CHINA GREEN (HOLDINGS) LIMITED
中國綠色食品(控股)有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 904)

ANNUAL RESULTS FOR THE YEAR ENDED 30 APRIL 2014

ANNUAL RESULTS

The board (the "Board") of directors (the "Directors") of China Green (Holdings) Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 30 April 2014 together with the comparative figures for the corresponding year of 2013 as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 30 April 2014

	Notes	**2014** *RMB'000*	2013 *RMB'000*
Turnover	3	**2,093,738**	2,184,097
Cost of sales		**(1,493,634)**	(1,450,799)
Gross profit		**600,104**	733,298
Other revenue	4(a)	**15,411**	7,130
Other losses		**(244,464)**	–
(Loss)/gain arising from changes in fair value less costs to sell biological assets		**(7,952)**	23,455
Net loss arising from changes in fair value of other financial liabilities		**(21,849)**	–
Selling and distribution expenses		**(270,691)**	(297,044)
General and administrative expenses		**(263,182)**	(187,353)
Loss on disposal of a subsidiary		**(50,338)**	–
(Loss)/profit from operations		**(242,961)**	279,486
Finance costs		**(149,442)**	(101,770)
(Loss)/profit before taxation	5	**(392,403)**	177,716
Income tax	6	**(82,296)**	(96,586)
(Loss)/profit for the year attributable to owners of the Company		**(474,699)**	81,130
(Loss)/earnings per share			
– Basic	8	**RMB(52.7) cents**	RMB9.2 cents
– Diluted		**RMB(52.7) cents**	RMB9.2 cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 April 2014

	2014	2013
	RMB'000	*RMB'000*
(Loss)/profit for the year	**(474,699)**	81,130
Other comprehensive income for the year (after tax)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	**13,908**	1,556
Total comprehensive (loss)/income for the year attributable to owners of the Company	**(460,791)**	82,686

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2014

	Notes	2014 RMB'000	2013 RMB'000
Non-current assets			
Fixed assets			
– Property, plant and equipment		**2,751,032**	2,829,639
– Interests in leasehold land held for own use under operating leases		**213,783**	253,884
Long-term prepaid rentals		**1,217,284**	1,402,303
Pledged bank deposits		**274,750**	–
Deposits paid for acquisition of fixed assets		**317,292**	241,949
		4,774,141	4,727,775
Current assets			
Inventories		**51,907**	61,592
Biological assets		**13,267**	40,893
Current portion of long-term prepaid rentals		**120,377**	122,792
Trade and other receivables	10	**176,947**	90,329
Bank deposits with maturity over 3 months		**–**	18,119
Pledged bank deposits		**114,046**	–
Cash and cash equivalents		**294,842**	422,632
		771,386	756,357
Current liabilities			
Amount due to a director		**7,995**	8,088
Amount due to a shareholder		**2,815**	–
Trade and other payables	11	**191,640**	96,856
Borrowings	12	**246,571**	–
Income tax payable		**25,507**	23,613
Other financial liabilities		**21,902**	–
Convertible bonds		**178,701**	1,370,487
		675,131	1,499,044
Net current assets/(liabilities)		**96,255**	(742,687)
Total assets less current liabilities		**4,870,396**	3,985,088

	Notes	**2014**	2013
		RMB'000	*RMB'000*
Non-current liabilities			
Deferred tax liabilities		**86,189**	70,876
Borrowings	12	**532,738**	–
Convertible bonds		**669,628**	–
		1,288,555	70,876
Net assets		**3,581,841**	3,914,212
Capital and reserves			
Share capital		**106,277**	92,236
Reserves		**3,475,564**	3,821,976
Total equity attributable to owners of the Company		**3,581,841**	3,914,212

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that biological assets are measured at their fair value less costs to sell and derivative financial instruments are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability. The functional currency of the Company is Hong Kong dollars ("HK$"). The Group adopted Renminbi ("RMB") as its presentation currency in the consolidated financial statements as most of the Group's entities are operating in the People's Republic of China (the "PRC") with RMB as their functional currency and the management of the Company control and monitor the performance and financial position of the Group by using RMB.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has adopted all of the new and revised standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2013. A Summary of the new HKFRSs are set out as below.

HKFRS 1 (Amendments)	Government Loan
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HKAS 1 (Amendments)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except for the amendments to HKAS 1, the application of these new HKFRSs has no material impact on the results and the financial position of the Group.

The nature of the impending changes in accounting policy on adoption of the amendments to HKAS 1 is described below.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012.

The amendments to HKAS 1 introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a statement of profit or loss. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

HKFRS 10 Consolidated Financial Statements

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and HK (SIC) Int-12 Consolidation – Special Purpose Entities. HKFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee. Some guidance included in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group.

HKFRS 12 Disclosure of Interests in Other Entities

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

HKFRS 13 Fair Value Measurement

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of HKFRS 13 is broad; the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and nonfinancial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are within the scope of HKAS 17 Leases, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[3]
HKFRS 9, HKFRS 7 and, HKAS 39 (Amendments)	Hedge Accounting and amendments to HKFRS 9, HKFRS 7 and HKAS 39[3]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[1]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[1]
HKAS 36	Recoverable Amount and Disclosures for Non-Financial Assets[1]
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC)-Int 21	Levies1
HKAS 19 (Amendments)	Defined Benefits Plans: Employee Contributions[2]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010-2012 Cycle[5]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011-2013 Cycle[2]
HKFRS 14	Regulatory Deferral Accounts[4]

1 Effective for annual periods beginning on or after 1 January 2014, with earlier application permited.

2 Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.

