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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 2013

ANNUAL RESULTS

The board (the "Board") of directors (the "Directors") of China Green (Holdings) Limited (the "Company") is pleased to announce that the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 30 April 2013 together with the comparative figures for the corresponding year of 2012 are as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 30 April 2013

	Notes	**2013** **RMB'000**	2012 RMB'000
Turnover	3	**2,184,097**	2,548,150
Cost of sales		**(1,450,799)**	(1,415,031)
Gross profit		**733,298**	1,133,119
Other revenue	4	**7,130**	17,712
Gain on disposal of a subsidiary		**–**	327
Gain arising from changes in fair value less costs to sell of biological assets		**23,455**	77,044
Selling and distribution expenses		**(297,044)**	(280,620)
General and administrative expenses		**(187,353)**	(162,806)
Profit from operations		**279,486**	784,776
Finance costs		**(101,770)**	(88,030)
Profit before taxation	5	**177,716**	696,746
Income tax	6	**(96,586)**	(176,484)
Profit for the year attributable to owners of the Company		**81,130**	520,262
Earnings per share			
– Basic	8	**RMB9.2 cents**	RMB58.9 cents
– Diluted		**RMB9.2 cents**	RMB58.9 cents

* *for identification purposes only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 April 2013

	2013	2012
	RMB'000	*RMB'000*
Profit for the year	**81,130**	520,262
Other comprehensive income for the year (after tax)		
Exchange differences on translation of financial statements of overseas subsidiaries	**1,556**	(11,196)
Total comprehensive income for the year attributable to owners of the Company	**82,686**	509,066

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2013

	Notes	**2013** ***RMB'000***	2012 *RMB'000*
Non-current assets			
Fixed assets			
– Property, plant and equipment		**2,829,639**	1,920,034
– Interests in leasehold land held for own use under operating leases		**253,884**	223,197
Long-term prepaid rentals		**1,402,303**	986,595
Deposits paid for acquisition of fixed assets		**241,949**	275,600
		4,727,775	3,405,426
Current assets			
Inventories		**61,592**	47,085
Biological assets		**40,893**	121,163
Current portion of long-term prepaid rentals		**122,792**	40,018
Trade and other receivables	10	**90,329**	59,159
Bank deposits with maturity over 3 months		**18,119**	33,749
Cash and cash equivalents		**422,632**	1,683,456
		756,357	1,984,630
Current liabilities			
Due to a director		**8,088**	8,148
Trade and other payables	11	**96,856**	130,654
Income tax payable		**23,613**	30,110
Convertible bonds		**1,370,487**	1,313,528
		1,499,044	1,482,440
Net current (liabilities)/assets		**(742,687)**	502,190
Total assets less current liabilities		**3,985,088**	3,907,616
Non-current liabilities			
Deferred tax liabilities		**70,876**	76,090
Net assets		**3,914,212**	3,831,526
Capital and reserves			
Share capital		**92,236**	92,236
Reserves		**3,821,976**	3,739,290
Total equity attributable to owners of the Company		**3,914,212**	3,831,526

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2013

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 Hong Kong Institute of Certified Public Accountants (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.

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.

The principal accounting policies are set out below.

Basis of preparation

In preparing the consolidated financial statements, the Directors of the Company have given consideration to the future liquidity of the Group. The convertible bonds with an outstanding amount of approximately RMB1,370,487,000 had been matured on 12 April 2013 (the "Convertible Bonds 2013"). Due to the maturity of the Convertible Bond 2013, the Group had net current liabilities of approximately RMB742,687,000 as at 30 April 2013.

On 1 May 2013, the Company issued a consent solicitation memorandum (the "Consent Solicitation Memorandum") which contemplated, among other things, the payment of an agreed cash payment (the "Cash Payment") and the issue of two tranches of new bonds (the "New Bonds") to the bondholders (collectively, the "Proposed Restructuring Plan") in consideration of the bondholders approving the cancellation of the amount of principal, premium or interest or the equivalent amount or US dollar equivalent payable in respect of the Convertible Bonds 2013 by way of an extraordinary resolution.

