

OFFER INFORMATION STATEMENT DATED 26 AUGUST 2015
(Lodged with the Monetary Authority of Singapore on 26 August 2015)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER.

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the Section entitled “**Definitions**” of this offer information statement (the “**Offer Information Statement**”) issued by Yamada Green Resources Limited (the “**Company**”).

A copy of this Offer Information Statement, together with copies of the Provisional Allotment Letter (the “**PAL**”), the Application Form for Rights Shares and Excess Rights Shares (the “**ARE**”) and the Application Form for Rights Shares (the “**ARS**”), has been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) being offered for investment.

An application has been made by the Company to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) to list for quotation the Rights Shares on the Official List of the SGX-ST. Approval in-principle has been granted by the SGX-ST for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, subject to certain conditions. The Company may in its absolute discretion waive any of the said conditions in the event that the SGX-ST waives compliance of the same. The Rights Shares will be admitted to the Official List of the SGX-ST and the official listing of and quotation for the Rights Shares will commence after all conditions imposed by the SGX-ST are satisfied, the certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

The approval in-principle granted by the SGX-ST for the listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement.

No Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority.



YAMADA GREEN RESOURCES LIMITED

(Company Registration No.: 201002962E)
(Incorporated in the Republic of Singapore)

RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 270,333,587 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.07 FOR EACH RIGHTS SHARE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“SHARES”) HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS, IF ANY, BEING DISREGARDED.

Manager and Underwriter of the Rights Issue

UOBKayHian

UOB KAY HIAN PRIVATE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197000447W)

IMPORTANT DATES AND TIMES:

Last date and time for splitting	:	4 September 2015 at 5.00 p.m.
Last date and time for acceptance and payment	:	10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for renunciation and payment	:	10 September 2015 at 5.00 p.m.
Last date and time for excess application and payment	:	10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the Section entitled "Definitions" of this Offer Information Statement.

For Entitled Depositors (which for the avoidance of doubt excludes CPF Investors, Entitled Scripholders, SRS Investors and investors who hold Shares through a finance company or a Depository Agent), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road #02-00, Singapore 068898.

For investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for Shares using CPF Funds or funds in their SRS Accounts), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks with which they hold their SRS Accounts, respective finance companies or Depository Agents, and in the case of CPF Investors, their respective approved CPF agent banks. Such investors should provide their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

For CPF Investors who had purchased Shares using CPF Funds, acceptances of provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares can only be made using, subject to applicable CPF rules and regulations, their CPF Funds. CPF Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved CPF agent banks, where such Shareholders hold their CPF Investment Accounts, to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPF Investors would have to top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds cannot, however, be used for the purchase of provisional allotments of the Rights Shares directly from the market. Any acceptance and/or application by CPFIS Shareholders to accept the Rights Shares and (if applicable) apply for Excess Rights Shares made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

SRS Investors who had purchased Shares using funds in their SRS Accounts and who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. SRS Investors who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks with which they hold their SRS Accounts to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective

approved banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Investors should provide their respective approved banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of provisional allotments of Rights Shares directly from the market.

Information herein relating to investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for their Shares using CPF Funds or funds in their SRS Accounts) is provided in general terms only and such investors should consult their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks.

The existing Shares are quoted on the Official List of the SGX-ST.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group, the merits of the Rights Issue and the rights and liabilities attaching to the “nil-paid” Rights and the Rights Shares. They should make their own independent enquiries and investigations of any bases and assumptions upon which financial or other projections, if any, are made or based, and carefully consider this Offer Information Statement in light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons consult their legal, financial, tax or other professional adviser before deciding whether to acquire any “nil-paid” Rights or the Rights Shares or invest in any Shares.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue and/or the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager. Save as may be expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the offer or issue of the “nil-paid” Rights or the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders, their renounees and Purchasers should take note of any such announcement or supplementary or replacement document and upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company and the Manager make no representation or warranty to any person regarding the legality of an investment in the “nil-paid” Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, financial, legal or tax advice regarding an investment in the “nil-paid” Rights, the Rights Shares and/or the Shares.

The Company and the Manager make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the “nil-paid” Rights, the Rights Shares, the Shares, the Company and/or the Group or any other matter relating thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or acquire the “nil-paid” Rights, the Rights Shares and/or the Shares.

Notwithstanding anything in this Offer Information Statement, this Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any persons (other than Entitled Shareholders to whom these documents have been despatched by the Company, their renounees and the Purchasers who are in each case entitled to accept and/or apply for Rights Shares in accordance with the terms and conditions of the Rights Issue), or for any other purpose.

This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation to anyone in any jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or unauthorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant requirements, whether legal or otherwise, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions. Entitled Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions at their own expense and without any liability whatsoever on the part of the Company and/or the Manager.

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DEFINITIONS

In this Offer Information Statement, including the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “9M2014”** : The financial period of the Group for the nine (9) months ended 31 March 2014
- “9M2015”** : The financial period of the Group for the nine (9) months ended 31 March 2015
- “ARE”** : Application form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
- “ARS”** : Application form for Rights Shares to be issued to Purchasers in respect of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- “ATM”** : Automated teller machine of a Participating Bank
- “Authority”** : Monetary Authority of Singapore
- “Board”** : The Board of Directors of the Company as at the date of this Offer Information Statement
- “Books Closure Date”** : 5.00 p.m. (Singapore time) on 24 August 2015 being the time and date at and on which the Register of Members and the Share Transfer Books of the Company were closed to determine the entitlements to Rights Shares of Entitled Scripholders under the Rights Issue and, in the case of Entitled Depositors, at and on which their entitlements under the Rights Issue were determined
- “CDP”** : The Central Depository (Pte) Limited
- “Chen Qiu Hai Irrevocable Undertaking”** : The irrevocable undertaking dated 8 June 2015 given by Mr Chen Qiu Hai to the Company and UOBKH, certain information on which is set out in paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this Offer Information Statement
- “Circular”** : The circular dated 29 July 2015 to Shareholders of the Company in relation to the proposed payment of the Sub-Underwriting Commission to Mr Sam Goi Seng Hui for the Sub-Underwriting Arrangement in connection with the Rights Issue
- “Closing Date”** : (i) 5.00 p.m. on 10 September 2015 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment, and renunciation and payment, of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or
- (ii) 9.30 p.m. on 10 September 2015 (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance and/or excess application and payment of the Rights Shares under the Rights Issue through an ATM of a Participating Bank

“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	Yamada Green Resources Limited
“CPF”	:	Central Provident Fund
“CPF Board”	:	The Board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as amended, modified or supplemented from time to time
“CPF Funds”	:	The CPF account savings of CPF members under the CPFIS-OA
“CPF Investment Account”	:	An account opened by a member of CPF with a CPF agent bank from which money may be withdrawn for, <i>inter alia</i> , payment for the Rights Shares pursuant to the Rights Issue
“CPF Investors”	:	Investors who have purchased Shares pursuant to the CPFIS
“CPFIS”	:	Central Provident Fund Investment Scheme
“CPFIS-OA”	:	CPF Investment Scheme – Ordinary Account
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of one of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement
“Enlarged Share Capital”	:	811,000,762 Shares, being the total number of issued Shares immediately after the completion of the Rights Issue
“Entitled Depositors”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had provided CDP with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Scripholders”	:	Shareholders with Shares registered in their own names in the Register of Members of the Company as at the Books Closure Date (for the avoidance of doubt, excluding CDP) or persons who had tendered to the Share Registrar duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title for registration up to the Books Closure Date and, in each case, whose registered addresses with the Company were in Singapore as at the Books Closure Date or who had provided the Share Registrar with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“Ex-Rights Trading Date”	:	The date on which the Shares commence trading on the SGX-ST on the basis that such Shares do not carry any right to participate in the Rights Issue

“Excess Rights Shares”	:	The provisional allotments of Rights Shares which are not taken up by the Entitled Shareholders as at the Closing Date, and which may be applied for by Entitled Shareholders in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders
“Existing Share Capital”	:	540,667,175 Shares, being the total number of issued Shares as at the Latest Practicable Date
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior thereto, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents
“FY2012”	:	The financial year of the Group ended 30 June 2012
“FY2013”	:	The financial year of the Group ended 30 June 2013
“FY2014”	:	The financial year of the Group ended 30 June 2014
“Group”	:	The Company and its subsidiaries, collectively
“Issue Price”	:	The issue price of S\$0.07 for each Rights Share
“Latest Practicable Date”	:	20 August 2015, being the latest practicable date prior to the printing of this Offer Information Statement
“Listing Approval”	:	The approval in-principle of the SGX-ST granted on 21 July 2015 for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Manager” or “UOBKH”	:	UOB Kay Hian Private Limited, as the manager and underwriter of the Rights Issue
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Offer Information Statement”	:	This document issued by the Company in respect of the Rights Issue, together with the PAL, the ARE or the ARS (as the case may be) and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company in respect of with the Rights Issue
“PAL”	:	The provisional allotment letter to be issued to the Entitled Scripholders in respect of their provisional allotments of Rights Shares under the Rights Issue
“Participating Banks”	:	The banks that will be making available their ATMs to Entitled Depositors and Purchasers whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and applications for Excess Rights Shares, as the case may be, to be made under the Rights Issue, which are listed in Appendix D

“PRC”	:	The People’s Republic of China, excluding Taiwan, the Hong Kong Special Administrative Region and the Macau Special Administrative Region, for the purpose of this Offer Information Statement
“Purchasers”	:	Persons purchasing the provisional allotments of Rights Shares traded on the SGX-ST through the book-entry (scripless) settlement system during the “nil-paid” Rights trading period
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Rights”	:	Rights to subscribe in accordance with the terms and conditions of this Offer Information Statement for one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, being disregarded
“Rights Issue”	:	The renounceable underwritten rights issue by the Company of 270,333,587 Rights Shares at the Issue Price, on the basis of one (1) Rights Share for every two (2) existing Shares held as at the Books Closure Date, fractional entitlements, if any, being disregarded, on the terms and conditions of this Offer Information Statement
“Rights Shares”	:	270,333,587 new Shares proposed to be allotted and issued by the Company pursuant to the Rights Issue
“Sam Goi Irrevocable Undertaking”	:	The irrevocable undertaking dated 8 June 2015 given by Mr Sam Goi Seng Hui to UOBKH to sub-underwrite (and thereby subscribe for) the entire number of Underwritten Balance Rights Shares subject to the terms and conditions thereof
“Sanwang”	:	Sanwang International Holdings Limited
“Sanwang Rights Shares”	:	Has the meaning ascribed to it in paragraph 3 of Part IV (Key Information) of this Offer Information Statement
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“Settlement Date”	:	The date on which CDP completes the crediting of the Rights Shares (and Excess Rights Shares, if applicable) to the Securities Accounts of Entitled Shareholders who have accepted their Rights Shares (or who have applied for and have been allotted Excess Rights Shares)
“SFR”	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
“Share Registrar”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)
“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members of the Company, or where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	Supplementary Retirement Scheme
“SRS Account”	:	An account opened by a participant in the SRS from which monies may be withdrawn for, <i>inter alia</i> , payment for the subscription of Rights Shares under the Rights Issue
“SRS Investors”	:	Investors who have purchased Shares pursuant to the SRS
“Sub-Underwriting Arrangement”	:	Has the meaning ascribed to it in paragraph 8 of Part IV (Key Information) of this Offer Information Statement
“Sub-Underwriting Commission”	:	Has the meaning ascribed to it in paragraph 8 of Part IV (Key Information) of this Offer Information Statement
“Substantial Shareholder”	:	In relation to the Company, a person who has an interest in one or more voting shares included in one of the classes of shares in the Company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares included in that class
“TERP”	:	The theoretical market price of each Share (calculated on the basis set out in the Company’s announcement on the Rights Issue dated 8 June 2015) assuming the completion of the Rights Issue, and is calculated based on the following formula:
		$\text{TERP} = \frac{\text{Market capitalisation of the Company based on the VWAP} + \text{Gross proceeds from the Rights Issue}}{\text{Number of Shares after completion of Rights Issue}}$
“Underwriting Agreement”	:	The underwriting agreement dated 8 June 2015 entered into between the Company and UOBKH pursuant to which UOBKH shall underwrite the Underwritten Balance Rights Shares at the Issue Price, on and subject to the terms and conditions therein
“Underwriting Commission”	:	Has the meaning ascribed to it in paragraph 8 of Part IV (Key Information) of this Offer Information Statement
“Underwritten Balance Rights Shares”	:	Has the meaning ascribed to it in paragraph 3 of Part IV (Key Information) of this Offer Information Statement

“Villagers’ Committees”	:	In relation to a village, the committee which is established pursuant to the Organisation Law of the Villagers’ Committees of PRC and which customarily (i) handles communal and public welfare affairs of the village, (ii) manages the collectively-owned farm land and other collectively-owned properties, and (iii) undertakes services in respect of production and coordination of related activities within the village
“VWAP”	:	The volume-weighted average price of S\$0.124 per Share, based on trades done on the SGX-ST on 8 June 2015, being the date of the Company’s announcement dated 8 June 2015 on the Rights Issue
“Wangcheng”	:	Fuzhou Wangcheng Foods Development Co., Ltd., a wholly-owned subsidiary of the Company which is incorporated in PRC
“Yuanwang”	:	Nanping Yuanwang Foods Co., Ltd., a wholly-owned subsidiary of the Company which is incorporated in PRC

Currencies, Units and Others

“%” or “per cent.”	:	Per centum or percentage
“JPY”	:	Japanese Yen
“mu”	:	亩, equivalent to approximately 667 square metres
“Renminbi” or “RMB”	:	PRC Renminbi
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$” or “USD”	:	United States dollars

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day or date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS in relation to the Rights Issue (including but not limited to the Closing Date, and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the PAL, the ARE or the ARS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Securities and Futures Act, the SFR, the Companies Act, the Listing Manual or any amendment or modification thereof and used in this Offer Information Statement, the PAL, the ARE or the ARS shall, where applicable, have the meaning assigned to it under the Securities and Futures Act, the SFR, the Companies Act, the Listing Manual or such amendment or modification thereof, as the case may be, unless otherwise provided.

Any reference to an “**announcement**” of or by the Company in this Offer Information Statement includes announcements of or by the Company posted on the SGXNET.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any references in this Offer Information Statement to “**we**”, “**our**” and “**us**” refer to the Company and its subsidiaries.

Any discrepancy in the figures included in this Offer Information Statement between the amounts listed and the totals thereof is due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Any reference in this Offer Information Statement to Shares being allotted to a person includes allotment to CDP for the account of that person.

The headings in this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

GLOSSARY OF TECHNICAL TERMS

This glossary contains a general explanation of certain terms used in this Offer Information Statement in connection with the business of the Group. These terms, and their assigned meanings, may not correspond to standard industry usage or common meaning, as the case may be:

- “HACCP”** : Hazard Analysis Critical Control Points. HACCP is a systematic preventive approach to food safety, pharmaceutical safety, etc. that addresses physical, chemical and biological hazards as a means of prevention rather than finished product inspection. HACCP is used in the food industry to identify potential food safety hazards, so that key actions, known as Critical Control Points (CCP’s) can be taken to reduce or eliminate the risk of the hazards being realised. The system is used at all stages of food production and preparation processes
- “konjac”** : Flour and/or jelly created from a plant of the genus *Amorphophallus*, grown for its large starchy corms
- “mycelia”** : The vegetative part of a shiitake mushroom, consisting of a mass of branching, thread-like hyphae
- “Organic JAS”** : Japanese Agricultural Standard of Organic Agricultural Products and Processed Foods. JAS is the industrial standards issued by the Japanese Ministry of Agriculture, Fisheries and Forestry (MAFF) which set out mandatory organic labelling requirements, organic production standards and third-party certification procedures for acceptance of organic products (crop and crop products) into Japan
- “shiitake mushroom”** : *Lentinula edodes*, also known as black forest mushroom, an edible mushroom typically cultivated and consumed in Asian countries
- “substrate”** : The medium within which shiitake mushroom mycelia bore through and grow
- “synthetic log”** : The substrate consisting of ingredients according to synthetic formulations for the growth of shiitake mushrooms

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Rights Issue is set out below (all references are to Singapore dates and times). For the event listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Notice of Book Closure Date	:	14 August 2015
Ex-Rights Trading Date	:	20 August 2015 from 9.00 a.m.
Books Closure Date	:	24 August 2015 at 5.00 p.m.
Lodgement of the Offer Information Statement with the Monetary Authority of Singapore	:	26 August 2015
Despatch of Offer Information Statement (together with the ARE or PAL, as the case may be) to the Entitled Shareholders	:	27 August 2015
Commencement of trading of “nil-paid” Rights	:	27 August 2015 from 9.00 a.m.
Last date and time for trading of “nil-paid” Rights	:	4 September 2015 at 5.00 p.m.
Last date and time for splitting of “nil-paid” Rights	:	4 September 2015 at 5.00 p.m.
Last date and time for acceptance and payment for the Rights Shares ⁽¹⁾	:	10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for renunciation and payment for the Rights Shares	:	10 September 2015 at 5.00 p.m.
Last date and time for application and payment for Excess Rights Shares ⁽¹⁾	:	10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	17 September 2015
Expected date for crediting of Rights Shares	:	18 September 2015
Expected date for refund of unsuccessful applications (if made through CDP)	:	18 September 2015
Expected date for commencement of trading of Rights Shares	:	18 September 2015 from 9.00 a.m.

The above timetable is indicative only and is subject to change.

As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, (if necessary) upon consultation with the Manager and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Note:

- (1) Investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for their Shares using CPF Funds or funds in their SRS Accounts), where applicable, will receive notification letter(s) from their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective CPF agent banks, SRS approved banks, finance companies and/or Depository Agents. Any acceptance and/or applications made or purported to be made by these investors directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. Entitled Shareholders

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement together with the PAL or the ARE, as the case may be, and other accompanying documents at their respective addresses in Singapore. Entitled Depositors who do not receive this Offer Information Statement and the ARE may obtain them from CDP for the period up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Shareholders have been provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date, fractional entitlements, if any, being disregarded. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade their nil-paid Rights on the SGX-ST during the rights trading period prescribed by the SGX-ST and are eligible to apply for Excess Rights Shares.

All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which are to be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

CPF Investors may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the Rights Shares. CPF Investors who have acquired the Shares using their respective CPF Funds under the CPFIS-OA, can only use their respective CPF Funds to pay for the Rights Shares and (if applicable) Excess Rights Shares. In the case of insufficient CPF Funds or stock limit, CPF Investors should top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. **CPF Funds may not, however, be used for the purchase of provisional allotments of the Rights Shares directly from the market.**

CPF Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks, where such CPF Investors hold their CPF Investment Accounts, to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Any acceptance by CPF Investors of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, the Company or by way of Electronic Application will be rejected.

SRS Investors must use, subject to applicable SRS rules and regulations, funds standing to the credit of their respective SRS Accounts to pay for the acceptance of their provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares. SRS Investors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS funds, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective approved banks before instructing their respective approved banks to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. SRS funds may not be used for the purchase of provisional allotments of Rights Shares directly from the market. Any acceptance by SRS Investors of provisional allotments of Rights Shares and (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, the Company or by way of Electronic Application will be rejected.