3 No mandatory effective date yet determined but is available for adoption.

4 Effective for annual periods beginning on or after 1 January 2016.

5 Effective for annual periods beginning on or after 1 January 2014, with limited exceptions.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described below:

All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The date when entities would be required to apply HKFRS 9 was previously stated at 1 January 2015. This mandatory effective date has been removed to provide sufficient time for preparers of financial statements to make the transition to the new requirements, which will now become effective from a later date yet to be announced.

The Directors anticipate that HKFRS 9 that may have a significant impact on amounts reported in respect of Group's financial assets. However, it is not practical to provide a reasonable estimate of that effect until a detailed review has been completed.

Amendments to HKFRS 7 and HKAS 32 – Offsetting Financial Assets and Financial Liabilities and the related disclosures

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The Directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

Amendments to HKAS 36 – Impairment of Assets: Recoverable Amount Disclosure for Non-Financial Assets

The amendments to HKAS 36 are to remove certain unintended disclosure requirements which may be introduced by the consequential amendments to HKAS 36 when HKFRS 13 was issued. Furthermore, these amendments require the disclosure of additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The amendments to HKAS 36 are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted. However, an entity may not apply those amendments in periods (including comparative periods) in which it does not also apply HKFRS 13.

The Directors anticipate that the application of these amendments to HKAS 36 will have no material impact on the Group's financial performance and positions.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — Investment Entities

The Investment Entities amendments apply to a particular class of business that qualify as investment entities. The term 'investment entity' refers to an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis. Such entities could include private equity organisations, venture capital organisations, pension funds, sovereign wealth funds and other investment funds.

Under HKFRS 10, reporting entities were required to consolidate all investees that they control (i.e. all subsidiaries). Preparers and users of financial statements have suggested that consolidating the subsidiaries of investment entities does not result in useful information for investors. Rather, reporting all investments, including investments in subsidiaries, at fair value, provides the most useful and relevant information.

In response to this, the amendments provide an exception to the consolidation requirements in HKFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities.

The amendments are effective from 1 January 2014 with early adoption permitted in order to allow investment entities to apply the amendments at the same time they first apply the rest of HKFRS 10.

The Directors anticipate that the application of these amendments to HKFRS 10, HKFRS 12 and HKFRS 27 (2011) will have no material impact on the Group's financial performance and positions.

Amendments to HKAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

The narrow-scope amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one).

This relief has been introduced in response to legislative changes across many jurisdictions that would lead to the widespread novation of over-the-counter derivatives. These legislative changes were prompted by a G20 commitment to improve transparency and regulatory oversight of over-the-counter derivatives in an internationally consistent and non-discriminatory way.

Similar relief will be included in HKFRS 9

The amendments will be effective for annual periods beginning on or after 1 January 2014 and applied retrospectively. Earlier application is permitted.

The directors anticipate that the application of these amendments to HKAS 39 will have no material impact on the Group's financial performance and positions.

HK (IFRIC) – Int 21 Levies

HK (IFRIC) – Int 21 is an interpretation of HKAS 37 and addresses how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. The principal question raised was about when the entity should recognise a liability to pay a levy. It clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. HK(IFRIC) – Int 21 is effective for annual periods beginning on or after 1 January 2014 with earlier application permitted.

The Directors anticipate that the application of these amendments to HK(IFRIC)-Int 21 Levies will have no material impacts on the Group's financial performance and positions.

3. TURNOVER

The Group is principally engaged in the growing, processing and sales of agricultural products and production and sales of consumer food and beverage products.

Turnover represents sales value of agricultural products and consumer food and beverage products supplied to customers, which is net of value-added tax and other sales taxes, less returns and discounts. The amount of each significant category of revenue recognised in turnover during the year is as follows:

	2014	2013
	RMB'000	*RMB'000*
Fresh produce and processed products	**409,840**	660,773
Branded beverage products	**1,484,944**	1,280,335
Branded food products and others	**198,954**	242,989
	2,093,738	2,184,097

4. OTHER REVENUE AND OTHER LOSSES

(a) Other revenue

	2014	2013
	RMB'000	*RMB'000*
Interest income on financial assets not at fair value through profit or loss – interest income from banks	**9,670**	6,138
Other trading income	**171**	–
Rental income	**1,134**	808
Gain on redemption of convertible bonds	**1,056**	–
Government grant received	**3,260**	–
Sundry income	**120**	184
	15,411	7,130

(b) Other losses

	2014	2013
	RMB'000	*RMB'000*
Impairment loss recognised on property, plant and equipment	**150,310**	–
Impairment loss recognised on long-term prepaid rentals	**66,966**	–
Impairment loss on interest in leasehold land held for own use under operating leases	**27,188**	–
	244,464	–

5. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging the following:

	2014	2013
	RMB'000	*RMB'000*
(a) Finance costs		
Interest on borrowings wholly repayable within five years		
– interest on convertible bonds	**52,996**	105,947
– interest on matured convertible bonds	**77,747**	6,773
– interest on bank borrowings	**18,699**	–
Less: interest expense capitalised into construction-in-progress*	**–**	(10,950)
	149,442	101,770