The principal purpose of the Consent Solicitation Memorandum is to seek the consent of the bondholders to, by way of the second bondholders' resolution, renounce and extinguish each bondholder's rights (including, without limitation, all rights under statute and common law) with respect to the payment of principal, premium and interest and the delivery of shares of the Company to such bondholder, pursuant to the original terms and conditions and the original trust deed (the "Original Trust Deed") that constitutes the Convertible Bonds 2013 and accordingly, pursuant to paragraph 16.9.2 of Schedule 3 to the Original Trust Deed, authorises and approves the cancellation of the amount of principal, premium or interest payable in respect of the Convertible Bonds 2013 (the "Bond Cancellation"), subject to the receipt by the bondholders in respect of each RMB100,000 in principal amount of the Convertible Bonds 2013:

(a) the aggregate of:

   (i) RMB40,000 in principal amount of US Dollar settled 7.00 per cent. secured convertible bonds due 2016, convertible into common shares of the Company (the "7.00 per cent. 2016 Bonds");

   (ii) RMB40,000 in principal amount of US Dollar settled 10.00 per cent. secured convertible bonds due 2016, convertible into common shares of the Company (the "10.00 per cent. 2016 Bonds"); and

   (iii) a cash amount of RMB26,387.74, and;

(b) the default interest amounting to RMB394.44 for each Convertible Bonds 2013 in the principal of RMB100,000 payable on the bonds.

The total outstanding principal amount of the 7.00 per cent. 2016 Bonds to be issued is approximately RMB515,280,000 and the total outstanding principal amount of the 10.00 per cent. 2016 Bonds to be issued is approximately RMB515,280,000. The aggregate amount of Cash Payment to be paid in respect of all the Convertible Bonds 2013 is approximately RMB339,927,000.

On 13 May 2013, the bondholders passed an extraordinary resolution binding on all bondholders and the trustee (the "Extraordinary Resolution") to approve, among other things, the Proposed Restructuring Plan. As of the date of approval of these financial statements, the Group has paid approximately USD16,207,000 for the Cash Payment.

Notwithstanding the above, the Group is taking measures to tighten cost controls over various costs and to seek new investment and business opportunities with an aim to attaining profitable and positive cash flow operations. In addition, the Group is in the process of securing necessary facilities from banks to meet the Group's working capital and financial requirements in the near future.

In light of the Proposed Restructuring Plan and measures taken by the Group above, the Directors of the Company are of the view that the Group has a realistic probability of successfully repaying the Convertible Bonds 2013. Accordingly, the financial statements have been prepared on a going concern basis. However, if the Proposed Restructuring Plan and measures taken by the Group mentioned above become unsuccessful, the Group may not be able to repay the Convertible Bonds 2013 and its other obligations as and when they become due. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their realisable amounts, to provide for any further liabilities which might arise and to reclassify certain assets and liabilities. The effects of these adjustments have not been reflected in the consolidated financial statements.

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 HKICPA that are relevant to its operations and effective for annual periods beginning on or after 1 May 2012.

HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets
HKFRS 1 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Transfer of Financial Assets

The Directors anticipate that the application of these new and revised HKFRSs has no material impact on the results and the financial position of the Group.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

Amendments to HKFRSs	Annual Improvements 2009 – 2011 Cycle[2]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities – Transition Guidance[2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities[3]
HKAS 1 (Amendments)	Presentation of items in Other Comprehensive Income[1]
HKAS 19 (2011)	Employee Benefits[2]
HKAS 27 (2011)	Separate Financial Statements[2]
HKAS 28 (2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[3]
HK(IFRIC) – Int 20	Stripping Costs in Production Phase of Surface Mine[2]
HKFRS 1 (Amendments)	Government Loan[2]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
HKFRS 9 and HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure[4]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosures of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]

1 Effective for annual periods beginning on or after 1 July 2012.
2 Effective for annual periods beginning on or after 1 January 2013.
3 Effective for annual periods beginning on or after 1 January 2014.
4 Effective for annual periods beginning on or after 1 January 2015.

HKFRS 9 Financial Instruments (as issued in November 2009) introduce new requirements for the classification and measurement of financial assets. HKFRS 9 Financial Instruments (as revised in November 2010) add requirements for the classification and measurement of financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either 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 accounting 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.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, 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 presentation 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 attributable to a financial liability's 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 at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that HKFRS 9 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2015 and that the application of the new standard may have a significant impact on amounts reported in respect of the Group's financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

Annual Improvements to HKFRSs 2009 – 2011 Cycle include a number of amendments to various HKFRSs. The amendments to HKFRSs include:

The amendments to HKAS 16 clarify that spare parts, standby equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors do not anticipate that the amendments will have a significant effect on the Group's consolidated financial statements.