Entitled Depositors should note that all notices and documents will be sent to their last registered address with CDP. Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing (“**Rights Mailing Address**”). Depositors are reminded that any request to CDP to register a Rights Mailing Address or any request to CDP to update its records for a new Rights Mailing Address or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588, at least three (3) Market Days prior to the Books Closure Date.

Entitled Scripholders should note that all notices and documents will be sent to their last registered address with the Company. Scripholders who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue may provide such a Singapore address by notifying the Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), at 80 Robinson Road #02-00, Singapore 068898, at least three (3) Market Days prior to the Books Closure Date.

2. Foreign Shareholders and Foreign Purchasers

This Offer Information Statement and its accompanying documents relating to the Rights Issue have been lodged with the Authority in Singapore. This Offer Information Statement and its accompanying documents have not been and will not be registered, lodged or filed in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the legislation applicable in countries other than Singapore, the Rights Shares will not be offered to, and this Offer Information Statement and its accompanying documents have not been and will not be despatched to, Foreign Shareholders. **Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by Foreign Shareholders will be valid.**

This Offer Information Statement and its accompanying documents have not been and will not be despatched to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited by CDP to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of Rights Shares renounced to him.

The Company further reserves the right, but shall not be obliged, to treat as invalid any acceptance or purported acceptance of the provisional allotment of Rights Shares and (if applicable) application or purported application for Excess Rights Shares or to decline such acceptance or purported acceptance and (if applicable) such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes or has reason to believe may violate any applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any representation or warranty or confirmation, whether express or deemed, to be given by such person.

To the extent that it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales (after deducting any applicable brokerage, commissions and expenses, including goods and services tax) will be aggregated and thereafter distributed to Foreign Shareholders in proportion to their respective holdings of Shares or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post or, in the case of net proceeds distributed through CDP, in such other manner as the Foreign Shareholders may have agreed with CDP for the payment of any cash distributions, save that in any case no payments will be made for amounts of less than S\$10.00 to any single Foreign Shareholder, and the Company shall be entitled to retain such amount for the sole benefit of the Company or otherwise deal with such amount as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy excess applications (if any) or otherwise disposed of or dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

Notwithstanding the above, Entitled Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any registration or other regulatory or legal requirements in those jurisdictions.

The Rights Shares which are not otherwise taken up or allotted for any reason shall be used to satisfy applications for Excess Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. Fractional entitlements to the Rights Shares will be aggregated and used with provisional allotments which are not taken up or allotted for any reason to satisfy application for Excess Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

Fractional entitlements to the Rights Shares, if any, have been disregarded in arriving at the Entitled Shareholders' entitlements and will, together with the provisional allotments which are not validly taken up by Entitled Shareholders, the original allottees or their respective renouncee(s) or the Purchasers, any unsold “nil-paid” provisional allotments of Rights Shares of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions contained in the PAL, the ARE, the ARS and/or any other application form for Rights Shares, be aggregated and used to satisfy excess applications for Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with its day to day affairs or the terms of the Rights Issue or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of the Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sale of the provisional allotments of Rights Shares and applications for Excess Rights Shares, pursuant to the Rights Issue, including the different modes of acceptance or application and payment, are contained in Appendices A to C to this Offer Information Statement and in the PAL, the ARE and the ARS.

TRADING

1. Listing of and Quotation for the Rights Shares

Approval in-principle has been obtained from the SGX-ST on 21 July 2015 for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, subject to certain conditions. The Listing Approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Rights, the Company and/or its subsidiaries.

Upon the listing and quotation on the Official List of the SGX-ST, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited” and the “Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares”, as the same may be amended from time to time. Copies of the above are available from CDP.

2. Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept their provisional allotments of Rights Shares and/or apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card (“**NRIC**”)/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and, if applicable, the Excess Rights Shares allotted to them. Such physical share certificates for the Rights Shares, if issued, will be forwarded by ordinary post at their own risk and will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder’s address stated in the PAL is different from his address registered with Share Registrar, he must inform Share Registrar of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with Share Registrar.

A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his share certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

3. Rights Trading

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the Official List of the SGX-ST can do so for the period commencing on 27 August 2015 from 9.00 a.m., being the date and time of commencement of the “nil-paid” Rights trading period, and ending on 4 September 2015 at 5.00 p.m., being the last date and time of the “nil-paid” Rights trading period.

4. Trading of Odd Lots

Shareholders should note that most counters on the SGX-ST trade in board lot sizes of 100 shares. Following the Rights Issue, Shareholders who hold odd lots of Shares (i.e. lots other than board lots of 100 Shares) and who wish to trade in odd lots of Shares on the SGX-ST should note that they are able to do so on the Unit Share Market of the SGX-ST which allows trading of odd lots with a minimum of one Share.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its related corporations, directors, officers, executives or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company’s and the Group’s expected financial position and performance, operating results, business strategies, plans and future prospects are forward-looking statements.

These forward-looking statements, including, but not limited to, statements as to the Company’s and the Group’s revenue and profitability, cost measures, expected industry trends, prospects, future plans, planned strategy and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s and the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more detail in this Offer Information Statement, in particular, but not limited to, discussions under paragraph 9 of Part V (Operating and Financial Review and Prospects) of this Offer Information Statement.

Given the risks, uncertainties and other factors that may cause the Company’s and the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements and information. None of the Company, the Manager and their respective related corporations, directors, officers, executives and employees or any other person represents or warrants that the Company’s and the Group’s actual future results, performance or achievements will be as discussed in those statements and financial information. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements as a result of, *inter alia*, the risks and uncertainties faced by the Company and the Group.

In light of the volatile global financial markets and global economic uncertainties, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, the Company, the Manager and their respective related corporations, directors, officers, executives and employees disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority but before the Closing Date and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

This Offer Information Statement may include market and industry data and information that have been obtained from, *inter alia*, internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed, and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information. While reasonable

steps have been taken to ensure that the information is extracted accurately, the Company, the Manager and their respective related corporations, directors, officers, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Offer Information Statement.

THE SINGAPORE CODE ON TAKE-OVERS AND MERGERS

The Singapore Code on Take-overs and Mergers (the “**Code**”) regulates the acquisition of voting shares in, *inter alia*, corporations with a primary listing of their equity securities in Singapore (such as the Company). In general terms, except with the consent of the SIC where:

- (i) any person acquires whether by a series of transactions over a period of time or not, shares in a company which, taken together with shares held by persons acting in concert with him, carry 30% or more of the voting rights of the company; or
- (ii) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the company and such person, or any party acting in concert with him, acquires in any 6 month-period additional shares carrying more than 1% of the voting rights,

such person must extend a mandatory take-over offer immediately to the shareholders for the remaining shares in the company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of parties acting in concert with him, may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into securities which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Code but the exercise of any conversion rights will be considered an acquisition of voting rights for the purposes of the Code.

Shareholders who are in doubt as to their position including obligations, if any, under the Code in connection with the acquisition of Rights Shares under the Rights Issue should consult the SIC and/or their professional advisers immediately.

For the avoidance of doubt, the Company may at its discretion scale down any Entitled Shareholder’s application to subscribe for Excess Rights Shares to avoid placing such Entitled Shareholder in the position of incurring an obligation to make an offer for shares in the Company under the Code as a result of other Entitled Shareholders not taking up their entitlements to the Rights Shares.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)

Directors

1. Provide the names and addresses of each of the directors of the relevant entity.

Board of Directors

Names of Directors	Designation	Addresses of Directors
Mr Chen Qiu hai	Executive Chairman and Chief Executive Officer	Unit 201, Block 16, Huanbeiyi Village, Jin'an District, Fuzhou City, Fujian Province, PRC
Mr Lin Weibin	Executive Director	No. 188, West City, Jiuyi South Road, Xinluo District, Longyan City, Fujian, PRC
Mr Chua Ser Miang	Lead Independent Director	56 Duchess Avenue #04-05 Duchess Crest Singapore 269199
Mr Chang Feng-Chang	Independent Director	130 Tanjong Rhu Road #08-10 Singapore 436918
Mr Goi Kok Neng	Non-Executive Director	28G Nassim Road Singapore 258459
Professor Tan Cheng Han	Non-Executive Director	64 Jalan Haji Alias Singapore 268552

Advisers

2. Provide the names and addresses of –
- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal adviser to the offer, if any.

Role	Name and Address
Manager and underwriter of the Rights Issue	: UOB Kay Hian Private Limited 8 Anthony Road #01-01 Singapore 229957
Legal Advisers to the Company in respect of the Rights Issue (as to Singapore law)	: Rajah & Tann Singapore LLP 9 Battery Road #25-01 Straits Trading Building Singapore 049910

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Role	Name and Address
Share Registrar and Share Transfer Agent	: Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) 80 Robinson Road #02-00 Singapore 068898
Receiving Banker	: OCBC Bank 63 Chulia Street #11-01 OCBC Centre East Singapore 049514

PART III (OFFER STATISTICS AND TIMETABLE)

Offer Statistics

1. **For each method of offer, state the number of the securities being offered.**

Renounceable underwritten Rights Issue of 270,333,587 Rights Shares on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, being disregarded.

Method and Timetable

2. **Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –**
 - (a) **the offer procedure; and**
 - (b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**

See paragraphs 3 to 7 below.

3. **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**

Please refer to the section entitled “**Indicative Timetable of Key Events**” of this Offer Information Statement in relation to the offer period.

As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “**Indicative Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may, upon consultation with the Manager and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce such modification to the timetable through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Please refer to Appendices A to C to this Offer Information Statement and the PAL, the ARE and the ARS for details of the procedures for and the terms and conditions applicable to, acceptance of and/or excess application for, and payment for the Rights Shares, including the names and addresses of the persons to whom the acceptance, application (if any) and payment are to be submitted.

4. **State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**

The Rights Shares are payable in full upon acceptance and/or application. The last date and time for acceptances of, excess application for, Rights Shares and payment for Rights Shares and/or Excess Rights Shares is on **10 September 2015 at 5.00 p.m.** or, in the case of acceptances and/or excess application and payment through an ATM of a Participating Bank, on **10 September 2015 at 9.30 p.m.**

Please refer to Appendices A to C to this Offer Information Statement and the PAL, the ARE and the ARS for details of the procedures for, and the terms and conditions applicable to, acceptance of and/or excess application for, and payment for the Rights Shares, including the methods for payment for the Rights Shares.

5. State, where applicable, the methods of and time limits for –

- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
- (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 27 August 2015 by crediting the provisional allotments to the Securities Accounts of the respective Entitled Depositors or through the despatch of the PALs to Entitled Scripholders.

In the case of Entitled Depositors, Purchasers and Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or successful applications for Excess Rights Shares and (in the case of such Entitled Scripholders) who have furnished valid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares will be registered in the name of CDP or its nominee and despatched to CDP within ten (10) Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send to the relevant subscribers by ordinary post, at their own risk, a notification letter stating the number of Rights Shares that have been credited to their respective Securities Accounts.

In the case of Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or successful applications of Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificates representing such number of Rights Shares will be despatched by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

Please refer to Appendices A to C to this Offer Information Statement and the PAL, the ARE and the ARS for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Not applicable as no pre-emptive rights have been offered.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of Rights Issue

The Company will publicly announce, *inter alia*, the results of the allotment or allocation of the Rights Shares, as soon as it is practicable after the Closing Date through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Manner of Refund

If any acceptance of Rights Shares is invalid and/or if no Excess Rights Shares are allotted to Entitled Depositors or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on acceptance, application and/or the surplus application monies, as the case may be, will be returned or refunded by CDP, on behalf of the Company, to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

- (a) by crediting their bank accounts with the relevant Participating Banks at their own risk (if they accept and (if applicable) apply by way of an Electronic Application), the receipt by such bank being a good discharge to the Company, CDP and the Manager of their obligations, if any, thereunder; or
- (b) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained with CDP, or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they accept and (if applicable) apply through CDP).

If any acceptance of Rights Shares is invalid and/or if no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on acceptance, application and/or the surplus application monies, as the case may be, will be returned or refunded to such Entitled Scripholders by the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date, by means of a crossed cheque drawn on a bank in Singapore and sent to them at their mailing addresses as maintained with the Share Registrar by ordinary post and at their own risk.

Please refer to Appendices A to C to this Offer Information Statement, and the ARE, the ARS and PAL, as the case may be, for further information on the refunding of excess amounts paid by applicants.

PART IV (KEY INFORMATION)

Use of Proceeds from the Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

See paragraphs 2 to 7 below.

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2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

The estimated net proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.9 million), is expected to be approximately S\$18.0 million (the “**Net Proceeds**”).

All the Net Proceeds will go to the Company.

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3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**

The Rights Issue has been proposed to further strengthen the Company’s balance sheet and enhance the financial flexibility of the Group.

The Net Proceeds are intended to be utilised as follows:

- (a) 40% to pursue strategic investment and acquisition opportunities as and when they arise in the future; and
- (b) 60% for general corporate and working capital purposes, including to support the Group’s organic growth plans and initiatives.

Pending the deployment of the Net Proceeds for the purposes mentioned above, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities or used for any other purpose as the Directors may in their absolute discretion, deem fit. The Company will make announcement(s) on the utilisation of the Net Proceeds as and when they are materially disbursed and provide a status report on the use of the Net Proceeds in the Company’s annual report (and subsequent annual reports, if applicable) until such time the Net Proceeds have been fully utilised.

Mr Chen Qiu Hai, who is the Executive Chairman and Chief Executive Officer of the Company, has (pursuant to the Chen Qiu Hai Irrevocable Undertaking) irrevocably undertaken to the Company and the Manager to procure Sanwang (which is wholly-owned by Mr Chen Qiu Hai) to subscribe and pay in full for its whole entitlement of 97,968,359 Rights Shares (the “**Sanwang Rights Shares**”) on and subject to the terms and conditions of the Chen Qiu Hai Irrevocable Undertaking. UOBKH has agreed, on and subject to the terms and conditions of the Underwriting Agreement, to underwrite 172,365,228 Rights Shares, being the total number of Rights Shares to be issued pursuant to the Rights Issue less the number of Sanwang Rights Shares (the “**Underwritten Balance Rights Shares**”). Please refer to paragraphs 1(f) and 1(g) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this Offer Information for further information on the Chen Qiu Hai Irrevocable Undertaking. Please also refer to paragraph 7 of Part VI (The Offer and Listing) of this Offer Information Statement for certain information concerning the Underwriting Agreement.

In view that the Rights Issue shall be subscribed for in full pursuant to the Chen Qiu Hai Irrevocable Undertaking and the Underwriting Agreement, the Directors are of the reasonable opinion that there is no minimum quantum which the Company must raise from the Rights Issue beyond the amount it is assured of receiving pursuant to the Chen Qiu Hai Irrevocable Undertaking and the Underwriting Agreement.

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4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

For each dollar of the gross proceeds of approximately S\$18.9 million from the Rights Issue:

- (a) approximately 38.1 cents will be used to pursue strategic investment and acquisition opportunities as and when they arise in the future;
- (b) approximately 57.1 cents will be used for general corporate and working capital purposes, including to support the Group’s organic growth plans and initiatives; and
- (c) approximately 4.8 cents will be used for certain expenses incurred or to be incurred in connection with the Rights Issue.

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5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to acquire or refinance the acquisition of an asset other than in the ordinary course of business, but as stated in paragraphs 3 and 4 of this Part IV (Key Information), part of the Net Proceeds will be used to pursue strategic investment and acquisition opportunities as and when they arise in the future.

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6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to finance or refinance the acquisition of another business, but as stated in paragraphs 3 and 4 of this Part IV (Key Information), part of the Net Proceeds will be used to pursue strategic investment and acquisition opportunities as and when they arise in the future.

7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. None of the Net Proceeds will be used to discharge, reduce or retire the indebtedness of the Company or the Group.

8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

An underwriting commission of 5.0% of the Issue Price of the Underwritten Balance Rights Shares (the “**Underwriting Commission**”) is payable by the Company to UOBKH on and subject to the terms and conditions of the Underwriting Agreement.

Mr Sam Goi Seng Hui, a Substantial Shareholder, has (pursuant to the Sam Goi Irrevocable Undertaking) irrevocably undertaken to UOBKH to sub-underwrite (and thereby subscribe for) the entire number of Underwritten Balance Rights Shares on and subject to the terms and conditions of the Sam Goi Irrevocable Undertaking, for a sub-underwriting commission (the “**Sub-Underwriting Commission**”) of 3.0% of the Issue Price of the Underwritten Balance Rights Shares (the “**Sub-Underwriting Arrangement**”). The Sub-Underwriting Commission will not lead to any additional cost for the Company since it is paid by UOBKH out of its Underwriting Commission.

Please refer to paragraph 7 of Part VI (The Offer and Listing) of this Offer Information Statement for certain information on the Underwriting Agreement and the Sub-Underwriting Arrangement.

Information on the Relevant Entity

9. Provide the following information:

- 9(a) the address and telephone and facsimile numbers of the relevant entity’s registered office and principal place of business (if different from those of its registered office);

Registered Office

Address : 6 Battery Road
#10-01
Singapore 049909

General Telephone Line : (65) 6334 6116

Facsimile : (65) 6334 7117

Principal Place of Business

Address : Houyu Food Industry Zone, Jingxi Town
Minhou County
Fuzhou City, Fujian Province
PRC 350101

Telephone Line : (86) 591 2262 6262

Facsimile : (86) 591 2262 6269

9(b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;

The principal activities of the Company are those of an investment holding company.

The Group is a major grower, manufacturer and supplier of fresh and processed agricultural products in Fujian Province, PRC. The Company's products consist of two major segments: self-cultivation segment and processed food segment. The Group's self-cultivated products comprise moso bamboo trees, bamboo shoots and shiitake mushrooms. They are mainly sold as fresh produce to wholesalers of agricultural food products in the domestic markets. The Group's processed food products include processed mushrooms, processed vegetables, water-boiled bamboo shoots and konjac-based dietary fibre food products. They are sold in major cities in PRC through the Group's well established network under the Group's trademarked brands, such as “旺成食品”, “研食坊” and “第七庄园”, and are exported to overseas markets, mainly Japan, under the brand names of the Group's customers.

The Group also possesses upstream resources with sawdust from the Group's eucalyptus plantations which can be utilised for the production of synthetic logs used in the cultivation of shiitake mushrooms and spring bamboo shoots from the Group's moso bamboo plantations which can be supplied to the Group's processed food business as raw materials.

9(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

The general development of the business of the Group from FY2012 to the Latest Practicable Date is set out below. The information included in this section has been extracted from the relevant announcements released by the Company. Please refer to the relevant announcements for further information.

FY2012

December 2011 – Zhangping Fengwang Agricultural Products Co., Ltd. (“**Fengwang**”), an indirect wholly-owned subsidiary of the Company, entered into agreements with the Villagers' Committees of certain villages in Zhangping City, PRC, to purchase non-matured eucalyptus plantations and the corresponding forestry land use rights, which had remaining tenures ranging from 32 to 43 years and a total land area of 20,936 mu.

The total investment, including corresponding forestry land use rights, amounted to approximately RMB131.7 million and had been paid by Fengwang.

The Group has been harvesting eucalyptus trees from the plantations since 2013.

FY2013

December 2012 – Wangcheng, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, Fuzhou Kangzhimei Foods Co., Ltd., in PRC for the purpose of selling primary agricultural products.

