CHINA MINING INTERNATIONAL LIMITED

Unaudited Condensed Financial Statements
for the six-month and full year ended 31 December 2021

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A. Condensed consolidated statement of profit or loss and other comprehensive income

		The Group			
	Note	6-month ended 31 Dec 2021 RMB'000	6-month ended 31 Dec 2020 RMB'000	12-month ended 31 Dec 2021 RMB'000	12-month ended 31 Dec 2020 RMB'000
Revenue	4	8,204	1,815	8,207	3,156
Cost of sales		(8,982)	(1,568)	(8,985)	(2,719)
Gross profit/(loss)		(778)	247	(778)	437
Selling and distribution expenses		(28)	(27)	(48)	(47)
General and administrative expenses		(7,645)	(8,363)	(13,466)	(15,009)
Impairment loss of on financial assets		-	-	(570)	-
Written-back of impairment of financial assets, net		3,004	2,071	5,004	2,071
Other income		56,062	1,030	56,112	1,078
Other expenses		(590)	(3,331)	(1,757)	(3,821)
Finance income		236	93	257	177
Finance expense		-	56	(75)	(237)
Profit/(loss) before tax	6	50,261	(8,224)	44,679	(15,351)
Income tax credit/(expense)	7	(923)	(320)	(869)	(355)
Profit/(loss) for the period/year		**49,338**	**(8,544)**	**43,810**	**(15,706)**
Other comprehensive loss, net of tax					
Items that will not be reclassified subsequently to profit or loss: Equity investment at FVOCI[1] - net change in fair value		**(5,309)**	**(9,423)**	**(5,309)**	**(9,423)**
Total comprehensive profit/(loss) for the year		**44,029**	**(17,967)**	**38,501**	**(25,129)**
Profit/(loss) attributable to:					
Equity holders of the Company		**49,338**	**(8,544)**	**43,810**	**(15,706)**
Total comprehensive profit/(loss) attributable to:					
Equity holders of the Company		**44,029**	**(17,967)**	**38,501**	**(25,129)**
Profit/(loss) per share for the period attributable to the owners of the Company:					
Basic and diluted (RMB in cent)	17	**27.08**	**(5.44)**	**24.04**	**(10.01)**

Note:

(1) FVOCI refers to “fair value through other comprehensive income”.

B. Condensed statements of financial position

	Note	The Group		The Company	
		31 Dec 2021	31 Dec 2020	**31 Dec 2021**	31 Dec 2020
		RMB'000	RMB'000	**RMB'000**	RMB'000
Non-current assets					
Property, plant and equipment	**10**	**33,684**	784	**3**	6
Bearer plants	**11**	**142,492**	-	**-**	-
Right of use assets	**12**	**56,321**	-	**-**	-
Land use rights	**13**	**40**	43	**-**	-
Investments in subsidiaries		**-**	-	**165,311**	128,200
Financial assets, at FVOCI	**9.1**	**55,600**	60,909	**55,600**	60,909
Deferred tax assets		**-**	1,045	**-**	-
		288,137	62,781	**220,914**	189,115
Current assets					
Financial assets, at FVPL(1) – structured deposits	**9.2**	**15,770**	21,000	**-**	-
Financial assets, at FVPL(1) – quoted securities	**9.2**	**-**	8,365	**-**	-
Inventories		**2,218**	-	**-**	-
Completed properties for sale		**-**	8,985	**-**	-
Trade receivables		**3,794**	-	**-**	-
Other receivables, deposits and prepayments		**8,720**	2,941	**120**	91
Amount due from related parties		**11,736**	-	**-**	-
Pledged bank deposits		**225**	750	**-**	-
Cash and cash equivalents		**7,566**	1,919	**1,252**	796
		50,029	43,960	**1,372**	887
Total assets		**338,166**	106,741	**222,286**	190,002
Current liabilities					
Trade payables		**5,576**	2,503	**-**	-
Contract liabilities		**-**	57	**-**	-
Accruals and other payables		**12,230**	17,025	**1,403**	574
Borrowings	**14**	**24,498**	-	**-**	-
Lease liabilities	**14**	**3,782**	481	**-**	-
Share-margin financing facility	**14**	**-**	1,928	**-**	-
Amounts due to subsidiaries (non-trade)		**-**	-	**127,280**	122,991
Amounts due to related parties (non-trade)		**-**	34	**-**	-
Income tax payables		**2,961**	3,137	**-**	-
		49,047	25,165	**128,683**	123,565
Net current assets/(liabilities)		**982**	18,795	**(127,311)**	(122,678)
Non-current liabilities					
Borrowings	**14**	**1,576**	-	**-**	-
Lease liabilities	**14**	**53,442**	-	**-**	-
Amount due to related parties (non-trade)		**22,991**	-	**-**	-
		78,009	-	**-**	-
Net assets		**211,110**	81,576	**93,603**	66,437
Issued capital	**15**	**13,142**	7,083	**13,142**	7,083
Share premium	**15**	**259,797**	228,745	**259,797**	228,745
Treasury shares	**16**	**(18)**	(18)	**(18)**	(18)
Capital reserve		**49,031**	49,031	**-**	-
Distributable reserve		**267,600**	267,600	**267,600**	267,600
Fair value deficit		**(14,831)**	(9,522)	**(14,831)**	(9,522)
Accumulated losses		**(417,533)**	(461,343)	**(432,085)**	(427,451)
		157,188	81,576	**93,603**	66,437
Non-controlling interests		**53,922**	-	**-**	-
Total equity		**211,110**	81,576	**93,603**	66,437

Note:

(1) FVPL refers to "fair value through profit or loss".

