YAMADA GREEN RESOURCES LIMITED

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

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FULL YEAR ENDED 30 JUNE 2017

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		
	#2017 (Unaudited) RMB'000	**2016 (Audited) RMB'000**	Increase/ (Decrease) **%**
Revenue	224,072	328,696	(31.8)
Cost of sales	(396,703)	(265,503)	49.4
Gross (loss) / profit	(172,631)	63,193	n.m.
Other operating income	4,724	9,347	(49.5)
(Loss) / gain from changes in fair value of biological assets	(99,229)	18,376	n.m.
Impairment loss on leasehold property	(924)	-	n.m.
Selling and distribution expenses	(6,698)	(8,399)	(20.3)
Administrative expenses	(24,025)	(33,048)	(27.3)
Other operating expenses	(2,100)	(4,645)	(54.8)
Loss on disposal of biological assets	(1,753)	(2,706)	(35.2)
Prepayments written off	(334,548)	-	n.m.
Unaccountable expenses	(139,774)	-	n.m.
Finance costs	(112)	(1,420)	(92.1)
Share of (loss) / profit of associates	(977)	5,033	n.m.
(Loss) / profit before taxation	(778,047)	45,731	n.m.
Taxation	348	(8,693)	n.m.
(Loss) / profit after taxation	(777,699)	37,038	n.m.
Other comprehensive income, net of tax	-	-	n.m.
Total comprehensive income	-	-	n.m.
(Loss) / profit for the year, representing total comprehensive (expense) / income attributable to:			
Owners of the Company	(777,699)	37,038	n.m.
(Loss) / earnings per share (RMB cents)			
- Basic	(442.5)	24.0	
- Diluted	(442.5)	24.0	

*n.m. – not meaningful

The books and financial records of all the subsidiaries in PRC ("China subsidiaries") and a Hong Kong subsidiary of the Group for FY2017 were destroyed by the outbreak of the fire on 30 August 2017. Details of the fire accident could be found in the Company's announcement dated 4 September 2017.

The financial statements for FY2017 was reconstructed based on available information and data from relevant sources (customers, contractors, suppliers and banks) and notarized letter of confirmations of amounts owing between the counter-parties and the China subsidiaries.

Although the management believed that the method of reconstruction is the most appropriate, the Board is unable to determine the completeness of the recording of the transactions that occurred during the financial year 2017.

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

	Group		
	2017 (Unaudited) RMB'000	**2016 (Audited) RMB'000**	**Increase / (Decrease) %**
Amortisation of land use rights	(542)	(542)	-
Amortisation of biological assets	(7,380)	(60,644)	(87.8)
Amortisation of intangible assets	(600)	(300)	100.0
Amortisation of prepayments	(47,435)	(49,231)	(3.6)
Depreciation of property, plant and equipment	(3,927)	(7,285)	(46.1)
Depreciation of investment properties	-	(1,207)	n.m.
Impairment loss on leasehold property	(924)	-	n.m.
Intangible assets written off	(2,100)	-	n.m.
(Loss) / gain from changes in fair value of biological assets	(99,229)	18,376	n.m.
Loss on disposal of biological assets	(1,753)	(2,706)	(35.2)
Loss on disposal of property, plant and equipment	-	(27)	n.m.
Prepayments written off	(334,548)	-	n.m.
Unaccountable expenses	(139,774)	-	n.m.
Exchange gain, net	55	4,699	(98.8)
Interest income	6	82	(92.7)
Interest expense	(112)	(1,420)	(92.1)
Government subsidies	2,370	338	601.2
Rental income	2,243	1,475	52.1