The amendments to HKAS 32 clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The Directors anticipate that the amendment will have no effect on the Group's consolidated financial statements as the Group has already adopted this treatment.

For other new and revised HKFRSs which are issued but not yet effective, the Group is in the process of making an assessment of the impact upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

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, 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:

	2013	2012
	RMB'000	*RMB'000*
Fresh produce and processed products	**660,773**	1,200,291
Branded beverage products	**1,280,335**	1,058,486
Branded food products and others	**242,989**	289,373
	2,184,097	2,548,150

4. OTHER REVENUE

	2013	2012
	RMB'000	*RMB'000*
Interest income on financial assets not at fair value through profit or loss		
– interest income from banks	**6,138**	16,279
Other trading income	**–**	777
Rental income	**808**	–
Sundry income	**184**	656
	7,130	17,712

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting) the following:

	2013	2012
	RMB'000	*RMB'000*
(a) Finance costs		
Interest on borrowings wholly repayable within five years		
– interest on convertible bonds	**105,947**	98,631
– interest on matured convertible bonds	**6,773**	–
Less: interest expense capitalised into construction-in-progress*	**(10,950)**	(10,601)
	101,770	88,030

* The borrowing costs have been capitalised at 7.76% per annum

	2013	2012
(b) Staff costs		
Contributions to defined contribution retirement plans	**10,566**	11,073
Salaries, wages and other benefits	**163,768**	193,348
	174,334	204,421

	2013	2012
	RMB'000	*RMB'000*
(c) Other items		
Amortisation of land lease premium	**5,576**	7,136
Amortisation of long-term prepaid rentals	**102,543**	52,317
Depreciation of property, plant and equipment	**226,468**	218,395
Operating lease charges: minimum lease payments		
– property rentals	**2,851**	4,628
Research and development expenses	**44,651**	44,585
Auditors' remuneration		
– audit services	**2,056**	983
Cost of inventories sold	**1,450,799**	1,415,031
Net foreign exchange gain	**–**	(2,779)
Loss on disposal of property, plant and equipment	**28**	1,963
Loss on redemption of convertible bonds	**–**	1,110

6. INCOME TAX

Income tax in the consolidated statement of comprehensive income represents:

	2013	2012
	RMB'000	*RMB'000*
Current tax – Enterprise Income Tax in the PRC		
– Provision for the year	**101,813**	167,547
Deferred tax		
Origination and reversal of temporary differences	**(5,227)**	8,937
	96,586	176,484

(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.

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 2013 and 2012 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 2013 (2012: nil).

8. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of RMB81,130,000 (2012: RMB520,262,000) and the weighted average number of 884,035,540 ordinary shares (2012: 884,035,540 ordinary shares) in issue during the year.

(i) Profit attributable to owners of the Company

	2013	2012
	RMB'000	*RMB'000*
Profit attributable to owners of the Company used to determine diluted earnings per share	**81,130**	520,262

(ii) Weighted average number of ordinary shares

	2013	2012
	Number of ordinary shares	Number of ordinary shares
Weighted average number of ordinary shares for calculation of basic and diluted earnings per share	**884,035,540**	884,035,540

(b) Diluted earnings per share

Diluted earnings per share for the years ended 30 April 2013 and 2012 was the same as the basic earnings per share. The Company's outstanding share options were not included in the calculation of diluted earnings per share because the effect of the Company's outstanding share options was anti-dilutive.

During the years ended 30 April 2013 and 2012, the computation of diluted 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 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 four 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 bases:

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 profit is "adjusted operating profit". To arrive at "adjusted operating profit", the Group's 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 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 2013 and 2012 is set out below.

