YAMADA GREEN RESOURCES LIMITED

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

UNAUDITED FINANACIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2020

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

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

	Group					
	3-months period ended 31 Mar			9-months year ended 31 Mar		
	FY2020 (Unaudited) RMB'000	**FY2019 (Unaudited) RMB'000** (Restated)	**Increase / (Decrease) %**	**FY2020 (Unaudited) RMB'000**	**FY2019 (Unaudited) RMB'000** (Restated)	**Increase / (Decrease) %**
Revenue	17,186	15,644	9.9	59,342	51,915	14.3
Cost of sales	(14,455)	(15,579)	(7.2)	(51,179)	(51,744)	(1.1)
Gross results	2,731	65	4,101.5	8,163	171	4,673.7
Revenue from investment properties	1,293	1,264	2.3	3,999	3,975	0.6
Other operating income	1,748	1,871	(6.6)	7,287	2,335	212.1
Selling and distribution expenses	(256)	(392)	(34.7)	(638)	(951)	(32.9)
Administrative expenses	(5,297)	(3,289)	61.1	(13,290)	(13,880)	(4.3)
Other operating expenses	-	(2,851)	n.m.	(535)	(2,897)	(81.5)
Finance costs	(110)	(92)	19.6	(300)	(304)	(1.3)
Share of loss of associates classified as held for sale	-	(136)	n.m.	-	(233)	n.m.
Profit / (loss) before taxation	109	(3,560)	n.m.	4,686	(11,784)	n.m.
Taxation	12	-	n.m.	(20)	-	n.m.
Total profit / (loss) for the period	121	(3,560)	n.m.	4,666	(11,784)	n.m.
Other comprehensive income						
Item that will never be reclassified subsequently to profit or loss						
Revaluation of property, plant and equipment - leasehold properties, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-		-	-	
Total comprehensive income / (loss) for the period attributable to:						
Owners of the Company	121	(3,560)	n.m.	4,666	(11,784)	n.m.

	Group			
	3-months period ended 31 Mar		9-months year ended 31 Mar	
	FY2020 (Unaudited) RMB'000	**FY2019 (Unaudited) RMB'000** (Restated)	**FY2020 (Unaudited) RMB'000**	**FY2019 (Unaudited) RMB'000** (Restated)
Earnings / (loss) per share (RMB cent)				
- Basic	0.1	(2.0)	2.6	(6.7)
- Diluted	0.1	(2.0)	2.6	(6.7)

*n.m. – not meaningful

Note:

During the financial year ended 30 June 2019, the Group has reclassified the presentation of the analysis of expenses recognised in profit or loss using a classification based on their function instead of a mixture of by function and by nature which management believe will provide information that is reliable and that is more relevant. In addition, the management has identified that the rental income from investment properties is an operating business segment. Accordingly, certain figures in in the third quarter ended 31 March 2018 ("Q3FY2019") and 9 months ended 31 March 2019 ("9MFY2019") were restated to conform to the audited financial statements for financial year ended 30 June 2019. The effect of the above reclassification of presentation of expenses and restatement of revenue from the rental income from investment properties identified as an operating business segment is shown below:

	Group			
	3-months period ended 31 Mar		9-months year ended 31 Mar	
	As previously stated FY2019 (Unaudited) RMB'000	**As restated FY2019 (Unaudited) RMB'000**	**As previously stated FY2019 (Unaudited) RMB'000**	**As restated FY2019 (Unaudited) RMB'000**
Revenue from investment properties	-	1,264	-	3,975
Other operating income	284	1,871	3,413	2,335
Other operating expenses	-	(2,851)	-	(2,897)

Accordingly, the reclassification is summarised as follows:

	Q3FY2019 RMB'000
Interest income	2
Sale of raw material	1,869
Total other operating income	1,871

	9MFY2019 RMB'000
Interest income	5
Sale of raw material	2,105
Government subsidies	50
Miscellaneous income	175
Total other operating income	2,335