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

	Group		Company	
	30 June 17 (Unaudited) RMB'000	30 June 16 (Audited) RMB'000	30 June 17 (Unaudited) RMB'000	30 June 16 (Audited) RMB'000
Non-current assets				
Property, plant and equipment	25,375	163,206	7,974	9
Biological assets	68,117	176,932	-	-
Land use rights	23,473	24,015	-	-
Intangible assets	-	2,700	-	-
Investment properties	108,820	30,356	-	-
Investments in subsidiaries	-	-	149,762	161,909
Investments in associates	43,989	44,966	-	-
Prepayments	-	341,012	-	-
Long term deposit	-	4,626	-	4,626
Deferred tax assets	2,005	2,005	-	-
Total non-current assets	271,779	789,818	157,736	166,544
Current assets				
Biological assets	-	7,380	-	-
Inventories	20,988	15,468	-	-
Trade and other receivables	141,775	130,428	153,215	136,421
Prepayments	18	57,073	18	-
Current income tax recoverable	-	63	-	-
Cash and bank balances	6,628	11,143	2,131	6,292
Total current assets	169,409	221,555	155,364	142,713
Total assets	**441,188**	**1,011,373**	**313,100**	**309,257**
Equity				
Share capital	322,210	301,346	322,210	301,346
Share-based payment reserve	2,016	2,016	2,016	2,016
Statutory reserve	71,135	71,135	-	-
Accumulated (losses) / profits	(167,639)	611,461	(19,358)	1,669
Total equity attributable to owners of the Company	227,722	985,958	304,868	305,031
Non-current liabilities				
Bank borrowings	4,843	1,943	4,843	1,943
Deferred tax liabilities	3,711	3,711	-	-
Total non-current liabilities	8,554	5,654	4,843	1,943
Current liabilities				
Trade and other payables	204,449	14,614	3,009	1,036
Bank borrowings	380	1,512	380	512
Current income tax payable	83	3,635	-	735
Total current liabilities	204,912	19,761	3,389	2,283
Total liabilities	**213,466**	**25,415**	**8,232**	**4,226**
Total equity and liabilities	**441,188**	**1,011,373**	**313,100**	**309,257**

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

Amount repayable in one year or less, or on demand

As at 30 June 2017 (Unaudited)		As at 30 June 2016 (Audited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
380	NA	1,512	NA

Amount repayable after one year

As at 30 June 2017 (Unaudited)		As at 30 June 2016 (Audited)	
Secured (RMB'000)	**Unsecured (RMB'000)**	**Secured (RMB'000)**	**Unsecured (RMB'000)**
4,843	NA	1,943	NA

Details of any collateral

The Company has taken a mortgage loan of approximately S$1.3 million granted by Hong Leong Finance to finance the acquisition of an office unit at GSH Plaza in Singapore ("Acquisition"). The loan tenure is 15 years. During the financial year ended 30 June 2017, the Company drew down an aggregate amount of approximately S$1.2 million (RMB5.2 million) for the financing of the Acquisition.

As at 30 June 2017, the Group's outstanding loan amount was approximately RMB5.2 million, of which approximately RMB0.4 million are repayable within 1 year and the rest of the loan amount are repayable after 1 year.

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

	Group	
	2017 (Unaudited) RMB'000	**2016 (Audited) RMB'000**
Cash flows from operating activities:		
(Loss) / profit before taxation	(778,047)	45,731
Adjustments for:		
Amortisation of biological assets	7,380	60,644
Amortisation of land use rights	542	542
Amortisation of intangible assets	600	300
Amortisation of prepayments	47,435	49,231
Depreciation of property, plant and equipment	3,927	7,285
Depreciation of investment properties	-	1,207
Impairment loss on leasehold property	924	-
Intangible assets written off	2,100	-
Interest expense	112	1,420
Interest income	(6)	(82)
Loss / (gain) from changes in fair value of biological assets	99,229	(18,376)
Loss on disposal of biological assets	1,753	2,706
Loss on disposal of property, plant and equipment	-	27
Prepayments written-off	334,548	-
Share of loss / (profit) of associates	977	(5,033)
Unaccountable expenses	135,091	-
Exchange gain	(55)	-
Operating cash flows before working capital changes	(143,490)	145,602
Working capital changes:		
Biological assets	-	(55,654)
Inventories	(5,520)	956
Trade and other receivables	(65,834)	(8,791)
Trade and other payables	189,834	(1,523)
Cash (used in) / generated from operations	(25,010)	80,590
Interest received	6	82
Income tax paid	(3,141)	(8,974)
Net cash (used in) / generated from operating activities	(28,145)	71,698
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	-	35
Proceeds from termination of lease of mushroom farmlands and eucalyptus plantations	-	14,502
Proceeds from disposal of biological assets	10,809	4,811
Advances to an associate	-	(20,000)
Acquisition of property, plant and equipment	(8,354)	(22,645)
Acquisition of intangible assets	-	(3,000)
Long term deposit paid	-	(4,626)
Prepayments	-	(52,984)
Investments in associates	-	(39,933)
Net cash generated from / (used in) investing activities	2,455	(123,840)
Cash flows from financing activities:		
Proceeds from issuance of placement shares, net of issue costs	20,864	-
Proceeds from issuance of right shares	-	84,366
Expenses related to issuance of right shares	-	(3,645)
Proceeds from bank borrowings	3,249	24,614
Repayment of bank borrowings	(1,554)	(63,000)
Interest paid	(112)	(1,420)
Dividends paid	(1,401)	(4,849)
Net cash generated from financing activities	21,046	36,066
Net decrease in cash and cash equivalents	(4,644)	(16,076)
Cash and cash equivalents at beginning of the financial year	11,143	27,440
Effect of foreign exchange rate changes on cash and cash equivalents	129	(221)
Cash and cash equivalents at end of the financial year	6,628	11,143