* The borrowing costs have been capitalised at 7.76% per annum for the year ended 30 April 2013

	2014	2013
(b) Staff costs		
Contributions to defined contribution retirement plans	**7,879**	10,566
Salaries, wages and other benefits	**146,583**	163,768
	154,462	174,334

	2014	2013
	RMB'000	*RMB'000*
(c) Other items		
Amortisation of land lease premium	**6,305**	5,576
Amortisation of long-term prepaid rentals	**120,397**	102,543
Depreciation of property, plant and equipment	**210,340**	222,468
Operating lease charges: minimum lease payments		
– property rentals	**2,266**	2,851
Research and development expenses	**28,063**	44,651
Auditors' remuneration		
– audit services	**2,000**	2,056
Cost of inventories sold	**1,493,634**	1,450,799
Net foreign exchange loss	**12,185**	–
Loss on disposal of property, plant and equipment	**21,609**	28

6. INCOME TAX

(a) Income tax in the consolidated statement of comprehensive income represents:

	2014	2013
	RMB'000	*RMB'000*
Current tax – Enterprise Income Tax in the PRC		
– Provision for the year	**82,246**	116,439
Under/(over) provision in prior year		
– Enterprise Income Tax	**797**	(14,626)
Deferred tax		
Origination and reversal of temporary differences	**(747)**	(5,227)
Total income tax recognised in profit or loss	**82,296**	96,586

(i) *PRC Enterprise Income Tax*

The provision for PRC Enterprise Income Tax for the Company's subsidiaries in the PRC is based on PRC Enterprise Income Tax rates of 25% of the taxable income as determined in accordance with the relevant income tax rules and regulations of the PRC for both years.

In accordance with the relevant PRC tax rules and regulations, certain of the Company's PRC subsidiaries are exempted from PRC Enterprise Income Tax for two consecutive years from their first profit making year, and are entitled to a 50% relief on the PRC Enterprise Income Tax for the following three years ("Tax Holidays"). Pursuant to the transitional arrangement under the new tax law passed by the Fifth Plenary Session of the Tenth National People's Congress on 16 March 2007 which took effect on 1 January 2008 (the "New Tax Law"), certain PRC subsidiaries will continue to enjoy the tax-exemption or 50% relief on the applicable PRC Enterprise Income tax rate under the New Tax Law until the expiry of the Tax Holidays previously granted, and thereafter they are subject to a unified rate of 25%. For those enterprises whose Tax Holidays had not commenced prior to 1 January 2008 due to lack of taxable profit before then, such preferential tax treatment commenced from 1 January 2008.

According to the PRC tax law and its interpretation rules, enterprises that engage in qualifying agricultural business are eligible for certain tax benefits, including full PRC Enterprise Income Tax exemption derived from such business. The Group's principal subsidiaries which are engaged in qualifying agricultural business are entitled to exemption of PRC Enterprise Income Tax.

(ii) *Hong Kong Profits Tax*

No provision for Hong Kong Profits Tax for the years ended 30 April 2014 and 2013 has been made as the Group has no estimated assessable profits arising in Hong Kong for both years.

(iii) *Other Income Tax*

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in Bermuda or the BVI.

7. DIVIDENDS

The directors do not recommend the payment of any dividend in respect of the year ended 30 April 2014 (2013: nil).

8. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately RMB474,699,000 (2013: profit attributable to owners of the Company of approximately RMB81,130,000) and the weighted average number of 900,505,047 ordinary shares (2013: 884,035,543 ordinary shares) in issue during the year.

(i) (Loss)/profit attributable to owners of the Company

	2014	2013
	RMB'000	*RMB'000*
(Loss)/profit attributable to owners of the Company used to determine diluted earnings per share	**(474,699)**	81,130

	2014	2013
	Number of ordinary shares	
Weighted average number of ordinary shares for calculation of diluted (loss)/earnings per share	**900,505,047**	884,035,540

(b) Diluted (loss)/earnings per share

Diluted loss per share for the year ended 30 April 2013 was the same as the basic loss per share. There was no outstanding share options as at 30 April 2014) The Company's outstanding share options were not included in the calculation of diluted loss per share because the effect of the Company's outstanding share options was anti-dilutive.

During the years ended 30 April 2014 and 2013, the computation of diluted (loss)/earnings per share did not assume the conversion of the Company's outstanding convertible bonds since such conversion would result in an increase in diluted (loss)/earnings per share.

9. SEGMENT REPORTING

The Group manages its businesses by product types. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Fresh produce and processed products: this segment grows and processes and sells agricultural produce. Currently the Group's activities in this regard are carried out in the PRC.

- Branded beverage products: this segment manufactures and sells beverage products. Currently the Group's activities in this regard are carried out in the PRC.

- Branded food products and others: this segment processes and sells food products. Currently the Group's activities in this regard are carried out in the PRC.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all current and non-current assets with the exception of investments in financial assets, deferred tax assets and other corporate assets. Segment liabilities include trade and other payables attributable to the sales activities of the individual segments and borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment (loss)/profit is "adjusted operating (loss)/profit". To arrive at "adjusted operating (loss)/profit", the Group's (loss)/profit is adjusted for items not specifically attributable to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs. Taxation charge is not allocated to reportable segment (loss)/profit. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 30 April 2014 and 2013 is set out below.