	Fresh produce and processed products		**Branded beverage products**		**Branded food products and others**		**Total**	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Revenue from external customers	**660,773**	1,200,291	**1,280,335**	1,058,486	**242,989**	289,373	**2,184,097**	2,548,150
Inter-segment revenue	**47,438**	6,725	**–**	–	**–**	–	**47,438**	6,725
Reportable segment revenue	**708,211**	1,207,016	**1,280,335**	1,058,486	**242,989**	289,373	**2,231,535**	2,554,875
Reportable segment profit	**77,860**	475,839	**214,479**	285,496	**41,107**	75,696	**333,446**	837,031
Interest income	**4,263**	12,957	**836**	1,262	**14**	419	**5,113**	14,638
Depreciation and amortisation	**219,273**	195,262	**75,440**	42,062	**22,259**	21,085	**316,972**	258,409
Income tax	**25,690**	72,610	**64,535**	72,506	**11,588**	22,170	**101,813**	167,286
Reportable segment assets	**2,750,451**	3,687,225	**2,252,001**	1,076,549	**182,007**	243,976	**5,184,459**	5,007,750
Additions to non-current assets during the year	**269,612**	624,490	**1,493,161**	192,647	**261**	10	**1,763,034**	817,147
Reportable segment liabilities	**19,171**	29,889	**86,241**	95,308	**5,992**	3,468	**111,404**	128,665

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

	2013	2012
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**2,231,535**	2,554,875
Elimination of inter-segment revenue	**(47,438)**	(6,725)
Consolidated turnover	**2,184,097**	2,548,150
Profit or loss		
Reportable segment profit derived from Group's external customers	**333,446**	837,031
Finance costs	**(101,770)**	(88,030)
Finance income	**1,025**	1,641
Gain on disposal of a subsidiary	**–**	327
Other revenue	**885**	1,433
Unallocated depreciation and amortisation	**(17,615)**	(19,439)
Unallocated head office and corporate expenses	**(38,255)**	(35,107)
Loss on redemption of convertible bonds	**–**	(1,110)
Consolidated profit before taxation	**177,716**	696,746

	2013	2012
	RMB'000	*RMB'000*
Assets		
Reportable segment assets	**5,184,459**	5,007,750
Unallocated head office and corporate assets:		
– Fixed assets	**211,096**	229,112
– Bank deposit with maturity over 3 months	**18,119**	33,749
– Cash and cash equivalents	**58,939**	108,206
– Other assets	**11,519**	11,239
Consolidated total assets	**5,484,132**	5,390,056

	2013	2012
	RMB'000	*RMB'000*
Liabilities		
Reportable segment liabilities	**111,404**	128,665
Convertible Bonds 2013	**1,370,487**	1,313,528
Income tax payable	**–**	30,110
Deferred tax liabilities	**70,876**	76,090
Unallocated head office and corporate liabilities	**17,153**	10,137
Consolidated total liabilities	**1,569,920**	1,558,530

(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**	
	2013	2012	**2013**	2012
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
The PRC (place of domicile)				
– Sales to import/export companies in the PRC (i)	**260,396**	822,597		
– Sales to other customers in the PRC	**1,923,701**	1,725,553		
	2,184,097	2,548,150	**4,727,775**	3,405,426

(d) Information about major customers

For the year ended 30 April 2013, the Group's revenue included sales to the Group's three most significant customers amounting to approximately RMB115,503,000 (2012: RMB223,000,000), RMB107,088,000 (2012: RMB161,171,000) and RMB88,442,000 (2012: RMB125,546,000) respectively, which are generated from the sales of fresh produce and processed products. No other single customers contributed 10% or more to the Group's revenue for the years ended 30 April 2013 and 2012.

10. TRADE AND OTHER RECEIVABLES

	The Group	
	2013	2012
	RMB'000	*RMB'000*
Amounts due from subsidiaries	**–**	–
Trade receivables	**46,528**	27,892
Other receivables	**1,346**	4,667
Loans and receivables	**47,874**	32,559
Rental and other deposits	**840**	452
Interest in leasehold land held for own use under operating leases	**5,882**	5,147
Prepayments		
– to suppliers	**20,552**	863
– to others	**11,131**	10,151
Value added tax recoverable	**4,050**	9,987
	90,329	59,159

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:

	The Group	
	2013	2012
	RMB'000	*RMB'000*
Within 1 month	**25,868**	27,892
Over 1 month but within 3 months	**20,660**	–
	46,528	27,892