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group				
(RMB'000)	**Share capital**	**Share-based payment reserve**	**Statutory reserve**	**Accumulated (losses) / profits**	**Total equity**
2017 (Unaudited)					
Balance at 1 July 2016	301,346	2,016	71,135	611,461	985,958
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(777,699)	(777,699)
Contribution by and distributions to owners of the Company					
Dividend paid during the year	-	-	-	(1,401)	(1,401)
Issue of placement shares	21,087	-	-	-	21,087
Share issue expenses	(223)	-	-	-	(223)
Total contributions by and distribution to owners of the Company	20,864	-	-	(1,401)	19,463
Balance as at 30 June 2017	322,210	2,016	71,135	(167,639)	227,722
2016 (Audited)					
Balance at 1 July 2015	221,090	2,016	65,338	585,069	873,513
Profit for the financial year, representing total comprehensive income for the financial year	-	-	-	37,038	37,038
Contribution by and distributions to owners of the Company					
Dividend paid during the year	-	-	-	(4,849)	(4,849)
Issue of right shares	84,366	-	-	-	84,366
Share issue expenses	(4,110)	-	-	-	(4,110)
Total contributions by and distribution to owners of the Company	80,256	-	-	(4,849)	75,407
Others					
Transfer to statutory reserve	-	-	5,797	(5,797)	-
Balance as at 30 June 2016	301,346	2,016	71,135	611,461	985,958

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

(RMB'000)	Company			
	Share capital	Share based payment reserve	Accumulated (losses) / profits	Total equity
2016 (Audited)				
Balance as at 1 July 2015	221,090	2,016	5,220	228,326
Profit for the financial year, representing total comprehensive income for the financial year	-	-	1,298	1,298
Contribution by and distributions to owners of the Company				
Dividend paid during the year	-	-	(4,849)	(4,849)
Issue of right shares	84,366	-	-	84,366
Share issue expenses	(4,110)	-	-	(4,110)
Total contributions by and distribution to owners of the Company	80,256	-	(4,849)	75,407
Balance as at 30 June 2016	301,346	2,016	1,669	305,031

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.

On 8 July 2016, the Company has entered into a placement agreement with Wang Haihua pursuant to which the Company issue up to an aggregate of 14,598,013 new ordinary shares in the capital of the Company (the "Placement Shares") at a placement price of S$0.2928 per Placement Share (the "Placement"). Placement Shares of 14,598,013 were allotted and issued on 27 July 2016.

On 1 August 2016, the Placement Shares have been listed and quoted on the Singapore Exchange Securities Trading Limited. Following completion of the Placement, the total number of issued Shares of the Company has increased from 162,200,151 Shares to 176,798,164 Shares. The 14,598,013 Placement Shares are free from all claims, charges, liens, and other encumbrances and rank pari passu in all respects with the existing Shares, except that the Placement Shares will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before date of the completion of the Placement.

The Company has no outstanding convertibles, treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

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

	Group		Company	
	30 June 17 (Unaudited)	30 June 16 (Audited)	30 June 17 (Unaudited)	30 June 16 (Audited)
Total number of issued shares	162,200,151	540,667,175	162,200,151	540,667,175
Issue of ordinary shares	14,598,013	270,333,587	14,598,013	270,333,587
Total number of issued shares before share consolidation	-	811,000,762	-	811,000,762
Consolidated shares	-	162,200,151	-	162,200,151
Less: Treasury shares	-	-	-	-
Total number of issued shares excluding treasury shares	176,798,164	162,200,151	176,798,164	162,200,151

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

There are no treasury shares held by the Company as at 30 June 2017.