	Fresh produce and processed products		Branded beverage products		Branded food products and others		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Revenue from external customers	**409,840**	660,773	**1,484,944**	1,280,335	**198,954**	242,989	**2,093,738**	2,184,097
Inter-segment revenue	**73,587**	47,438	**235,913**	–	**–**	–	**309,500**	47,438
Reportable segment revenue	**483,427**	708,211	**1,720,857**	1,280,335	**198,954**	242,989	**2,403,238**	2,231,535
Reportable segment (loss) profit	**(342,134)**	77,860	**231,886**	214,479	**8,632**	41,107	**(101,616)**	333,446
Interest income	**860**	4,263	**2,558**	836	**7**	14	**3,425**	5,113
Depreciation and amortisation	**162,387**	219,273	**124,918**	75,440	**31,682**	22,259	**318,987**	316,972
Income tax	**3,523**	25,690	**75,628**	64,535	**3,892**	11,588	**83,043**	101,813
Reportable segment assets	**1,445,262**	2,750,451	**3,374,930**	2,252,001	**152,760**	182,007	**4,972,952**	5,184,459
Fair value change on biological assets	**7,952**	(23,455)	**–**	–	**–**	–	**7,952**	(23,455)
Finance cost	**6**	–	**209**	–	**–**	–	**215**	–
Impairment loss recognised on property, plant and equipment	**150,310**	–	**–**	–	**–**	–	**150,310**	–
Impairment loss recognised on interest in leasehold land held for own use under operating leases	**27,188**	–	**–**	–	**–**	–	**27,188**	–
Impairment loss recognised on long-term prepaid rentals	**66,966**	–	**–**	–	**–**	–	**66,966**	–
Additions to non-current assets during the year	**456**	269,612	**447,003**	1,493,161	**22**	261	**447,481**	1,763,034
Reportable segment liabilities	**16,309**	19,171	**148,811**	86,241	**9,190**	5,992	**174,310**	111,404

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities and other items

	2014	2013
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**2,403,238**	2,231,535
Elimination of inter-segment revenue	**(309,500)**	(47,438)
Consolidated turnover	**2,093,738**	2,184,097
Profit or loss		
Reportable segment (loss)/profit derived from Group's external customers	**(101,616)**	333,446
Finance costs	**(149,227)**	(101,770)
Interest income	**6,245**	1,025
Loss on disposal of a subsidiary	**(50,338)**	–
Other revenue	**771**	885
Unallocated depreciation and amortisation	**(18,055)**	(17,615)
Unallocated head office and corporate expenses	**(81,239)**	(38,255)
Gain on redemption of convertible bonds	**1,056**	–
Consolidated (loss)/profit before taxation	**(392,403)**	177,716

	2014	2013
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**4,972,952**	5,184,459
Unallocated head office and corporate assets:		
– Fixed assets	**194,371**	211,096
– Bank deposit with maturity over 3 months	**–**	18,119
– Pledged bank deposit	**255,296**	–
– Cash and cash equivalents	**11,799**	58,939
– Other assets	**111,109**	11,519
Consolidated total assets	**5,545,527**	5,484,132

	2014	2013
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	**174,310**	111,404
Convertible bonds	**848,329**	1,370,487
Income tax payable	**–**	–
Deferred tax liabilities	**86,189**	70,876
Borrowings	**729,309**	–
Unallocated head office and corporate liabilities	**125,549**	17,153
Consolidated total liabilities	**1,963,686**	1,569,920

(c) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's fixed assets, long-term prepaid rentals and deposits paid for acquisition of fixed assets ("specified non-current assets"). The geographical location of customers is based on the location to which the goods are delivered. The geographical location of the specified non-current assets is based on the physical location of the assets.

	Revenue from external customers		**Specified non-current assets**	
	2014	2013	**2014**	2013
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
The PRC (place of domicile)				
– Sales to import/export companies in the PRC	**14,478**	260,396		
– Sales to other customers in the PRC	**2,079,260**	1,923,701		
	2,093,738	2,184,097	**4,773,798**	4,727,775

(d) Information about major customers

For the year ended 30 April 2014, the Group's revenue included sales to the Group's three most significant customers amounting to approximately RMB27,524,000 (2013: RMB115,503,000), RMB25,702,000 (2013: RMB107,088,000) and RMB25,090,000 (2013: RMB88,440,000) respectively, which are generated from the sales of Branded Beverage products. No other single customers contributed 10% or more to the Group's revenue for the years ended 30 April 2014 and 2013.

10. TRADE AND OTHER RECEIVABLES

	2014	2013
	RMB'000	*RMB'000*
Trade receivables	**47,030**	46,528
Other receivables	**109,080**	1,346
Loans and receivables	**156,110**	47,874
Rental and other deposits	**496**	840
Interest in leasehold land held for own use under operating leases	**5,640**	5,882
Prepayments		
– to suppliers	**6,595**	20,552
– to others	**4,098**	11,131
Value added tax recoverable	**4,008**	4,050
	176,947	90,329

The amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

(a) Included in trade and other receivables are trade receivables with the following ageing analysis as of the end of the reporting period:

	2014	2013
	RMB'000	*RMB'000*
Within 1 month	**33,054**	25,868
Over 1 month but within 3 months	**13,976**	20,660
	47,030	46,528

Trade receivables are due within 30 days from the date of billing.

(b) Trade receivables that are not impaired

Trade receivables that are neither individually nor collectively considered to be impaired are aged within 30 days.

