/m
Exchange (gain)/loss, net	(143)	(233)	(38.6)	(3,540)	1,037	(441.4)
Interest income	(20)	(18)	11.1	(73)	(46)	58.7
Interest expenses on bank loan	179	490	(63.5)	1,350	1,543	(12.5)
Government grants	(2)	(1,260)	(99.8)	(336)	(1,440)	(76.7)
Rental income	(318)	(94)	238.3	(762)	(409)	86.3
<sup>(1)</sup> The biological assets represent shiitake mushroom synthetic logs held by the Group.						

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

	<b>The Group</b>		<b>The Company</b>	
	<b>As at 31</b>	<b>As at 30</b>	<b>As at 31</b>	<b>As at 30</b>
	<b>Mar 2016</b>	<b>Jun 2015</b>	<b>Mar 2016</b>	<b>Jun 2015</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	131,071	179,471	11	7
Biological assets <sup>(1)</sup>	171,585	171,585	-	-
Land use rights	24,150	24,557	-	-
Investment properties	44,273	-	-	-
Investments in subsidiaries	-	-	161,909	117,266
Investment in an associate	43,607	-	-	-
Intangible assets	2,850	-	-	-
Prepayments	349,802	343,244	-	-
Deferred tax assets	2,005	2,005	-	-
	<u>769,343</u>	<u>720,862</u>	<u>161,920</u>	<u>117,273</u>
<b>Current assets</b>				
Biological assets <sup>(2)</sup>	4,245	6,858	-	-
Inventories	17,916	16,424	-	-
Trade receivables	27,979	16,312	-	-
Other receivables	164,828	151,384	132,932	108,054
Tax recoverables	63	63	-	-
Cash and bank balances	17,157	27,440	8,421	4,501
	<u>232,188</u>	<u>218,481</u>	<u>141,353</u>	<u>112,555</u>
<b>Less:</b>				
<b>Current liabilities</b>				
Bank borrowings	7,000	42,000	-	-
Trade and other payables	21,534	16,203	97	977
Current income tax payable	2,599	3,916	525	525
	<u>31,133</u>	<u>62,119</u>	<u>622</u>	<u>1,502</u>
<b>Net current assets</b>	<u>201,055</u>	<u>156,362</u>	<u>140,731</u>	<u>111,053</u>
<b>Non-current liability</b>				
Deferred tax liability	3,711	3,711	-	-
<b>Net assets</b>	<u>966,687</u>	<u>873,513</u>	<u>302,651</u>	<u>228,326</u>
<b>Capital and reserves</b>				
Share capital	301,346	221,090	301,346	221,090
Share-based payment reserve	2,016	2,016	2,016	2,016
Statutory reserve	67,328	65,338	-	-
Accumulated profits/ (loss)	595,997	585,069	(711)	5,220
<b>Total equity</b>	<u>966,687</u>	<u>873,513</u>	<u>302,651</u>	<u>228,326</u>

<sup>(1)</sup>This represents eucalyptus trees, moso bamboo trees and bamboo shoots in the plantations.

<sup>(2)</sup>This represents synthetic logs and mycelia of edible fungi held by the Group.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31 Mar 2016		As at 30 Jun 2015	
Secured	Unsecured	Secured	Unsecured
RMB7,000,000	Nil	RMB42,000,000	Nil

**Amount repayable after one year**

As at 31 Mar 2016		As at 30 Jun 2015	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

**Details of any collateral**

The Company's wholly-owned subsidiary, Wangcheng Foods Development Co., Ltd. ("Wangcheng"), has credit facilities (the "Facilities") up to an aggregate principal amount of RMB17 million granted by Postal Savings Bank of China (the "Bank").

Wangcheng 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 period, Wangcheng drew down an aggregate amount of RMB17.0 million granted by the Bank for general working capital purposes and made a repayment of RMB10.0 million to the Bank.

As at 31 March 2016, Wangcheng's outstanding loan amount was RMB7.0 million. The loans are repayable within 1 year.