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

	The Group	
	2013	2012
	RMB'000	*RMB'000*
Amount due to a subsidiary	**–**	–
Trade payables	**32,769**	44,284
Accrued salaries and wages	**8,202**	14,276
Payable for acquisition of fixed assets	**1,126**	1,944
Other accruals and payables	**40,927**	27,236
Financial liabilities measured at amortisation cost	**83,024**	87,740
Receipts in advance	**3,804**	21,457
Other taxes payable	**10,028**	21,457
	96,856	130,654

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

	The Group	
	2013	2012
	RMB'000	*RMB'000*
Within 1 month	**32,769**	39,234
Over 1 month but within 3 months	**–**	5,050
	32,769	44,284

EXTRACT OF THE INDEPENDENT AUDITORS' REPORT

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 April 2013 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 2 to the consolidated financial statements which describe that the convertible bonds with an outstanding amount of approximately RMB1,370,487,000 in aggregate were matured on 12 April 2013 (the "Convertible Bonds 2013"). Due to the maturity of the Convertible Bonds 2013, the Group's consolidated current liabilities exceed its consolidated current assets by approximately RMB742,687,000 as at 30 April 2013. On 1 May 2013, the Company issued a consent solicitation memorandum to the bondholders (the "Proposed Restructuring Plan") and the bondholders passed an extraordinary resolution to approve the Proposed Restructuring Plan. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the successful outcome of the Proposed Restructuring Plan and the Group's ability to obtain long-term financing facilities and derive adequate operating cash flows from the existing operations in order for the Group to meet its financial obligations as they fall due and to finance its future working capital and financial requirement. These conditions, along with other matters as set forth in note 2, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of financial results

Turnover and gross profit

For the year ended 30 April 2013, the Group recorded a turnover of approximately RMB2,184.1 million, a slight decrease of approximately RMB364.1 million or approximately 14.3% decrease from approximately RMB2,548.1 million for the last financial year. The decrease was mainly due to the decrease in turnover of fresh produce and processed products business segment.

The gross profit of the Group was decreased by approximately 35.3% to approximately RMB733.3 million from approximately RMB1,133.1 million for the last financial year. The gross profit margin of the Group for the financial year was approximately 33.5% as compared to approximately 44.4% for the last financial year.

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

The gain arising from changes in fair value less costs to sell of biological assets was decreased by approximately 69.6% to approximately RMB23.5 million from approximately RMB77.0 million for the last financial year. Such decrease was mainly due to less fresh produce grown during the year under review.

Selling, general expenses and finance costs

Selling and distribution expenses were approximately RMB306.0 million (2012: approximately RMB280.6 million), it 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 inflationary cost arising from advertisement, wages and transportation. General and administrative expenses were approximately RMB187.3 million (2012: approximately RMB162.8 million), it 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, inflationary cost of wages and higher legal and professional fee as a result of the bond restructuring exercise during the financial year. Finance costs were approximately RMB101.8 million (2012: approximately RMB88.0 million) and the increase over those incurred in 2012 was mainly due to the increase in imputed interest of the convertible bond and the provision for default interest upon maturity of the convertible bond to the end of the financial year.

Profit attributable to the owners of the Company

The profit attributable to owners of the Company for the year was approximately RMB81.1 million as compared to approximately RMB520.3 million of last year. Apart from not being able to transfer the increase in raw material, wages and other incidental costs (e.g. advertisement and freight cost, etc.) under such keen market competition, the significant decrease was primarily due to the drop in business turnover of fresh produce during the implementation stage of business transformation, as mentioned in the interim result profit announcement. In the meantime, turnover of processed products was affected by the unstable global political and economic environment, in particular, the Japanese market. Last not least, the failure in successfully restructuring the convertible bond before its maturity was also a critical factor which lowered the expected turnover from the branded business segments.

Review of operation

During the year under review, the Group was principally engaged in the growing, processing and sales of agricultural products and consumer food and beverage products.

Branded beverage business

Revenue from the branded beverage business recorded a growth of 21.0%, reaching RMB1,280.3 million (2012: RMB1,058.5 million). Our multi-grain series branded as "Cu Liang Wang" continued to become the key contributor to the beverage business turnover during the year under review. It represented 90.6% of our total beverage sales (2012: 91.3%).

The evolution of beverage market in China evidenced the diversification and more personalized market niche and this gives leeway for multi-grain beverage to get a foothold in this competitive market. In view of the increase in health awareness by beverage consumers in China, the Group allocated more resources in this arena in order to capture this rapid growing market. During the year under review, the Group launched several new products, including but not limited to, the multi-grain tea ("粗糧茶") and multi-grain da wang ("粗糧大王") which targets the teenage market.