C. Condensed statements of changes in equity

The Group	Note	Issued capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Distributable reserve RMB'000	Capital reserve RMB'000	Fair value deficit RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
		Attributable to equity holders of the Company									
Balance as at 1 Jan 2021		**7,083**	**228,745**	**(18)**	**267,600**	**49,031**	**(9,522)**	**(461,343)**	**81,576**	**-**	**81,576**
Profit for the year		-	-	-	-	-	-	43,810	43,810	-	43,810
Other comprehensive loss, net of tax: Equity investment at FVOCI – net change in fair value		-	-	-	-	-	(5,309)	-	(5,309)	-	(5,309)
Shares issued for acquisition of subsidiaries	18	6,059	31,052	-	-	-	-	-	37,111		37,111
Acquisition of subsidiaries	18	-	-	-	-		--	-	-	53,922	53,922
Balance as at 31 Dec 2021		**13,142**	**259,797**	**(18)**	**267,600**	**49,031**	**(14,831)**	**(417,533)**	**157,188**	**53,922**	**211,110**

The Group	Issued Capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Distributable reserve RMB'000	Capital reserve RMB'000	Fair value deficit RMB'000	Accumulated losses RMB'000	Total equity RMB'000
	Attributable to equity holders of the Company							
Balance as at 1 Jan 2020	**5,897**	**224,594**	**(18)**	**267,600**	**49,031**	**(99)**	**(445,637)**	**101,368**
Loss for the year	-	-	-	-	-	-	(16,706)	(15,706)
Other comprehensive loss, net of tax: Equity investment at FVOCI – net change in fair value	-	-	-	-	-	(9,423)	-	(9,423)
Issue of ordinary shares	1,186	4,151	-	-	-	-	-	5,337
Balance as at 31 Dec 2020	**7,083**	**228,745**	**(18)**	**267,600**	**49,031**	**(9,522)**	**(461,343)**	**81,576**

The Company	Note	Issued Capital RMB'000	Share Premium RMB'000	Treasury shares RMB'000	Distributable Reserve RMB'000	Fair value deficit RMB'000	Accumulated losses RMB'000	Total equity RMB'000
		Attributable to equity holders of the Company						
Balance as at 1 Jan 2021		**7,083**	**228,745**	**(18)**	**267,600**	**(9,522)**	**(427,451)**	**66,437**
Loss for the year		-	-	-	-	-	(4,636)	(4,636)
Other comprehensive loss, net of tax: Equity investment at FVOCI – net change in fair value		-	-	-	-	(5,309)	-	(5,309)
Shares issued for acquisition of subsidiaries	**18**	6,059	31,052	-	-	-	-	37,111
Balance as at 31 Dec 2021		**13,142**	**259,797**	**(18)**	**267,600**	(14,831)	**(432,087)**	**93,603**

The Company	Issued Capital RMB'000	Share Premium RMB'000	Treasury shares RMB'000	Distributable Reserve RMB'000	Fair value deficit RMB'000	Accumulated losses RMB'000	Total equity RMB'000
	Attributable to equity holders of the Company						
Balance as at 1 Jan 2020	**5,897**	**224,594**	**(18)**	**267,600**	**(99)**	**(423,841)**	**74,133**
Loss for the year	-	-	-	-	-	(3,610)	(3,610)
Other comprehensive loss, net of tax: Equity investment at FVOCI – net change in fair value	-	-	-	-	(9,423)	-	(9,423)
Issue of ordinary shares	1,186	4,151	-	-	-	-	5,337
Balance as at 31 Dec 2021	**7,083**	**228,745**	**(18)**	**267,600**	**(9,522)**	**(427,451)**	**66,437**

D. Condensed consolidated statement of cash flows

	Note	The Group 12-month ended 31 Dec 2021 RMB'000	12-month ended 31 Dec 2020 RMB'000
OPERATING ACTIVITIES			
Profit/(loss) before tax:		**44,679**	(15,351)
Adjustments for:			
Depreciation of property, plant and equipment	**6**	**210**	377
Amortisation of land use rights		**3**	2
Bargain purchase on acquisition of subsidiaries	**18**	**(56,053)**	-
Gain on disposal of option to purchase of property		**-**	(1,000)
Rent concession and rebates		**-**	(147)
Impairment loss of on financial asset		**569**	-
Reversal of allowance for impairment of amounts due from other receivables		**(5,004)**	(2,038)
Reversal of allowance for impairment of amounts due from related parties		**-**	(33)
Interest income		**(257)**	(177)
Interest expense		**75**	237
Fair value gain on financial assets, at FVPL - structured deposits	**9.2**	**(34)**	(49)
Fair value loss on financial assets, at FVPL - quoted securities	**9.2**	**1,640**	3,138
Exchange difference		**41**	768
Operating loss before working capital changes		**(14,131)**	(14,273)
Completed properties for sale		**8,985**	2,719
Other receivables, deposits and prepayments		**6,595**	1,410
Pledged bank deposits		**525**	383
Trade payables		**(1)**	(41)
Contract liabilities		**(57)**	-
Accruals and other payables		**(7,659)**	(4,539)
(Repayment to)/Advances from related parties		**(34)**	34
Financial assets, at FVPL - quoted securities		**41,369**	24,688
Cash generated from operations		**35,592**	10,381
Income tax paid		**-**	-
NET CASH GENERATED FROM OPERATING ACTIVITIES		**35,592**	10,381
INVESTING ACTIVITIES			
Interest received		**257**	177
Addition of financial assets, at FVPL - structured deposits		**(29,920)**	(47,850)
Redemption of financial assets, at FVPL - structured deposits		**35,184**	29,639
Purchase of property, plant and equipment		**(6)**	(20)
Net cash inflow on acquisition of subsidiaries	**18**	**3,284**	
Refunds from and proceeds for transfer of option to purchase office premises		**-**	11,000
NET CASH GENERATED/(USED IN) FROM INVESTING ACTIVITIES		**8,799**	(7,054)

	Note	The Group	
		12-month ended	12-month ended
		31 Dec 2021	31 Dec 2020
		RMB'000	RMB'000
FINANCING ACTIVITIES			
Advance from a related party		**6,020**	-
Repayment of borrowings		**(7,600)**	-
Repayment of interest		**(75)**	(233)
Repayment of lease liabilities		**(481)**	(658)
Repayment of share-margin financing facility		**(36,568)**	(34,267)
Issue of new ordinary shares		**-**	5,337
NET CASH USED IN FINANCING ACTIVITIES		**(38,704)**	(29,821)
Net increase/(decrease) in cash and cash equivalents		**5,687**	(26,494)
Cash and cash equivalents at beginning of the year		**1,919**	29,159
Exchange difference on cash and cash equivalents		**(40)**	(746)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**7,566**	1,919

E. Notes to the condensed consolidated financial statements

1. Corporate information

China Mining International Limited (the "**Company**"), an investment holding company, is a limited liability company incorporated in the Cayman Islands and listed on the Main Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The address of the Company's registered office is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of the principal place of business of the Company is China Henan Province, Zheng Zhou City, Jin Shui District, Intersection of Zhong Wang Road and Zheng Guang North Street, Zhong Chuang Building 5 Floor, Henan 450000.