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

	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>31 Mar 2016 RMB'000</b>	<b>31 Mar 2015 RMB'000</b>	<b>31 Mar 2016 RMB'000</b>	<b>31 Mar 2015 RMB'000</b>
<b>The Group</b>				
<b>Cash flow from operating activities</b>				
Profit before income tax	9,437	37,404	23,259	69,312
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	2,097	2,019	6,851	6,201
Depreciation of investment properties	571	-	1,142	-
Amortisation of land use rights	135	154	406	1,347
Amortisation of biological assets <sup>(1)</sup>	30,928	80,784	56,399	144,479
Amortisation of intangible assets	150	-	150	-
Amortisation of prepayments	39,412	19,314	85,122	38,059
Gain on disposal of property, plant and machinery	-	-	-	(2)
Loss on disposal of land use rights	-	-	-	6,075
Interest income	(20)	(18)	(73)	(46)
Interest expenses	179	489	1,350	1,542
Share of results of associated company	(3,674)	-	(3,674)	-
Operating profits before working capital changes	79,215	140,146	170,932	266,967
<i>Working capital changes:</i>				
Biological assets <sup>(1)</sup>	-	(1,402)	(53,786)	(133,005)
Inventories	(3,881)	(1,660)	(1,492)	(1,183)
Trade and other receivables	(30,318)	(44,650)	(76,550)	100,743
Trade and other payables	(1,528)	(11,319)	5,331	(6,164)
Cash used in operations	43,488	81,115	44,435	227,358
Interest received	20	18	73	46
Income taxes paid	(1,719)	(2,429)	(6,809)	(8,655)
<b>Net cash generated from operating activities</b>	<b>41,789</b>	<b>78,704</b>	<b>37,699</b>	<b>218,749</b>
<b>Cash flow used in investing activities</b>				
Proceeds from disposal of property, plant and equipment	-	-	-	14
Proceeds from disposal of land use rights	-	64,541	-	64,541
Purchase of property, plant and equipment	(1,612)	(41,579)	(3,865)	(66,933)
Purchase of intangible assets	(3,000)	-	(3,000)	-
Prepayments	(41,797)	(101,300)	(52,985)	(250,826)
Investment in an associate	-	-	(39,933)	-
Refund from prepaid lease	-	-	12,744	16,842
<b>Net cash used in investing activities</b>	<b>(46,409)</b>	<b>(78,338)</b>	<b>(87,039)</b>	<b>(236,362)</b>

<b><u>The Group</u></b>	<b>3 Months Ended</b>		<b>9 Months Ended</b>	
	<b>31 Mar</b>	31 Mar	<b>31 Mar</b>	31 Mar
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>RMB'000</b>	RMB'000	<b>RMB'000</b>	RMB'000
<b>Cash flow from financing activities</b>				
Issue of ordinary shares <sup>(2)</sup>	-	-	<b>80,256</b>	27,639
Proceeds from bank borrowings	<b>5,000</b>	20,000	<b>22,000</b>	25,000
Repayments of bank borrowings	<b>(15,000)</b>	(20,000)	<b>(57,000)</b>	(30,000)
Interest paid	<b>(179)</b>	(490)	<b>(1,350)</b>	(1,543)
Dividend payment	-	-	<b>(4,849)</b>	(6,410)
<b>Net cash generated from/ (used in) financing activities</b>	<b>(10,179)</b>	(490)	<b>39,057</b>	14,686
<b>Net decrease in cash and bank balances</b>	<b>(14,799)</b>	(124)	<b>(10,283)</b>	(2,927)
<b>Cash and bank balances at beginning of the financial period</b>	<b>31,956</b>	18,788	<b>27,440</b>	21,591
<b>Cash and bank balances at end of the financial period</b>	<b>17,157</b>	18,664	<b>17,157</b>	18,664

<sup>(1)</sup>The biological assets represent synthetic logs of shiitake mushroom held by the Group.

<sup>(2)</sup>This represents 270,333,587 right shares allotted and issued on 18 September 2015.

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.

<u>The Group</u>	← Attributable to owners of the Company →				
	Share capital	Share-based payment reserve	Statutory reserve	Accumulated profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 01.07.2015	221,090	2,016	65,338	585,069	873,513
<b><u>Contributions by and distributions to owners of the Company</u></b>					
Issue of ordinary shares	80,256	-	-	-	80,256
<b>Total contributions by and distributions to owners of the Company</b>	80,256	-	-	-	80,256
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	3,075	3,075
Balance as at 30.09.2015	301,346	2,016	65,338	588,144	956,844
<b><u>Contributions by and distributions to owners of the Company</u></b>					
Transfer to statutory reserve	-	-	1,990	(1,990)	-
Dividend payment	-	-	-	(4,849)	(4,849)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	1,990	(6,839)	(4,849)
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	7,435	7,435
Balance as at 31.12.2015	301,346	2,016	67,328	588,740	959,430

<u>The Group</u>	← Attributable to owners of the Company →				Total equity
	Share capital	Share-based payment reserve	Statutory reserve	Accumulated profits	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 31.12.2015</b>	<b>301,346</b>	<b>2,016</b>	<b>67,328</b>	<b>588,740</b>	<b>959,430</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	7,257	7,257
<b>Balance as at 31.03.2016</b>	<b>301,346</b>	<b>2,016</b>	<b>67,328</b>	<b>595,997</b>	<b>966,687</b>