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

11. TRADE AND OTHER PAYABLES

	2014	2013
	RMB'000	*RMB'000*
Trade payables	**41,550**	32,769
Accrued salaries and wages	**8,308**	8,202
Payable for acquisition of fixed assets	**–**	1,126
Other accruals and payables	**126,008**	40,927
Financial liabilities measured at amortisation cost	**175,866**	83,024
Receipts in advance	**4,802**	3,804
Other taxes payable	**10,972**	10,028
	191,640	96,856

Included in trade and other payables are trade payables with the following ageing analysis as of the end of the reporting period:

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Within 1 month	**41,550**	32,769

12. BORROWINGS

	The Group	
	2014	2013
	RMB'000	*RMB'000*
Bank loans	**711,786**	–
Loan from other entities	**67,523**	–
	779,309	–
Secured	**711,786**	–
Unsecured	**67,523**	–
	779,309	–
Bank borrowings – secured		
– Within one year	**246,571**	–
– More than one year, but not exceeding two years	**108,296**	–
– More than two years, but not more than five years	**424,442**	–
	779,309	–
Less: Amounts shown under current liabilities	**(246,571)**	–
	532,738	–

Note:

(a) The ranges of effective interest rates (which equal to contracted interest rates) on the Group's borrowings are as follows:

	2014	2013
Effective interest rate:		
Fixed-rate borrowings	**5% to 10%**	–
Variable-rate borrowings	**7.2% to 8.65%**	–

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of financial results

Turnover and gross profit

For the year ended 30 April 2014, the Group recorded a turnover of approximately RMB2,093.7 million, a slight decrease of approximately 4.1% from approximately RMB2,184.1 million for the last financial year. The decrease was mainly due to the decrease in revenue of both the fresh produce and processed products segment and the branded food segment, which partially offset the increase in turnover of the branded beverage products segment.

The gross profit of the Group decreased by approximately 18.2% to approximately RMB600.1 million from approximately RMB733.3 million for the last financial year. The gross profit margin of the Group for the financial year was approximately 28.7% as compared to approximately 33.6% for the last financial year. The decrease in the gross profit was mainly due to the decrease of gross profit from approximately RMB123.4 million for the previous financial year to a gross loss of approximately RMB15.7 million in this financial year derived from the fresh produce and processed products segment and the drop of the gross profit derived from the branded food products segment from RMB57.3 million last year to RMB27.4 million this year. Such decrease was partially compensated by a slight increase of gross profit from the branded beverage products segment which was RMB552.6 million last year compared to RMB588.4 million this year.

Loss arising from changes in fair value less costs to sell biological assets

There is a loss arising from changes in fair value less costs to sell biological assets of approximately RMB8.0 million compared to a gain of approximately RMB23.5 million for the last financial year. Such decrease was mainly due to the decrease in the prices of the agricultural produces and fresh produce grown during the year under review.

* *for identification purpose only*

Selling, general expenses and finance costs

Selling and distribution expenses were approximately RMB270.7 million (2013: approximately RMB297.0 million), which mainly consists of transportation, marketing and promotional expenses as well as wages of sales executives and other various costs. The slight increase was mainly due to the inflationary cost arising from advertisement, wages and transportation. The decrease in selling and distribution expenses was mainly due to the decrease in advertising and promotion expenses from RMB110.5 million last year to RMB87.6 million this year. Following the restructuring of the Company's convertible bonds in November 2013, the Group's financial position was tight and fewer resources were available for the Group's advertising and promotion campaign which resulted in the decrease of advertising and promotion expenses in the current year. Such decrease in the advertising and promotion expenses also affected the business growth of the branded beverage segment in the second half of this fiscal year. In light of this, the Group has secured several bank loans totaling RMB195.5 million from March to June 2014 to strengthen its working capital position. It is the Group's intention to re-launch a more active advertising and promotion campaign in 2014/15 in order to ensure a better growth of the Group's branded beverage segment next year.

General and administrative expenses were approximately RMB263.2 million (2013: approximately RMB187.4 million), which mainly consists of employee compensations, legal and professional fee, research and development and other daily operating costs. The increase was mainly attributable to amortization of land acquired in Baicheng and higher legal and professional fees as a result of the bond restructuring exercise during this financial year. Finance costs were approximately RMB149.4 million (2013: approximately RMB101.8 million) and such increase was mainly due to the higher coupon rates of the convertible bonds due 2016 and the default interest incurred from the maturity of the convertible bond due 2013 to the time when the convertible bonds due 2013 were successfully restructured in mid November 2013.

Loss attributable to the owners of the Company

The loss attributable to owners of the Company for the year was approximately RMB474.7 million as compared with a profit of approximately RMB81.1 million for last year. Apart from not being able to efficiently transfer the increase in raw material, wages and other incidental costs under such keen market competition, the significant decrease was primarily due to the drop in business turnover of fresh produce and processed products segment as a result of the Group's business transformation. This year is the first year that the Group's fresh produce and processed products segment recorded an operating loss. The net loss of the Group's fresh produce and processed products segment was approximately RMB345.7 million this year which included a provision of approximately RMB244.5 million for impairment of values of the assets involved in the fresh produce and processed products segment, compared with a net profit of approximately RMB52.2 million last year. Although the Company's convertible bonds due 2013 were successfully restructured in November 2013, the default interest incurred and the higher coupon rates of the Company's convertible bonds due 2016 also significantly and adversely affected the Group's profitability. The loss of disposal of a subsidiary, Zhonglu (Shanghai) Industry Investment Limited*, of approximately RMB50.3 million also contributed to the loss attributable to the owners of the Company for the current year.