- February 2013
- The Company entered into a conditional share subscription agreement with Hydrex International Pte Ltd (“**Hydrex**”) (which is 90%-owned by Mr Sam Goi Seng Hui), pursuant to which Hydrex agreed to subscribe for 82,187,000 new Shares representing 16.49% of the share capital of the Company on an enlarged basis (the “**Hydrex Subscription Shares**”), at an issue price of S\$0.119 per Hydrex Subscription Share (the “**Hydrex Subscription**”). The Hydrex Subscription was undertaken by way of a private placement in accordance with Section 272B of the Securities and Futures Act and was completed in March 2013. The net proceeds arising from the Hydrex Subscription (after deducting issue expenses) were to fund the future acquisitions and expansion of the Company, as well as for general working capital purposes.
 - The Group successfully obtained the logging licence from Longyan Municipal Bureau of Forestry, Fujian Province to harvest eucalyptus trees from the Group’s eucalyptus plantations to produce sawdust as raw materials for the production of the synthetic logs used in the cultivation of shiitake mushrooms. The Group had acquired eucalyptus plantations to secure upstream resource sustainability and control production costs in view of stricter government environmental protection policy in PRC, and expected the use of sawdust from its eucalyptus plantations for the production of the synthetic logs to lead to potential cost savings.
- Since then, the Group has continued to renew its logging licence annually for its annual harvesting of mature eucalyptus trees.
- April 2013
- Yuanwang, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, Nanping Lijiashan Forestry Co., Ltd. (“**Lijiashan**”), in the PRC for the purpose of forestry management and the cultivation and sales of edible fungi and vegetables.
 - Lijiashan entered into an agreement with the Villagers’ Committee of Yuantou Village, Shanxia Town, Pucheng County, Fujian Province, PRC (the “**Yuantou Lessor**”), to lease mature moso bamboo plantations of approximately 11,032 mu for 15 years with effect from 16 April 2013.
- During the tenure of the agreement, Lijiashan owns harvesting rights to all produce from the plantations including mature bamboo trees, spring bamboo shoots and winter bamboo shoots. The bamboo trees can be used in a variety of applications such as building and renovation materials and in textile, paper and pulp industries. Lijiashan also has the right to rent out the plantations or a portion of the plantations to third parties with the Yuantou Lessor’s consent.
- The total rent payable by Lijiashan to the Yuantou Lessor is approximately RMB59.3 million. Approximately 66.7% of the rent was paid to the Lessor by 20 May 2013 and the balance shall be payable to the Lessor by 20 May 2021.
- June 2013
- Global Yellow Pages Limited became a controlling shareholder of the Company, by acquiring Shares in the following transactions:
 - (a) share swap arrangement with Mr Chen Qiuhai in relation to the swap by Mr Chen Qiuhai of 41,122,305 Shares (representing 8.25% of the Company’s issued share capital) held through Sanwang in exchange for 82,244,610 new ordinary shares in Global Yellow Pages Limited; and

- (b) sale by Hydrex and Mr Sam Goi Seng Hui of 42,287,000 Shares (representing 8.48% of the Company's issued share capital) to Global Yellow Pages Limited.

FY2014

August 2013

- Wangcheng, a wholly-owned subsidiary of the Company, entered into an agreement with Fujian Li Long Construction Co., Ltd. to build up a 16-storey building occupying a gross floor area of approximately 14,000m² in Houyu Food Industry Zone, Jingxi town, Minhou County, Fuzhou City, Fujian Province, PRC.

In tandem with the Group's business strategies and development, the building was mainly designed as a Research and Development Centre for the Group's processed food products as well as to enhance the efficiency of the processed food products quality control procedures. In addition, the Group's prime customers can also station their representatives at the building in order to strengthen collaboration.

The investment for the construction of the building was approximately RMB32.4 million, excluding capital expenditure for building renovations and acquisition of fixtures and equipment.

- Wangcheng, a wholly-owned subsidiary of the Company, entered into a multiple credit facility agreement (the “**2013 China Everbright Facility Agreement**”) with China Everbright Bank dated 19 August 2013 in relation to a credit facility of up to an aggregate principal amount of RMB40 million to be extended by the bank commencing from 22 August 2013 to 21 August 2014.

Pursuant to the 2013 China Everbright Facility Agreement, Wangcheng had drawn down an amount of RMB20 million for working capital purposes and a further RMB10 million for capital expenditure purposes (out of which, a majority was used for the construction of the Group's Research and Development Centre).

Wangcheng had pledged its buildings and land use rights to the bank as security under the 2013 China Everbright Facility Agreement.

The aggregate loan amount of RMB30 million drawn down from the 2013 China Everbright Facility Agreement had been fully repaid to China Everbright Bank.

February 2014

- Wangcheng, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, Feng Zhi Qiu International Holdings Company Limited, in the Hong Kong Special Administrative Region, PRC for the purpose of selling processed food products.

May 2014

- Lijiashan, an indirect wholly-owned subsidiary of the Company, entered into an agreement with 浦城县闽浦丹桂苗木种植专业合作社 (Pu Cheng County Min Pu Osmanthus Seedling Plants Cooperative) (the “**Pu Cheng Lessor**”), pursuant to which Lijiashan acquired from the Pu Cheng Lessor a lease for the moso bamboo plantation located at Pucheng County, Fujian Province, PRC for a period of 10 years from 5 May 2014, for an aggregate consideration of RMB78,900,500. The plantation, which has a gross land area measuring approximately 22,543 mu, is intended to be used solely for the cultivation and harvest of moso bamboo trees, spring bamboo shoots and winter bamboo shoots. Lijiashan is entitled to sub-lease the plantation to third parties, subject to the Pu Cheng Lessor's prior consent.

The Group believed that the acquisition presented a valuable business opportunity to further expand into the bamboo plantation business and could further enhance the Group's upstream resource sustainability by, for example, securing a constant supply of bamboo shoots, which is one of the main ingredients of the Group's processed food products. The bamboo trees, which are used in a variety of applications such as building and renovation materials and in textile, paper and pulp industries, will also generate additional income stream for the Group. The Group could also further diversify risks from being largely dependent on the Group's shiitake mushroom business.

- June 2014
- Wangcheng, a wholly-owned subsidiary of the Company, entered into an equity transfer agreement with Mr Du Deming, pursuant to which Wangcheng agreed to acquire 19% equity interest in the registered capital of Zhangzhou Meisei Foods Co., Ltd. ("**Meisei**"), for the purchase consideration of RMB36,405,309.88 (which is subject to certain adjustments). Meisei is a company incorporated in June 2006 in Nanjing County, Fujian Province, PRC, and is principally engaged in the manufacturing and supply of a wide variety of agricultural processed food products including different types of bamboo shoots, picked vegetables and other processed vegetables.

In October 2014, Wangcheng entered into a termination agreement with Mr Du Deming pursuant to which the parties mutually agreed to terminate the equity transfer agreement.

1 July 2014 to the Latest Practicable Date

- July 2014
- The Company entered into a conditional subscription agreement with Mr Tangfen, pursuant to which the Company had agreed to allot and issue an aggregate of 35,000,000 new Shares (the "**Tangfen Subscription Shares**") to Mr Tangfen, and Mr Tangfen had agreed to subscribe and pay for the Tangfen Subscription Shares, at an issue price of S\$0.16185 per Tangfen Subscription Share for an aggregate amount of S\$5,664,750 (the "**Tangfen Subscription**"). The Tangfen Subscription was undertaken by way of a private placement in accordance with Section 272B of the Securities and Futures Act and was completed in August 2014. The net proceeds arising from the Tangfen Subscription (after deducting issue expenses) were intended to be used for general working capital purposes including business expansion, acquisitions, investments, joint ventures and/or other collaborations as and when good business opportunities arose.
 - Lijiashan, an indirect wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, Sanming Shansheng Forestry Co., Ltd. ("**Shansheng**"), in PRC for the purpose forestry management and cultivation and sales of edible fungi and vegetables.
- September 2014
- Shansheng entered into a conditional agreement with 将乐县山丰竹业有限公司 (Jiangle Shanfeng Bamboo Co., Ltd.) (the "**Jiangle Lessor**"), pursuant to which Shansheng would acquire from the Lessor a lease for the moso bamboo plantation at Jiangle County, Fujian Province, PRC for a period of 10 years from the effective date of the agreement, for an aggregate consideration of RMB234,500,000. The agreement is effective upon the Company obtaining the approval of the SGX-ST and the Shareholders for the acquisition. The Shareholders approved the transaction at an extraordinary general meeting of the Company held on 29 October 2014.

The plantation, which has a gross land area measuring approximately 67,000 mu, is intended to be used solely for the cultivation and harvest of moso bamboo trees, spring bamboo shoots and winter bamboo shoots. Shansheng is entitled to sub-lease the plantation to third parties, subject to the Jiangle Lessor's prior consent.

The Group believed that the acquisition presented a valuable business opportunity for the Group to further expand into the bamboo plantation business and could further enhance the Group's upstream resource sustainability. The Group believed the bamboo plantation business would continue to generate a stable income stream in the future due to its higher resilience to fluctuating climate conditions experienced in recent years in PRC. It would also enable the Group to diversify risks from being largely reliant on its shiitake mushroom business.

The aggregate consideration had been paid in full by March 2015.

- October 2014
- The Company announced that the lease of black fungus cultivation bases entered into by Fengwang, an indirect wholly-owned subsidiary of the Company, with the Villagers' Committee of Zhengban Village, Xinqiao Town, Zhangping City, Fujian Province, had expired on 30 June 2014.

The lease agreement was entered into for the purpose of a feasibility study on the cultivation of black fungus and the term of the agreement was from 1 February 2011 to 30 June 2014. Following a review of the Group's growth strategy, the Board had decided not to review the lease after its expiration.

- Fengwang, an indirect wholly-owned subsidiary of the Company, entered into agreements with certain Villagers' Communities and certain purchasers, pursuant to which (a) Fengwang agreed to sell, and the purchasers agreed to purchase, an aggregate of 51,193 mu of eucalyptus plantations (excluding eucalyptus trees thereon) situated at Zhangping City, Fujian Province, PRC and the corresponding forestry land use rights (the "**Eucalyptus Plantations**") for an aggregate consideration of RMB65,997,585 (the "**Disposal**"); and (b) the relevant purchasers agreed to leaseback an aggregate of 39,735 mu of Eucalyptus Plantations to Fengwang (the "**Leaseback**").

Pursuant to the agreements, the purchasers had, in January 2015, paid to Fengwang RMB48,909,190, being the difference between the consideration price for the Disposal of Eucalyptus Plantations and the rent for the Leaseback of the said Eucalyptus Plantations. The above payment was supposed to have been made on or before 30 November 2014; the delay was mainly due to the purchasers requiring more time to raise the funds.

Pursuant to the Leaseback, Fengwang shall be entitled to manage the Eucalyptus Plantations and enjoy benefits generated from the Eucalyptus Plantations. Following the Disposal, the Group ceases to own the land use rights for the Eucalyptus Plantations. For the avoidance of doubt, the Group will continue to own the eucalyptus trees on the Eucalyptus Plantations.

The Company explained that in recent years, the PRC government had tightened the policy on forestry cultivation activities. As a result, it had become more restrictive in the cultivation of fast-growing trees (including eucalyptus trees) and the Group was prohibited from re-growing its eucalyptus trees to secure sawdust as raw materials for the production of the synthetic logs. In view thereof, the Directors considered it an appropriate time to dispose the land use rights of the Eucalyptus Plantations and unlock the value of the Eucalyptus Plantations.

On 25 June 2015, Fengwang entered into agreements with two of the Villagers' Committees for the termination of the lease of Eucalyptus Plantations measuring an aggregate of approximately 1,401 mu subsequent to the harvesting of eucalyptus trees from the Eucalyptus Plantations between January 2015 and April 2015. Upon the termination, the Group's total eucalyptus plantations were reduced from 39,735 mu to 38,334 mu. Following the termination, an aggregate of RMB494,945 prepaid lease previously paid to the respective Villagers' Committees will be refunded to Fengwang.

- Fengwang, an indirect wholly-owned subsidiary of the Company, entered into agreements with the Villagers' Committees of certain villages in Zhangping City, PRC for the termination of the lease of shiitake mushroom cultivation bases measuring an aggregate of approximately 1,792 mu. Upon the termination, the Group's total shiitake mushroom cultivation bases were reduced from 5,134 mu to 3,342 mu. Following the termination, an aggregate of RMB16,841,698 balance security deposit previously paid to the Villagers' Committees had been refunded to Fengwang.

November 2014

- Wangcheng, a wholly-owned subsidiary of the Company, entered into a multiple credit facility agreement dated 11 November 2014 (the "**2014 China Everbright Facility Agreement**") with China Everbright Bank in relation to a credit facility of up to an aggregate principal amount of RMB30 million to be extended by the bank commencing from 18 November 2014 to 17 November 2017 subsequent to the expiration of the 2013 China Everbright Facility Agreement on 21 August 2014.

Pursuant to the 2014 China Everbright Facility Agreement, Wangcheng had drawn down an amount of RMB25 million granted by the bank for working capital purposes.

Wangcheng had pledged its buildings and land use rights to the bank as security under the 2014 China Everbright Facility Agreement.

On 2 July 2015, Wangcheng made an early settlement of the loan amount of RMB17 million to China Everbright Bank as it was offered a lower borrowing interest rate from Postal Savings Bank of China ("**Postal Bank**"). Therefore, Wangcheng managed to lower its finance cost. This is in line with the Group's policy to constantly review its borrowing plans so as to reduce its operation costs. Please see below for more information on the credit facility agreement entered into with Postal Bank.

June 2015

- The Company announced the Rights Issue on 8 June 2015.

- Fengwang, an indirect wholly-owned subsidiary of the Company, entered into agreements with the Villagers' Committees of certain villages in Zhangping City, PRC for the termination of the lease of shiitake mushroom cultivation bases measuring an aggregate of approximately 2,158 mu. Upon the termination, the Group's total shiitake mushroom cultivation bases were reduced from 3,342 mu to 1,184 mu. Following the termination, an aggregate of RMB12,743,782 balance security deposit previously paid to the Villagers' Committees will be refunded to Fengwang.

The Company explained that for several years, the production costs for the cultivation of shiitake mushrooms had been increasing, particularly in respect of labour costs involved in the production of synthetic logs. This has led to decreasing profit margin in this business segment. In view of this, the management hoped to further reduce the Group's reliance on the shiitake mushrooms business segment while expanding the moso bamboo trees and bamboo shoots business segment, which incurs lower labour costs.

- Lijiashan, an indirect wholly-owned subsidiary of the Company, entered into an agreement with the Pu Cheng Lessor, pursuant to which Lijiashan acquired from the Pu Cheng Lessor a lease for the moso bamboo plantation located at Pucheng County, Fujian Province, PRC for a period of 10 years from the effective date of the agreement, for an aggregate consideration of RMB48,470,400. The plantation, which has a gross land area measuring approximately 15,147 mu, is intended to be used solely for the cultivation and harvest of moso bamboo trees, spring bamboo shoots and winter bamboo shoots. Lijiashan is entitled to sub-lease the plantation to third parties, subject to the Pu Cheng Lessor's prior consent.

The Group believed that the acquisition presented a valuable business opportunity for the Group to further expand into the bamboo plantation business and could further enhance the Group's upstream resource sustainability by, for example, securing a constant supply of bamboo shoots, which is one of the main ingredients of the Group's processed food products. The bamboo trees, which are used in a variety of application such as building and renovation materials and in textile, paper and pulp industries, will also generate additional income stream for the Group. The Group could also further diversify risks from being largely dependent on the Group's shiitake mushroom business.

- Wangcheng, a wholly-owned subsidiary of the Company, entered into a multiple credit facility agreement (the "**Postal Bank Facility Agreement**") dated 18 June 2015 with Postal Bank in relation to a credit facility of up to an aggregate principal amount of RMB17 million to be extended by Postal Bank commencing from 18 June 2015 to 17 June 2017.

Pursuant to the Postal Bank Facility Agreement, Wangcheng had drawn down an aggregate amount of RMB17 million granted by the bank on 29 June 2015 for working capital purposes.

Wangcheng has also pledged its buildings and land use rights in Tieling Economic and Technological Development Zone in Minhou County, Fuzhou City, Fujian Province to Postal Bank as security under the Postal Bank Facility Agreement.

July 2015

- The Company had on 21 July 2015 announced its receipt of the Listing Approval from the SGX-ST in connection with the Rights Shares.

- August 2015 – The Company announced on 14 August 2015 that its Shareholders had at the extraordinary general meeting held on the same day, approved the payment of the Sub-Underwriting Commission by the Manager to Mr Sam Goi Seng Hui for the Sub-Underwriting Arrangement in connection with the Rights Issue.

9(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

- (i) in the case of the equity capital, the issued capital; or
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

Issued and Paid-Up Share Capital as at the Latest Practicable Date	:	S\$46,114,659.54
Number of Issued and Paid-Up Shares as at the Latest Practicable Date	:	540,667,175
Loan Capital which have been issued and remain outstanding as at the Latest Practicable Date	:	Nil

9(e) where –

- (i) the relevant entity is a corporation, state the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
- (ii) the relevant entity is not a corporation, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

As at the Latest Practicable Date, the interests of the Substantial Shareholders in the issued share capital of the Company, based on information recorded in the Register of Substantial Shareholders maintained by the Company, were as follows:

Substantial Shareholders	Shares			
	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Sanwang ⁽²⁾	195,936,718	36.2	–	–
Chen Qiu Hai ⁽²⁾	–	–	195,936,718	36.2
Global Yellow Pages Limited	108,133,305	20.0	–	–
Hydrex ⁽³⁾	42,000,000	7.8	–	–
Sam Goi Seng Hui ⁽³⁾	–	–	42,000,000	7.8

Notes:

- (1) Calculated as a percentage of the total number of issued Shares as at the Latest Practicable Date.
- (2) Mr Chen Qiu Hai owns 100% of the issued share capital of Sanwang and is deemed to be interested in the 195,936,718 Shares held by Sanwang through its nominee, UOBKH.
- (3) Mr Sam Goi Seng Hui owns 90% of the issued share capital of Hydrex and is deemed to be interested in the 42,000,000 Shares held by Hydrex.

- 9(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**

As at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings pending or known to be contemplated, by or against the Company or any of its subsidiaries which might have or which have had in the twelve (12) months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Company or the Group.

-
- 9(g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –**

- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
- (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests;**

The Company has not issued any securities or equity interests for cash within the twelve (12) months immediately preceding the Latest Practicable Date.

For information only, the Company had on 18 August 2014 issued for cash 35,000,000 new Shares at the price of S\$0.16185 per Share pursuant to a placement conducted by the Company, for an aggregate amount of S\$5,664,750.

In the twelve (12) months immediately preceding the date of this Offer Information Statement, the Company had issued 3,465,000 new Shares on 29 December 2014 pursuant to the Yamada Green Resources Performance Share Plan which was approved and adopted by the Shareholders at an extraordinary general meeting on 29 April 2011.