<u>The Group</u>	← Attributable to owners of the Company →				
	Share capital	Share-based payment reserve	Statutory reserve	Accumulated profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 01.07.2014</b>	<b>190,471</b>	<b>4,995</b>	<b>59,306</b>	<b>511,282</b>	<b>766,054</b>
<b><u>Contributions by and distributions to owners of the Company</u></b>					
Issue of ordinary shares	27,640	-	-	-	27,640
<b>Total contributions by and distributions to owners of the Company</b>	<b>27,640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,640</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	4,807	4,807
<b>Balance as at 30.09.2014</b>	<b>218,111</b>	<b>4,995</b>	<b>59,306</b>	<b>516,089</b>	<b>798,501</b>
<b><u>Contributions by and distributions to owners of the Company</u></b>					
Dividend payment	-	-	-	(6,410)	(6,410)
Issue of ordinary shares	2,979	-	-	-	2,979
Share-based payment reserve	-	(2,979)	-	-	(2,979)
Transfer to statutory reserve	-	-	2,088	(2,088)	-
<b>Total contributions by and distributions to owners of the Company</b>	<b>2,979</b>	<b>(2,979)</b>	<b>2,088</b>	<b>(8,498)</b>	<b>(6,410)</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	22,126	22,126
<b>Balance as at 31.12.2014</b>	<b>221,090</b>	<b>2,016</b>	<b>61,394</b>	<b>529,717</b>	<b>814,217</b>

<u>The Group</u>	← Attributable to owners of the Company →				Total equity
	Share capital	Share-based payment reserve	Statutory reserve	Accumulated profits	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 31.12.2014</b>	221,090	2,016	61,394	529,717	814,217
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	34,613	34,613
<b>Balance as at 31.03.2015</b>	221,090	2,016	61,394	564,330	848,830

<u>The Company</u>	Share capital RMB'000	Share-based payment reserve RMB'000	Accumulated profits RMB'000	Total equity RMB'000
Balance as at 01.07.2015	221,090	2,016	5,220	228,326
<b><u>Contributions by and distributions to owners of the Company</u></b>				
Issue of ordinary shares	80,256	-	-	80,256
<b>Total contributions by and distributions to owners of the Company</b>	80,256	-	-	80,256
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(698)	(698)
<b>Balance as at 30.09.2015</b>	<b>301,346</b>	<b>2,016</b>	<b>4,522</b>	<b>307,884</b>
<b><u>Contributions by and distributions to owners of the Company</u></b>				
Dividend payment	-	-	(4,849)	(4,849)
<b>Total contributions by and distributions to owners of the Company</b>		-	(4,849)	(4,849)
Profit for the financial period, representing total comprehensive income for the financial period	-	-	401	401
<b>Balance as at 31.12.2015</b>	<b>301,346</b>	<b>2,016</b>	<b>74</b>	<b>303,436</b>
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(785)	(785)
<b>Balance as at 31.03.2016</b>	<b>301,346</b>	<b>2,016</b>	<b>(711)</b>	<b>302,651</b>

<u>The Company</u>	Share capital RMB'000	Share-based payment reserve RMB'000	Accumulated profits/ (losses) RMB'000	Total equity RMB'000
<b>Balance as at 01.07.2014</b>	<b>190,471</b>	<b>4,995</b>	<b>6,625</b>	<b>202,091</b>
<b><u>Contributions by and distributions to owners of the Company</u></b>				
Issue of ordinary shares	27,640	-	-	27,640
<b>Total contributions by and distributions to owners of the Company</b>	<b>27,640</b>	<b>-</b>	<b>-</b>	<b>27,640</b>
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(1,157)	(1,157)
<b>Balance as at 30.09.2014</b>	<b>218,111</b>	<b>4,995</b>	<b>5,468</b>	<b>228,574</b>
<b><u>Contributions by and distributions to owners of the Company</u></b>				
Dividend payment	-	-	(6,410)	(6,410)
Issue of ordinary shares	2,979	-	-	2,979
Share-based payment	-	(2,979)	-	(2,979)
<b>Total contributions by and distributions to owners of the Company</b>	<b>2,979</b>	<b>(2,979)</b>	<b>(6,410)</b>	<b>(6,410)</b>
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(1,571)	(1,571)
<b>Balance as at 31.12.2014</b>	<b>221,090</b>	<b>2,016</b>	<b>(2,513)</b>	<b>220,593</b>
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(717)	(717)
<b>Balance as at 31.03.2015</b>	<b>221,090</b>	<b>2,016</b>	<b>(3,230)</b>	<b>219,876</b>

- 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 as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

During the financial period, the Company has allotted and issued 270,333,587 new ordinary shares at S\$0.07 each pursuant to a renounceable underwritten rights issue on the basis of one rights share for every two existing ordinary shares held by the shareholders of the Company.