These condensed consolidated financial statements as at and for the 6-month and 12-month ended 31 December 2021 ("**2H2021**" and "**FY2021**" respectively) as contained herewith comprise those of the Company and its subsidiaries (collectively, the "**Group**") (the "**FY2021 Financial Statements**").

On 17 December 2021, the Company completed the acquisition of 100% of the issued and paid-up share capital of Fully Rich International Investment Limited (广富国际投资有限公司)("**HoldCo**"), which in turn owns 63.11% of the registered capital of Henan Zhongnong Huasheng Agricultural Science and Technology Co., Ltd. (河南中农华盛农业科技有限公司) ("**Target**") (the "**Agriculture Group Acquisition**"). For further details on the Agriculture Group Acquisition, please refer to Note 18 and the Company's previous announcements dated 31 March 2021, 21 October 2021, 23 November 2021, 30 November 2021 and 17 December 2021, as well as the circular to the shareholders of the Company (the "**Shareholders**") dated 2 December 2021 and the announcement on the results of the extraordinary general meeting dated 17 December 2021.

Subsequent to the Agriculture Group Acquisition, the principal business activities of the Group comprise:

(a) Property development and sale of commercial and residential properties
(b) Exploration and development of minerals as well as mining in China
(c) Investment in mines for capital gain or future dividend income
(d) Investment in financial assets
(e) Agriculture business

2. Basis of preparation

Save as disclosed in the accounting policies below, the FY2021 Financial Statements are prepared in accordance with historical cost convention issued by the International Accounting Standards Committee.

The FY2021 Financial Statements include the consolidated statements of financial position of HoldCo (together with that of the Target and its subsidiaries (the "**Target Group**")) for FY2021 but not the consolidated statements of profit or loss of HoldCo (together with that of the Target Group) for FY2021 (the "**Exclusion of HoldCo's Attributed FY2021 Results**") as the acquired agriculture business pursuant to the Agriculture Group Acquisition contributed insignificant amount of revenue and net profit for the period from the acquisition date of 17 December 2021 (the "**Acquisition Date**") to the reporting date as at 31 December 2021. The preparation of the FY2021 Financial Statements with the Exclusion of HoldCo's Attributed FY2021 Results due to immateriality is in line with the Generally Accepted Accounting Principles. Had the business combination of the Agriculture Group Acquisition been effected at 1 January 2021, the revenue of the Group would have been increased by approximately RMB25.9 million, and its profit for FY2021 would have been increased by approximately RMB4.5 million. The management considers these '*pro-forma*' numbers to represent an approximate measure of the performance of the combined Group on an annualised basis and to provide a reference point for comparison in future periods.

The FY2021 Financial Statements 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 for an understanding of the changes in the Group's financial position and performance since the last interim financial statements for the six-month period ended 30 June 2021 ("**1H2021**").

Except for the adoption of new and amended standards as set out in Notes 2.1 and 18, the accounting policies adopted under the FY2021 Financial Statements are consistent with those of the previous financial year which were prepared in accordance with the International Financial Reporting Standards ("**IFRS**"), The FY2021 Financial Statements are presented in Chinese Renminbi ("**RMB**") which is the Company's functional currency, and all values, unless otherwise stated, are rounded to the nearest thousand (RMB'000).

2.1. New and amended standards adopted by the Group

During FY2021, the Group adopted the new or amended IFRS and Interpretations of IFRS ("**IFRIC**") that are mandatory for application from 1 January 2021, and relevant changes to the Group's accounting policies were made in accordance with the transitional provisions in the respective IFRS and IFRIC. The adoption of these new or amended IFRS and IFRIC did not result in substantial changes to the Group's and the Company's accounting policies; neither had they resulted in any material effect on the amounts reported by the Company for the current or prior financial years.

2.2. Use of judgements and estimates

The preparation of the FY2021 Financial Statements, in conformity with IFRS, requires the management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities as at 31 December 2021 and the reported amounts of revenues and expenses for FY2021. Actual results may differ from these estimates.

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at the end of and for the financial year ended 31 December 2020 ("**FY2020**").

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

(a) Accounting for business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Significant judgement is involved in the identification and measurement of the acquired assets and liabilities. The management used external valuation expert to perform the Purchase Price Allocation ("**PPA**"), being the allocation of the fair value of the consideration for the Agriculture Group Acquisition, determined by the market price of the Consideration Shares as at the Acquisition Date, into fair value of the various assets acquired and liabilities assumed from the acquisition transaction. For acquisition~~s~~ during FY2021, the fair values of the assets and liabilities have been determined on a provisional basis (as the results of the independent valuations have not been finalized), subject to the provisional measurement period not exceeding one year from the Acquisition Date (the "**PPA Provisional Measurement**"). The preparation of the FY2021 Financial Statements based on the PPA Provisional Measurement is in line with the provisions under IFRS 3 - Business Combination. The details of the business combinations during FY2021 are disclosed in Note 18.

(b) Valuation of financial assets, at FVOCI

The management has measured the fair value of the financial assets, at FVOCI representing the unquoted equity investment of 40.15% in Sino Feng (as defined in Note 9.1) using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable data when possible, but when this is not feasible, a degree of judgement is required in establishing the fair value. The critical assumptions include significant judgement in estimating future cash flows, especially the iron ore selling price, license renewal period, discount rate, capital and operating expenditure, etc. Changes in these key assumptions could affect the reported fair value of financial assets, at FVOCI. The valuation technique and assumptions are described in Note 9.1.

(c) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. The management applies the value-in-use method to determine the recoverable amounts of the non-financial assets. The value-in-use calculation is based on a forecasting future cash flow model. The cash flows are derived from the budget for the following 12 months and do not include restructuring activities that the Group is yet to be committed or significant future investments that will enhance the asset's performance of the cash generating unit being tested. In estimating the future cash flows, the management has taken into account the past performance, operating expenses and the business plan of the Group.

(d) Impairment of other receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that the amounts due from other receivables are impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the value of any collateral pledged by the third parties, probability of insolvency or significant financial difficulties of the third parties and default or significant delays in payments.

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during FY2021.

4. Segment and revenue information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chairman of the Group, who is the chief operating decision maker, in order to allocate resources to the segments and to assess their performance.

For the purpose of segmenting reporting, the operating segments of the Group are classified into the 'Mining', 'Property Development', 'Investment' and, with effect from FY2021, 'Agriculture Business' segments. The 'Investment' segment, being the investment holding arm of the Group for various entities not within the 'Property Development' and 'Mining' segments, comprised investments in structured deposits and quoted securities as well as all unallocated corporate functions and restructuring activities.