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- 9(h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**

A summary of the material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company or its subsidiaries during the two (2) years immediately preceding the date of lodgement of this Offer Information Statement is set out below:

- (a) the equity transfer agreement dated 19 June 2014, entered into between Wangcheng (a wholly-owned subsidiary of the Company) and Mr Du Deming for the acquisition of 19% equity interest in the registered capital of Meisei for the purchase consideration of RMB36,405,309.88 (which is subject to certain adjustments) and the termination agreement dated 10 October 2014 entered into between Wangcheng and Mr Du Deming relating to the termination of the aforementioned equity transfer agreement;**

- (b) the conditional subscription agreement dated 24 July 2014, entered into between the Company and Mr Tangfen relating to the subscription of 35,000,000 new Shares by Mr Tangfen at an issue price of S\$0.16185 per new Share for an aggregate amount of S\$5,664,750;
- (c) the Underwriting Agreement dated 8 June 2015, entered into between the Company and UOBKH in relation to the Rights Issue. Please refer to paragraph 7 of Part VI (The Offer and Listing) of this Offer Information Statement for information on the Underwriting Agreement; and
- (d) the Chen Qiu Hai Irrevocable Undertaking dated 8 June 2015 referred to in paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue).

PART V (OPERATING AND FINANCIAL REVIEW AND PROSPECTS)

Operating Results

1. Provide selected data from –
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

Set out below are:

- (a) the audited consolidated income statements of the Group for FY2012, FY2013 and FY2014, respectively; and
- (b) the unaudited consolidated income statements of the Group for 9M2014 and 9M2015, respectively.

	Audited FY2012 RMB'000	Audited FY2013 RMB'000	Audited FY2014 RMB'000	Unaudited	
				9M2014 RMB'000	9M2015 RMB'000
Revenue	553,331	509,170	611,422	529,974	430,697
Cost of sales	(345,034)	(395,922)	(464,554)	(408,765)	(325,689)
Gross profit	208,297	113,248	146,868	121,209	105,008
Other items of income					
Interest income from banks	195	57	84	77	46
Other income	6,547	5,104	3,064	776	2,421
Gain from changes in fair value of biological assets ⁽¹⁾	–	2,396	13,037	–	–
Other items of expense					
Selling and distribution expenses	(8,801)	(7,448)	(6,065)	(3,872)	(3,730)
Administrative expenses	(31,797)	(22,849)	(28,702)	(17,002)	(28,016)
Other expenses	(6,862)	(13,166)	(10,715)	(6,738)	(4,874)
Loss from changes in fair value of biological assets ⁽²⁾	(28,240)	–	–	–	–
Finance cost	–	(28)	(1,610)	(1,043)	(1,543)
Profit before income tax	139,339	77,314	115,961	93,407	69,312
Income tax credit/ (expense)	138	(8,124)	(13,371)	(8,104)	(7,766)
Profit for the financial period/ year, representing total comprehensive income for the financial year	139,477	69,190	102,590	85,303	61,546
Other comprehensive income					
Currency translation difference	(2,515)	–	–	–	–
Other comprehensive income for the financial year, net of tax					
	(2,515)	–	–	–	–
Total comprehensive income for the financial year	136,962	69,190	102,590	85,303	61,546
Profit attributable to:					
Owners of the company	139,477	69,190	102,590	85,303	61,546
Total comprehensive income attributable to:					
Owners of the company	136,962	69,190	102,590	85,303	61,546
Earnings per Share (RMB cents)					
Basic	34.2	15.7	20.5	17.1	11.6
Basic (adjusted for the Rights Issue)	20.6	9.7	13.3	11.1	7.7
Diluted	32.5	15.2	20.1	16.7	11.6
Diluted (adjusted for the Rights Issue)	20.0	9.5	13.2	10.9	7.7
Gross dividend per Share (RMB cents)	–	1.3	1.2	–	–

Source: Annual reports of the Company for FY2012, FY2013 and FY2014, and the unaudited consolidated financial statements of the Group for 9M2015 as announced by the Company on SGXNET on 13 May 2015.

Notes:

(1) This represents eucalyptus trees, moso bamboo trees and bamboo shoots owned by the Group.

(2) This represents eucalyptus trees owned by the Group.

3. In respect of –

- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
- (b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

9M2015 compared with 9M2014

Revenue

The Group's revenue decreased by approximately RMB99.3 million or 18.7%, to approximately RMB430.7 million in 9M2015 from RMB530.0 million in 9M2014.

The lower revenue was mainly due to lower sales derived from the Group's cultivation business segment. Sales of the Group's self-cultivated shiitake mushrooms was approximately RMB220.6 million in 9M2015, which decreased by approximately RMB136.7 million or 38.3% from approximately RMB357.3 million in 9M2014. The Group produced and sold approximately 31,200 tons of shiitake mushrooms in 9M2015 compared to approximately 50,500 tons in 9M2014. It was mostly due to the scaling back of shiitake mushroom cultivation farmland from 5,134 mu in 9M2014 to 3,342 mu in 9M2015. In addition, the arrival of winter was delayed by almost three weeks during the shiitake mushroom harvesting season. Out of the shiitake mushrooms harvested in 9M2015, there were approximately 31,000 tons of shiitake mushrooms sold to external parties. The average selling price of the Group's fresh shiitake mushrooms remained constant at approximately RMB7.1 per kg compared to the same period in the last financial year.

Additionally, there was no sale of self-cultivated black fungus in 9M2015. In line with our growth strategy in the future, the Group decided not to renew the lease for black fungus cultivation land after its expiration on 30 June 2014. In 3Q2014, approximately RMB14.0 million was generated from the sale of black fungus.

The loss of revenue from the Group's shiitake mushroom business line was mitigated by increased sales in the Group's moso bamboo business line subsequent to the expansion of the Group's moso bamboo plantations. In October 2014, the Group operated 33,845 mu of moso bamboo plantations. The plantations were further expanded by 67,000 mu to 100,845 mu in 9M2015 compared to 11,302 mu in 9M2014. In 9M2015, the Group commenced the harvesting of winter bamboo shoots and spring bamboo shoots in the 67,000 mu of moso bamboo plantations, and the harvesting of bamboo trees from these plantations will only commence in the Group's next financial year.

Revenue from the Group's moso bamboo business increased to approximately RMB65.3 million in 9M2015 from approximately RMB13.0 million in 9M2014, representing almost a fivefold increase. There were approximately 34,230 tons of bamboo trees and 16,530 tons of bamboo shoots harvested and sold in 9M2015, in contrast to approximately 15,600 tons of bamboo trees and 357 tons of bamboo shoots in 9M2014. Out of the bamboo shoots harvested in 9M2015, approximately 14,789 tons were sold to external parties.

Sales from the processed food product business segment increased by approximately RMB3.6 million or 2.5%, to approximately RMB144.8 million in 9M2015 from approximately RMB141.2 million in 9M2014. The increase was mainly due to higher export sales to the Japanese market in 9M2015 as a result of increased orders from the Group's existing Japanese customers with whom the Group has established long-term working relationships.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately RMB16.2 million or 13.4%, to approximately RMB105.0 million in 9M2015, from approximately RMB121.2 million in 9M2014. The overall gross profit margin increased from 22.9% in 9M2014 to 24.4% in 9M2015.

The gross profit margin of the Group's cultivation business segment rose to 20.6% in 9M2015 from 19.6% in 9M2014. It was mainly due to increased contribution from the Group's moso bamboo business which had higher gross profit margin of approximately 40.0% in 9M2015. The increase in gross profit margin was partly offset by a decline in gross profit margin of shiitake mushrooms as average labour costs in production of mushroom logs and harvesting of shiitake mushrooms increased in 9M2015.

The gross profit margin of the Group's processed food product business segment remained stable at 31.8% in 9M2015 compared to 31.9% in 9M2014.

Other operating income

Other operating income of about RMB2.5 million in 9M2015 mainly consisted of government grants and subsidies, interest income, rental income and other miscellaneous gains. The government grants obtained in 9M2015 were mainly due to the receipt of an award for the Provincial Key Dragon Head Enterprise for 2014 and subsidies for the construction of the Group's processing plants in Tie Ling Economic and Technological Development Zone as it is the government's policy to encourage companies' improvement in production capacity and technology. In addition, the Group rented out more spare office floors and generated a higher rental income in 9M2015.

Operating expenses

Selling and distribution expenses decreased to approximately RMB3.7 million in 9M2015 compared to approximately RMB3.9 million in 9M2014. It primarily comprised of salaries for sales and marketing staff and custom charges. It was mainly attributable to the reduction in sales and marketing staff and sales promotion expenses as the Group was in the process of adjusting its marketing strategy.

Administrative expenses increased by approximately RMB11.0 million or 64.8%, to approximately RMB28.0 million in 9M2015 from approximately RMB17.0 million in 9M2014. It mainly arose from a loss on disposal of land use rights of eucalyptus plantations amounting to approximately RMB6.1 million, riverbank maintenance fees imposed by the PRC government and higher research and development expenses for the Group's products.

Other operating expenses mainly included maintenance cost of eucalyptus plantations and foreign exchange loss. A decrease of approximately RMB1.8 million or 27.7%, to approximately RMB4.9 million in 9M2015 from approximately RMB6.7 million in 9M2014, was primarily due to decreased maintenance costs in respect of eucalyptus plantations as less maintenance work was required on more mature plantations.

Finance cost

The finance cost increased to approximately RMB1.5 million in 9M2015 from approximately RMB1.0 million in 9M2014. It was mainly due to higher bank borrowings incurred between July 2014 and November 2014 compared to the same period in 2013.

Income tax expenses

Income tax expense decreased to approximately RMB7.8 million in 9M2015 compared to approximately RMB8.1 million in 9M2014. The Group's processed food product business segments are subject to Enterprise Income Tax at the rate of 25% while the cultivation business segment is exempt from Enterprise Income Tax and value-added tax. The Group's effective tax rate was 11.2% in 9M2015 as compared with 8.7% in 9M2014.

Total comprehensive income for the period

The resulting comprehensive income for the nine months under review decreased by approximately RMB23.8 million or 27.8%, to approximately RMB61.5 million in 9M2015 from approximately RMB85.3 million in 9M2014.

FY2014 compared FY2013

The Group's revenue increased by approximately RMB102.2 million or 20.0% to approximately RMB611.4 million in FY2014, from approximately RMB509.2 million during FY2013.

The Group's cultivation business segment reported improved revenue of approximately RMB419.3 million in FY2014. This was increased by approximately RMB64.4 million or 18.1%, compared to RMB354.9 million in FY2013.

Revenue generated from sales of self-cultivated shiitake mushrooms rose by approximately RMB46.1 million or 13.4% to RMB387.9 million in FY2014, from RMB341.8 million in FY2013. Favourable weather conditions during the harvesting period in the Group's cultivation sites resulted in satisfactory mushroom yields of approximately 54,380 tons in FY2014, compared to 50,650 tons in FY2013. The average selling price of the Group's self-cultivated fresh shiitake mushrooms was approximately RMB7.13 per kg in FY2014, up about 5.0% compared to FY2013.

Sales of black fungus increased by approximately RMB1.0 million or 7.6% to RMB14.1 million in FY2014 from RMB13.1 million in FY2013. The Group was then operating 86 mu of black fungus cultivation bases with an annual production rate of approximately 2,800 tons.

The Group commenced harvesting of its self-cultivated bamboo shoots and moso bamboo trees during FY2014. The Group produced and sold 565,100 pieces of moso bamboo trees and 357 tons of winter bamboo shoots during the year, generating revenue of RMB13.0 million. During the harvesting season, the Group operated 11,302 mu of bamboo plantations in Pucheng County, Fujian Province. In May 2014, the Group expanded its moso bamboo plantations to 33,845 mu.

Revenue from processed food products business segment grew approximately RMB37.8 million or 24.4% to approximately RMB192.1 million in FY2014, from RMB154.3 million in FY2013. It was mainly due to higher sales in both domestic and Japanese markets during the year.

Gross profit and gross profit margin

In tandem with the higher revenue, the Group's gross profit increased by approximately RMB33.7 million or 29.6%, to approximately RMB146.9 million in FY2014 from approximately RM113.2 million in FY2013.

The Group's overall gross profit margin rose to 24.0% in FY2014 from 22.2% in FY2013.

The gross profit margin of the Group's cultivation business segment increased to 20.3% in FY2014 from 18.2% in FY2013. It was mainly attributable to a higher average selling price of shiitake mushrooms in FY2014. In addition, winter bamboo shoots and moso bamboo trees generated gross profit margin of approximately 35% to 40% in FY2014.

The gross profit margin for the Group's processed food products business segment remained stable at 32.1% in FY2014 compared with 31.6% in FY2013. The variance resulted mainly from changes in product mix.

Other items of income

Other operating income consisted mainly of government subsidies, interest income, rental income and other miscellaneous gains. The decrease of other operating income in FY2014 was mainly due to revised contractual payment terms with the Group's shiitake mushroom distributors in 4Q2014.

Gain from changes in fair value of biological assets

An independent valuation expert is appointed to assess the fair value of the Group's eucalyptus trees and bamboo plantations at each balance sheet date. A net gain from changes in fair value of biological assets of approximately RMB13.0 million was recognised in FY2014, compared to a gain of approximately RMB2.4 million in FY2013. As at 30 June 2014, the Group owned 51,193 mu (4Q2013: 51,193 mu) of eucalyptus trees plantation and 33,845 mu (4Q2013: 11,302 mu) of bamboo plantations. The Group harvested 5,924 mu and 5,534 mu of eucalyptus trees in 2014 and 2013, respectively. The loss from changes in fair value of eucalyptus trees incurred after taking into consideration the factors of (i) timber reserves of eucalyptus trees as at valuation date were lower than expected; and (ii) an increase in cutting cost and operating cost as at the valuation date. On the other hand, there was a gain of approximately RMB25.0 million from changes in fair value of moso bamboo trees and bamboo shoots resulted primarily by the Group's expanded bamboo plantations. The net present value generated from the valuation was based on the best estimates by the valuer in view of the conditions of the Group's bamboo plantations and the market value of moso bamboo trees and bamboo shoots.

Other items of expense

Selling and distribution expenses decreased by approximately RMB1.3 million or 18.5% to approximately RMB6.1 million in FY2014, from approximately RMB7.4 million in FY2013. The Group reduced its sales and marketing staff and sales promotion expenses as the Group was in the process of adjusting its marketing plan and strategy.

Administrative expenses increased by approximately RMB5.9 million or 25.6%, to approximately RMB28.7 million in FY2014 from approximately RMB22.8 million in FY2013. This was mainly caused by higher depreciation of property, plant and equipment, research and development expenditures and staff welfare. Increase in depreciation was mainly due to the completion of new office building and processing plants which were capitalised as property, plant and equipment in FY2014.

Other operating expenses comprised mainly of maintenance cost of eucalyptus plantations and foreign exchange loss. It decreased by approximately RMB2.5 million or 18.6% to approximately RMB10.7 million in FY2014, from approximately RMB13.2 million in FY2013. This was mainly due to lower forest maintenance costs incurred on more mature eucalyptus trees.

Finance cost

The finance cost increased significantly to RMB1.6 million in FY2014. A loan of RMB30.0 million was drawn down from China Everbright Bank and utilised as general working capital purpose.

Income tax expense

Income tax expenses increased to approximately RMB13.4 million in FY2014, from approximately RMB8.1 million in FY2013. The increase was consistent with higher profit before income tax from the Group's processed food product segment. The Group's cultivation business segment is exempted from Enterprise Income Tax and value-added tax. The Group's subsidiaries, Wangcheng and Yuanwang, are subject to Enterprise Income Tax at the rate of 25%. The Group's effective tax rate was 11.5% in FY2014.

Total comprehensive income for the period

Total comprehensive income for the financial year under review increased by approximately RMB33.4 million or 48.2% to approximately RMB102.6 million in FY2014, from approximately RMB69.2 million in FY2013. The increase was mainly due to higher sales and profit during the current financial year.

FY2013 compared with FY2012

Revenue

The Group's revenue decreased by approximately RMB44.1 million or 8.0%, from approximately RMB553.3 million for FY2012 to approximately RMB509.2 million in FY2013.

The Group recorded a decrease of approximately RMB36.7 million or 9.7%, from approximately RMB378.5 million in FY2012 to RMB341.8 million in FY2013, in sales of self-cultivated shiitake mushrooms. The Group was then operating approximately 5,134 mu of shiitake mushroom cultivation bases. The Group produced and sold approximately 50,650 tons of self-cultivated shiitake mushrooms (fresh weight) in FY2013 as compared to approximately 56,000 tons in FY2012. The main cause of the lower yield was the unfavorable weather conditions in the cultivation sites from October 2012 to December 2012. The weather condition improved in January 2013 and the overall average unit selling price of self-cultivated fresh shiitake mushrooms for FY2013 was relatively stable as compared to last year.

Sales generated from self-cultivated black fungus decreased by approximately RMB0.5 million or 3.6%, from approximately RMB13.6 million in FY2012 to approximately RMB13.1 million in FY2013. The Group produced and sold approximately 2,800 tons (FY2012: 2,900 tons) of self-cultivated black fungus (fresh weight) and the Group was then operating approximately 86 mu of black fungus cultivation bases.

Sales of processed food products decreased by approximately RMB6.9 million or 4.3%, from approximately RMB161.2 million in FY2012 to RMB154.3 million in FY2013. The decrease was mainly due to sales recorded in weaker US\$ and JPY despite stable demand from the Japanese market. Sales of processed food products in the domestic market increased from approximately RMB56.4 million in FY2012 to RMB57.6 million in FY2013. The Group continued to focus on expanding its products range and promoting its brands in the PRC market.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately RMB95.1 million or 45.6%, from RMB208.3 million in FY2012 to RMB113.2 million in FY2013 owing to the decrease in revenue and lower profitability.

The Group's overall gross profit margin declined to 22.2% in FY2013 as compared to 37.6% in FY2012.

The gross profit margin for the Group's self-cultivation business segment decreased from approximately 39.9% in FY2012 to approximately 18.2% in FY2013 mainly due to higher raw material cost of synthetic logs whereas the average selling price of edible fungi remained the same as the previous year. Cost of synthetic logs has been on a rising trend since 2008 at approximately 10% year on year, whereas the average unit selling price of fresh shiitake mushrooms are largely market driven.

The gross profit margin for the Group's processed food products business segment was approximately 31.6% (FY2012: 33.2%). The variation was mainly due to changes in product mix.

Other operating income

Other operating income comprised mainly government grants and subsidies, interest income and other miscellaneous gains. In FY2013, the Group received approximately RMB4.2 million of distribution fees from its 12 appointed distribution outlets, RMB0.7 million grants from local government and RMB0.2 million in rental income from lease out spare spaces.

Gain/(Loss) from changes in fair value of biological assets

The fair value of the Group's eucalyptus trees and bamboo plantations at each balance sheet date is obtained through an independent expert valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited. The gain from changes in fair value of biological assets was approximately RMB2.4 million in FY2013 as compared with a loss from changes in fair value of biological assets of approximately RMB28.2 million in FY2012. The Group then owned 51,193 mu (FY2012: 51,193 mu) of eucalyptus trees plantation and 11,302 mu (FY2012: Nil) of bamboo plantations. The loss of approximately RMB10.5 million from changes in fair value of eucalyptus trees was mainly attributable to the factors such as (i) the growing conditions of the trees as at valuation date and their expected timber reserves from the plantations, (ii) the decrease in market price of eucalyptus

logs as at the date of valuation compared to the market price as at the last valuation date, and (iii) the increase in cutting cost as at the valuation date compared to the cutting cost as at the last valuation date. There was a gain from changes in fair value of bamboo plantations of approximately RMB12.9 million which was the net present value of existing bamboo plantations and the expected winter/spring bamboo shoots production based on best estimates by expert and current economic/market conditions.