	Q3FY2019 RMB'000
Cost of sale of raw material	(2,851)
Total other operating expenses	(2,851)

	9MFY2019 RMB'000
Cost of sale of raw material	(2,851)
Others	(46)
Total other operating expenses	(2,897)

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

	Group					
	3-months period ended 31 Mar			9-months period ended 31 Mar		
	FY2020 (Unaudited) RMB'000	FY2019 (Unaudited) RMB'000	Increase / (Decrease) %	FY2020 (Unaudited) RMB'000	FY2019 (Unaudited) RMB'000	Increase / (Decrease) %
Amortisation of land use rights	(135)	(137)	(1.5)	(405)	(407)	(0.5)
Amortisation of intangible assets	(5)	(4)	25.0	(17)	(8)	112.5
Depreciation of property, plant and equipment	(648)	(1,104)	(41.3)	(2,226)	(3,295)	(32.4)
Exchange gain / (loss), net	1,491	163	814.7	1,202	(295)	n.m.
Government subsidies	18	-	n.m.	18	50	(64.0)
Interest income	12	2	500.0	33	5	560.0
Interest expense	(110)	(92)	19.6	(300)	(304)	(1.3)
Property, plant and equipment written off	-	-	n.m.	(2)	-	n.m.

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

	Group		Company	
	31 Mar 2020 (Unaudited) RMB'000	30 June 2019 (Audited) RMB'000	31 Mar 2020 (Unaudited) RMB'000	30 June 2019 (Audited) RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	51,154	63,976	1	2
Land use rights	18,213	18,618	-	-
Intangible assets	85	70	-	-
Investment properties	197,221	180,698	7,770	7,770
Investments in subsidiaries	-	-	149,762	149,762
Investments in associates	-	-	-	-
Total non-current assets	266,673	263,362	157,533	157,534
Current assets				
Inventories	16,814	23,833	-	-
Trade and other receivables	14,009	25,306	146,567	146,595
Prepayments	310	86	310	86
Cash and bank balances	21,671	12,901	70	521
	52,804	62,126	146,947	147,202
Associates classified as held for sale	39,933	39,933	-	-
Total assets	**359,410**	**365,421**	**304,480**	**304,736**
Equity				
Share capital	322,210	322,210	322,210	322,210
Share-based payment reserve	2,016	2,016	2,016	2,016
Statutory reserve	71,135	71,135	-	-
Revaluation reserve	38,130	38,130	-	-
Other reserve	29,349	29,349	-	-
Accumulated losses	(168,841)	(173,507)	(31,764)	(28,912)
Total equity attributable to owners of the Company	293,999	289,333	292,462	295,314
LIABILITIES				
Non-current liabilities				
Bank borrowings	4,681	5,078	4,681	5,078
Deferred tax liabilities	32,805	32,805	-	-
Total non-current liabilities	37,486	37,883	4,681	5,078
Current liabilities				
Trade and other payables	23,543	34,835	6,955	3,974
Bank borrowings	4,382	3,370	382	370
Total current liabilities	27,925	38,205	7,337	4,344
Total liabilities	**65,411**	**76,088**	**12,018**	**9,422**
Total equity and liabilities	**359,410**	**365,421**	**304,480**	**304,736**

Note:

The Company refers to its announcements made on 23 and 29 April 2019, 21 June 2019, 4 September 2019 and 30 October 2019 in relation to the disposal by its wholly-owned subsidiary, Fujian Wangsheng ("Wangsheng") of its 45% equity interest in the registered capital of its associate, Fujian Tianwang Foods Co., Ltd.. Pursuant to the Revised Agreement, the Purchaser shall pay Wangsheng the consideration of RMB39,933,000 in accordance with the terms and conditions of the Revised Agreement. As 31 March 2020, the Purchaser has paid an aggregate amount of RMB7.95 million to Wangsheng