	Agriculture Business RMB'000	Mining RMB '000	Commercial and residential property development RMB '000	Investment RMB '000	Total RMB '000
1 July 2021 to 31 December 2021					
Segment revenue from external customers	-	-	8,204	-	8,204
Segment income, representing income before tax	-	-	1,431	48,830	50,261
Tax expenses					(923)
Profit for the period					49,338
Segment assets	269,313	55,600	871	12,382	338,166
Consolidated segment assets					338,166
Segment liabilities	(112,227)	-	(9,582)	(5,247)	(127,056)
Consolidated segment liabilities					(127,056)

	Mining RMB '000	Commercial and residential property development RMB '000	Investment RMB '000	Total RMB '000
1 July 2020 to 31 December 2020				
Segment revenue from external customers	-	1,815	-	1,815
Segment income/(loss), representing income/(loss) before tax	-	2,103	(10,327)	(8,224)
Tax expense				(320)
Loss for the period				(8,544)
Segment assets	60,909	13,323	32,509	106,741
Consolidated segment assets				106,741
Segment liabilities	-	(18,182)	(6,983)	(25,165)
Consolidated segment liabilities				(25,165)

	Agriculture Business RMB'000	Mining RMB '000	Commercial and residential property RMB '000	Investment RMB '000	Total RMB '000
1 January 2021 to 31 December 2021					
Segment revenue from external customers	-	-	8,207	-	8,207
Segment income, representing income before tax	-	-	3,215	41,464	44,679
Tax expense					(869)
Profit for the year					43,810
Segment assets	269,313	55,600	871	12,382	338,166
Consolidated segment assets					338,166
Segment liabilities	(112,227)	-	(9,582)	(5,247)	(127,056)
Consolidated segment liabilities					(127,056)

	Mining RMB '000	Commercial and residential property development RMB '000	Investment RMB '000	Total RMB '000
1 Jan 2020 to 31 December 2020				
Segment revenue from external customers	-	3,156	-	3,156
Segment income/(loss), representing income/(loss) before tax	-	2,102	(17,453)	(15,351)
Tax expense				(355)
Loss for the year				(15,706)
Segment assets	60,909	13,323	32,509	106,741
Consolidated segment assets				106,741
Segment liabilities	-	(18,182)	(6,983)	(25,165)
Consolidated segment liabilities				(25,165)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	Note	The Group		The Company	
		30 Dec 2021 RMB'000	31 Dec 2020 RMB'000	**31 Dec 2021 RMB'000**	31 Dec 2020 RMB'000
Financial assets					
Financial assets, at FVOCI	**9.1**	**55,600**	60,909	**55,600**	60,909
Financial assets, at FVPL	**9.2**	**15,770**	29,365	**-**	-
Financial assets at amortized cost		**25,643**	4,619	**1,252**	796
		97,013	94,893	**56,852**	61,705
Financial liabilities					
Financial liabilities at amortized cost		**121,601**	19,767	**128,683**	123,565
		121,601	19,767	**128,683**	123,565

6. Profit before taxation

6.1. Significant items

	Note	The Group			
		6-month ended 31 Dec 2021 RMB'000	**6-month ended 31 Dec 2020 RMB'000**	**12-month ended 31 Dec 2021 RMB'000**	**12-month ended 31 Dec 2020 RMB'000**
Income					
Interest income		236	93	257	177
Bargain purchase on acquisition of subsidiaries	**18**	56,053	-	56,053	-
Reversal of allowance for impairment of amount from other receivables		3,004	2,071	5,004	2,071
Expenses					
Interest expense		-	56	(75)	(237)
Amortization of land use rights		(1)	(1)	(3)	(2)
Depreciation of property, plant and equipment		(105)	(189)	(210)	(377)
Foreign exchange loss/(gain), net		(20)	(193)	(33)	(676)
Fair value loss on financial assets, at FVPL - quoted securities		-	-	(1,640)	3,138
Impairment loss on financial assets		(570)	-	(570)	-

6.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

Taxation of the Group comprised corporate income tax and land appreciation tax in China. The major components of income tax expense in the FY2021 Financial Statements are:

	The Group			
	6-month ended 31 Dec 2021 RMB'000	6-month ended 31 Dec 2020 RMB'000	12-month ended 31 Dec 2021 RMB'000	12-month ended 31 Dec 2020 RMB'000
Current tax expense/(credit)	122	(63)	176	(98)
Deferred income tax expense relating to origination and reversal of temporary differences	(1,045)	(257)	(1,045)	(257)
	(923)	**(320)**	**(869)**	**(355)**

8. Net Asset Value

	The Group		The Company	
	31 Dec 2021 RMB'000	31 Dec 2020 RMB'000	**31 Dec 2021 RMB'000**	31 Dec 2020 RMB'000
Net asset value as at end of financial year	**211,110**	81,576	**93,603**	66,437
Net asset value per ordinary share as at the end of financial period/year				
(RMB cents)(1)	**62.46 cents**	46.35 cents	**27.69 cents**	37.75 cents
(S$ cents)(1)	**13.26 cents**	9.40 cents	**5.88 cents**	7.66 cents

Note:

(1) Calculated based on the exchange rates of S$1:RMB4.71 as at 31 December 2021 and S$1:RMB4.93 as at 31 December 2020. The total number of issued ordinary shares of the Company ("**Shares**") (excluding the 11,500 treasury Shares) are 337,988,500 and 175,988,500 as at 31 December 2021 and 31 December 2020 respectively.

9. Financial assets at fair value

9.1 Financial assets at FVOCI

	The Group and the Company	
	31 Dec 2021 RMB'000	31 Dec 2020 RMB'000
At the beginning of the year	**60,909**	70,332
Changes in fair value recognised in other comprehensive income	**(5,309)**	(9,423)
At end of year	**55,600**	60,909
Representing:		
Unquoted equity investments		
Investment in Sino Feng Mining S.àr.l. ("**Sino Feng**")	**55,600**	60,909

Sino Feng, through its associate company Aero Wind Properties Pty Limited ("**AWP**"), holds a mining right granted by the relevant South African authority in respect of iron ore mine located in Thabazimbi district, Limpopo Province, South Africa (the "**Thabazimbi Mine**").