Operating expenses

Selling and distribution expenses decreased by approximately RMB1.4 million or 15.4%, from approximately RMB8.8 million in FY2012 to approximately RMB7.4 million in FY2013.

As a result of the Group's effort to control overall administrative expenses, administrative expenses decreased by approximately RMB9.0 million or 28.1%, from RMB31.8 million in FY2012 to RMB22.8 million in FY2013. The decrease mainly resulted from reduction in staff salary and bonuses expenses. The decrease was also due to the reduction of research and development expenses of approximately RMB2.9 million which was now classified under direct cost.

Other operating expenses comprised mainly maintenance cost of eucalyptus trees in the Group's plantation forest and moso bamboo plantations and foreign exchange loss. The eucalyptus trees in the Group's plantation forest require less maintenance and fertilizer after the fourth year. Other operating expenses was increased by 91.8% mainly due to the additional maintenance cost of approximately 20,936 mu of eucalyptus plantations, which were acquired in December 2011 and the maintenance cost incurred for the approximately 11,302 mu moso bamboo plantations, which were acquired in April 2013. We also incurred exchange loss of approximately RMB2.8 million due to weakening currency of US\$ and JPY against RMB during the period under review. The Group's export sales are mainly denominated in US\$ and JPY.

Income tax expenses

The Group's income tax expenses was approximately RMB8.1 million in FY2013 as compared to an income tax credit of RMB0.1 million in FY2012. There was a one-time reversal of provision for deferred tax liability which represented withholding tax that would be payable on certain distributable earnings of the PRC subsidiaries in FY2012. The Group's self-cultivated edible fungi business segment is exempted from Enterprise Income Tax and value added tax for revenue. The Group's effective tax rate was 10.5% in FY2013.

Total comprehensive income for the period

The resulting comprehensive income for the financial year under review decreased by approximately RMB67.8 million or 49.5%, from approximately RMB137.0 million in FY2012 to approximately RMB69.2 million in FY2013. The decrease was mainly due to lower sales and profitability during the current financial year.

Financial Position

4. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –**
 - (a) **the most recent completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**
5. **The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:**
 - (a) **number of shares after any adjustment to reflect the sale of new securities;**

- (b) net assets or liabilities per share; and
- (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

Set out below are:

- (a) the audited consolidated balance sheets of the Group as at 30 June 2014; and
- (b) the unaudited consolidated balance sheet of the Group as at 31 March 2015.

	Audited as at 30 June 2014 RMB'000	Unaudited as at 31 March 2015 RMB'000
Non-current assets		
Property, plant and equipment	104,368	165,088
Biological assets ⁽¹⁾	158,714	153,377
Land use rights	98,104	26,141
Prepayments	138,745	322,198
Deferred tax assets	1,918	1,918
Total non-current assets	<u>501,849</u>	<u>668,722</u>
Current assets		
Biological assets ⁽²⁾	23,750	17,613
Inventories	13,671	14,854
Trade receivables	16,580	24,884
Other receivables	250,011	153,278
Tax recoverable	831	831
Cash and bank balances	21,591	18,664
Total current assets	<u>326,434</u>	<u>230,124</u>
Current liabilities		
Trade and other payables	21,975	15,813
Bank Borrowings	30,000	25,000
Current income tax payable	6,543	5,493
Total current liabilities	<u>58,518</u>	<u>46,306</u>
Net current assets	<u>267,916</u>	<u>183,818</u>
Non-current liabilities		
Deferred tax liabilities	(3,711)	(3,711)
Net assets	<u>766,054</u>	<u>848,829</u>
Equity		
Share capital	190,471	221,090
Share-based payment reserve	4,995	2,015
Statutory reserve	59,306	61,394
Accumulated profits	511,282	564,330
Total equity attributable to owners of the parent	<u>766,054</u>	<u>848,829</u>

	Audited as at 30 June 2014 RMB'000	Unaudited as at 31 March 2015 RMB'000
Before the Rights Issue		
Net asset value (RMB'000)	766,054	848,829
Total number of issued Shares ('000) ⁽³⁾	540,667	540,667
Net asset value per share (cents)	141.7	157.0
After the Rights Issue		
Net asset value (RMB'000) ⁽⁴⁾	784,054	866,829
Total number of issued Shares ('000) ⁽⁵⁾	811,001	811,001
Net asset value per Shares (cents)	96.7	106.9

Source: Annual report of the Company for FY2014 and the unaudited consolidated financial statements of the Group for 9M2015 as announced by the Company on SGXNET on 13 May 2015.

Notes:

- (1) This represents eucalyptus trees, moso bamboo trees and bamboo shoots.
- (2) This represents synthetic logs of edible fungi owned by the Group.
- (3) Based on the Existing Share Capital.
- (4) Adjusted for the estimated Net Proceeds of S\$18.0 million from the subscription of the Rights Shares.
- (5) Based on the aggregate of the Existing Share Capital and the 270,333,587 Rights Shares.

Liquidity and Capital Resources

6. **Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –**
- (a) the most recent completed financial year for which financial statements have been published; and**
 - (b) if interim financial statements have been published for any subsequent period, that period.**

Set out below are:

- (a) the audited cash flow statement of the Group for FY2014; and
- (b) the unaudited cash flow statement of the Group for 9M2015.

	Audited 30 June 2014	Unaudited 31 March 2015
	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	115,961	69,312
Amortisation of biological assets ⁽¹⁾	252,578	144,479
Amortisation of land use rights	2,772	1,347
Amortisation of prepayments	18,125	38,059
Depreciation of property, plant and equipment	8,180	6,201
Interest expense	1,610	1,542
Interest income	(84)	(46)
Gain from changes in fair value of biological assets ⁽²⁾	(13,037)	–
Gain on disposal of biological assets ⁽³⁾	(617)	–
Gain on disposal of property, plant and equipment	–	(2)
Loss on disposal of land use right	–	6,075
Plant and equipment written off	3	–
Fair value transferred from biological assets ⁽³⁾	–	5,337
Share-based payment expenses	2,979	–
Operating cash flows before changes in working capital	388,470	272,304
Biological assets ⁽¹⁾	(226,616)	(138,342)
Inventories	2,654	(1,183)
Trade and other receivables	(33,501)	100,743
Trade and other payables	2,235	(6,164)
Cash flows from operations	133,242	227,358
Interest received	84	46
Income taxes paid	(11,579)	(8,655)
Net cash flows from operating activities	121,747	218,749
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	–	14
Proceeds from disposal of land use right	–	64,541
Proceeds from disposal of biological assets ⁽³⁾	4,280	–
Purchase of property, plant and equipment	(58,394)	(66,933)
Refund from prepaid lease	–	16,842
Additions to land use rights	(135)	–
Prepayments	(88,942)	(250,826)
Net cash flows used in investing activities	(143,191)	(236,362)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of placement shares	–	27,639
Expenses related to issuance of placement shares	–	–
Proceeds from bank loan	30,000	25,000
Repayment of loan	–	(30,000)
Interest paid	(1,610)	(1,543)
Dividends paid	(6,463)	(6,410)
Net cash flows from financing activities	21,927	14,686
Net increase in cash and cash equivalents	483	(2,927)
Cash and cash equivalents, beginning balance	21,108	21,591
Cash and cash equivalents, ending balance	21,591	18,664

Source: Annual report of the Company for FY2014 and the unaudited consolidated financial statements of the Group for 9M2015 as announced by the Company on SGXNET on 13 May 2015.

Notes:

- (1) This represents edible fungi synthetic logs owned by the Group.
- (2) This represents eucalyptus trees, moso bamboo trees and bamboo shoots owned by the Group.
- (3) This represents eucalyptus trees owned by the Group.

Review of Cash Flow Statement for 9M2015

For 9M2015, the Group recorded net cash generated from operating activities of approximately RMB218.7 million. This consisted of cash generated from operating activities before changes in working capital of approximately RMB272.3 million, working capital outflow of approximately RMB44.8 million, and net of cash outflow amounting to approximately RMB8.6 million from interest income received and income tax paid.

The net working capital outflow was mainly due to increased costs of mushroom synthetic logs amounting to approximately RMB138.3 million and a decrease in advances from customers. The net working capital outflow was partly offset by refund of deposits paid for investments and decreased prepayments made to suppliers of raw materials and contractors.

A net cash of approximately RMB236.4 million was used in investing activities. It mainly included a payment of approximately RMB234.5 million made for the 10-year lease for 67,000 mu of moso bamboo plantations, the purchase of property, plant and equipment and progressive payment made for construction of new plants and Research and Development Centre amounting to approximately RMB66.9 million, and a prepaid lease of approximately RMB16.3 million for eucalyptus plantations. The net cash outflow was partly offset by proceeds from the disposal of land use rights of eucalyptus plantations amounting to approximately RMB64.5 million and a refund from prepaid lease of approximately RMB16.8 million as a result of the termination of lease for 1,792 mu of shiitake mushroom farmland.

Net cash flow generated from financing activities was approximately RMB14.7 million in 9M2015. It was mainly due to net proceeds of approximately RMB27.6 million from a Share placement undertaken in 9M2015, and additional bank borrowings of RMB25.0 million from China Everbright Bank for working capital purposes. The amount was partly offset by a repayment of bank borrowings amounting to RMB30.0 million, a dividend payout for FY2014 of approximately RM6.4 million and an interest payment for bank borrowings of approximately RMB1.5 million.

Review of Cash Flow Statement for FY2014

For FY2014, the Group recorded net cash generated from operating activities of approximately RMB121.7 million. This comprised cash generated from operating activities before changes in working capital of RMB388.5 million, working capital outflow of RMB255.2 million, and net of cash outflow amounting to RMB11.5 million from interest income received and income tax paid.

The net working capital outflow was mainly due to utilisation of edible fungi synthetic logs of approximately RMB226.6 million during the harvesting season in FY2014. In addition, trade and other receivables increased by approximately RMB33.5 million. The cash outflow was partially offset by a decrease in inventories of RMB2.6 million and an increase in trade and other payables of RMB2.2 million.

Net cash of approximately RMB143.2 million was used in investing activities, including prepaid lease of RMB78.9 million for the additional 22,543 mu of moso bamboo plantations, purchase of machinery and equipment and progressive payment for the new plants and Research and Development Centre. In addition, approximately RMB10.0 million was paid in advance for maintenance of eucalyptus plantations. The cash outflow was partially offset by proceeds of approximately RMB4.3 million derived from disposal of eucalyptus trees.

In FY2014, net cash of approximately RMB21.9 million was generated from financing activities. The Group drew down a loan of RMB30.0 million from China Everbright Bank for general working capital purposes. The cash inflow was partially reduced by interest expenses incurred on bank loan of approximately RMB1.6 million and payment of final dividend for FY2013 of approximately RM6.5 million.

7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

The Directors are of the reasonable opinion that, after taking into account the Group's existing banking facilities, operating cashflows and its internal cash resources, the working capital available to the Group, as at the date of lodgement of this Offer Information Statement, is sufficient to meet its present requirements.

8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide –**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; and**
 - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

As at the Latest Practicable Date, the Directors are not aware of any breach by any entity in the Group of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Company's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the Section entitled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement for further information.

Business and financial prospects for the current financial year of the Group

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors which are specific to the Group and that are material to Shareholders and prospective investors in making an informed judgment on the Rights Issue are set out below. Shareholders and prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Rights Shares. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

*There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business operations, results of operations, financial condition, net sales, revenues, cash flow, profitability, liquidity, capital resources and/or prospects of the Group (collectively, the "**Business**") could be materially and adversely affected. In that event, the trading price of the Shares and/or the Rights Shares could decline due to any of these considerations and uncertainties, and Shareholders and prospective investors may lose all or part of their investment in the Shares and/or the Rights Shares.*

Save as disclosed below and in this Offer Information Statement, the audited financial statements of the Group for FY2012, FY2013 and FY2014 and in the announcements of the Company and barring any unforeseen circumstances, the Directors are not aware of any trends, uncertainties, demands, commitments or events of the current financial year, that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to not necessarily be indicative of the future operating results or financial condition of the Group, in respect of the performance of the Group for the current financial year and relating to the business and financial prospects of the Group and/or trends that will have a material effect on the financial condition and operating results of the Group.

The headings herein are inserted for convenience only. Risk factors inserted under a particular division or segment of the Group's business are not exclusively applicable to such division or segment and may also be applicable to the other business divisions or segments of the Group.

RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

The Group is dependent on its major customers

The Group's customers are mainly wholesalers of agricultural food products in PRC, PRC domestic supermarkets and overseas companies who are engaged in the food products processing and distribution industry. The Group's major customers, each of whom accounted for more than 5% of the Group's sales, accounted for an aggregate of approximately 11.5%, 11.4%, 11.9% and 18.9% of the Group's sales for FY2012, FY2013, FY2014 and 9M2015, respectively.

The Group does not enter into any long-term contract with any of its major customers. Accordingly, there is no assurance that the Group can continue to secure repeat orders of similar or higher volume and/or value. In the event that any of the Group's major customers reduces or discontinues its purchases, the Business and any investment in the Shares may be materially and adversely affected if the Group is unable to secure sufficient additional orders to replace these lost orders.

The Group is susceptible to natural disasters, adverse weather conditions and outbreak of plant-related diseases

Given the nature of the Group's business, the operations of its shiitake mushroom cultivation bases, eucalyptus plantations and moso bamboo plantations are susceptible to (i) natural disasters and adverse weather conditions such as droughts, floods and earthquakes, (ii) environmental hazards and (iii) plant-related diseases. The occurrence of any of the above events in or in close proximity to the Group's shiitake mushroom cultivation bases, eucalyptus plantations, moso bamboo plantations and/or the facilities of the Group's suppliers from whom the Group purchases necessary raw materials used in the cultivation of its shiitake mushrooms (such as synthetic logs) could cause reduction in the output of and/or costly delays in harvesting the Group's mushrooms, eucalyptus and/or bamboo and bamboo shoots. As a result, the Business and any investment in the Shares could be materially and adversely affected.

In addition, the supply of fresh vegetables (such as bamboo shoots, radish, carrots and burdock) and semi-processed food products (such as konjac powder, canned bamboo shoots and dried shiitake mushrooms), which are the main raw materials used in the production of the Group's processed food products, are also vulnerable to the occurrence of any of the abovementioned events. If the Group is not able to obtain sufficient supply of these raw materials upon occurrence of any of the abovementioned events, the production of its processed food products will be disrupted and in turn, the Business and any investment in the Shares could be materially and adversely affected.

The Group's financial results may fluctuate due to increases or decreases in the appraised fair value of its biological assets

The Group reassesses the fair value of its biological assets on its eucalyptus plantations and moso bamboo plantations at every balance sheet date. The Group's annual valuations are prepared by independent valuers and the estimations are based on discounted cash flows of the underlying biological assets. In accordance with Singapore Financial Reporting Standards ("**SFRS**"), the Group recognises changes to the appraised fair value of its biological assets on its eucalyptus plantations and moso bamboo plantations as an increase or decrease (as applicable) in the Group's statement of comprehensive income.

However, there is no cash flow impact arising from any fair value increase or decrease as long as the relevant eucalyptus plantations and moso bamboo plantations on which the biological assets are located are held by the Group. Based on the Group's audited combined financial statements, the Group recognised fair value loss of RMB28.2 million for FY2012 and fair value gains of approximately RMB2.4 million and RMB13.0 million for FY2013 and FY2014, respectively. The increase in the appraised fair value of the Group's biological assets may fluctuate further in the future, and the Group's historical results should not be regarded as an indicator of the future profits of the Group. In addition, the appraised fair value of the Group's biological assets may decrease in the future. Any decrease in the fair value of the Group's biological assets could have a material and adverse effect on the Business and any investment in the Shares.

The Group is susceptible to shortages and fluctuations in the prices of our raw materials

The Group's raw materials purchases accounted for approximately 77.2%, 78.8%, 76.1% and 69.8% of the Group's cost of sales for FY2012, FY2013, FY2014 and 9M2015, respectively. The main raw materials for the cultivation of the Group's shiitake mushrooms are synthetic logs purchased from the Villagers' Committees. The main raw materials for the production of the Group's processed food products are fresh vegetables (such as bamboo shoots, radish, carrots and burdock) and semi-processed food products (such as konjac powder, canned bamboo shoots and dried shiitake mushrooms), purchased from individual farmers and food processing companies.

The Group's business is therefore highly dependent on the constant and sufficient supply of these raw materials and the Group is also affected by adverse fluctuations in the prices of these raw materials depending on the supply and demand conditions from time to time.

Any major shortages in the supply and/or adverse fluctuations in the prices of these raw materials could reduce the output and/or result in an increase in the production costs of the Group's self-cultivated shiitake mushrooms and/or processed food products. Such reduction in the output and/or increase in the costs (which in the event the Group is not able to pass on to its customers either partially or wholly) could have a material and adverse effect on the Business and any investment in the Shares.

The Group is dependent on its arrangement with the Villagers' Committees

The Group works closely with the Villagers' Committees for the operation of its shiitake mushroom cultivation bases.

The Group entered into lease agreements with the respective Villagers' Committees which represent individual farmers who have the contracting operation right in respect of the agricultural lands where the Group's shiitake mushroom cultivation bases are located. Pursuant to these agreements, the Group pays rent to these Villagers' Committees who are responsible for forwarding the respective portion of such rent to the relevant individual farmers. The Group is unable to ensure that such rent has been or will be paid by these Villagers' Committees to the rightful individual farmers who lease the respective plot(s) of farmland to the Group. As such, we may face proceedings or claims for unpaid rent from the individual farmers affected which may result in the Business and any investment in the Shares being materially and adversely affected. As at the Latest Practicable Date, the Group has not received any complaints or dispute from any of the individual farmers relating to the payment of rent.

However, there is no assurance that such proceedings and/or claims may not arise in the future. In addition, notwithstanding that the Group has the right to renew these lease agreements with the Villagers' Committees upon their expiry, there is no assurance that the individual farmers will continue to authorise the respective Villagers' Committees to do so. In such events, if the Group is unable to secure new lease agreements on commercially viable terms with other individual farmers or Villagers' Committees, the Group may not be able to satisfy orders from its customers for its self-cultivated shiitake mushrooms, and accordingly, the Business and any investment in the Shares may be materially and adversely affected.

The Group also entered into various agreements with the respective Villagers' Committees, pursuant to which, among others, these Villagers' Committees shall procure the individual farmers to provide the following labour services: (i) farming (mainly including daily maintenance, harvesting, sorting, transportation, etc.); (ii) construction of cultivation tentage outer structure; and (iii) installation of shading net. In addition, the Group engaged the Villagers' Committees to procure individual farmers to provide maintenance services for the Group's eucalyptus plantations.

The Group does not have direct contractual relationships with the individual farmers and rely on these Villagers' Committees to oversee individual farmers' adherence to the Group's requirements and specifications in respect of the cultivation of shiitake mushrooms and our eucalyptus plantations. There is no assurance that the individual farmers will comply and provide the requisite labour services. In the event of such non-compliance and the Group is not able to obtain the alternative labour services at competitive prices or at all, the Business and any investment in the Shares could be materially and adversely affected.