On 21 September 2015, the new ordinary shares have been listed and quoted on the Singapore Exchange Securities Trading Limited and rank pari passu in all respects with the existing shares of the Company. Pursuant to the above mentioned issue and allotment of the rights shares, the number of issued and paid-up shares in the capital of the Company increased from 540,667,175 ordinary shares to 811,000,762 ordinary shares.

On 23 November 2015, every five (5) existing issued ordinary share were consolidated into one (1) ordinary share in the capital of the Company. Accordingly, the number of issued and paid-up shares in the capital of the Company comprises 162,200,151 consolidated shares.

There were no outstanding convertibles or treasury shares held as at 31 March 2016 and 31 March 2015.

- 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.**

Total number of issued shares (excluding treasury shares)

As at 30 June 2015	540,667,175
Issue of ordinary shares	270,333,587
Before share consolidation	811,000,762
<b>Consolidated shares as at 31 March 2016</b>	<b>162,200,151</b>

- 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.**

Not applicable.

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

The figures have not been audited or 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).**

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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 30 June 2015 except for the valuation of biological assets, fair value of share-based payment reserves, deferred tax assets and provision for deferred tax which will be undertaken at the end of financial year.

**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.**

Not applicable.

**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.**

	3 Months Ended		9 Months Ended	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b><u>The Group</u></b>				
Earnings per share (RMB cents)				
- <i>basic</i>	5.5	27.6	11.7	49.7
- <i>diluted</i>	5.5	27.6	11.7	49.7
Weighted average number of ordinary shares ('000) - <i>basic</i>	131,580	125,456	151,993	123,827
Weighted average number of ordinary shares ('000) - <i>diluted</i>	131,580	125,456	151,993	123,827

Basic earnings per share are calculated by dividing the net profit after tax attributable to equity holders of the Company of the respective periods and the weighted average number of shares in issue during the respective financial periods. The weighted average number of ordinary shares represents the number of ordinary shares at the beginning of the financial period, adjusted for new ordinary shares issued during the financial period, multiplied by a time-weighted factor.

Diluted earnings per share are calculated by dividing the profit attributable to equity holders of the Company for the respective periods and the weighted average number of shares, adjusted for the effects of all dilutive potential ordinary shares.

Comparative basic and diluted earnings per share have been adjusted to reflect the effect of share consolidation and rights issue during the current financial period.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**  
 (a) **current financial period reported on; and**  
 (b) **immediately preceding financial year.**

<b><u>The Group</u></b>	<b>As at 31 Mar 2016</b>	As at 30 Jun 2015
Net asset value per share (RMB cents)	<b>596.0</b>	161.6
Number of ordinary shares ('000)	<b>162,200</b>	540,667

<b><u>The Company</u></b>	<b>As at 31 Mar 2016</b>	As at 30 Jun 2015
Net asset value per share (RMB cents)	<b>186.6</b>	42.2
Number of ordinary shares ('000)	<b>162,200</b>	540,667

Number of ordinary shares as at 31 March 2016 had taken into account the share consolidation of 5 existing shares into 1 share.

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.**

#### **STATEMENT OF COMPREHENSIVE INCOME**

##### **Review of performance for the third quarter ended 31 March 2016 ("3Q2016")**

	<b>3Q2016</b>		<b>9M2016</b>	
	(RMB'million)	%	(RMB'million)	%
<b>Cultivation Business Segment</b>				
- Shiitake mushroom	38.7	36.5	69.7	25.2
- bamboo trees and bamboo shoots	35.0	33.0	98.8	35.8
<b>Processed Food Products Business Segment</b>	32.3	30.5	107.8	39.0
<b>Total Revenue</b>	<b>106.0</b>	<b>100.0</b>	<b>276.3</b>	<b>100.0</b>

#### **Revenue**

Our revenue decreased by approximately RMB92.1 million or 46.5%, to approximately RMB106.0 million during January to March 2016 ("3Q2016") from approximately RMB198.1 million during the same period in 2015 ("3Q2015").