The Group has engaged AP Appraisal Limited, an independent Hong Kong based valuer, to evaluate the fair value of the Thabazimbi Mine as at 31 December 2021. Based on income-based approach, the valuation estimated the future cash flows for the period of the estimated operating lifespan of the mine according to the resource estimation and a suitable discount rate in order to calculate the present value.

Pursuant to the shareholders' agreement entered between the Group and Sino-Africa Mining International Limited ("**Sino-Africa**"), the controlling shareholder of the Thabazimbi Mine, on 30 April 2017, no new funding contribution will be required of the Group for the purpose of making or realising an investment or funding any other requirement of the Thabazimbi Mine. Neither is the Group able to exercise control, joint control or significant influence over its investment in the Thabazimbi Mine. As at the date of this announcement, the Thabazimbi Mine has completed its exploration phase and awaits the issuance of mining licence by the relevant authorities for the commencement of the mining phase. The initial mining right period of the Thabazimbi Project is expected to be 20 years upon the issuance of the said mining licence, the procurement of which is subject to the settlement of the rehabilitation deposit, amounting to South African2 Rand 10,091,000 (equivalent to RMB5.03 million), as well as the provision of mining program and surveyed plan to the relevant authorities by Sino-Africa. Due to the ongoing and escalating Covid-19 pandemic situation in South Africa, the said rehabilitation deposit has had yet been placed by Sino-Africa and the activities at the Thabazimbi Mine were temporarily halted.

9.2 Financial assets at FVPL – structured deposits

	The Group	
	31 Dec 2021	31 Dec 2020
	RMB'000	RMB'000
At the beginning of the year	**21,000**	2,740
Addition	**29,920**	47,850
Redemption	**(35,184)**	(29,639)
Changes in fair value recognized in profit and loss	**34**	49
At end of year	**15,770**	21,000
Representing:		
- Non-principal protected financial products	**15,770**	21,000

The Group invested in non-principal protected financial products with one of the top 20 commercial banks in China. The investment does not have any fixed maturity term or coupon interest rates or yield return.

9.3. Fair value measurement

The Company classified fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchies have the following levels:

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 (i.e. as prices) or indirectly (i.e., derived from prices); and
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table shows an analysis of financial instruments measured and carried at fair value by the level of fair value hierarchy:

		The Group	
	Level 1	**Level 2**	**Level 3**
As at 31 Dec 2021	**RMB'000**	**RMB'000**	**RMB'000**
Financial assets, at FVOCI			
- Unquoted equity investment	**-**	-	55,600
Financial assets, at FVPL			
- Structured deposits	-	15,770	-
	-	**15,770**	**55,600**

As at 31 Dec 2020	The Group Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Financial assets, at FVOCI			
- Unquoted equity investment	-	-	60,909
Financial assets, at FVPL			
- Structured deposits	-	21,000	-
- Quoted securities	8,365	-	-
	8,365	**21,000**	**60,909**

10. Property, plant and equipment

The Group acquired property, plant and equipment of RMB6,000 in FY2021 (FY2020: RMB20,000), the remaining property, plant and equipment were acquired through the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

The Group did not dispose any property, plant and equipment in FY2021 and FY2020.

11. Bearer plants

The Bearer plants consist of mainly pomegranate trees and seedlings acquired from the new agriculture business. Please refer to Note 18: Acquisition of subsidiaries for more details.

12. Right-of-use assets

The right-of-use assets consists of mainly leased machinery and equipment, land and leased premises acquired from the new agriculture business. Please refer to Note 18: Acquisition of subsidiaries for more details.

13. Land use rights

During FY2021 and FY2020, the Group did not acquire or dispose any land use rights.

14. Borrowings

	Interest rate p.a.	The Group 31 Dec 2021 RMB'000	31 Dec 2020 RMB'000
Amount repayable in one year or less or on demand			
Secured bank loans	3.85% to 7.63%	**13,000**(2)	1,928(1)
Unsecured			
- Bank loans	3.85% to 7.63%	**1,498**	-
- Finance lease	7.18% to 7.58%	**3,782**	481
- Government agent	7%	**10,000**	-
		28,280	2,409
Amount repayable after one year			
Secured		**-**	-
Unsecured			
- Bank loans	3.85% to 7.63%	**1,576**(2)	-
- Finance lease	7.18% to 7.58%	**53,442**	-
		55,018	-

Notes:

(1) Being a share-margin financing facility procured for the purpose of investment in certain quoted securities (the "**Share Financing Loan**"). The Share Financing Loan, which had been retired in FY2021, carried an interest of 6.2% per annum and was secured against the investment in the quoted securities.

(2) Being bank loans secured by two third-party guarantors; the Company and certain of its related parties in turn provided certain guarantees and assets securities to the said third-party guarantors.

15. Issued capital and share premium

Movements of the issued and paid-up capital and share premium of the Group and the Company (inclusive of the 11,500 treasury Shares) in FY2021 and FY2020 are as follows:

		31 Dec 2021			31 Dec 2020		
	Note	**Number of ordinary shares**	**Share Capital RMB'000**	**Share Premium RMB'000**	Number of ordinary Shares	Share Capital RMB'000	Share Premium RMB'000
Issued and paid-up Shares at beginning of the year		**176,000,000**	**7,083**	**228,745**	146,700,000	5,897	224,594
Issued during the year	**18**	**162,000,000**	**6,059**	**31,052**	29,300,000	1,186	4,151
Issued and paid-up Shares at end of the year		**338,000,000**	**13,142**	**259,797**	176,000,000	7,083	228,745

The number of Shares (excluding treasury Shares) as at 31 December 2021 and 31 December 2020 were 337,988,500 and 175,988,500 respectively. All issued Shares are fully paid.

On 26 August 2020, the Company completed a share placement for S$1,004,800 to five individuals through the issuance of 29,300,000 Shares at S$0.036 each for cash (the "**Net Placement Proceeds**") which resulted in an increase in the share premium account of the Company by RMB4,151,000. These newly issued Shares rank *pari passu* in all respects with the previously issued Shares.