In addition, the Group entered into agreements with the respective Villagers' Committees to purchase synthetic logs. The Group's purchases from these Villagers' Committees accounted for 69.2%, 73.6% and 70.6% of the Group's total purchases for FY2012, FY2013 and FY2014, respectively. There is no assurance that these Villagers' Committees will not terminate the Group's agreements prematurely. In the event of any premature termination of the Group's agreements with these Villagers' Committees for whatever reasons, the Group may not be able to purchase sufficient amount of synthetic logs that satisfy its requirements and specifications at competitive prices and as a result, the Business and any investment in the Shares could be materially and adversely affected.

The Group is dependent on the consumer demand for its products

The sales of the Group's products directly correlate to the end customers' demand for its products. Demand for the Group's products depends primarily on demographic factors, consumer preferences and trends, as well as factors relating to discretionary consumer spending, including the general condition of the economy, general level of consumer confidence and seasonal factors such as weather and festivals. Any decrease in consumer demand for the Group's products due to factors including those mentioned above may materially and adversely affect the Business and any investment in the Shares.

The Group may be affected by complaints and product liability claims from consumers and/or negative publicity in relation to safety of food products produced in PRC

The Group may, from time to time, be the subject of complaints from consumers of its products with regard to the Group's product quality which will in turn affect the Group's reputation. Further, the Group's business may be materially and adversely affected by negative publicity resulting from the publication of industry findings, research reports or health concerns in relation to the raw materials, semi-processed or processed food products from PRC. There is no assurance that there will be no complaints or negative publicity in the future. Any such complaints and negative publicity, regardless of their validity, may result in lower demand for the Group's products and hence a decline in the number of orders which the Group would otherwise receive from its customers. The Business and any investment in the Shares may therefore be materially and adversely affected.

Currently, the Group does not have any product liability insurance in respect of its products. Any complaints on the Group's products which escalate to become lawsuits against the Group, even where unsuccessful, would require the Group to divert resources to address these claims. In the event of any successful product liability claims against the Group in the future, the Group's liabilities in respect of such claims could materially and adversely affect its Business and any investment in the Shares.

The Group faces risks associated with contamination or deterioration of its products

The contamination or deterioration of the Group's products, whether actual or alleged, deliberate or accidental, could harm the Group's reputation and business. A risk of contamination or deterioration exists during each stage of the cultivation of the Group's shiitake mushrooms and moso bamboo and the manufacturing of the Group's processed food products. Any such contamination or deterioration could result in a recall of the Group's products and/or criminal or civil liability and restrict the Group's ability to sell its products. This could consequently have a material and adverse effect on the Business and any investment in the Shares.

The Group is subject to risks relating to the economic, political, legal or social environment of the locations to which the Group exports its products

The export sales of the Group's products to overseas markets accounted for approximately 18.9%, 19.0%, 19.9% and 22.9% of the Group's total revenue for FY2012, FY2013, FY2014 and 9M2015, respectively.

The Business and any investment in the Shares may be materially and adversely affected by developments in the Group's export markets relating to various matters including inflation, interest rates, currency fluctuations, government policies (including import restrictions such as antidumping or "Green Barrier" policies), exchange control regulations, food industry laws and regulations, social instability and other political, legal, economic or diplomatic developments.

"Green Barriers" are erected with the implementation of strict technical standards and quality certification requirements on imported goods on the grounds of the environment and public health issues.

There is the risk that the target market countries may set up import restrictions including trade barriers to prevent or reduce the import of the Group's products. If this risk materialises, the Group's overseas customers may reduce their orders from the Group. The Group has no control over such conditions and developments and can provide no assurance that such conditions and developments will not have a material and adverse effect on the Business and any investment in the Shares.

In addition to the above, a recession in the global economy could have an adverse impact on world trade and hence, the overall demand for the Group's products which may in turn materially and adversely affect the Business and any investment in the Shares. There is no assurance that the factors which have contributed to the success of the Group over the past years will continue to occur in the future. The Business and any investment in the Shares could be materially and adversely affected if these conditions deteriorate in the future.

Any disruptions to the supply of water, electricity or fuel or any outbreak of fire, earthquake, tsunami, adverse weather conditions or other calamities may result in major disruptions in the Group's operations and could adversely affect the Group's sales

The Group's operations are dependent on a stable supply of water, electricity and fuel. Disruptions to the supply of utilities due to restrictions in supply by the relevant authorities may result in disruption to the Group's operations. In addition, the Group's operations may also be affected by the occurrence of calamities such as outbreaks of fire, earthquake, tsunami or similar calamities at its factories and/or cultivation bases, which would result in loss and/or damages to the Group's production equipment, facilities, inventories and/or cultivation bases, or result in suspension of production or delay in the Group's production process and/or cultivation. Any major disruptions to the Group's operations may materially and adversely affect the Group's ability to fulfill its sales orders and the Business and any investment in the Shares. In addition, the Group's suppliers and customers may be affected by the foregoing and in such event, the Group's supplies and sales will be affected, respectively.

The outbreak of avian influenza and/or other communicable diseases, if uncontrolled, could affect the Group's financial performance and prospects

The outbreak of avian influenza and/or other communicable diseases, if uncontrolled, can have a material and adverse effect on business sentiments and environment. In addition, if any of the Group's employees, customers or suppliers, is affected by the outbreak of communicable diseases, the Group's operations, the Group's customers' orders and the Group's supply of raw materials may be adversely affected. Accordingly, the Business and any investment in the Shares may be materially and adversely affected.

The Group may be unable to source for sufficient labour

The Group is dependent on workers for the production of its processed food products. Due to the seasonal nature of the Group's products, the Group requires a large number of temporary workers, particularly during the various production periods of its different products. If the Group is unable to source for sufficient labour to meet its anticipated production schedules, the Group's production activities could be materially and adversely affected which in turn, could have a material and adverse effect on the Business and any investment in the Shares.

Additionally, the Group relies almost entirely on third-party workers for the cultivation and harvesting of its moso bamboo plantations. The workforce used for the Group's moso bamboo plantations comprises farmers and other seasonal workers. Competition for the contracting of farmers or seasonal workers as plantation workers could increase in the future, or such plantation workers could find other, more attractive employment leading to a potential shortage of such workers as well as higher labour costs. In addition, as strikes and labour unrest are not uncommon in rural areas in PRC, there remains a risk that the workers employed in the Group's moso bamboo plantations may engage in such strikes or labour unrest in the future, in which event it could have a material and adverse effect on the Business and any investment in the Shares.

The Group may face rising labour costs

The labour costs of the Group accounted for approximately 13.9%, 13.8%, 15.6% and 13.5% of the Group's total cost of sales for FY2012, FY2013, FY2014 and 9M2015, respectively. The labour costs include salaries of employees and the amount paid to the Villagers' Committees for labour services in respect of (i) farming (mainly including daily maintenance, harvesting, sorting, transportation, etc.); (ii) construction of cultivation tentage outer structure; and (iii) installation of shading net. The Group has noticed an increase in labour costs in PRC in the recent years and expects such increase to continue in the near future. To remain competitive, the Group may need to increase the salaries of its employees to retain and attract them, and/or increase the amount payable to the Villagers' Committees for the labour services. The increase in such costs will increase our business operation costs and the Business and any investment in the Shares may, in turn, be materially and adversely affected.

Furthermore, the PRC government may implement increasingly stringent laws and regulations on employers with regard to, *inter alia*, minimum wages, severance payments, probation periods etc. As a result, the additional costs of implementing these additional measures could have a material and adverse effect on the Business and any investment in the Shares.

The Group operates in a highly competitive industry

The Group operates in a highly competitive industry and face competition from both its existing competitors and new entrants to the market. Some of the Group's competitors may have, in comparison to the Group, lower costs of operation and greater resources to invest in product development and customer support. The Group may also face increased competition from new competitors who seek to penetrate markets where the Group has established a presence. Some of the Group's competitors may have longer operating history, larger customer bases, better products, stronger technical and professional teams and/or stronger financial resources.

Increased competition may result in lower prices, reduced profit margins, loss of market share and/or increased difficulty in market penetration, any of which could materially and adversely affect the Business and any investment in the Shares. There is no assurance that the Group will be able to remain competitive and the Group may not compete effectively with existing or new competitors in the future and this may materially and adversely affect the Business and any investment in the Shares.

The Group may be adversely affected should it fails to comply with the conditions attached to its licences or permits, or in the event any of its licences or approvals are revoked, not renewed or not extended

The Group has obtained various licences and permits such as the Food Hygiene Licence, the National Industrial Product Production Permit (Food Production Permit) and the Temporary Pollutant Discharge Permits in order to carry on the business of food production and processing in PRC. The Group has also obtained Organic JAS and the HACCP certificates, which are necessary for the export of its products to certain countries. Under PRC laws and regulations, for the purpose of protecting and rationalizing the use of China's forest resources and environment protection, the cutting of timber, including bamboo trees and eucalyptus trees, may only be carried out with a logging license.

In the event any of the above licences, permits or export certifications is revoked, not renewed or not extended, the Group's operations would be affected and this may materially and adversely affect the Business and any investment in the Shares. In addition, the Group's customers may lose confidence in the Group and the Group may face a decline in the number of orders for its products.

The Group is subject to risks resulting from the Group's land contracting agreements

The Group's moso bamboo plantations are currently situated on land which is contracted indirectly from different landowners or holders of land use rights which own or hold collective land use rights to those parcels of land. The legal status of the owner of collective land-use rights under PRC law may be less secured than the legal status of the owner of land in Western legal systems as there is, among others, a higher risk of expropriation by the PRC government. The land contracting agreements may also be terminated as a result of a compulsory acquisition of land by the PRC government.

The contractor under any one of the land contracting agreements may breach its obligations under the relevant land contracting agreements which may affect the Group's right to use the land or operate the moso bamboo plantations. In addition, if the Group materially breaches any of its contractual obligations or PRC law or regulations, the respective contractor could terminate land contracting agreements. There can be no assurance that the land contracting agreements will be renewed upon expiry. The Group may also not be able to secure new land contracting agreements on commercially viable terms with the owners of other agricultural land. Further, in the event the Group loses the right to use all or any of its moso bamboo plantations as a result of any dispute and subsequently encounters difficulty in finding suitable alternative plantations, the Business and any investment in the Shares could be materially and adversely affected.

The Group is subject to the credit risk of its customers

The Group typically grants credit terms of up to ninety (90) days to its customers for processed food products. The Group is therefore exposed to payment delays and/or defaults by such customers. If the Group's customers experience cash flow difficulties or deterioration in their business performance, they may default on their payments to the Group. In such event, the Group may experience payment delays or in more severe cases, the Group may not be able to collect payment. This may have a material and adverse impact on the Business and any investment in the Shares.

The Group is exposed to foreign exchange risk

Currently, a portion of the Group's revenue is generated from sales to overseas markets, which is mainly denominated in US\$ and JPY. All of the Group's purchases and the bulk of the Group's overheads are denominated in RMB. To the extent that the Group's revenue, purchases and operating costs are not matched in the same currency and to the extent that there are timing differences between invoicing and the collection of payment, as the case may be, the Group will be exposed to any adverse fluctuations of RMB and other currencies, and the Business and any investment in the Shares may be materially and adversely affected.

Presently, the Group does not have a formal foreign currency hedging policy with respect to its foreign exchange exposure. Hence, the Group may be adversely affected by foreign exchange fluctuations which may, in turn, affect the Business and any investment in the Shares.

The Group may not be able to successfully implement its expansion plans

The Group intends to continue to expand its business organically as well as through mergers and acquisitions when suitable opportunities arise. There is no assurance that the Group may be able to continue to grow or that the Group may be able to successfully implement its expansion plans. Mergers and acquisitions may also put excessive demands on the Group's management, operating systems, internal control systems, finance, human resource and administrative resources. In the event that the Group experiences any unexpected decline in its revenue growth or if the Group is unable to effectively manage its business expansion, the Business and any investment in the Shares may be materially and adversely affected.

The Group may not be able to obtain sufficient financial resources to support its business development and/or acquire sufficient and/or additional bank loans or other borrowings

The Group finances its operations mainly from internally-generated funds and shareholders' funds. There is no assurance that the Group will be able to obtain sufficient financial resources to support its business development. In the event that the Group is required to pay back any of its loans or credit facilities before they are due or if the Group is unable to renew loans or credit facilities when their terms expire or if the Group is unable to get additional loans or other credit facilities, the Group may not be able to implement its business and operational strategies and the Business and any investment in the Shares may in turn be materially and adversely affected.

The Group's insurance coverage may not cover all situations

The Group has taken up comprehensive property insurance covering its fixed assets and inventory, as well as motor vehicle insurance. However, there is no assurance that this coverage is sufficient to cover all of the Group's potential losses. In the event that the amounts of such claims exceed the insurance coverage of the insurance policies which the Group has taken up, the Group may be liable to cover the amounts claimed. If such events were to occur, the Business and any investment in the Shares may be materially and adversely affected.

The Group does not have insurance coverage for damage to its moso bamboo plantations or losses resulting from product liability as the Company believes that such coverage cannot be obtained on commercially viable terms.

Damage caused by adverse weather conditions, natural or man-made disasters, diseases or pestilence would thus not be covered by insurance. In addition, product liability losses as a result of defective products including claims from consumers for compensation of damage to their health would not be covered by insurance.

The commercial effects of the occurrence of damages to its bamboo plants or the exposure to product liability claims would not be compensated for, in whole or in part, by insurance coverage. As a result, the occurrence of any of these developments could have a material and adverse effect on the Business and any investment in the Shares.

The Group may be exposed to possible infringements of its intellectual property rights and technical know-how

The Group's processed food products are produced and marketed in PRC under its registered trademarks, such as “旺成食品”, “研食坊” and “第七庄园”. The Group believes that its trademarks are an integral aspect of the Group's strategy on branding and play a key role in increasing brand awareness for the Group's products. In addition, the Group also owns patents relating to packaging designs.

The Group is not aware of any violations or infringements of its intellectual property rights as at the Latest Practicable Date. However, there can be no assurance that the Group's intellectual property rights will not be infringed upon and that measures taken by the Group to protect its trademarks and patents will be adequate to prevent brand infringement, product imitation and counterfeiting by others. In the event that other parties infringe the Group's intellectual property rights by unlawfully passing off their merchandise under its brand names, the Group may face great difficulties and costly litigation in order to fully protect its intellectual property rights which may in turn materially and adversely affect the Business and any investment in the Shares.

In the event that the Group is unsuccessful in policing the violation of its intellectual property rights, the availability of counterfeit goods in the market may reduce the demand for its products and this would adversely affect the Group's brand reputation and the Business and any investment in the Shares.

In addition, the Group has accumulated over the years knowledge and experience in relation to the cultivation of shiitake mushrooms which is part of the Group's proprietary technical know-how. Thus, effective protection of proprietary information and technical know-how in the Group's operations is critical to its business. Such proprietary information is derived mainly from the Group's research and development efforts as well as the collaborations with Fujian Agricultural and Forestry University (Mycological Research Centre and Institute of Food Science and Technology, Fujian Agriculture and Forestry University).

As the Group's proprietary information and know-how are not patented, the Group relies on confidentiality restrictions to protect such intellectual property rights. The Group is thus vulnerable to unauthorised disclosure of such proprietary information to its competitors. There is no assurance that there will be no unauthorised disclosure of the Group's proprietary information. Hence, should any of the Group's proprietary information or technical know-how be leaked to the Group's competitors, the Business and any investment in the Shares may be adversely affected.

The Group may be negatively affected by political and economic uncertainties in the world

Terrorist attacks and other acts of violence or war may affect the markets in which the Group operates and/or where its customers have a presence, and consequently affect the Business and any investment in the Shares. Such terrorist attacks or armed conflict may result in political and economic instability in such markets and thus affect the demand for the Group's products, its production capacity and its ability to deliver its products to its customers in a timely and cost-effective manner, which could in turn materially and adversely affect the Business and any investment in the Shares.

The Group is dependent on its Executive Directors and executive officers

The Group's success to date has been largely due to the collective contribution of the senior management team, under the leadership of our Executive Chairman and Chief Executive Officer, Chen Qiu Hai, who is also the founder of the Group. They are mainly responsible for formulating and implementing the general business strategies for the development, growth and future expansion of the Group.

The Group's continued success is dependent, to a large extent, on its ability to retain their services. The Group does not maintain any insurance coverage for possible loss resulting from any loss of key management staff or any other types of key man insurance. As such, the loss of the services of the Executive Directors and/or executive officers without timely and suitable replacement or the inability to attract and retain qualified personnel will materially and adversely affect the Business and any investment in the Shares.

Failure to comply with the food safety related laws and regulations in PRC or other jurisdictions where the Group's products are sold

As the Group is engaged in the food industry in PRC, the Group is subject to compliance with PRC food safety laws and regulations. These food safety laws require all companies engaged in the production of food products to obtain manufacturing licences for products that they process. They also set out safety standards with respect to food and food additives, packaging and containers, information to be disclosed on packaging as well as safety requirements for food production and sites, facilities and equipment used for the transportation and sale of food. The Group is also subject to laws and regulations in other jurisdictions, such as Japan, where its products are sold. Failure to comply with food safety laws in PRC or other jurisdictions where the Group's products are sold may result in fines, suspension of operations, loss of safety licences and, in more serious cases, criminal proceedings against the Group and its management. In the event that PRC or other relevant governments increase the stringency of such laws, or implement new requirements, the Group may not be able to satisfy such laws or requirements, and the Group may have to cease sales of its products to certain jurisdictions and/or the Group's production, and/or its distribution costs may increase and the Group may not be able to pass these additional costs on to its customers. As a result, the Business and any investment in the Shares may be materially and adversely affected.

RISKS RELATING TO PRC

All of the Group's production facilities are located within PRC and the majority of its revenue is derived from PRC, as such its operations and business are dependent on the political, economic, regulatory and social conditions of PRC

All of the Group's production facilities are located within PRC and the majority of its revenue is derived from PRC. Accordingly, the Group's business and future growth is dependent on the political, economic, regulatory and social conditions of PRC. Any changes in the policies implemented by the PRC government that are detrimental to the Group's business such as those that may result in currency and interest rate fluctuations, capital restrictions, and changes in duties and taxes could materially and adversely affect the Business and any investment in the Shares.

PRC's legal system is a codified legal system made up of written laws, regulations, circulars, administrative directives and internal guidelines as well as judicial interpretations. Since 1978, the PRC government has been reforming and is expected to continue to reform the rules, laws and regulations governing its economic and political systems. Any changes in the economic and political policy of the PRC government may lead to a change in the rules, laws and regulations or the interpretation of the same, as well as changes in the foreign exchange regulations, taxation and import and export restrictions, which may in turn adversely affect the Group's co-operation and dealings with its business associates. While the current policy of the PRC government seems to be one that promotes economic reform and encourages investments and greater economic decentralisation, there is no assurance that such a policy will continue to prevail in the future.

Changes to existing tax laws and regulations may adversely impact the Group's profitability

Pursuant to the PRC Enterprise Income Tax Implementing Rules and the PRC Value Added Tax Interim Rules, the Group's subsidiaries, Fengwang, Lijiashan and Shansheng, are exempted from the Enterprise Income Tax and the value added tax for revenue deriving from the sales of self-cultivated and/or semi-processed agricultural products (as the case may be).