Sales of our self-cultivated shiitake mushrooms was approximately RMB38.7 million in 3Q2016, which decreased by approximately RMB83.0 million or 68.2% from approximately RMB121.7 million in 3Q2015. There were 6,630 tons of shiitake mushrooms sold in 3Q2016 compared to approximately 17,400 tons in 3Q2015. It was primarily attributable to scaling back of our shiitake mushroom cultivation farmland from 3,342 mu in 3Q2015 to 1,184 mu in 3Q2016. The average selling price of our fresh shiitake mushroom decreased to approximately RMB5.9 per kg from approximately RMB7.1 per kg in the same period last year. This was mainly as a result of slowdown in

the economy in China and also the oversupply of shiitake mushroom in domestic markets during the period.

The loss of revenue in our shiitake mushroom business was partially mitigated by increased sales in our bamboo business line, on account of the expansion of our moso bamboo plantations. In 3Q2016, we operated 115,992 mu of bamboo plantations compared to 100,845 mu in 3Q2015. Revenue from our bamboo business increased by approximately RMB2.2 million or 6.7% to approximately RMB35.0 million in 3Q2016, from approximately RMB32.8 million in 3Q2015. There were approximately 17,210 tons of bamboo shoots harvested in 3Q2016, in contrast to approximately 14,850 tons of bamboo shoots harvested during 3Q2015. Out of the bamboo shoots harvested in 3Q2016, approximately 15,500 tons of bamboo shoots were sold to external parties.

Sales from the processed food products business segment decreased by approximately RMB11.4 million or 26.1%, to approximately RMB32.2 million in 3Q2016 from approximately RMB43.6 million in 3Q2015. This was mainly due to a decline in domestic sales of processed mushrooms. We reduced the production quantity of processed mushrooms in 3Q2016 because of increases in costs of raw material and labour of processed mushrooms without corresponding increases in the average selling price of processed mushrooms.

### **Gross profit and gross profit margin**

Our gross profit decreased by approximately RMB34.2 million or 75.1%, to approximately RMB11.4 million in 3Q2016 from approximately RMB45.6 million in 3Q2015. The overall gross profit margin decreased to 10.7% in 3Q2016 compared to 23.0% in 3Q2015.

The gross profit margin of our cultivation business segment decreased to 4.1% in 3Q2016 from 19.5% in 3Q2015. It was mainly attributable to increased costs of cultivation, including labour costs of producing mushroom logs and harvesting shiitake mushrooms, and maintenance costs for bamboo plantations. However, there was no corresponding increases in the average selling prices of the shiitake mushrooms and bamboo shoots.

The gross profit margin of our processed food products business segment slightly slipped to 35.1% in 3Q2016 compared to 35.6% in 3Q2015, mainly due to higher costs of raw materials and labour.

### **Other operating income**

Other operating income increased from approximately RMB1.4 million in 3Q2015 to approximately RMB1.6 million in 3Q2016, mainly consisting of interest income, rental income and other miscellaneous income. We received rental income from letting out spare office and plant space in our subsidiary. In addition, appreciation of the US Dollar against the Renminbi during the period resulted in a net foreign currency exchange gain from our US Dollar denominated sales.

### **Operating expenses**

Selling and distribution expenses decreased to approximately RMB1.7 million in 3Q2016 from RMB1.9 million in 3Q2015. The expenses primarily comprised of salary of sales and marketing staff, freight charges, custom duties and payments to distributors of processed food products.

Administrative expenses decreased by approximately RMB1.7 million or 28.2% to approximately RMB4.4 million in 3Q2016, from approximately RMB6.1 million in 3Q2015. This was primarily as a result of a cut in staff benefits and a reduction in mushroom farmland, which resulted in lower depreciation of mushroom tents during the period. Furthermore, there was no management cost imposed by the local government authority during this period for the bamboo plantations.



Other operating expenses decreased by approximately RMB0.1 million or 11.8%, to approximately RMB1.0 million in 3Q2016 from approximately RMB1.1 million in 3Q2015. It mainly arose from a decrease in foreign currency exchange loss in 3Q2016 as a result of an appreciation of the US Dollar against the Renminbi.

#### **Finance cost**

As a result of bank loans declined from RMB25.0 million in 3Q2015 to RMB7.0 million in 3Q2016, finance cost decreased by approximately RMB0.3 million or 60.0% to approximately RMB0.2 million in 3Q2016, from approximately RMB0.5 million in 3Q2015.

#### **Share of results of the associated company**

The Group's share of profits of associated company for 3Q2016 of approximately RMB3.7 million relates to Fujian Tianwang Foods Co., Limited ("Tianwang"), which we own 45% of its shareholding. Tianwang's source of revenue was derived mainly from the production and supply of processed vegetables, including processed bamboo shoots.