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 2020 (Unaudited)		As at 30 June 2019 (Audited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
4,382	NA	3,370	NA

Amount repayable after one year

As at 31 Mar 2020 (Unaudited)		As at 30 June 2019 (Audited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
4,681	NA	5,078	NA

Details of any collateral

The Company's wholly-owned subsidiary, Fujian Wangsheng Industrial Co., Ltd. ("Wangsheng"), has entered into a multiple credit facility agreement dated 26 February 2019 with China Everbright Bank in relation to a credit facility of up to an aggregate principal amount of RMB50 million to be granted by the China Everbright Bank commencing from 26 February 2019 to 25 February 2022 (the "Facility Agreement"). Wangsheng has pledged its factory and office building in Houyu Jingxi Town, Minhou County, Fuzhou City, Fujian Province as security under the Facility Agreement.

In addition, Wangsheng also has been granted a credit facility (the "Facility") of up to an amount of RMB15 million from 1 November 2019 to 31 October 2022 by the Postal Savings Bank of China. Mr Chen Qiuhai, the Executive Director and Chief Executive Officer of the Company has provided a personal guarantee for payment of all monies and liabilities owing by Wangsheng to Postal Savings Bank of China up to RMB15 million. Wangsheng has pledged partial factories and buildings in Minhou County, Fuzhou City, Fujian Province as security pursuant to the Facility.

During the financial period, Wangsheng drew down an aggregate amount of RMB4.0 million from the amount granted by Postal Savings Bank of China for general working capital purposes.

In addition, the Company has taken a mortgage loan of approximately S$1.3 million granted by Hong Leong Finance in 2016 to finance the acquisition of an office unit at PLUS (formerly known as GSH Plaza) in Singapore ("Acquisition"). The tenure of the loan is 15 years. The office unit at PLUS in Singapore has been classified as an investment property to earn rental income.

As at 31 March 2020, the Group's outstanding loan amount was approximately RMB9.1 million, of which approximately RMB4.4 million is repayable within 1 year and the rest of the loan amount is repayable after 1 year.

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

	Group			
	3-months period from Jan to Mar		9-months period from Jul to Mar	
	FY2020 (Unaudited) RMB'000	**FY2019 (Unaudited) RMB'000**	**FY2020 (Unaudited) RMB'000**	**FY2019 (Unaudited) RMB'000**
Cash flows from operating activities:				
Profit / (loss) before taxation	109	(3,560)	4,686	(11,784)
Adjustments for:				
Amortisation of land use rights	135	137	405	407
Amortisation of intangible assets	5	4	17	8
Depreciation of property, plant and equipment	648	1,104	2,226	3,295
Property, plant and equipment written off	-	-	2	-
Interest expense	110	92	300	304
Interest income	(12)	(2)	(33)	(5)
Share of (profit) / loss of associates classified as held for sale	-	136	-	233
Exchange loss	(288)	(163)	(265)	295
Operating cash flow before working capital changes	707	(2,252)	7,338	(7,247)
Working Capital Changes:				
Inventories	2,122	(1,937)	7,019	(826)
Trade and other receivables	3,018	(4,797)	11,074	(3,511)
Trade and other payables	(4,198)	7,071	(11,292)	15,374
Cash generated from operations	1,649	(1,915)	14,139	3,788
Interest received	12	2	33	5
Income tax paid	(20)	-	(20)	(21)
Net cash generated from / (used in) operating activities	1,641	(1,913)	14,152	3,772
Cash flows from investing activities:				
Acquisition of property, plant and equipment	(3,545)	(83)	(5,929)	(1,395)
Acquisition of intangible assets	-	(42)	(33)	(48)
Net cash used in investing activities	(3,545)	(125)	(5,962)	(1,443)
Cash flows from financing activities:				
Proceeds from bank borrowings	-	-	4,000	670
Repayment of bank borrowings	(94)	(181)	(3,282)	(1,145)
Interest paid	(110)	(92)	(300)	(304)
Net cash (used in) / generated from financing activities	(204)	(273)	418	(779)
Net (decrease) / increase in cash and cash equivalents	(2,108)	(2,311)	8,608	1,550
Cash and cash equivalents at beginning of the financial period	23,701	13,943	12,901	10,540
Effect of foreign exchange rate changes on cash and cash equivalents	78	163	162	(295)
Cash and cash equivalents at end of the financial period	21,671	11,795	21,671	11,795