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

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

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

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

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

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

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 30 June 2016.

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

The Group has adopted all new and revised Financial Reporting Standard ("**FRS**") and Interpretations of FRS ("**INT FRS**") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2016, where applicable.

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

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

	Group	
	2017 (Unaudited)	**2016 (Audited)**
Net (loss) / profit for the year (RMB'000)	(777,699)	37,038
Basic (loss) / earnings per share (RMB cent)	(442.5)	24.0
Diluted (loss) / earnings per share (RMB cent)	(442.5)	24.0

Explanatory notes:

(Loss)/earnings per share is calculated based on the Group's (loss)/profit after taxation divided by the weighted average issued share capital of the Company of 175,758,305 (2016: 154,545,000) shares for the period under review.

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

	Group		Company	
	30 June 17 (Unaudited)	**30 June 16 (Audited)**	**30 June 17 (Unaudited)**	**30 June 16 (Audited)**
Net Asset Value per share (RMB cents)	128.8	607.9	172.4	188.1

The net asset value per ordinary share of the Group and the Company as at 30 June 2017 and 30 June 2016 were calculated based on the issued share capital of the Company of 176,798,164 and 162,200,151 shares as at 30 June 2017 and 30 June 2016 respectively.

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

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

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

Review of Performance

FY2017 vs FY2016

	FY2017 (Unaudited)		FY2016 (Audited)	
	RMB'000	**%**	**RMB'000**	**%**
Self-Cultivated Products	95.8	42.7	186.3	56.7
Processed Food Products	128.3	57.3	142.4	43.3
Total	224.1	100.0	328.7	100.0

The Group recorded revenue of RMB224.1 million in financial year ended 30 June 2017 ("FY2017") as compare to RMB328.7 million in financial year ended 30 June 2016 ("FY2016"). Revenue in FY2017 derived from self-cultivated products (RMB95.8 million) and processed food products (RMB128.3 million). The self-cultivated products consist of edible fungi, bamboo trees and bamboo shoots and eucalyptus.

Cost of sales increased by RMB131.2 million to RMB396.7 million in FY2017 as compared to RMB265.5 million in FY2016. As a result of higher cost, the Group incurred gross loss of RMB172.6 million in FY2017 as compared to gross profit of RMB63.2 million in FY2016. In tandem with the decrease in gross profit, gross profit margin also decreased from a gross profit of 19.2% in FY2016 to a gross loss in FY2017.

Other operating income recorded in FY2017 comprised of exchange gain, interest income, rental income, government subsidies and other miscellaneous income.

The Group recorded losses from changes in fair value of biological assets of RMB99.2 million, loss on disposal of biological assets of RMB1.8 million and prepayments written off of RMB334.5 million in FY2017 mainly due to the bamboo plantations were deemed to be not commercially viable nor economically feasible to remain in business as a result of the impact of the insect infections.

An independent valuation expert was appointed to assess the fair value of the leasehold building and an impairment loss of RMB0.9 million was recognised in FY2017.

Selling and distribution expenses of RMB6.7 million in FY2017 consists of courier expenses (RM5.3 million) and employee benefit costs (RMB0.6 million).

Administrative expenses decreased by RMB9.0 million from RMB33.0 million in FY2016 to RMB24.0 million in FY2017, which was due mainly to decrease in salary and related costs of self-cultivation business after scaling back our mushroom farmland and disposal of plantations.

The Group recorded other operating expenses of RMB2.1 million in FY2017 was due mainly to intangible assets written off.

Unaccountable expenses of RMB139.8 million recorded in FY2017 was due to no supporting documents and/or no available information during the reconstruction of books and records for the period from 1 July 2016 to 30 June 2017.

Finance costs decreased by RMB1.3 million from RMB1.4 million in FY2016 to RMB0.1 million in FY2017, which was due mainly to repayment of short-term bank borrowings during the financial year.

Share of associates' losses of RMB1.0 million relates to Fujian Tianwang Foods Co., Limited and its subsidiary, Sanming Sennong Forestry Co., Ltd. (the "Associates"), that the Group owns 45% of its shareholding. The Associates' revenue was generated mainly from the sales of processed vegetables, bamboo shoots and bamboo trees. The Associates' business was affected by rising labour costs, lower market price and sales orders of bamboo products during the financial year.