Further to the announcements dated 5 November 2020, 26 February 2021, 12 August 2021 and 13 January 2022 made by the Company, S$1,004,800 of the Net Placement Proceeds had been fully utilized as follows:

Intended Purposes of the Net Placement Proceeds	**Percentage allocated**	**Amount allocated S$**	**Utilized amount S$**	**Unutilized amount S$**
For the growth, development and expansion of the existing businesses of the Group as well as the exploration of new business opportunities	30%	301,440	301,440	-
For working capital needs of the Group (including expenses relating to professional services and administration)	70%	703,360(1)	703,360**(1)**	-
	100%	**1,004,800**	**1,004,800**	**-**

Note:

(1) Broken down as follows:

	S$
Staff remuneration	601,104
Travelling and entertainment	62,589
Office expenses	37,419
Others	2,248
	703,360

On 17 December 2021, the Company issued 162,000,000 new Shares to China Focus International Limited (中置国际有限公司) ("**China Focus**") and Profit Run Developments Limited (润辉发展有限公司) ("**Profit Run**" and together with China Focus, the "**Vendors**") following the completion of the Agriculture Group Acquisition.

On 8 January 2022, the Company announced its entry into several subscription agreements with each of Whitewood Property Corp, Ms. Hu Xiaoning (胡晓宁), Mr. Zhou Tao (周涛), iFactors SPC – Asymmetric Opportunities SP ("**iFactors SP**"), Mr. Zhai Kebin (翟克彬)("**ZKB**")(the Chief Executive Officer of the Company) and Sino-Africa for the issue and allotment by the Company to them in aggregate of 70,000,000 new Shares (the "**Placement Shares**") on the terms and subject to the conditions of the relevant subscription agreement (the "**Placement**").

On 23 February 2022, the Company announced its receipt of the approval in-principle ("**AIP**") from the SGX-ST for the listing and quotation of an aggregate of 35,000,000 Placement Shares (the "**Tranche A Placement Shares**") to Whitewood Property Corp, Ms. Hu Xiaoning (胡晓宁) and Mr. Zhou Tao (周涛) (collectively, the "**Tranche A Subscribers**") at an issue price of S$0.042 per Tranche A Placement Share pursuant to the general share issue mandate to issue new Shares granted by Shareholders at the Company's annual general meeting held on 16 April 2021 (the "**Tranche A Placement**").

The Company will be seeking Shareholders' approval for the issue and allotment by the Company to iFactors SP, ZKB and Sino-Africa (collectively, the "**Tranche B Subscribers**") in aggregate of 35,000,000 Placement Shares (the "**Tranche B Placement Shares**") at an issue price of S$0.043 per Tranche B Placement Share (the "**Tranche B Placement**") as:

(a) iFactors SP is an associate of Mr. Guo, who is the Executive Chairman and a Controlling Shareholder of the Company. Accordingly, iFactors SP falls within the restricted class of persons to whom the Company is prohibited from issuing Shares without specific shareholders' approval as provided for under Rules 804 and 812 of the Listing Manual;

(b) ZKB is an Executive Director and the Chief Executive Officer of the Company. Accordingly, ZKB falls within the restricted class of persons to whom the Company is prohibited from issuing Shares without specific shareholders' approval as provided for under Rules 804 and 812 of the Listing Manual; and

(c) the issue and allotment of the relevant number of Tranche B Placement Shares to Sino-Africa will be made pursuant to specific shareholders' approval having been obtained under Rule 805(1) of the Listing Manual.

Employee share option scheme

No share options were issued during FY2021 and FY2020. Neither was there any ordinary share issued as a result of the exercise of any outstanding share option during FY2021 and FY2020.

Outstanding convertibles, options or dilutive instruments

There were no outstanding convertibles, options or any dilutive instruments that may be converted into new Shares as at 31 December 2021 and 31 December 2020.

16. Treasury Shares

	The Group and the Company			
	As at 31 Dec 2021		As at 31 Dec 2020	
	Number of Ordinary Shares	**RMB'000**	Number of Ordinary Shares	RMB'000
At beginning and end of the year	**11,500**	**18**	11,500	18

There was no sale, transfer, disposal, cancellation or use of treasury Shares during FY2021 and FY2020.

17. Loss per share

	The Group	
	31 Dec 2021 RMB'000	31 Dec 2000 RMB'000
Profit/(loss) after tax attributable to the Shareholders	**43,810**	(15,706)
Profit/(loss) per share (Basic and Diluted)		
- RMB cents[(1)]	**24.04**	(10.01)
- S$ cents[(1)]	**5.01**	(2.00)

Note:

(1) Calculated based on the average exchange rates S$1:RMB4.80 for FY2021 and S$1:RMB5.01 for FY2020 and the 182,202,199 weighted average issued Shares (excluding the 11,500 treasury Shares) for FY2021 and 156,935,495 weighted average issued Shares (excluding the 11,500 treasury Shares) for FY2020.

18. Acquisition of subsidiaries

On 31 March 2021, the Company had entered into a Sale and Purchase Agreement ("**SPA**") with the shareholders of HoldCo, the Vendors (namely China Focus and Profit Run), to acquire 100% of the issued and paid-up share capital of the HoldCo pursuant to the Agriculture Group Acquisition through the issuance of 162,000,000 new ordinary Shares (the "**Consideration Shares**") to be issued at an issue price of S$0.043 per Consideration Share to the Vendors or their nominees in the relevant proportions. The aggregate consideration for the Agriculture Group Acquisition was S$6.966 million (or approximately RMB34.13 million).

China Focus is an investment holding company incorporated in the British Virgin Islands, and which is wholly-owned by Mr. Guo, who is the Chairman of the Board and an Executive Director of the Company, and is also a Controlling Shareholder of the Company. The directors of China Focus are Mr. Guo and Mr. Guo Liang, who is the son of Mr Guo. Profit Run is an investment holding company incorporated in the British Virgin Islands, and which is wholly-owned by a British national in trust for the benefit of Mr. Guo. The trust arrangement was entered into in order to present the HoldCo as a foreign-Sino entity. Accordingly, the Agriculture Group Acquisition constitutes an Interested Person Transaction under Chapter 9 and a Major Transaction under Chapter 10 of the Listing Manual and a related party transaction for which approval from the independent Shareholders is required.

On 21 October 2021, the Company had obtained the approval in-principle from the SGX-ST for the listing and quotation of up to 162,000,000 Consideration Shares to be issued at an issue price of S$0.043 per Consideration Share in connection with the Agriculture Group Acquisition. The Agriculture Group Acquisition was approved by the independent Shareholders at the extraordinary general meeting held on 17 December 2021 respectively

The acquisition of the HoldCo was completed and control has been obtained on 17 December 2021, the Acquisition Date. Upon the Acquisition date, HoldCo became a wholly-owned subsidiary of the Company.