The gross profit margin of the branded beverage business was 43.7% (2012: 49.2%). The slight decline was due to increase in material, wages and other incidental costs which the Group found it difficult to pass onto the consumer amid the keen competitive and challenging economic and operating environment.

Developing sales channel through distributors continued to be the focus during the year. This is a crucial bridge between the products and the consumer markets coupled with appropriate level of advertisements (as mentioned below). The extensiveness of channel coverage determines the level of awareness of a product and the Group has been allocating more resources in this area. In addition, the Group first tapped the Tibet market during the year and the existing market penetration basically covered all provinces in China (except for Hong Kong, Macau and Taiwan).

Apart from widening the distribution channel, the Group has also put more resources in advertisement and promotional activities during the year. Traditional advertisements which include TV commercials, light board, moving advertisements on public transportation were going in line with sponsoring TV talent show for half a year as shown in Hubei satellite TV. These are effective and useful in gaining wider recognition of the brands "China Green" and "Cu Liang Wang" for consumers in China. The total marketing and advertising expenses accounted for approximately 7.8% (2012: 8.1%) of our branded product revenue during the year.

Branded food business

Branded food products mainly include rice and rice related products and hot-pot ingredients. Revenue from branded food business amounted to RMB243.0 million (2012: RMB289.3 million). There was a decline of 16.0% and was mainly attributable to rice related products.

Revenue derived from rice and rice related products was RMB139.2 million (2012: RMB214.0 million and it accounted for approximately 57.3% (2012: 74.1%) of our branded food revenue during the year under review. The decline in revenue was mainly due to the decline in revenue of rice related products. In order to diversify and for ease of recognizing the various branded food revenue stream, the Group currently launched a line of frozen hot-pot pack called "Cu Liang Dang Dao" (粗糧當道) and frozen food product called "Huang Jia Ma Tou" (皇家碼頭) and they contributed 42.6% in aggregate (2012: 25.9%) of our branded food revenue. Gross profit for branded food business decreased by 43.8% to RMB57.3 million (2012: RMB102.0 million), and the gross profit margin was down to 24.3% (2012: 35.3%) during the year under review. The decline was largely due to increase in material, wages and other incidental costs which the Group found it difficult to pass onto the consumer amid the keen competitive and challenging economic and operating environment.

Processed products business

The processed products segment recorded a revenue of RMB405.1 million (2012: RMB756.8 million) which represented a decline of 46.5% when compared to last year. Such significant decrease was mainly attributable to the poor sales performance of the export market, in particular the Japanese market. Nevertheless, the overseas market still accounted for approximately 73.3% of our total processed product sales (2012: 87.5%).

The gross profit margin was 36.5% (2012: 45.3%) during the year under review. As mentioned above, due to the unfavourable macroeconomic environment, the demand from overseas for our processed products declined, resulting in a fierce price competition among the industry, and subsequently eroded the margin. This was aggravated by the increase in production cost which explained the decline in the overall profit margin.

In view of the unstable global political and economic environment, the Group shifted more focus on lower gross margin domestic sales of its processed products and this was evidenced by the increase in proportion of domestic sales.

At present, the Group's processed products include canned products, frozen products, pickled products as well as water-boiled products. Sweet corn and mushroom continued to be our best-selling products in the processed products segment.

Fresh produce business

The fresh produce business recorded a significant decline in revenue which was RMB260.4 million (2012: RMB443.4 million) during the year under review. The revenue was declined by 41.3%. Such decline was attributable to less crops planted and harvested during the second half of the year. This was driven by the change in business strategy of the Group by re-allocating resources to more sustainable, possibly higher growth potential multi-grain plantation which integrates with the rest of the Group's production.

The domestic market accounted for approximately 87.3% of the total fresh produce revenue (2012: 71.5%). The higher domestic presence was also primarily due to the poor performance of the export market.