Review of operation

During the year under review, the Group was principally engaged in three business segments, namely fresh produce and processed products, branded food products and branded beverage products.

The breakdowns of the Group's revenue are as follows:

	Year ended	
	30 April 2014	30 April 2013
	RMB'000	*RMB'000*
Branded beverage products	**1,484,944**	1,280,335
Fresh produce and processed products	**409,840**	660,773
Branded food products and others	**198,954**	242,989
	2,093,738	2,184,097

Fresh produce and processed products

The Group's fresh produce and processed products include primarily fresh vegetables such as sweet corns, lotus roots, radish, hairy beans and water melons as well as canned and frozen products. During the year ended 30 April 2014, the revenue from the fresh produce and processed products segment dropped significantly from RMB660.8 million to RMB409.8 million, which is mainly due to the continuous deterioration of the Group's export business.

The continuous and increasing Sino-Japanese diplomatic tension and appreciation of RMB against Japanese Yen have dragged down the export business of the Group's fresh produce and processed products segment which was a major profit center of the Group. The year ended 30 April 2014 is the first year that the Group suffered an operating loss from the fresh produce and processed products segment.

Branded food products

The Group's branded food products include primarily rice and hotpot products sold under the Group's own brand. Revenue from the branded food products decreased from approximately RMB243.0 million for the year ended 30 April 2013 to approximately RMB199.0 million in this year. As the branded food products development is still at its early stage and the corresponding brand is not yet well recognized in the consumer market, there is certain volatility in the demand for these products at the current stage. The Group considers that the contribution from this segment is not yet material to the Group's operations but the management will continue to monitor the development of this segment in the near future to assess if further resources would need to be invested in this segment in order to expand its operations and enhance its profitability.

Branded beverage products

Under the branded beverage products segment, the Group is currently selling over 30 different specifications of beverage products under its own brands. Most of the beverage products are multi-grains focused which are tailored for the increasing health conscious domestic market.

Despite the decline in both the fresh produce and processed products and the branded food products segments, the Group was successful in expanding its branded beverage products segment and achieved a growth of 16.0% in revenue from the sales of branded beverage products.

During the year, the Group continued its efforts in expanding its distribution of the branded beverage products in the domestic market. As at 30 April 2014, the branded beverage products were being sold in 27 provinces and 4 cities in China.

The major sales locations of our branded beverage products are as follows:

	For the year ended	
	30 April 2014	30 April 2013
	RMB'000	*RMB'000*
Jiangsu province	**272,662**	224,628
Anhui province	**194,082**	145,283
Sichuan province	**128,001**	80,930
Henan province	**108,221**	87,634
Jiangxi province	**98,506**	85,350
Others	**683,472**	656,510
Total	**1,484,944**	1,280,335

The five highest selling branded beverage products are as follows:

	For the year ended	
	30 April 2014	30 April 2013
	RMB'000	*RMB'000*
Culiangwang Walnuts	**486,294**	246,769
Culiangwang Green Bean Matcha	**448,726**	341,448
Culiangwang Red Bean	**290,884**	251,337
Culiangwang Multi Grains with Milk	**45,419**	4,590
Culiangwang Peanut and Sesame	**34,996**	67,507
Others	**178,625**	368,684
Total	**1,484,944**	1,280,335

Analysis of the cost of sales of the branded beverage products is as follows:

	For the year ended	
	30 April 2014	30 April 2013
	RMB'000	*RMB'000*
Packaging materials	**305,805**	281,096
Raw materials	**409,660**	288,268
Depreciation	**47,868**	47,438
Fuel costs	**11,179**	12,872
Direct labour costs	**12,344**	10,525
Processing fees to third party OEM producers	**99,979**	78,607
Others	**9,696**	8,936
Total	**896,531**	727,742

Note: Raw materials include mainly sugar and multi grains such as green beans, red beans, walnuts, oats, peanuts, sesames and sweet corns.

Currently, the Group has one plant for producing branded beverage products located in Quanzhou City of Fujian Province with an annual capacity of approximately 120,000 tons in paper packs and 30,000 tons in metallic cans. As the self-owned capacity is not enough for the sales demand, the Group is engaging 8 third party OEM producers to produce the branded beverage products, which accounted for approximately 58.3% of the production volume (2013: 47.5%).

In addition, the Group is building a new plant in Tianmen City of Hubei Province (the "Tianmen Plant"). The trial production of the Tianmen Plant was originally expected to start in the first quarter of 2014. However, our multi grains beverage products are very unique and most of the machinery and equipment have to be tailor-made. As the time required for certain tailor-made machinery and equipment to complete is much longer than expected, the trial production of the Tianmen Plant is now postponed to the fourth quarter of 2014.

For the time being, the Group is only sourcing limited amount of raw materials internally, which are mainly sweet corns. For the year ended 30 April 2014, approximately 4.5% (2013: 7.2%) of the multi grains used were being sourced from the Group's own farmland. It is expected that the internal sourcing proportion of multi grains raw materials would gradually increase once the Group's multi grains farm in Baicheng City of Jilin Province commences its commercial production in 2015/16.