As a result of lower revenue and gross loss coupled with higher expenses, the Group recorded a loss after tax of RMB777.7 million for FY2017, as compared to profit after tax of RMB37.0 million for FY2016.

Review of Balance Sheet

Non-current assets decreased by RMB518.8 million, from RMB789.8 million as at 30 June 2016 to RMB271.8 million as at 30 June 2017 due to certain unaccountable items of assets of property, plant and equipment and construction in progress of RMB67.4 million. In addition, there was prepayments written off of RMB334.5 million and loss from changes in fair value of biological assets of RMB99.2 million as a result of the bamboo plantations, due to the impact of the insect infestations, were deem to be not commercially viable nor economically feasible for the plantations to remain in business.

Current assets decreased by RMB52.2 million, from RMB221.6 million as at 30 June 2016 to RMB169.4 million as at 30 June 2017 due mainly to decrease in prepayments of RMB57.1 million and utilisation of synthetic logs of RMB7.4 million which was partially offset by the increase in inventories of RMB5.5 million and trade and other receivables of RMB11.3 million. The decrease in prepayments was due to the amortisation of prepayments during the financial year.

Non-current liabilities increased by RMB2.9 million, from RMB5.7 million as at 30 June 2016 to RMB8.6 million as at 30 June 2017 was mainly attributable to additional drawdown of bank borrowing for acquisition of a leasehold property.

Current liabilities increased by RMB185.1 million, from RMB19.8 million as at 30 June 2016 to RMB204.9 million as at 30 June 2017 was due to increase in trade and other payables of RMB189.8 million which was partially offset by the decrease in current income tax payable and short-term bank borrowings of RMB3.6 million and RMB1.1 million respectively. The increase in trade and other payables was due mainly to liabilities owing to contractors for the plantation maintenance work and provision of related processing services on the cultivation of self-cultivation business.

Review of Cash Flow Statement

FY2017 vs FY2016

For FY2017, the Group recorded net cash outflow of RMB28.1 million from operating activities compared to net cash inflow of RMB71.7 million in FY2016. This was mainly attributable to loss incurred during the financial year, higher receivables and inventories which was partially offset by higher payables and lower biological assets.

Net cash generated from investing activities was RMB2.5 million in FY2017 was mainly due to proceeds from disposal of biological assets which was partially offset by capital expenditure on acquisition of property, plant and equipment.

There was a net cash inflow of RMB21.0 million from financing activities in FY2017 arising from proceeds from issuance of Placement Shares which was completed in July 2016 and drawdown of bank borrowings. This was partially offset by repayment of bank borrowings and dividend payout for FY2016.

As a result of the above, cash and cash equivalents decreased from RMB11.1 million as at FY2016 to RMB6.6 million as at FY2017.

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.

On 21 August 2018, the Board made an announcement that it was brought to the Board's attention that Sanming Shansheng Forestry Co., Ltd. (三明山盛林业有限公司) and Nanping Lijiashan Forestry Co., Ltd (南平市李家山林业有限公司), both wholly-owned subsidiaries of the Company, had in August 2017 disposed of all their leases to moso bamboo plantations (gross land area measuring approximately 129,696 mu[1]) in Jiangle County and Pucheng County, in Fujian Province, People's Republic of China ("**PRC**") (the "**Disposal**").

Subsequently, upon the review of the initial investigations by the management, the Board had, on the recommendation of the Audit Committee, appointed FKT to conduct the due diligence investigation into the Disposal. The due diligence investigation team from FKT ("**Due Diligence Investigation Team**") had in September 2018 conducted field trips in the PRC for the Disposal investigation together with the Company's PRC and Singapore legal counsels, Allbright Law Offices and Equity Law LLC, who were appointed by the Board, along with Yuan Tai Law Offices, representing FKT. Further details are contained in the announcement dated 21 August 2018 and 12 September 2018.

We believe the increasing urbanisation in the PRC and consumers' greater emphasis on health issues will continue to lead to a sustainable market demand for healthy and convenience food products. In order to capitalize on this business growth opportunity, we will continue to strengthen our deep processed food products to satisfy consumer demand. We will also enhance our own branded product positioning and extend the sales and distribution network in this segment.