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group						
(RMB'000)	**Share capital**	**Other reserve – non distributable**	**Share-based payment reserve**	**Statutory reserve**	**Revaluation reserve**	**Accumulated losses**	**Total equity**
FY2020 (Unaudited)							
Balance at 1 July 2019	322,210	29,349	2,016	71,135	38,130	(173,507)	289,333
Profit for the financial period, representing total comprehensive income for the financial period	-	-	-	-	-	4,666	4,666
Total comprehensive income for the period	-	-	-	-	-	4,666	4,666
Balance as at 31 March 2020	322,210	29,349	2,016	71,135	38,130	(168,841)	293,999
FY2019 (Unaudited)							
Balance at 1 July 2018	322,210	-	2,016	71,135	35,775	(138,503)	292,633
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	-	-	(11,784)	(11,784)
Total comprehensive loss for the period	-	-	-	-	-	(11,784)	(11,784)
Balance as at 31 March 2019	322,210	-	2,016	71,135	35,775	(150,287)	280,849

	Company			
(RMB'000)	**Share capital**	**Share based payment reserve**	**Accumulated losses**	**Total equity**
FY2020 (Unaudited)				
Balance as at 1 July 2019	322,210	2,016	(28,912)	295,314
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	(2,852)	(2,852)
Total comprehensive loss for the period	-	-	(2,852)	(2,852)
Balance as at 31 March 2020	322,210	2,016	(31,764)	292,462

(RMB'000)	Company			
	Share capital	Share based payment reserve	Accumulated losses	Total equity
FY2019 (Unaudited)				
Balance as at 1 July 2018	322,210	2,016	(23,695)	300,531
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	(3,799)	(3,799)
Total comprehensive loss for the period	-	-	(3,799)	(3,799)
Balance as at 31 March 2019	322,210	2,016	(27,494)	296,732

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share option or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There are no changes to the share capital of the Company since 30 June 2019.

The Company has no outstanding convertibles, treasury shares and subsidiary holdings as at 31 March 2019 and 31 March 2020.

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

	Group		Company	
	31 Mar 2020 (Unaudited)	30 June 2019 (Audited)	31 Mar 2020 (Unaudited)	30 June 2019 (Audited)
Total number of issued shares	176,798,164	176,798,164	176,798,164	176,798,164
Less: Treasury shares	-	-	-	-
Total number of issued shares excluding treasury shares	176,798,164	176,798,164	176,798,164	176,798,164

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

There are no treasury shares held by the Company as at 31 March 2020.

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

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

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

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

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

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

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

As stated in the auditor's report dated 30 September 2019 on the financial statements of the Company for the year ended 30 June 2019, the opening balances of these financial statements were qualified to the extent of the possible spill over of the effect on the disclaimer of opinion in FY2017 and FY2018 onto the financial statements for the financial year ended 30 June 2019.

Management has advised the Board that there have been no further developments arising from these opening balances. Consequently, there has been no financial impact on the comparative figures for the period ended 31 March 2020 nor on the consolidated statement of profit or loss and other comprehensive income for the period then ended and no impact on the statements of financial positions of the Group and the Company as at 31 March 2020.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the financial statements for the financial year ended 30 June 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.