In addition, pursuant to the PRC Value Added Tax Interim Rules, each of the Group's subsidiaries, Wangcheng and Yuanwang, enjoys export tax rebate of value added tax on purchases for revenue deriving from export of goods purchased which are deemed as self-manufactured products. The sums of such rebate amounted to RMB2.7 million, RMB3.4 million, RMB4.8 million and RMB4.8 million for FY2012, FY2013, FY2014 and 9M2015, respectively.

Any removal, loss, suspension or reduction of the aforesaid tax benefits will have an adverse impact on the Group's profitability.

In addition, pursuant to the Avoidance of Double Taxation Agreement between Singapore and China, the dividend withholding tax rate shall not exceed 5% of the total dividends declared if the beneficial owner of the dividends is a company that holds at least 25% of the share capital of the company paying the dividend. However, there is no assurance that the PRC government and Singapore government will not further amend the above treaty. In the event that such dividend withholding tax rate increases, it may affect the amount of dividends paid out by Wangcheng and Yuanwang, and therefore the Business and any investment in the Shares may be materially and adversely affected.

PRC foreign exchange controls may limit the Group's ability to utilise its cash effectively and affect its ability to receive dividends and other payments from its subsidiaries

In PRC, the conversion of RMB into foreign currencies is regulated. The Group's subsidiaries, Wangcheng and Yuanwang, are subject to PRC rules and regulations on currency conversion and the payment of dividends by Wangcheng and Yuanwang to the Company may be subject to certain restrictions under PRC laws including but not limited to PRC foreign exchange control regulations.

There is no assurance that the PRC regulatory authorities will not impose further and more stringent restrictions on the convertibility of RMB to foreign currencies. As most of the Group's sales are denominated in RMB, any future restrictions on currency exchanges may limit the Group's ability to utilise funds generated in PRC to fund any potential business activities outside PRC or to distribute dividends to the Shareholders.

The Group is subject to PRC Food Safety Law and PRC Law on Quality and Safety of Agricultural Products in PRC

The Group is subject to PRC Food Safety Law and PRC Law on Quality and Safety of Agricultural Products in PRC. Any failure by the Group to comply fully with such laws and regulations will result in the Group being subject to penalties and fines or being required to pay damages.

As at the Latest Practicable Date, the Group has obtained various licences and permits required by food hygiene laws and regulations in PRC, such as the National Industrial Product Production Permit (Food Production Permit) and the Food Hygiene Licence. Such permits and certificates may be renewed upon expiry. Under the licensing requirements, the Group is subject to regular inspections by the relevant authorities in charge. There is no assurance that the Group will be able to maintain or obtain these approvals in future. Any failure to maintain or renew governmental licences, permits and approvals could have a material and adverse effect on the Business and any investment in the Shares.

Failure to fully comply with relevant PRC environmental laws and regulations will result in the Group being subject to penalties and fines, and/or result in an order being made to cease all of its production activities

The Group is subject to the environmental laws and regulations of PRC. Failure to fully comply with such laws and regulations will result in the Group being subject to penalties and fines, and/or result in an order being made to cease all of its production activities. The Group is required to comply with specified standards in respect to the atmospheric and solid wastes and sewage generated during its production in accordance with the PRC environmental laws and regulations. The Group has been granted the necessary certificates by the relevant PRC environmental authorities for discharge of atmospheric and solid wastes and sewage. However, there is no assurance that the PRC government will not raise such standards in the future. Any changes in respect of the PRC environmental laws and regulations may require the Group to incur additional capital expenditure or costs in order to comply with such regulations. The Group's profits will be adversely affected if it is unable to pass on such additional costs to its customers. Any failure by the Group to control the use of, or adequately restrict the discharge of the atmospheric and solid wastes and sewage could also subject the Group to liabilities in the future.

RISKS RELATING TO INVESTMENTS IN THE SHARES

Commercial, statutory or legal restrictions may limit the Group's ability to obtain dividends or other payments from its PRC subsidiaries

The Company is an investment holding company and its main source of income is dividends derived from its PRC subsidiaries. The ability of the Company's PRC subsidiaries to pay dividends or distribute other interests to the Company may be limited by the availability of funds and any legal or regulatory restrictions. In such event, the Company's ability to distribute dividends to the Shareholders would be materially and adversely affected.

The Group's subsidiaries, operations and assets are located outside Singapore

The Group's subsidiaries, operations and assets are located in PRC. The Group's subsidiaries are therefore subject to the relevant laws in PRC. The Companies Act may provide shareholders with certain rights and protection which may not have corresponding or similar provisions under the laws of PRC. As such, investors in the Shares may or may not be accorded the same level of shareholder rights and protection that would be accorded under the Companies Act. In addition, as at the Latest Practicable Date, save for our Financial Controller Miss Chew Kim Kuan, all our Executive Directors and executive officers are non-residents of Singapore and the assets of these persons were mainly located outside Singapore. As such, there may be difficulty for Shareholders to effect service of process in Singapore, or to enforce a judgement obtained in Singapore against any of these persons.

The Group may require additional funding for its future growth, which may result in the dilution of Shareholders' equity or restrictions imposed by additional debt funding

The Group's capital requirements are dependent on, among others, its business, the availability of its resources for attracting, maintaining and enlarging its customer base and the need to maintain and expand its production facilities. The Group may thus need additional capital expenditure for mergers and acquisitions or investments. An issue of Shares or other securities to raise funds will dilute shareholders' equity interests and may, in the case of a rights issue, require additional investments by shareholders.

Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by existing investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price. In addition, any additional debt funding would increase the Group's debt equity ratio and may restrict the Group's freedom to operate its business as it may have conditions that:

- (a) limit the Group's ability to pay dividends or require the Group to seek consent for the payment of dividends;
- (b) increase the Group's vulnerability to general adverse economic and industry conditions;
- (c) require the Group to dedicate a portion of its cash flow from operations to repayments of its debt, thereby reducing the availability of its cash flow for capital expenditures, working capital and other general corporate purposes; and
- (d) limit the Group's flexibility in planning for, or reacting to, changes in its businesses and the industry in which the Group operates.

If the Group fails to obtain more funds to meet its requirements for the Group's business or mergers and acquisition or investments, the Group may be unable to implement its future plans.

Fluctuations in exchange rate may adversely affect the value of the Company's dividends

The dividends for the Company's Shares, if any, will be paid to Shareholders in S\$. The Group will make the necessary arrangements to convert the dividends in RMB to S\$ for those investors whose Shares are held through CDP. Fluctuations in the exchange rate between the S\$ and RMB will affect, among other things, the S\$ value of the Company's dividends, if any, paid to Shareholders in S\$ and converted from RMB.

The prices of the Shares may be volatile, which could result in substantial losses for investors

The market price of the Shares may be highly volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the Group's control:

- (a) variations in the Group's results of operations;
- (b) success or failure of the Group's management team in implementing business and growth strategies;
- (c) gain or loss of an important business relationship;
- (d) changes in securities analysts' recommendations, perceptions or estimates of the Group's financial performance;
- (e) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors;
- (f) changes in market valuations and share prices of companies with similar business to the Company that may be listed in Singapore;

- (g) additions or departures of key personnel;
 - (h) fluctuations in stock market prices and volume; or
 - (i) involvement in litigation.
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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

Not applicable. No profit forecast of the Company or the Group is disclosed in this Offer Information Statement.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

Not applicable. No profit forecast or profit estimate of the Company or the Group is disclosed in this Offer Information Statement.

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

Not applicable. No profit forecast of the Company or the Group is disclosed in this Offer Information Statement.

- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast of the Company or the Group is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast of the Company or the Group is disclosed in this Offer Information Statement.

Significant Changes

15. Disclose any event that has occurred from the end of –
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company, the Directors are not aware of any event which has occurred from 1 April 2015 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group as set out in the unaudited financial statements of the Group for 9M2015.

Meaning of “published”

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

PART VI (THE OFFER AND LISTING)

Offer and Listing Details

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**

The Issue Price for each Rights Share is S\$0.07, payable in full on acceptance and/or application.

The expenses incurred by the Company in respect of the Rights Issue will not be specifically charged to subscribers of the Rights Shares.

The Company understands based on information from the Participating Banks that an administrative fee of S\$2.00 will be incurred for each successful application made through the ATMs of the respective Participating Banks. Such administrative fee shall be borne by the subscribers of the Rights Shares.

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2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

Not applicable. The Shares are traded on the Official List of the SGX-ST.

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3. **If -**
- (a) **any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
 - (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

As there may be prohibitions or restrictions against the offering of the Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue subject to and upon the terms and conditions set out in this Offer Information Statement. Please refer to the Section entitled "**Eligibility of Shareholders to Participate in the Rights Issue**" of this Offer Information Statement for further information.

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4. **If securities of the same class as those securities being offered are listed for quotation on any securities exchange –**
- (a) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –**
 - (i) **for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**

- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.
- (a) The highest and lowest market prices and the volume of the Shares traded on the SGX-ST for each of the last twelve (12) calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 August 2015 to the Latest Practicable Date, are as follows:

Month	← Price Range →		Volume of Shares traded ⁽³⁾ (‘000)
	High ⁽¹⁾ (S\$)	Low ⁽²⁾ (S\$)	
August 2014	0.171	0.155	1,601
September 2014	0.170	0.160	4,110
October 2014	0.167	0.154	2,305
November 2014	0.177	0.158	17,072
December 2014	0.170	0.155	6,547
January 2015	0.165	0.153	9,675
February 2015	0.159	0.139	5,529
March 2015	0.151	0.116	3,608
April 2015	0.135	0.123	4,766
May 2015	0.135	0.116	5,543
June 2015	0.130	0.098	18,211
July 2015	0.112	0.095	5,013
1 August 2015 to the Latest Practicable Date	0.104	0.050	15,831

(Source: Bloomberg L.P. Bloomberg L.P. has not consented for the purposes of Sections 249 and 277 of the Securities and Futures Act to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company has included the above information in its proper form and context and have not verified the accuracy of such information.)

Notes:

- (1) Based on the highest market price for the Shares in a particular month/ period.
- (2) Based on the lowest market price for the Shares in a particular month/ period.
- (3) Based on the total volume of the Shares traded in a particular month/ period.

- (b) Not applicable. The Shares have been listed for quotation on the SGX-ST for more than twelve (12) months immediately preceding the Latest Practicable Date.
- (c) Save for temporary trading halts to cater for the release of announcements by the Company on the website of the SGX-ST at <http://www.sgx.com> in accordance with the requirements of the Listing Manual, there has not been any significant trading suspension of the Shares that has occurred on the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.
- (d) Please refer to part (a) of this paragraph for the volume of Shares traded during each of the last twelve (12) calendar months immediately preceding the Latest Practicable Date and for the period from 1 August 2015 to the Latest Practicable Date. Based on the information set out therein, the Shares were regularly traded on the Official List of the SGX-ST.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide -

- (a) **a statement of the rights, preferences and restrictions attached to the securities being offered; and**
- (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

Not applicable. The Rights Shares, upon allotment and issue, shall rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls after (and for the avoidance of doubt, not on or before) the date of issue of the Rights Shares.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

The Rights Issue is made on a renounceable underwritten basis to Entitled Shareholders at the Issue Price of S\$0.07 for each Rights Share, on the basis of one (1) Rights Share for every two (2) existing Share held by, or standing to the credit of the Securities Accounts of, as the case may be, of Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, being disregarded.

Entitled Shareholders shall be at liberty to accept, decline, or otherwise renounce or (in the case of Entitled Depositors) trade their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors will be able to trade their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST. **For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or renounees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.**

Fractional entitlements to the Rights Shares, if any, have been disregarded in arriving at the entitlements of Entitled Shareholders and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders, the original allottees or their respective renounee(s) or the Purchasers, any unsold "nil-paid" provisional allotments of Rights Shares of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the

terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions contained in the PAL, the ARE, the ARS and/or any other application form for Rights Shares, be aggregated and issued to satisfy applications for Excess Rights Shares (if any) or otherwise disposed of or otherwise dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit.

The basis of allotting any Excess Rights Shares will be determined at the absolute discretion of the Directors. In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with its day to day affairs or the terms of the Rights Issue or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of the Excess Rights Shares.

The Rights Shares are not offered through the selling efforts of any broker or dealer.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, Foreign Shareholders will not be entitled to participate in the Rights Issue subject to and upon the terms and conditions set out in this Offer Information Statement.

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, the PAL, the ARE and the ARS.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

(i) Underwriting

The Manager has agreed, on and subject to the terms and conditions of the Underwriting Agreement, to underwrite the Underwritten Balance Rights Shares (which for the avoidance of doubt, excludes the Sanwang Rights Shares) for an Underwriting Commission of 5.0% of the Issue Price of the Underwritten Balance Rights Shares.

The obligations of the Manager to underwrite the Underwritten Balance Rights Shares are conditional upon, *inter alia*, the following:

- (a) the Offer Information Statement having been lodged with the Authority;
- (b) the Listing Approval having been granted by the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the Closing Date) for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST on terms reasonably acceptable to the Company; and
- (c) the payment of the Sub-Underwriting Commission by the Manager to Mr Sam Goi being approved by Shareholders at an extraordinary general meeting of the Company.

In addition, subject to the terms and conditions of the Underwriting Agreement, the Manager is entitled to terminate the Underwriting Agreement upon the occurrence of certain events at any time before the Ex-Rights Trading Date, including the following:

- (i) any material adverse change, or any development involving a material adverse change, in the condition (financial or otherwise) of the Group as a whole;
- (ii) any occurrence of any nature whatsoever, which would (a) result or be likely to result in a material adverse fluctuation or adverse conditions in the securities market in Singapore; or (b) be likely to prejudice the success of the Rights Issue, subscription or sale of the Rights Shares; and

- (iii) any event or series of events in the nature of force majeure (including without limitation, acts of government, strikes, lock-outs, fire, explosion, flooding, civil commotion, acts of war, acts of terrorism, acts of God, accident, epidemics, earthquakes or interruption or delay in transportation).

Any termination of the Underwriting Agreement pursuant to, *inter alia*, the above provisions by the Manager which is exercised after the Ex-Rights Trading Date shall not take effect without the approval of the SGX-ST.

All Entitled Shareholders and persons subscribing for Rights Shares agree and acknowledge that in the event the Rights Issue is cancelled for any reason and the Rights Shares have been issued, the Company may have to carry out a capital reduction and/or the purchase of Rights Shares issued under the Rights Issue. However, such capital reduction and/or purchase of Rights Shares is subject to compliance with applicable laws, regulations and the requirements of any competent authority including the SGX-ST and the Authority.

Under the Underwriting Agreement, the Company has agreed that it will not from the date of the Underwriting Agreement up to the expiry of ninety (90) days after the Closing Date, issue any marketable securities (in the form of, or represented or evidenced by, bids, notes, debentures, loan stock or other securities) or Shares or options thereof, or vary, alter, subdivide or otherwise do anything to its capital structure (issued or otherwise) without the prior written consent of the Manager, such consent not to be unreasonably withheld.

(ii) Sub-Underwriting

Mr Sam Goi Seng Hui has, pursuant to the Sam Goi Irrevocable Undertaking, irrevocably undertaken to the Manager to sub-underwrite (and thereby subscribe for) the entire number of Underwritten Balance Rights Shares on and subject to the terms and conditions of the Sam Goi Irrevocable Undertaking.

As at the Latest Practicable Date, Mr Sam Goi Seng Hui owns 90% of the shares in Hydrex, which holds 42,000,000 Shares representing approximately 7.8% of the Existing Share Capital. Based on the Register of Substantial Shareholders, Mr Sam Goi Seng Hui is deemed to be interested in the Shares which are held by Hydrex.

Assuming no other Shareholders (other than Sanwang) subscribe for the Rights Shares, upon compliance with his sub-underwriting obligations, Mr Sam Goi Seng Hui will hold, directly and indirectly, 214,365,228 Shares, representing approximately 26.4% of the Enlarged Share Capital.

Under the Sam Goi Irrevocable Undertaking, Mr Sam Goi Seng Hui will be paid a Sub-Underwriting Commission of 3.0% of the Issue Price of the Underwritten Balance Rights Shares. The Sub-Underwriting Commission will be paid by the Manager out of its Underwriting Commission and will not lead to any additional cost to the Company.

The obligations of Mr Sam Goi Seng Hui to sub-underwrite the Underwritten Balance Rights Shares are conditional upon, *inter alia*, the following:

- (a) the Offer Information Statement having been lodged with the Authority;
- (b) the Listing Approval having been granted by the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the Closing Date) and, if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (c) the payment of the Sub-Underwriting Commission by the Manager to Mr Sam Goi Seng Hui being approved by Shareholders at an extraordinary general meeting of the Company.

As Mr Sam Goi Seng Hui is a Substantial Shareholder of the Company, Paragraph 2.2 of Practice Note 8.2 of the Listing Manual requires the payment of the Sub-Underwriting Commission by UOBKH to Mr Sam Goi Seng Hui to be subject to specific Shareholders' approval. At the extraordinary general meeting of the Company held on 14 August 2015, the Shareholders approved the resolution relating to the payment of the Sub-Underwriting Commission by UOBKH to Mr Sam Goi Seng Hui (the "**Resolution**"). Mr Sam Goi Seng Hui and his associates (which include Hydrex) abstained from voting on the Resolution, in respect of the Shares held by them respectively. Mr Sam Goi Seng Hui and his associates (which include Hydrex) also did not accept any nominations to act as proxies or corporate representatives to vote in respect of the Resolution.

Please also see paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this Offer Information Statement for information on the Chen Qiu Hai Irrevocable Undertaking.

PART VII (ADDITIONAL INFORMATION)

Statements by Experts

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –**

- (a) **state the date on which the statement was made;**
- (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. **The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

UOBKH has given, and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as Manager and underwriter of the Rights Issue.

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly -**

- (a) **the relevant entity's business operations or financial position or results; or**
- (b) **investments by holders of securities in the relevant entity.**

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matter not disclosed under any other paragraph of this Offer Information Statement which could materially affect, directly or indirectly:

- (a) the Company's business operations or financial position or results; or
- (b) investments by holders of securities in the Company.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

1. Provide

- (a) the particulars of the rights issue;**
- (b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;**
- (c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;**
- (d) the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;**
- (e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;**

The Rights Issue is being offered on a renounceable underwritten basis to Entitled Shareholders at the Issue Price of S\$0.07, on the basis of one (1) Rights Share for every two (2) existing Shares held by, or standing to the credit of the Securities Accounts of, as the case may be, Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, being disregarded.

Certain principal terms of the Rights Shares are summarised below:

Number of Rights Shares : 270,333,587 Rights Shares.

Issue Price : S\$0.07 for each Rights Share, payable in full upon acceptance and/or application.

The Issue Price represents a discount of approximately 43.5% to the VWAP, and a discount of approximately 34.0% to the TERP.

Assuming that the Rights Issue is fully subscribed, the estimated net proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.9 million), is expected to be approximately S\$18.0 million.

Basis of provisional allotment : One (1) Rights Share for two (2) existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, fractional entitlements, if any, being disregarded.