#### **Income tax expenses**

Income tax expense decreased to approximately RMB2.2 million in 3Q2016 from approximately RMB2.8 million in 3Q2015. Our cultivation business segment is exempt from the Enterprise Income Tax and the value-added tax. Our subsidiaries, Wangcheng and Yuanwang, are subject to Enterprise Income Tax at the rate of 25%. Our effective tax rate is 23.1% in 3Q2016 compared with 7.5% in 3Q2015.

#### **Total comprehensive income for the period**

The comprehensive income for the three months under review decreased by approximately RMB27.3 million or 79.0%, to approximately RMB7.3 million in 3Q2016 from approximately RMB34.6 million in 3Q2015.

#### **Review of performance for the 9-month ended 31 March 2016 ("9M2016")**

##### **Revenue**

Our revenue decreased by approximately RMB154.4 million or 35.8%, to approximately RMB276.3 million in 9M2016 from RMB430.7 million during July 2014 to March 2015 ("9M2015").

Sales of our self-cultivated shiitake mushrooms was approximately RMB69.7 million in 9M2016, which decreased by approximately RMB150.9 million or 68.4% from approximately RMB220.6 million in 9M2015. There was 12,050 tons of shiitake mushrooms sold in 9M2016 compared to approximately 31,200 tons in 9M2015. It was largely due to scaling back of our shiitake mushroom cultivation farmland from 3,342 mu in 9M2015 to 1,184 mu in 9M2016. The average selling price of our fresh shiitake mushroom decreased to approximately RMB5.9 per kg from approximately RMB7.1 per kg during the same period last year. This was mainly on account of the slowdown in the economy in China and also the oversupply of shiitake mushroom in local markets.

The loss of the revenue in our shiitake mushroom business was partially mitigated by increased sales in our bamboo business subsequent to the expansion of our moso bamboo plantations. In 9M2016, we operated 115,992 mu of bamboo plantations compared to 100,845 mu in 9M2015. Revenue from our bamboo business increased by RMB33.5 million or 51.3% to approximately RMB98.8 million in 9M2016, from approximately RMB65.3 million in 9M2015. We commenced harvesting bamboo trees from 67,000 mu of bamboo plantations in this financial year. There was approximately 99,720 tons of bamboo trees harvested in 9M2016 compared to 34,230 tons in 9M2015.

Furthermore, we harvested 19,030 tons of bamboo shoots in 9M2016 in contrast to 16,530 tons of bamboo shoots harvested during 9M2015. Out of the bamboo shoots harvested in 9M2016, there were approximately 17,320 tons of bamboo shoots sold to external parties.

Sales from the processed food products business segment decreased by approximately RMB37.0 million or 25.5%, to approximately RMB107.8 million in 9M2016 from approximately RMB144.8 million in 9M2015. This was mainly due to a decline in domestic sales of processed mushrooms. We reduced the production quantity of our processed mushrooms because of increases in cost of raw material and labour of processed mushrooms without corresponding increases in the average selling price of the processed mushrooms. Furthermore, production volume of the existing konjac-based dietary fibre food products also decreased following the adjustments in our production and sales strategy in the domestic markets.

### **Gross profit and gross profit margin**

Our gross profit decreased by approximately RMB60.8 million or 57.9%, to approximately RMB44.2 million in 9M2016 from RMB105.0 million in 9M2015. The overall gross profit margin decreased from 24.4% in 9M2015 to 16.0% in 9M2016.

The gross profit margin of our cultivation business segment decreased to 6.7% in 9M2016 from 20.6% in 9M2015. It was mainly attributable to increased costs of cultivation, including labour costs of producing mushroom logs and harvesting shiitake mushrooms, and maintenance costs for bamboo plantations. However, there was no corresponding increases in the average selling price of the shiitake mushrooms and bamboo products. In addition, there was also additional amortization of the prepaid lease and higher maintenance costs incurred in 9M2016 for the expanded bamboo plantations which we will only commence harvesting moso bamboo trees from these plantations in the next financial year.

The gross profit margin of our processed food product business segment remained stable at 31.8% in 9M2016 compared to the same period in the last financial year.

### **Other operating income**

Other operating income increased from approximately RMB2.5 million in 9M2015 to approximately RMB6.1 million in 9M2016, mainly consisted of interest income, government subsidies, rental income and other miscellaneous income. The government grants obtained in HY2016 were mainly due to subsidizing the construction and improvement of the infrastructure in our subsidiary, and also new product innovation. We also received rental income from letting out spare space of office and plant in our subsidiary. In addition, we benefited from appreciation of the US Dollar against the Renminbi in 9M2016, there was a net foreign currency exchange gain from the US Dollar denominated sales.