The following are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant to the Group's accounting periods beginning on or after 1 January 2019: -

- SFRS(I) 16 Leases
- Amendments to SFRS(I) 9 Prepayment Features with Negative Compensation
- SFRS(I) INT 23 Uncertainty Over Income Tax Treatments
- SFRS(I) 1-19 Plan Amendment: Curtailment or Settlement
- SFRS(I) 3 Amendments to SFRS(I) 3: Definition of a Business
- SFRS(I) 1-1, SFRS(I) 1-8 Amendments to SFRS(I) 1-1 and SFRS(I) 1-8: Definition of Material

The adoption of these SFRS(I) standards did not have material impact on the financial performance or position of the Group.

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

	Group			
	3-months period ended 31 Mar		9-months ended 31 Mar	
	FY2020 (Unaudited)	**FY2019 (Unaudited)**	**FY2020 (Unaudited)**	**FY2019 (Unaudited)**
Total profit/(loss) for the period (RMB'000)	121	(3,560)	4,666	(11,784)
Basic earnings/(loss) per share (RMB cent)	0.1	(2.0)	2.6	(6.7)
Diluted earnings/(loss) per share (RMB cent)	0.1	(2.0)	2.6	(6.7)

Explanatory notes:

Earnings/(loss) per share is calculated based on the Group's total profit/(loss) for the period divided by the issued share capital of the Company of 176,798,164 (2019: 176,798,164) shares for the period under review.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:
(a) current financial year reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 Mar 2020 (Unaudited)	**30 June 2019 (Audited)**	**31 Mar 2020 (Unaudited)**	**30 June 2019 (Audited)**
Net Asset Value per share (RMB cents)	166.3	163.7	165.4	167.0

The net asset value per ordinary share of the Group and the Company as at 31 March 2020 and 30 June 2019 was calculated based on the issued share capital of the Company of 176,798,164 as at 31 March 2020 and 30 June 2019.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Performance

Q3FY2020 vs Q3FY2019

Our revenue is derived from our food processing business. In the third quarter ended 31 March 2020 ("Q3FY2020"), revenue increased by RMB1.6 million from RMB15.6 million in the third quarter ended 31 March 2019 ("Q3FY2019") to RMB17.2 million in Q3FY2020 due mainly to the increase in sales to domestic customers. The increase in sales to domestic customers was attributable to higher sales volume and average selling price of processed mushroom. In addition, the increase in sales to domestic customers was also achieved on the back of higher average selling price of konjac jelly.

Cost of sales decreased by RMB1.1 million to RMB14.5 million in Q3FY2020 as compared to RMB15.6 million in Q3FY2019 due mainly to lower depreciation charges as a number of factory buildings which were rented out in the second quarter ended 31 December 2019 have been reclassified as investment properties.

Gross profit increased by RMB2.6 million to RMB2.7 million in Q3FY2020 as compared to RMB0.1 million in Q3FY2019 due mainly to higher sales volume and average selling price. As a result of the above, gross profit margin improved by 15.5% from 0.4% in Q3FY2019 to 15.9% in Q3FY2020.

The Group recorded revenue from investment properties of RMB1.3 million in both Q3FY2020 and Q3FY2019.

Other operating income recorded in Q3FY2020 comprised of interest income, government subsidies, foreign exchange gain and other miscellaneous income.

Selling and distribution costs recorded a marginal decrease of RMB0.1 million from RMB0.4 million in Q3FY2019 to RMB0.3 million in Q3FY2020.

Administrative expenses increased by RMB2.0 million or 61.1% from RMB3.3 million in Q3FY2019 to RMB5.3 million in Q3FY2020 due mainly to higher repair and maintenance costs for factory buildings.

The Group recorded finance costs of RMB0.1 million in both Q3FY2020 and Q3FY2019.

As a result of the above, the Group recorded a profit after tax of RMB0.1 million for Q3FY2020, as compared to loss after tax of RMB3.6 million for Q3FY2019.