Details of the Purchase Consideration to be adjusted based on the volume weighted average price of the Shares on the Acquisition Date of S$0.049 per Consideration Share (equivalent to S$7.94 million or approximately RMB37.11 million) (the "**Adjusted Purchase Consideration**"), the assets acquired and liabilities assumed, at Acquisition Date, are as follows:

	HoldCo and its subsidiaries RMB'000
Carrying amounts of acquired identifiable assets acquired and liabilities assumed	
Property, plant and equipment	33,104
Biological assets	142,492
Right-of-use assets	56,321
Inventories	2,218
Trade receivables	3,794
Prepayment and other receivables	7,944
Amount due from related parties	11,736
Cash and cash equivalents	3,284
Total identifiable assets	260,893
Borrowings	(33,674)
Lease liabilities	(57,224)
Trade payables	(3,074)
Amounts due to related parties	(16,971)
Accruals and other payables	(2,864)
Total identifiable liabilities	(113,807)

Total identifiable net assets acquired	**147,086**
Less: Non-controlling interests at Acquisition Date	(53,922)
Net identifiable net assets acquired	**93,164**
Adjusted Purchase Consideration	37,111
Less: Fair value of identifiable net assets acquired	(93,164)
Bargain purchase on acquisition – Provisional amount (the "Bargain Purchase")	**(56,053)**

	HoldCo and its subsidiaries RMB'000
Effect on cash flows of the Group	
Total Adjusted Purchase Consideration	37,111
Less: issuance of Consideration Shares (non-cash)	(37,111)
Consideration settled in cash	-
Add: Cash and cash equivalents of acquired subsidiaries	3,284
Net cash inflow on acquisition	**3,284**

The Group incurred acquisition related costs of relating to external legal fees and due diligence costs of approximately RMB1,130,000, and these have been classified as general and administrative expenses in the condensed consolidated statement of profit or loss.

With the Agriculture Group Acquisition completed nearing the end of FY2021 on 17 December 2021, the independent valuation of the HoldCo for the purpose of accounting for the business combination is in progress and expected to be completed in the next financial year. In view that the fair values as at Acquisition Date are not finalised pending the completion of the said valuation, the carrying amounts as at Acquisition Date, pursuant to the PPA Provisional Measurement, have been, in line with the provisions under IFRS 3 - Business Combination, used as provisional amounts in the measurement of the identifiable assets acquired and liabilities assumed on a provisional basis.

The Bargain Purchase arose due to the consideration for the Agriculture Group Acquisition being at a discount accorded by the Vendors, as compared to the net asset value of HoldCo and its subsidiaries.

19. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by Appendix 7.2 of the Listing Rules

F. Other information

1. Review

The FY2021 Financial Statements (including the relevant explanatory notes) have not been audited or reviewed by the Company's auditors, Crowe Horwath First Trust LLP ("**Crowe Horwath**"). Crowe Horwath issued an unqualified audit opinion for the audited financial statements of the Group for FY2020.

2. Review of the financial performance of the Group for 2H2021 (relative to that of the 6-month period ended 31 December 2020 ("2H2020") and for FY2021 (relative to that of FY2020)

(a) Review of the condensed consolidated statement of comprehensive income of the Group

Revenue

The overall turnover of the Group for the periods under consideration was generated mainly from the sales of developed properties.

During 2019, with a view to clear the balanced units for the Xinxiang Sunny Town Project (新乡阳光新城项目) (the "**Xinxiang Project**"), which are located at corners or relatively not so ideal sites of the Xinxiang Project and/or are relatively not so ideal in their laid out (the "**Balanced Units**"), the Group entered into a bought deal arrangement with an independent third party (the "**Independent Partner**") to sell these Balanced Units at a mutually agreed reduced total price, derived based on the reduced sale price of each of the Balanced Units, relative to the prevailing market prices. Sales would be recognised by the Group as and when any of these Balanced Units is sold to an end buyer through the Independent Partner or the Company's wholly-owned subsidiary, Xinxiang Huilong Real Estate Co Ltd (新乡辉龙置业有限公司) (the "**Bought Deal Arrangement**").

The increase in revenue was attributed mainly to more Balanced Units being handed over to the end buyers in 2H2021 (relative to 2H2020) and FY20221 (relative to FY2020).

Gross profit/(loss)

Consequence to the Group's disposal of all the remaining Balanced Units at a loss in FY2021 with a view to close the account for the Xinxiang Project as the Group began to shift its focus into the new agriculture business following the Agriculture Group Acquisition, the gross profit of the Group reversed to a loss of RMB0.8 million in 2H2021 (from a profit of RMB0.2 million in 2H2020) and to a loss of RMB0.8 million in FY2021 (from a profit of RMB0.4 million in FY2020).

General and administrative expenses

With reduced headcounts, consequence to the cost containment measures being carried out by the Group, the general and administration expenses of the Group decreased from RMB8.4 million in 2H2020 to RMB7.6 million in 2H2021 and from RMB15.0 million in FY2020 to RMB13.6 million in FY2021.

Written-back of impairment of financial assets, net

The write-backs were attributed to the recovery of part of the specific bad debts previously provided for certain impaired financial assets.

Other income

Other income in 2H2020 and FY2020 were attributed mainly to a disposal gain of RMB1.0 million following the disposal of an option-to purchase-office-property deposit of RMB10.0 million for RMB11.0 million.

Other income in 2H2021 and FY2021 were attributed mainly to the one-off non-recurring gain as a result of the Bargain Purchase.

Other expenses

The other expenses relate mainly to net loss on investments in quoted securities.

Finance expense

The decrease in finance expense was attributed mainly to the accounting treatment of the finance lease following the adoption of accounting standard IFRS 16 in respect of the rented premises of the Group in China (which saw a decrease in interest expense as the liability amortization amount increases over time).

Total comprehensive loss attributable to Shareholders of the Group

Consequence to the above, the net profit attributable to the Shareholders reversed from a net loss of RMB15.7 million in FY2020 to a net profit of RMB43.8 million in FY2021.

(b) Review of the condensed statements of financial position of the Group as at 31 December 2021 (relative to that as at 31 December 2020)

Non-current assets

The increase in property, plant and equipment of RMB33.8 million was attributed mainly to the property, plant and equipment of RMB33.1 million acquired from the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

The Bearer plants consist of mainly pomegranate trees and seedlings acquired from the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

The right-of-use assets consists of mainly leased machinery and equipment, land and leased premises acquired from the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

The decrease in financial assets, at FVOCI, was attributed mainly to the change in fair value in respect of the Thabazimbi Mine.