11. If a decision regarding dividend has been made

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

None.

(b) (i) Amount per share

Not Applicable.

(ii) Previous corresponding period

Not Applicable.

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

Not Applicable.

(d) The date the dividend is payable

Not Applicable.

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

Not Applicable.

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

The Board of Directors of the Company does not recommend that a dividend be paid for the financial year ended 30 June 2017.

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 2016 to 30 June 2017:

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

There have been no interested person transactions during the financial year ended 30 June 2017. The Company does not have a general mandate from shareholders for interested person transactions.

14. Use of proceeds arising from share placement

The Company completed the share placement on 27 July 2016 and raised approximately RMB21.1 million.

As at 30 June 2017, the uilisation of the cash proceeds of approximately RMB21.1 million were as follows:

Utilisation of Share Placement Proceeds	**RMB'000**
Payment for the maintenance work carried out on the moso bamboo plantation	5,174
Payment for the production of synthetic logs to be utilized for cultivation of shiitake mushroom	10,000
Payment for harvesting shiitake mushroom	2,099
Payment for advertising, marketing and expansion of sales and distribution network for the new konjac based dietary fibre food products	3,356
Payment for expenses incurred in connection with the share placement	223
Exchange differences	235
Share placement proceeds utilised	21,087
Unutilised balance of the share placement proceeds	-
Total cash proceeds received from share placement	21,087

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

Not required for announcement on full year results.

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

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

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

17. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(a) Business Segment

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

	Self - cultivation	Processed food products	Corporate	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
FY2016 (Audited)				
Revenue				
Total revenue	186,249	142,447	-	328,696
Segment results	(1,456)	30,582	(2,678)	26,448
Loss on disposal of biological assets	(2,706)	-	-	(2,706)
Gain from changes in fair value of biological assets	18,376	-	-	18,376
Finance costs	-	(1,407)	(13)	(1,420)
Share of associates' profit	-	5,033	-	5,033
Profit / (Loss) before taxation	14,214	34,208	(2,691)	45,731
Taxation	-	(8,483)	(210)	(8,693)
Profit / (Loss) after taxation	14,214	25,725	(2,901)	37,038
Other segment items				
Additions to biological assets	61,166	-	-	61,166
Capital expenditure				
- property, plant and equipment	1,082	21,555	4,634	27,271
- Intangible assets	-	3,000	-	3,000
Depreciation and amortisation	111,422	7,781	6	119,209
Segment assets	636,451	321,400	5,961	963,812
Segment liabilities	986	9,361	3,492	13,839

Reconciliation of segments' total assets and total liabilities:

	FY2017 RMB'000 (Unaudited)	**FY2016 RMB'000 (Audited)**
Reportable segments assets are reconciled to total assets:		
Segment assets	393,595	963,812
Investment in associates	43,989	44,966
Deferred tax asset	2,005	2,005
Current income tax recoverable	-	63
VAT receivable	1,599	527
	441,188	1,011,373
Reportable segments liabilities are reconciled to total liabilities:		
Segment liabilities	205,456	13,839
Deferred tax liabilities	3,711	3,711
Current income tax payable	83	3,635
VAT payable	3,720	3,688
Government tax payable	496	542
	213,466	25,415

(b) Geographical information

Sales to external customers

	Financial Year Ended 30 June		
	2017 (Unaudited) RMB'000	2016 (Audited) RMB'000	Increase / (Decrease) %
China (domicile)	103,617	200,247	(48.3)
Netherlands	*	-	n.m.
Japan	*	128,449	n.m.
	224,072	328,696	

*No information available

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

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

19. A breakdown of sales

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

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

	FY2017 RMB'000	FY2016 RMB'000
Ordinary	Nil	1,298
Preference	Nil	Nil
Total	Nil	1,298

The Company isssued 14,598,013 placement shares in July 2016. After taking into consideration of the placement shares, the amount of the dividend payout for FY2016 approximated RMB1.4 million.

21. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

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

The following directors have confirmed that as at 30 June 2017, there were no appointments of any relative of any Director/Chief Officer/Substantial Shareholder of the issuer who were holding a managerial position in the issuer or any of its principal subsidiaries:

Mr Chua Ser Miang
Mr Chang Feng-chang

BY ORDER OF THE BOARD

Chen Qiuhai
Executive Chairman and CEO
28 January 2019