9MFY2020 vs 9MFY2019

Our revenue is derived from our food processing business. For the 9 months ended 31 March 2020 ("9MFY2020"), revenue increased by RMB7.4 million from RMB51.9 million for the 9 months ended 31 March 2019 ("9MFY2019") to RMB59.3 million for 9MFY2020 due to the increase in sales to domestic customers. The increase in sales to domestic customers was attributable to higher sales volume of processed bamboo shoots, processed mushroom and konjac jelly. In addition, the increase in sales to domestic customers was also achieved on the back of higher average selling price of processed mushroom and konjac jelly.

Cost of sales decreased by RMB0.5 million to RMB51.2 million in 9MFY2020 as compared to RMB51.7 million in 9MFY2019 due mainly to lower depreciation charges as a number of factory buildings which were rented out during the financial period have been reclassified as investment properties.

Gross profit increased by RMB8.0 million to RMB8.2 million in 9MFY2020 as compared to RMB0.2 million in 9MFY2019 due mainly to higher sales volume and average selling price. As a result of the above, gross profit margin improved by 13.5% from 0.3% in 9MFY2019 to 13.8% in 9MFY2020.

The Group recorded revenue from investment properties of RMB4.0 million in both 9MFY2020 and 9MFY2019.

Other operating income recorded in 9MFY2020 comprised of penalty payment receipt, interest income, sale of raw materials, government subsidies, foreign exchange gain and other miscellaneous income. The penalty payment receipt of RMB5.0 million was related to the penalty paid by Golden Sea International Holdings Limited for failure to achieve total earnings of at least RMB50 million for the financial year ended 31 December 2016, 2017 and 2018 by the Associates. Please refer to the Company's announcements dated 29 July 2019 and 2 September 2019 for full information.

Selling and distribution costs decreased by RMB0.4 million from RMB1.0 million in 9MFY2019 to RMB0.6 million in 9MFY2020 due mainly to a reduction in shipping costs as these were borne by the domestic customers.

Administrative expenses decreased by RMB0.6 million or 4.3% from RMB13.9 million in 9MFY2019 to RMB13.3 million in 9MFY2020 due mainly to lower research expenditures which was partially offset by higher repair and maintenance costs for factory buildings.

Other operating expenses recorded in 9MFY2020 mainly comprised of cost of raw materials and other miscellaneous expenses.

The Group recorded finance costs of RMB0.3 million in both 9MFY2020 and 9MFY2019.

As a result of the above, the Group recorded a profit after tax of RMB4.7 million for 9MFY2020, as compared to loss after tax of RMB11.8 million for 9MFY2019.

Review of Balance Sheet

Non-current assets increased by RMB3.3 million, from RMB263.4 million as at 30 June 2019 to RMB266.7 million as at 31 March 2020 due mainly to acquisition of property, plant and equipment of RMB5.9 million during the financial period which was partially offset by the depreciation and amortisation expenses of RMB2.2 million. The acquisition of property, plant and equipment was mainly incurred for the reconstruction of factory building and warehouse buildings. Meanwhile, there are a certain number of factory buildings which were rented out during the financial period have been reclassified as investment properties.

Current assets decreased by RMB9.3 million, from RMB62.1 million as at 30 June 2019 to RMB52.8 million as at 31 March 2020 due mainly to a decrease in inventories and trade and other receivables of RMB7.0 million and RMB11.3 million respectively which was partially offset by the increase in prepayments and cash and bank balances of RMB0.2 million and RMB8.8 million. The decrease in inventories was due to effective inventory control. Meanwhile, the decrease in trade and other receivables was due mainly to lower advances to suppliers.

Non-current liabilities decreased by RMB0.4 million, from of RMB37.9 million as at 30 June 2019 to RMB37.5 as at 31 March 2020 due to repayment during the financial period.