### **Operating expenses**

Selling and distribution expenses decreased to approximately RMB3.3 million in 9M2016 from RMB3.7 million in 9M2015. The expenses primarily comprised of salary of sales and marketing staff, freight charges, custom duties and payments to distributors of processed food products.

Administrative expenses decreased by approximately RMB5.4 million or 19.3% to approximately RMB22.6 million in 9M2016, from approximately RMB28.0 million in 9M2015. It was mainly due to a loss on disposal of land use rights of eucalyptus plantations in 9M2015 which was an one-off expenses during that period. There were also lower amortisations of land use rights during the period as a result of disposal of land use rights of the eucalyptus plantations in the last financial year. Furthermore, there was no management cost imposed by the local government authority in this 9M2016 for the bamboo plantations. The decrease was partly offset by increases in amortisation of

prepaid lease for the eucalyptus plantations and depreciation of property, plants and equipment followed by completion of new plants construction in our subsidiary.

Other operating expenses decreased by approximately RMB1.4 million or 28.7%, to approximately RMB3.5 million in 9M2016 from approximately RMB4.9 million in 9M2015. It primarily arose from a decrease in foreign currency exchange loss in 9M2016 as a results of appreciation of the US Dollar against the Renminbi.

#### **Finance cost**

Finance cost decreased to approximately RMB1.3 million in 9M2016 from approximately RMB1.5 million in 9M2015. It was mainly due to bank borrowing declined from RMB25.0 million in 9M2015 to RMB7.0 million in 9M2016.

#### **Share of results of the associated company**

The Group's share of results of associated company for 9M2016 of approximately RMB3.7 million relates to Fujian Tianwang Foods Co., Limited ("Tianwang"), which we own 45% of its shareholding. Tianwang's source of revenue was derived mainly from production and supply of processed vegetables, including processed bamboo shoots.

#### **Income tax expenses**

Income tax expense decreased to approximately RMB5.5 million compared to RMB7.8 million in 9M2015. Our cultivation business segment is exempt from the Enterprise Income Tax and the value-added tax. Our subsidiaries, Wangcheng and Yuanwang, are subject to Enterprise Income Tax at the rate of 25%. Our effective tax rate is 23.6% in 9M2016 as compared with 11.2% in 9M2015.

#### **Total comprehensive income for the period**

The comprehensive income for the nine months under review decreased by approximately RMB43.7 million or 71.1%, to approximately RMB17.8 million in 9M2016 from approximately RMB61.5 million in 9M2015.

#### **STATEMENT OF FINANCIAL POSITION**

Non-current assets increased by approximately RMB48.4 million or 6.7% to RMB769.3 million as at 31 March 2016, from RMB720.9 million as at 30 June 2015. The increase was mainly attributed to an investment in a food processing company. There was also additional prepaid lease for the bamboo plantations newly acquired in this financial year. In addition, an E-commerce platform set up for promoting sales of our processed food products was capitalized as intangible assets. The increase in non-current assets was partially offset by the depreciations of Property, Plants and Equipment, amortisations of long term prepaid leases of bamboo and eucalyptus plantations and the respective prepaid maintenance costs. The Group has transferred part of premises which were let out to third parties, from Property, Plant and Equipment to Investment Properties.

Current assets increased by approximately RMB13.7 million or 6.3% to RMB232.2 million as at 31 March 2016, from RMB218.5 million as at 30 June 2015. The increase was mostly due to increases in Trade and other Receivables of RMB25.1 million, consisting of trade debtors arising from both processed food and bamboo business, prepaid leases and maintenance costs for bamboo plantations, and advances made to the suppliers of raw materials, including for mushroom logs to be utilised in the financial year 2017 ("FY2017"). The increase in current assets was partly offset by a decrease in cash and bank balances. Furthermore, the value of synthetic logs also decreased as a results of its amortization over the mushroom harvesting period.

Current liabilities decreased by approximately RMB31.0 million or 49.9% to approximately RMB31.1 million as at 31 March 2016, from RMB62.1 million as at 30 June 2015. The decrease was primarily due to repayments of bank borrowings. The decrease in current liabilities was partly offset by increases in Trade payables and other payables, mainly including advances received from customers.

Our capital and reserves increased by approximately RMB93.2 million or 10.7%, from RMB873.5 million as at 30 June 2015 to RMB966.7 million as at 31 March 2016. The movement was mainly due to the issuance of new ordinary shares arising from the rights issue which was completed in September 2015, and retention of net profits.