Liquidity, financial resources and capital structure

As at 30 April 2014, the Group had total cash and cash equivalents which amounted to approximately RMB294.8 million (2013: RMB422.6 million) whilst the total assets and net assets were approximately RMB5,545.5 million (2013: RMB5,484.1 million) and RMB3,581.8 million (2013: RMB3,914.2 million) respectively. The Group had current assets of RMB771.4 million (2013: RMB756.4 million) and current liabilities of RMB675.1 million (2013: RMB1,499.0 million). The current ratio was 1.14 times (2013: 0.50 times).

The RMB1,350,000,000 US Dollar settled 3.00% convertible bonds due 2013 issued by the Company in April 2010 were successfully restructured in November 2013. As part of the consideration for this restructuring, the Company issued the RMB515,280,000 US Dollar settled 7.00% secured convertible bonds due April 2016 and RMB515,280,000 US Dollar settled 10.00% secured convertible bonds due April 2016. The calculation of the Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents divided by shareholders' fund) was 0.37 (2013: 0.27).

On 14 March 2014, the Company entered into (1) a top-up placing agreement with Oriental Patron Securities Limited as placing agent (the "Placing Agent") and Capital Mate Limited, the controlling shareholder of the Company and wholly and beneficially owned by Mr. Sun Shao Feng, an executive Director, the Chairman of the Board and the Chief Executive Officer of the Company, as vendor (the "Vendor") for the top-up placing of up to 176,807,000 shares ("Top-up Placing Shares") in the capital of the Company ("Top-up Placing"); and (2) a top-up subscription agreement with the Vendor for the top-up subscription for such number of shares as is equal to the number of Top-up Placing Shares successfully placed by the Placing Agent ("Top-up Subscription"). Completion of the Top-up Placing took place on 19 March 2014 and an aggregate of 176,805,000 Top-up Placing Shares have been successfully placed to not less than six placees, and completion of the Top-up Subscription took place on 28 March 2014 and 176,805,000 new shares were allotted and issued to the Vendor. The net proceeds from the Top-up Subscription are approximately HK$101.5 million. Details of both Top-up Placing and Top-up Subscription were set out in the announcements of the Company dated 14 March 2014, 17 March 2014 and 28 March 2014.

Capital commitment and contingent liabilities

As at 30 April 2014, the Group had contractual capital commitments of approximately RMB354.5 million (2013: RMB431.1 million), which mainly comprised beverage equipment purchase.

As at 30 April 2014, the Group had not provided any form of guarantee for any companies outside the Group and had not involved in any material legal proceedings for which provision for contingent liabilities was required.

Fluctuation in exchange rates

The Group did not have any outstanding foreign exchange contracts, interest or currency swaps or other financial derivatives as at 30 April 2014. The revenue, operating costs and bank deposits of the Group are mainly denominated in Renminbi and Hong Kong dollars. Therefore, the Group is not exposed to any material foreign currency exchange risk.

* *for identification purpose only*

Significant investment held and material acquisitions and disposals

During the year ended 30 April 2014, the Group made no significant investments or material acquisitions. On 18 October 2013, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Zhonglu (Shanghai) Industry Investment Limited* to an independent third party for a cash consideration of RMB104 million. Please refer to the Company's announcements on 20 October 2013 and 23 October 2013 for details. Other than this disposal, the Group made no other disposal of subsidiaries during the year ended 30 April 2014.

Pledge on Group's assets

As at 30 April 2014, bank deposits amounting to approximately RMB388.8 million (30 April 2013: Nil) had been pledged to secure the Group's bank loans and banking facilities in relation to letter of credit. In addition, certain property, plant and equipment with book value amounting to approximately RMB443.8 million had been pledged to secure the Group's bank loans of RMB195.5 million for the purpose of working capital.

All the shares in China Green Food Group Limited, a subsidiary of the Company incorporated in Hong Kong, and Dragon Choice Enterprises Limited, Goldprosper Enterprises Limited, Crop Harvest Enterprises Limited, China Green Harvest Enterprises Limited, Icatrad Enterprises Limited, Summit Achieve Holdings Limited and On Success Enterprises Limited, all are subsidiaries of the Company incorporated in the British Virgin Islands, held by the Company were charged in favour of the trustee for the benefit of the bondholders of the convertible bonds due 2016. For further details of the convertible bonds due 2016 and the said share charges, please refer to the overseas regulatory announcement of the Company dated 14 November 2013.

Number of employees and remuneration policy

As at 30 April 2014, the Group had 3,811 (2013: 4,300) employees. The Group's remuneration policy is reviewed periodically and remuneration is determined by reference to market trend, company results, and individual qualifications and performance.

Subsequent event

On 20 June 2014, the parties to the Master Framework and Subscription Agreement dated 4 September 2013 ("Master Framework and Subscription Agreement") and Tsinghua Redbud Holdings Ltd. (紫荊控股有限公司) ("Tsinghua Redbud") entered into a novation agreement (the "Novation Agreement"), pursuant to which, all the rights, benefits and obligations under the Master Framework and Subscription Agreement including the loan granted by Tsinghua Redbud (as duly authorized nominee of PKU V-Ming Investment) through an entrusted PRC bank were novated by PKU V-Ming Investment to Tsinghua Redbud upon the signing of the Novation Agreement, details of which were set out in the announcement of the Company dated 20 June 2014.