Current liabilities decreased by RMB10.3 million, from RMB38.2 million as at 30 June 2019 to RMB27.9 million as at 31 March 2020 due to a decrease in trade and other payables of RMB11.3 million which was partially offset by the increase in short-term bank borrowings of RMB1.0 million. The decrease in trade and other payables was due mainly to settlement of overdue suppliers' accounts during the financial period. Meanwhile, the increase in short-term bank borrowings was due to a drawdown of bank borrowings during the financial period.

Review of Cash Flow Statement

Q3FY2020 vs Q3FY2019

For Q3FY2020, the Group recorded a net cash inflow of RMB1.6 million from operating activities as compared to a net cash outflow of RMB1.9 million in Q3FY2019. This was mainly attributable to higher profits generated during the financial period coupled with lower inventories and receivables which were partially offset by lower payables.

Net cash used in investing activities was RMB3.5 million in Q3FY2020 which was mainly due to capital expenditure on acquisition of property, plant and equipment. The capital expenditure on acquisition of property, plant and equipment was mainly incurred for the reconstruction of factory building and warehouse buildings.

There was a net cash outflow of RMB0.2 million from financing activities in Q3FY2020 which was mainly due to repayment of bank borrowings.

As a result of the above, cash and cash equivalents increased from RMB11.8 million as at Q3FY2019 to RMB21.7 million as at Q3FY2020.

9MFY2020 vs 9MFY2019

Net cash inflow from operating activities increased by RMB10.4 million, from RMB3.8 million in 9MFY2019 to RMB14.2 million in 9MFY2020. This was mainly attributable to higher profits generated during the financial period coupled with lower receivables and inventories which were partially offset by lower payables.

Net cash used in investing activities was RMB6.0 million in 9MFY2020 was mainly due to capital expenditure on acquisition of property, plant and equipment. The capital expenditure on acquisition of property, plant and equipment was mainly incurred for the reconstruction of factory building and warehouse buildings.

There was a net cash inflow of RMB0.4 million from financing activities in 9MFY2020 arising from drawdowns of bank borrowings during the financial period which was partially offset by repayment of bank borrowings during the financial period.

As a result of the above, cash and cash equivalents increased from RMB11.8 million as at 9MFY2019 to RMB21.7 million as at 9MFY2020.

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

No forecast or prospect statement previously disclosed.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Notwithstanding the improvement of our performance in both domestic and overseas markets during the financial period, the Group expects the growth momentum of our business to remain challenging with the global outbreak of Covid-19. Although our facilities and our staff currently do not have significant exposure to Covid-19, this pandemic had caused unprecedented business, economic, financial and social disruptions that have an adverse impact on the economic activities of the PRC and the region. It is anticipated that there will be a slowdown in both our domestic and overseas sales of processed food products and a few tenancy agreements with our tenants will be terminated in the near term as a result of the Covid-19 outbreak.

In view of the foregoing, the Group will continue to exercise stringent cost management, safeguard business relationship with major customers, focus on high value-added processed food products and proactively explore new customers to maintain the overall profitability. The Management believes and is making effort in building a stronger foundation and creating a sustainable growth for the Group.

11. If a decision regarding dividend has been made

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

None.

(b) (i) Amount per share

Not Applicable.

(ii) Previous corresponding period

Not Applicable.

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

Not Applicable.

(d) The date the dividend is payable

Not Applicable.

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

Not Applicable

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

In view of the reasons elaborated in paragraph 10 above, and also taking into account that a profit of only RMB4.7 million was recorded for the 9 months ended 31 March 2020, the Board of Directors of the Company does not recommend that a dividend be paid for the nine-months period ended 31 March 2020.

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

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interest person transactions conducted for the financial year from 1 July 2019 to 31 March 2020:

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

There have been no interested person transactions during the financial period ended 31 March 2020. The Company does not have a general mandate from shareholders for interested person transactions.

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

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results of Yamada Green Resources Limited for the financial period ended 31 March 2020 to be false or misleading in any material aspect.

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

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

BY ORDER OF THE BOARD

Chen Qiuhai
Executive Director and CEO
14 May 2020