## STATEMENT OF CASH FLOWS

### 3Q2016

For the three months ended 31 March 2016, we recorded net cash generated from operating activities of approximately RMB41.8 million. This consisted of cash generated from operating activities before changes in working capital of approximately RMB79.2 million, working capital outflow of approximately RMB35.7 million, and net of cash outflow amounting to approximately RMB1.7 million from interest income received and income tax paid.

The net working capital outflow was mainly due to advanced payment to suppliers for production of mushroom logs to be utilised in the FY2017 and additional prepaid lease and maintenance costs of bamboo plantations. In addition, there were advances made to contractors for renovation of new plants. The working capital outflow was partly offset by advances received from our regular overseas customers.

A net cash of approximately RMB46.4 million was used in investing activities. It was mainly due to a prepayment for lease of 13,704 mu of bamboo plantations and an investment in E-commerce platform for promoting sales of our processed food products.

In 3Q2016, a net cash of approximately RMB10.2 million was used in financing activities. It was primarily due to a repayment of bank borrowings amounting to RMB 15.0 million made to Postal Savings Bank of China. Within the period, another bank loan of RMB5.0 million was drawn down from the bank for general working capital purposes.

### 9M2016

For the nine months ended 31 March 2016, we recorded net cash generated from operating activities of approximately RMB37.7 million. This consisted of cash generated from operating activities before changes in working capital of approximately RMB170.9 million, working capital outflow of approximately RMB126.5 million, and net of cash outflow amounting to approximately RMB6.7 million from interest income received and income tax paid.

The net working capital outflow mainly arose from an additional capitalised value of mushroom logs in 9M2016, an increase in trade debtors from both processed food and cultivation business, additional prepayments for lease and maintenance of bamboo plantations, and increased advances to suppliers of raw materials, including mushroom log to be used in FY2017. The working capital outflow was partly offset by advances received from regular customers.

A net cash of approximately RMB87.0 million was used in investing activities. It was mainly due to an investment in a processed food company of RMB39.9 million, prepayment for lease for newly acquired bamboo plantations, purchase of property, plants and equipment, and prepaid maintenance costs for eucalyptus plantations. The net cash outflow was partly offset by a refund of prepaid lease of approximately RMB12.7 million as a result of the termination of lease for 2,158 mu of shiitake mushroom farmland.

Net cash flow generated from financing activities was RMB39.1 million in 9M2016. It was primarily attributable to net proceeds of RMB80.3 million received from the rights issue which was completed in September 2015. Within these 9 months period, a bank loan of RMB22.0 million was drawn down for general working capital purposes. The cash inflow was partly offset by a repayment of bank loan amounting to RMB57.0 million, a dividend payout for FY2015 and interest payments for bank borrowings.

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

Not applicable.

**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.**

In the face of the challenging operating environment in China, we will continue to focus on our fundamental business and cautiously proceed with our business development.

Following the leasing of another 13,704 mu of bamboo plantations in January 2016, we have expanded our bamboo plantations to a total of 129,696 mu. We will commence harvesting of bamboo tress and bamboo shoots from our newly acquired plantations in the next financial year and expect the bamboo business to continue to contribute positively to the Group's earnings.

Additionally, part of the Group's earnings in 9M2016 was derived from an investment in our associated company which engages in cultivation and food processing business activities. We expect the investment to enhance our bamboo processing capabilities and to achieve potential cost savings for our processing business segment.

We launched an E-commerce platform in January this year to promote sales of our processed food products, particularly our new konjac-based convenience food products. We have started receiving orders online. By setting up the E-commerce platform, we aim to expand our customer base and increase awareness of our products. We expect the E-commerce platform to strengthen our sales and distribution system by accelerating and streamlining our selling processes from placing orders to delivery of goods.

The Management will continue to closely monitor the Group's operations amid the intense competition in the food and beverage industry.

\*1 mu is equivalent to approximately 667 square metres

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared or recommended for the three months and nine-month ended 31 March 2016.

**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.**

There has been no interested person transactions during the three months and nine-month ended 31 March 2016. The Group does not have a general mandate pursuant to Rule 920(1)(a)(ii).

**14. Update of Use of Proceeds of Rights Issue.**

The net proceeds from the rights issue amounting to approximately RMB80.3 million had been fully utilised as at 23 December 2015, as annouced on 23 December 2015.

**15. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5)**

The Board of Directors of Yamada Green Resources Limited (the "Company"), do hereby confirm that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the three months and nine months ended 31 March 2016 to be false or misleading in any material aspect.

**16. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS PURSUANT TO RULE 720(1) OF THE SGX LISTING MANUAL**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

**BY ORDER OF THE BOARD**

**Chen Qiuhai**  
**Executive Chairman and CEO**

13 May 2016