Current assets

The decrease in financial assets (at FVPL – structured deposits) was due to the redemption of short-term investment deposits placed with the local banks in China in FY2021.

The decrease in financial assets (at FVPL – quoted securities) was due to the disposal of investment in quoted securities and repayment of the Share-Financing Loan in FY2021.

The Group sold all the Balanced Units to the Independent Partner in 2H2021, and thereby registering a nil balance in its completed properties for sale.

The increase in inventories, trade receivables, other receivables, deposits and prepayments, amounts due from related parties were mainly due to the acquisition of the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

Taken as a whole, the current assets of the Group increased by RMB6.0 million from RMB44.0 million as at 31 December 2020 to RMB50.0 million as at 31 December 2021.

Current liabilities

Included in the accruals and other payables as at 31 December 2020 were refundable deposits, aggregating about RMB8.6 million, collected under the Bundled Deal Arrangement. As these refundable deposits were fully returned in 2H2021 when all the outstanding Balanced Units were sold, this largely resulted in the decrease in accruals and other payables of the Group as at 31 December 2021.

The increase in trade payables, bank loans and lease liabilities were mainly due to the acquisition of the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

Taken as a whole, the current liabilities of the Group increased by RMB23.9 million from RMB25.2 million as at 31 December 2020 to RMB49.0 million as at 31 December 2021.

Non-current liabilities

The increase in borrowings, lease liabilities and amount due to related parties (non-trade) were mainly due to the acquisition of the new agriculture business pursuant to the Agriculture Group Acquisition. Please refer to Note 18: Acquisition of subsidiaries for more details.

Consequence to the above:

(1) the working capital position of the Group decreased from RMB18.8 million as at 31 December 2020 to RMB1.0 million as at 31 December 2021;
(2) the net asset value of the Group increased from RMB81.6 million as at 31 December 2020 to RMB211.1 million as as at 31 December 2021, with the net asset value per ordinary share of the Company increased from 9.4 Singapore cents per share as at 31 December 2020 to 13.26 Singapore cents per share as at 31 December 2021.

(c) Review of the condensed consolidated cashflow statement of the Group for FY2021 (relative to that for FY2020)

Net cash generated from operating activities

The increase in net cash generated from operating activities was mainly attributed to the higher receipts from the divestment of financial assets (at FVPL – quoted securities) as well as the recovery of part of the specific bad debts previously provided for.

Net cash generated from investing activities

The increase in net cash generated from investing activities was mainly attributed to higher receipts from the redemption of financial assets (at FVPL - structured deposits) placed with the local banks in China and the cash inflows attributed to the Target Group pursuant to the Agriculture Group Acquisition in FY2021.

Net cash used in financing activities

The increase in net cash used in financing activities was mainly attributed to repayment of the Share Financing Loan and borrowings in FY2021.

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

No forecast or any prospective statement was previously made by the Company.

4. 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 operating period and the next 12 months

With the Agriculture Group Acquisition completed on 17 December 2021, the agriculture business of the Target Group so newly acquired by the Company through HoldCo will effectually allow the Group to meaningfully diversify and significantly grow its business with effect from the financial year ending 31 December 2022 ("**FY2022**") and beyond based on the growth potentials of the Target Group and the prospects of the agriculture industry in China.

The Target Group is a modern agricultural group dedicated to the development and promotion of agricultural high and new technology, research, design, popularization and application of smart agriculture, planting, marketing and processing of agricultural products, development of health food, agricultural tourism and other businesses. Its mission is to create soft seed pomegranate professional products to extend the industrial chain of agricultural products and realize the integration of primary, secondary and tertiary industries of modern agricultural enterprises. Since the establishment of the Target in 2013, the Target Group has forged a strategic partnership with Zhengzhou Institute of fruit trees, Chinese Academy of Agricultural Sciences, Henan Agricultural University and other units; registered the "子满堂(zimantang)" trademark; and passed the ISO9001 quality system certification, green food certification, organic product certification and good agricultural practice certification. By 2017, the Target Group has leased nearly 10,000 mu of land in Gaoshan, Sishui, Gaocun of Xingyang and Heluo town of Gongyi, involving 14 administrative villages and 68 villager groups, with a radiation population of 500,000 and a planting area of more than 8,000 mu. It has successively won the title of excellent enterprise, leading enterprise of agricultural industrialization in Zhengzhou, provincial National Agricultural Standardization Demonstration Park, high-quality pomegranate planting base, national standardization demonstration park and other honours. The Target Group's industrial upgrading, the introduction of pomegranate automatic seed stripping production line, the introduction of modified atmosphere packaging pomegranate seeds and liquid nitrogen frozen pomegranate seeds; the introduction of a set of New Zealand compac intelligent sorting line with fruit infrared internal quality detection; the construction of 2,000 tons of high standard regular cold storage and 300 tons of modified atmosphere storage, ensure that the pomegranate classification and storage reach the advanced level. Through the industrialization of standard production, it will promote the further development of the whole pomegranate industry, and realize the upgrading of the first industry to the second industry. For further details about the Target Group, please refer to the circular to the Shareholders dated 2 December 2021.

Based on the aforesaid, barring any unforeseen circumstances and any further escalation of the Covid-19 pandemic situation in China and without taking into account of the one-off non-recurring gain in FY2021 due to the Bargain Purchase, the Board is confident that the Group’s performance for FY2022 will significantly outperform that of FY2021.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.

5. Dividend information

(a) Any interim (final) ordinary dividend has been declared (recommended)

No dividend had been declared or recommended for FY2021 in view of the need by the Group to conserve cash in growing its new agriculture business pursuant to the Agriculture Group Acquisition.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding year (cents)

No dividend was declared in previous corresponding year.

(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 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

6. Interested person transactions

Name of the 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 the Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	RMB'000	**RMB'000**
Mr. Guo, Executive Chairman and Controlling Shareholder of the Company	37,111[(1)]	Nil

Note:
(1) Being the Adjusted Purchase Consideration. Please refer to Note 18: Acquisition of subsidiaries for more details

The Company does not have any general mandate from its Shareholders concerning any interested party transaction.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, Chief Executive Officer or substantial Shareholder of the Company.

Signed for and on behalf of the Board of Directors

BY ORDER OF THE BOARD

Mr Zhai Kebin
CEO & Executive Director
28 February 2022

Ms Dong Lingling
Executive Director