Food safety has long been a critical concern among all the consumers and food manufacturers in China. This can be radically resolved by maintaining a high quality of source of raw material and monitoring from its seeding, planting and harvesting to processing and ultimately packaging into the ending branded products. In view of this from a long-vision angle, the Group further strengthened its reputed vertically-integrated business model by further entering into 150,000 mu of multi-grain long-term farmland lease and constructing ancillary facilities in Bai Cheng city of Jilin province during the year under review. With this scarce and non-renewable resources on hand, the Group is confident that it will be able to nurture and protect its brand value in the long run and also to be flexible and competitive in controlling the amount of supply, the production cost and the quality of its raw material for its mid and downstream business segments in the years to come.

Liquidity, financial resources and capital structure

As at 30 April 2013, the Group had total cash and cash equivalents which amounted to approximately RMB422.6 million (2012: RMB1,683.4 million) whilst the total assets and net assets were approximately RMB5,484.1 million (2012: RMB5,390.0 million) and RMB3,937.6 million (2012: RMB3,831.5 million) respectively. The Group had current assets of RMB756.3 million (2012: RMB1,984.6 million) and current liabilities of RMB1,475.6 million (2012: RMB1,482.4 million). The current ratio was 0.51 times (2012: 1.3 times).

The convertible bond which was issued by the Company in April 2010 was matured on 12 April 2013. As of this financial year end the outstanding convertible bond was still regarded as a convertible bond, though technically default. The calculation of the Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents divided by shareholders' fund) was 0.24 (2012: N/A).

Capital commitment and contingent liabilities

As at 30 April 2013, the Group had contractual capital commitments of approximately RMB431.1 million (2012: RMB47.0 million), which was mainly comprised of beverage equipment purchase.

As at 30 April 2013, 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 2013. 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.

Significant investment held and material acquisitions

During the year under review, the Group entered into leases of multi-grain farmland in Bai Cheng city of Jilin coupled with other incidental roadwork leveling and soil improvement expenditure which amounted to approximately RMB1,342.5 million.

Pledge on Group's assets

As at 30 April 2013, the Group did not pledge any assets to banks or others to secure banking facilities to be granted to the Group.

Number of employees and remuneration policy

As at 30 April 2013, the Group had 4,300 (2012: 7,600) 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.

Prospects

Looking forward to 2014, the Group will continue to build a nationwide branded multi-grain food and beverage network by leveraging on its leading position in the industry, readily available business model, well-developed management system, high standard production facilities and quality customer services.

The Bai Cheng project is expected to commence part of its operation in 2014 and the Group believes this new flagship multi-grain project will demonstrate a good business and operation model for its various multi-grain line of businesses.

The Group will continue to focus its investment in multi-grain beverage markets in China to further strengthen its leading position in the field. This will be envisaged by the expected completion of the Hubei beverage plant by December of 2013 and wider promotion of the brand in the coming year. The Group will take advantage of its strategic position attained in the multi-grain field to endeavor to negotiate and expand its network by establishing partnership with various special channels in China.

With our specialized experience as a leader in the industry, the Group is confident that our strategy and business model will deliver long-term benefits to the shareholders of the Company.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 30 April 2013 (2012: Nil).

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct regarding Directors' securities transactions as set out in the 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 of Hong Kong Limited (the "Listing Rules"). The Company confirms that, having made specific enquiry of all Directors, all Directors have complied with the required standards as set out in the Model Code for the year ended 30 April 2013.

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, which came into effect on 1 January 2005 and was revised and renamed on 1 April 2012.

During the year ended 30 April 2013, the Company was in compliance with the 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.

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 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 non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Huang Zhigang, Mr. Hu Ji Rong and Mr. Zheng Baodong, independent non-executive Directors of the Company, did not attended the annual general meeting of the Company held on Thursday, 18 October 2012 ("2012 AGM") and the special general meetings of the Company held on 12 June 2012 and 15 April 2013 due to their engagement in their own official business.

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. Sun Shao Feng, the chairman of the Board, did not attend the 2012 AGM because he missed the flight due to engagement in the Group's business. Mr. Huang Zhigang, the chairman of each of the audit committee (the "Audit Committee"), the remuneration committee, the nomination committee and the corporate governance committee of the Company, did not attend the 2012 AGM due to the reason stated above.

Save as the aforesaid and in the opinion of the Directors, the Company has met the code provisions set out in the CG Code during the year ended 30 April 2013.

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. Huang Zhigang (as chairman), Mr. Hu Ji Rong and Mr. Zheng Baodong. 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 2013.

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

Hong Kong, 31 July 2013

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