On 27 March 2014, the Company and Oriental Unicorn Agricultural Group Limited ("OUA" and together with its subsidiaries, the "OUA Group") entered into a memorandum of understanding (which was supplemented by an extension letter dated 27 June 2014) in relation to the possible cooperation between the Group and OUA Group. Details of which were set out in the joint announcements made by OUA and the Company on 27 March 2014 and 27 June 2014.

On 30 June 2014, the Company passed an ordinary resolution to increase its authorised share capital from HK$200,000,000 divided into 2,000,000,000 shares of HK$0.10 each to HK$300,000,000 divided into 3,000,000,000 shares of HK$0.10 each by the creation of an additional 1,000,000,000 shares of the Company and such shares shall rank pari passu with all existing shares of the Company upon issue.

CHANGE OF COMPANY NAME

The special resolution regarding the change of the English name of the Company from "China Green (Holdings) Limited" to "China Culiangwang Beverages Holdings Limited" and the adoption of "中國粗糧王飲品控股有限公司" as the secondary name of the Company in Chinese was duly passed by the shareholders of the Company at the special general meeting of the Company held on 30 June 2014. Both the Certificate of Incorporation on Change of Name and the Certificate of Secondary Name were issued by the Registrar of Companies in Bermuda on 4 July 2014.

The Company is carrying out necessary filing procedures with the Companies Registry in Hong Kong. Further announcement(s) will be made by the Company to inform the shareholders of the Company of the effective date of the change of company name, the new English stock short name and the new Chinese stock short name of the Company for trading of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as and when appropriate.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 30 April 2014 (2013: nil).

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has fully redeemed the RMB1,350,000,000 US$ settled 3.00 per cent convertible bonds due 2013, which were listed on the Singapore Exchange Securities Trading Limited, during the year ended 30 April 2014. Details of which were set out in the overseas regulatory announcement of the Company dated 14 November 2013.

As disclosed in the announcement of the Company dated 14 April 2014, the Company has made a mandatory redemption on US$ settled 10.00 per cent. secured convertible bonds due 2016 (the "10.00 per cent. Bonds"), which are listed on the Singapore Exchange Securities Trading Limited, in the aggregate principal amount of RMB120,356,526 (equivalent to US$19,566,985.21) in accordance with the terms and conditions of the 10.00 per cent. Bonds.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 30 April 2014.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code ("Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as the code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standards as set out in the Model Code for the year ended 30 April 2014.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report ("CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

During the year ended 30 April 2014, the Company was in compliance with all relevant code provisions set out in the CG Code except for the deviations as explained below.

Code provision A.1.8 of the CG Code provides that an issuer should arrange appropriate insurance cover in respect of legal action against its directors. The Company is in the process of identifying appropriate insurance cover in respect of legal action against its Directors and has yet been able to identify a commercially reasonable insurance policy for this purpose.

Code provision A.2.1 of the CG Code provides that the responsibilities between the Chairman and Chief Executive Officer ("CEO") should be divided. Mr. Sun Shao Feng, the Chairman of the Company, currently performs the CEO role. The Board believes that vesting the roles of both Chairman and CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors.

Code provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive Directors (except Mr. Wei Xiongwen) are not appointed for a specific term, but they are subject to retirement from office by rotation in accordance with the Bye-laws of the Company.

Code provision A.6.7 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Huang Zhigang, a former independent non-executive Director, Mr. Hu Ji Rong ("Mr. Hu") and Mr. Zheng Baodong ("Mr. Zheng"), independent non-executive Directors, did not attend the special general meeting of the Company held on 3 June 2013 due to their engagement in their own official business. Mr. Hu, Mr. Zheng and Mr. Wei Xiongwen, independent non-executive Directors, did not attend the annual general meeting held on 18 October 2013 ("2013 AGM") and the special general meeting of the Company held on 18 October 2013 due to their engagement in their own official business.

Code provision C.1.2 of the CG Code provides that management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules. The management of the Company did not provide a regular monthly update to the members of the Board, but the management keeps providing information and update to the members of the Board as and when appropriate.

Code provision E.1.2 of the CG Code provides that the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. Mr. Hu, the chairman of each of the audit committee, remuneration committee and corporate governance committee of the Company, and Mr. Zheng, the chairman of the nomination committee of the Company, did not attend the 2013 AGM due to the reason stated above.

Save as the aforesaid and in the opinion of the Directors, the Company has met all the code provisions set out in the CG Code during the year ended 30 April 2014.

AUDIT COMMITTEE

The Company established the Audit Committee on 12 December 2003 with written terms of reference in compliance with the CG Code, which currently comprises three independent non-executive Directors, namely Mr. Hu Ji Rong (as Chairman), Mr. Zheng Baodong and Mr. Wei Xiongwen. The primary duties of the Audit Committee are to review the financial reporting process of the Group. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 30 April 2014.

By Order of the Board
China Green (Holdings) Limited
Sun Shao Feng
Chairman

Hong Kong, 25 July 2014

As at the date of this announcement, the Board of the Company comprises two executive Directors, namely Mr. Sun Shao Feng (Chairman and Chief Executive Officer) and Mr. Chen Changgai; and three independent non-executive Directors, namely Mr. Wei Xiongwen, Mr. Hu Ji Rong and Mr. Zheng Baodong.

* *for identification purposes only*