Status of the Rights Shares : The Rights Shares, upon allotment and issue, shall rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls after (and for the avoidance of doubt, not on or before) the date of issue of the Rights Shares.

Acceptance, excess application and payment procedures

: Entitled Shareholders shall be at liberty to accept, decline, or otherwise renounce or (in the case of Entitled Depositors) trade their provisional allotments of the Rights Shares and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors will be able to trade their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST. **For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or renounees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.**

Fractional entitlements to the Rights Shares, if any, have been disregarded in arriving at the entitlements of Entitled Shareholders and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders, the original allottees or their respective renounee(s) or the Purchasers, any unsold "nil-paid" provisional allotments of Rights Shares of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions contained in the PAL, the ARE, the ARS and/or any other application form for Rights Shares, be aggregated and issued to satisfy applications for Excess Rights Shares (if any) or otherwise disposed of or otherwise dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit.

In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with its day to day affairs or the terms of the Rights Issue or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of the Excess Rights Shares.

The procedures for acceptance, excess application and payment by Entitled Depositors and the procedures for acceptance, splitting, renunciation, excess application and payment by Entitled Scripholders are set out in Appendices A to C of this Offer Information Statement and in the PAL, the ARE and the ARS.

Underwriting and Sub-Underwriting

: Please see paragraph 7 of Part VI (The Offer and Listing) of this Offer Information Statement for information of the Underwritten Balance Rights Shares, the Underwriting Agreement and the Sub-Underwriting Arrangement.

Chen Qiu Hai Irrevocable Undertaking

: Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by way of Rights Issue) of this Offer Information Statement.

- Listing of the Rights Shares : On 21 July 2015, the SGX-ST granted its Listing Approval subject to the following conditions:
- (a) compliance with the SGX-ST's listing requirements;
 - (b) approval of Shareholders for the proposed payment of Sub-Underwriting Commission by UOBKH to Mr. Sam Goi for the Sub-Underwriting Agreement; and
 - (c) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
 - (ii) a written undertaking from the Company that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any Excess Rights Shares; and
 - (iii) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that Shareholders who have given irrevocable undertakings have sufficient financial resources to fulfil their obligations under their undertakings.

The Listing Approval from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement.

- Trading of the Rights Shares and Odd Lots : Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Governing law : Laws of the Republic of Singapore.
- Last date and time for splitting : 4 September 2015 at 5.00 p.m.
- Last date and time for acceptance and payment : 10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
- Last date and time for renunciation and payment : 10 September 2015 at 5.00 p.m.
- Last date and time for excess application and payment : 10 September 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications)

The terms and conditions of the Rights Issue are as set out in this Offer Information Statement, including the ARE, the ARS and the PAL.

For investors who hold Shares through finance companies or Depository Agents (including without limitation those who have paid for their Shares using CPF Funds or funds in their SRS Accounts), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks in which they hold their SRS Accounts, respective finance companies or Depository Agents, and in the case of CPF Investors, their respective approved CPF agent banks. **Such investors should provide their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue.** Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

For CPF Investors who had purchased Shares using CPF Funds, acceptances of provisional allotments of Rights Shares and (if applicable) applications for Excess Rights Shares can only be made using, subject to applicable CPF rules and regulations, their CPF Funds. In the case of insufficient CPF Funds or stock limit, CPF Investors would have to top up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds cannot, however, be used for the purchase of provisional allotments of the Rights Shares directly from the market.

SRS Investors who had purchased Shares using funds in their SRS Accounts and who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such SRS Investors who wish to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant approved banks with which they hold their SRS Accounts to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. Such SRS Investors who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Investors should provide their respective approved banks with which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of provisional allotments of Rights Shares directly from the market.

Information herein relating to investors who hold Shares through finance companies or Depository Agents (including without limitation those who have paid for their Shares using CPF Funds or funds in their SRS Accounts) is provided in general terms only and such investors should consult their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or approved CPF agent banks.

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1. (f) **the particulars of any undertaking from substantial shareholders or substantial equity interest holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**

As at the Latest Practicable Date, Mr Chen Qiu Hai, the Executive Chairman and Chief Executive Officer of the Company, is the sole legal and beneficial owner of Sanwang, which holds 195,936,718 Shares representing approximately 36.2% of the Existing Share Capital. Mr Chen Qiu Hai has, pursuant to the Chen Qiu Hai Irrevocable Undertaking, irrevocably undertaken to the Company and the Manager to procure Sanwang to subscribe and pay in full for its whole entitlement of the Sanwang Rights Shares on and subject to the terms and conditions of the Chen Qiu Hai Irrevocable Undertaking.

1. (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

Not applicable. UOBKH has agreed, on and subject to the terms and conditions of the Underwriting Agreement, to underwrite the Underwritten Balance Rights Shares.

Please refer to paragraph 7 of Part VI (The Offer and Listing) of this Offer Information Statement for certain information on the Underwriting Agreement.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

1. Working Capital

Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 30 June 2012, 30 June 2013, 30 June 2014 and 31 March 2015 are as follows:

	← As at 30 June →			As at 31 March
	2012 (Audited) RMB'000	2013 (Audited) RMB'000	2014 (Audited) RMB'000	2015 (Unaudited) RMB'000
Total current assets	215,396	297,742	326,434	230,124
Total current liabilities	22,059	23,589	58,518	46,306
Working capital	193,337	274,153	267,916	183,818

Source: Annual reports of the Company for FY2012, FY2013 and FY2014, and the unaudited consolidated financial statements of the Group for 9M2015 as announced by the Company on SGXNET on 13 May 2015.

31 March 2015 vs 30 June 2014

Current Assets

The Group's current assets decreased by approximately RMB96.3 million or 29.5% to approximately RMB230.1 million as at 31 March 2015, from approximately RMB326.4 million as at 30 June 2014. It was primarily due to a decrease in advances to suppliers of raw materials, reduced prepayments made to the contractors of the Group's new processing plants and Research and Development Centre and the refund of a deposit made by the Group of approximately RMB20.0 million made for an investment in Meisei subsequent to the Group's termination of the investment. The Group's cash and bank balances also decreased by approximately RMB2.9 million. The decrease of current assets was partially offset by a prepaid lease for the Group's newly-leased moso bamboo plantations and eucalyptus plantations.

Current Liabilities

The Group's current liabilities decreased by approximately RMB12.2 million or 20.9% to approximately RMB46.3 million as at 31 March 2015, from approximately RMB58.5 million as at 30 June 2014. The decrease was primarily due to a decrease in advances from customers of the Group's processed food business and decreased bank borrowings of RMB5.0 million. The decrease was partly offset by increased advances from customers of the Group's cultivation business.

Accordingly, the Group registered a lower working capital of approximately RMB183.8 million as at 31 March 2015, compared with a working capital of approximately RMB267.9 million as at 30 June 2014.

30 June 2014 vs 30 June 2013

Current Assets

The Group's current assets increased by RMB28.7 million or 9.6% to RMB326.4 million as at 30 June 2014, from RMB297.7 million as at 30 June 2013. The increase mainly arose from a deposit of RMB20.0 million which was paid for investment in Meisei, a prepaid lease of approximately RMB7.8 million for the additional moso bamboo plantations, and prepayments made to contractors and suppliers for the Research and Development Centre, processing plants, machinery and equipment. The Group's cash and bank balances remained relatively constant at RMB21.6 million compared to FY2013. The increase was partly offset by a reduction in inventories and lower value of synthetic logs. The cost of mushroom synthetic logs as at 30 June 2014 included fair value of eucalyptus trees harvested in FY2014.

Current Liabilities

The Group's current liabilities increased by RMB34.9 million or 148.0% to RMB58.5 million as at 30 June 2014, from RMB23.6 million as at 30 June 2013. The increase was primarily attributable to a bank borrowing of RMB30.0 million used for the Group's general working capital purposes and an increase in advance payment received from the Group's customers from self-cultivation business segment.

Accordingly, the Group registered a lower working capital of approximately RMB267.9 million as at 30 June 2014, compared with a working capital of approximately RMB274.2 million as at 30 June 2013.

30 June 2013 vs 30 June 2012

Current Assets

The Group registered an increase of 38.2% or RMB82.3 million, from RMB215.4 million as at 30 June 2012 to RMB297.7 million as at 30 June 2013. This was mainly due to a net increase of trade and other receivables by approximately RMB42.2 million. This net increase mostly comprised additional advance payment of synthetic logs to be used in FY2014 which amounted to RMB30.7 million, and an increase in trade receivables of about RMB7.3 million. This increase was also due to about RMB32.2 million of biological assets, that is, synthetic log value which mainly comprised sawdust from the Group's eucalyptus trees and direct labour cost. Cash and bank balances increased by about RMB6.8 million mainly due to placement of Shares.

Current Liabilities

The Group booked an increase of about RMB1.5 million or 6.9%, from about RMB22.1 million as at 30 June 2012 to about RMB23.6 million as at 30 June 2013, mainly due to higher provision of income tax expenses.

Accordingly, the Group's working capital improved from approximately RMB193.3 million as at 30 June 2012 to approximately RMB274.2 million as at 30 June 2013.

2. Convertible Securities

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832;**
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable.

3. Responsibility Statement by the Issue Manager

A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the issue manager is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.

To the best of the knowledge and belief of the Manager, this Offer Information Statement constitutes full and true disclosure of all material facts relating to the Rights Issue and the Group, and the Manager is not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect as at the date of this Offer Document. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Manager has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

No profit forecast is contained in this Offer Information Statement.

PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made *via* the SGX-SSH Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Memorandum and Articles of Association of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of the Entitled Depositor's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or the Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. **MODE OF ACCEPTANCE AND APPLICATION**

2.1 **Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2 **Acceptance/Application through CDP**

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part (A) of Section (II) of the ARE the number of Rights Shares provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the ARE the number of Excess Rights Shares applied for and in Section (II) of the ARE the respective and total amounts to be made payable to “**CDP — YAMADA RIGHTS ISSUE ACCOUNT**”; and

- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
- (i) by hand to **YAMADA GREEN RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided to **YAMADA GREEN RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — YAMADA RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 **Acceptance through the SGX-SSH Service (for Depository Agents only)**

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4 **Insufficient Payment**

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this **Appendix A** which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5 **Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares**

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “**Terms and Conditions for Operations of Securities Accounts with CDP**”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.07)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 5,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

- (a) Accept his entire provisional allotment of 5,000 Rights Shares and (if applicable) apply for Excess Rights Shares.

Procedures to be taken

- (1) Accept his entire provisional allotment of 5,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 5,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$350.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — YAMADA RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **YAMADA GREEN RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **YAMADA GREEN**

Alternatives

Procedures to be taken

RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147 so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 10 September 2015**; or

(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 4,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period.

Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

Alternatives

- (c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.

Procedures to be taken

- (1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$70.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 4,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 10 September 2015** or if an acceptance is not made through CDP by **5.00 p.m. on 10 September 2015**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 10 SEPTEMBER 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) 5.00 P.M. ON 10 SEPTEMBER 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined

and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this **Appendix A**, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Rights Shares, he acknowledges that, in the case where:
 - (i) the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, or
 - (ii) the amounts as stated in Parts (A) and (B) of Section (II) in the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for the Excess Rights Shares,

the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Substantial Shareholders and Directors will rank last in priority. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Shares through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"CDP — YAMADA RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **YAMADA GREEN RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **YAMADA GREEN RESOURCES LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent *via* the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Shares is effected by **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITOR'S OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or the ARS is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or the ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotment of Rights Shares and (if applicable) your application for Excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511
2. Press "1" for English; Press "2" for Mandarin
3. Press "3" for "Corporate Actions Announcement and Transactions"
4. Press "2" for your rights application status
5. Enter your 12 digit CDP securities account number
6. Enter your 6 digit telephone pin

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

5.7 **Personal Data Privacy**

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, an Eligible Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, Securities Clearing and Computer Services (Pte) Limited, CDP, the SGX-ST, the Company and the Manager (the “**Relevant Persons**”) for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

1.1 Acceptances of the provisional allotments of and any excess application for, the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

1.2 Entitled Scripholders are entitled to receive this Offer Information Statement with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

1.3 The provisional allotment of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Memorandum and Articles of Association of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements (if any) having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue.

1.4 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

1.5 **The full amount payable for the relevant number of Rights Shares accepted/applied for will be rounded up to the nearest whole cent, if applicable.**

1.6 With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Memorandum and Articles of Association of the Company and/or any other acceptance of Rights Shares and/or any application for Excess Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL and/or any other acceptance of Rights Shares and/or any application for Excess Rights in relation to the Rights Issue is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application or payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.

1.7 The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or a renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares.

1.8 **Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

1.9 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contract made pursuant to this Offer Information Statement and/or the PAL has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

- (a) complete the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL, at his own risk, in its entirety, duly completed and signed, together with the remittance for the full payment in the prescribed manner to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898** so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this **Appendix B** entitled "Appropriation" which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotment of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of the provisional allotment of the Rights Shares.

3. REQUEST FOR SPLITTING (FORM B) AND RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (“**Split Letters**”) according to their requirements. The duly completed and signed Form B together with the PAL in its entirety should then be returned to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898** not later than **5.00 p.m. on 4 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 4 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with payment (if required) in the prescribed manner to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898** so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments or Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounee(s).

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 Entitled Scripholders may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A (Form of Acceptance) and the Consolidated Listing Form in Form D (Form of Nomination) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D (Form of Nomination) of only one PAL or Split Letter (the “**Principal PAL**”) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A (FORM OF ACCEPTANCE) OR FORM D (FORM OF NOMINATION) (AS THE CASE MAY BE).**
- 4.2 The renounee(s) should complete and sign Form D and send Form D together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898**, so as to reach the Share Registrar not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

5. PAYMENT

- 5.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**YAMADA RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed and signed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided at the sender's own risk, to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898** so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF PERSONAL CHEQUES, POSTAL ORDERS OR MONEY ORDERS ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 5.2 If acceptance and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void. Such provisional allotments of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit. The Company will return all unsuccessful application monies received in connection therewith **BY ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or any share of revenue or benefit arising therefrom, within fourteen (14) days after the Closing Date.

6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1 Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out in paragraph 5 above, by post in the self-addressed envelope provided at their own risk, to **YAMADA GREEN RESOURCES LIMITED C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 80 ROBINSON ROAD #02-00, SINGAPORE 068898**, so as to arrive not later than **5.00 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF PERSONAL CHEQUES, POSTAL ORDERS OR MONEY ORDERS ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 6.2 The Excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, together with the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum and Articles of Association of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and Substantial Shareholders who have control or influence over the Company in connection with its day to day affairs or the terms of the Rights Issue or have representation (direct or through a nominee) on the Board of the Company will rank last in priority for the rounding of odd lots and allotment of the Excess Rights Shares. The Company reserves the right to allot the Excess Rights Shares applied for under Form E in any manner as the Directors deem fit and to refuse, in full or in part, any application for Excess Rights Shares without assigning any reason whatsoever.

6.3 If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date, **BY ORDINARY POST** to their mailing addresses as maintained with the Share Registrar at their own risk.

7. GENERAL

7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

7.2 **Entitled Scripholders who are in doubt as to the action they should take, should consult their legal, financial, tax or other professional adviser.**

7.3 Upon listing and quotation on the Official List of the SGX-ST, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited**", as the same may be amended from time to time. Copies of the above are available from CDP.

7.4 **Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) before accepting any Rights Shares or applying for any Excess Rights Shares, in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and, if applicable, the Excess Rights Shares allotted to them. Such physical share certificates for the Rights Shares, if issued, will be forwarded by ordinary post at their own risk and will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.**

7.5 If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5.00 P.M. ON 10 SEPTEMBER 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (“**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renounee or the Purchaser of the provisional allotment of Rights Shares who accepts or (as the case may be) who applies for the Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

The Electronic Application for the Rights Shares shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF Investment Account Number and application details (“Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, Securities Clearing & Computer Services (Pte) Ltd, the CPF Board, CDP, the SGX-ST, the Company and the Manager (the “Relevant Parties”).**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key (as the case may be). By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key (as the case may be) shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as final and binding.
4. If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM) of the number of the provisionally allotted Rights Shares accepted and/or Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of provisionally allotted Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.
5. In the event that the Applicant accepts the provisionally allotted Rights Shares both by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as they/it may, in their/its absolute discretion, deem fit. In determining the number of provisionally allotted Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of provisionally allotted Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of provisionally allotted Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotment of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS, or by way of the acceptance through Electronic Application through an ATM of a Participating Bank which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.
6. If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as they/it may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE and by way of application through Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application through an ATM of a Participating Bank.
7. The Applicant irrevocably requests and authorises the Company to:
 - (a) register or to procure the registration of the Rights Shares and (if applicable) the Excess Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;

- (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the provisional allotment of Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within fourteen (14) days after the Closing Date.
8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
 9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the CPF Board, the Participating Banks, the Receiving Bank, the Company, the Share Registrar and/or the Manager) and any events whatsoever beyond the control of CDP, the CPF Board, the Participating Banks, the Company, the Receiving Bank, the Share Registrar and/or the Manager and if, in any such event, CDP, the CPF Board, the Participating Banks, the Receiving Bank, the Company, the Share Registrar and/or the Manager do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the CPF Board, the Participating Banks, the Receiving Bank, the Company, the Share Registrar and/or the Manager for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
 10. **Electronic Applications may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
 11. Electronic Applications shall close at **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
 12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
 13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
 14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be returned and refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within fourteen (14) days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be returned and refunded on the same terms.

15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 10 September 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not any supplementary document or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the CPF Board, the Participating Banks, the Receiving Bank, the Share Registrar nor the Manager shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) acceptance of his application for Excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
16. The Applicant should ensure that his personal particulars as maintained in the records of both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts the provisional allotment of Rights Shares or (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of Electronic Application through any ATM of the Participating Banks, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned and refunded, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date by any one or a combination of the following:
- (a) by means of a crossed cheque drawn on a bank in Singapore and sent **BY ORDINARY POST AT HIS OWN RISK** to his mailing address as maintained in the records of CDP, or in such manner as he may have agreed with CDP for the payment of any cash distributions (if he accepts and (if applicable) applies through CDP); and/or

- (b) crediting the Applicant's bank account with the Participating Bank at his own risk (if he accepts and (if applicable) applies through an ATM of that Participating Bank), the receipt by such bank being a good discharge to the Company, CDP and the Manager of their obligations, if any, thereunder.
19. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and CDP are entitled, and the Applicant hereby authorises the Company and CDP, to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of acceptance (including Electronic Application through an ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.
21. With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Memorandum and Articles of Association of the Company and/or any other acceptance of Rights Shares and/or any application for Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL and/or any other acceptance of Rights Shares and/or any application for Excess Rights Shares in relation to the Rights Issue is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the Closing Date, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application or payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.
22. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares.

LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

1. Oversea-Chinese Banking Corporation Limited
2. United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

This Offer Information Statement is dated 26 August 2015.

The Directors of the Company collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information has been accurately extracted from these sources or, as the case may be, accurately reflected or reproduced in this Offer Information Statement.

For and on behalf of **YAMADA GREEN RESOURCES LIMITED**

Mr Chen Qiu hai

Mr Lin Weibin

Mr Chua Ser Miang

Mr Chang Feng-Chang

Mr Goi Kok Neng

Professor Tan Cheng Han