

Consolidated Income Statement

for the year ended 31 March 2009

	Notes	2009 RMB'000	2008 RMB'000
Revenue	5	647,722	546,770
Fair value of agricultural produce on initial recognition less estimated point-of-sale costs		680,966	560,944
Gains arising from changes in fair value less estimated point-of-sale costs of dairy livestock, net		42,363	65,315
		723,329	626,259
Other income	5	20,303	39,393
Raw materials and consumables used		(114,439)	(92,169)
Sub-contracting expenses		(30,279)	(2,045)
Staff costs (including directors' remuneration)		(30,328)	(26,444)
Depreciation and amortisation expenses		(29,875)	(16,926)
Minimum lease payments under operating leases for land and buildings		(11,124)	(9,213)
Other operating expenses		(38,488)	(23,713)
Profit from operations		489,099	495,142
Change in fair value of derivative financial instruments		(12,677)	76,946
Finance costs	6	(93,952)	(91,481)
Profit before taxation	7	382,470	480,607
Taxation	8	–	–
Profit for the year		382,470	480,607
Dividend	9	20,681	–
Earnings per share for profit attributable to the equity holders of the parent during the year	10		
– Basic		RMB0.52	RMB0.65
– Diluted		N/A	RMB0.58

Balance Sheets

as at 31 March 2009

	Notes	Group		Company	
		2009 RMB'000	2008 RMB'000	2009 RMB'000	2008 RMB'000
ASSETS					
Non-current assets					
Interests in subsidiaries	15	–	–	319,587	326,901
Property, plant and equipment	12	569,847	472,546	–	–
Land use rights	13	252,103	257,951	–	–
Dairy livestock	14	351,269	300,665	–	–
Deposits	18	–	46,298	–	–
		1,173,219	1,077,460	319,587	326,901
Current assets					
Inventories	16	33,151	14,825	–	–
Trade receivables	17	119,288	59,122	–	–
Prepayments and other receivables	18	370,327	5,387	275,109	–
Amount due from a subsidiary	19	–	–	976,972	1,249,651
Cash and bank balances	20	1,633,887	1,736,724	1,852	698
		2,156,653	1,816,058	1,253,933	1,250,349
Total assets		3,329,872	2,893,518	1,573,520	1,577,250
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Issued capital	24	381,587	381,587	381,587	381,587
Reserves	25	1,807,122	1,437,062	78,347	155,813
Total equity		2,188,709	1,818,649	459,934	537,400
Current liabilities					
Trade payables, accrued liabilities and other payables	21	46,962	31,504	19,385	15,581
Amount due to a director	22	–	33,123	–	14,027
Derivative financial instruments	23	68,358	56,964	68,358	56,964
Convertible bonds	23	1,025,843	–	1,025,843	–
		1,141,163	121,591	1,113,586	86,572
Non-current liabilities					
Convertible bonds	23	–	953,278	–	953,278
Total liabilities		1,141,163	1,074,869	1,113,586	1,039,850
Total equity and liabilities		3,329,872	2,893,518	1,573,520	1,577,250

Liu Shuqing
Director

Liu Hailong
Director

Statements of Changes in Equity

for the year ended 31 March 2009

GROUP

	Issued capital RMB'000	Proposed dividend RMB'000	Share premium* RMB'000 (note 25)	Capital reserve* RMB'000 (note 25)	Merger reserve* RMB'000 (note 25)	Retained profits* RMB'000	Translation reserve* RMB'000	Total RMB'000
Balance at 1 April 2007	381,587	36,930	218,365	94,511	(267,245)	899,768	(11,029)	1,352,887
Profit for the year	–	–	–	–	–	480,607	–	480,607
Currency translation – Net income/(expense) recognised directly in equity	–	–	–	–	–	–	22,085	22,085
Total recognised income and expense for the year	–	–	–	–	–	480,607	22,085	502,692
Dividend paid 2007	–	(36,930)	–	–	–	–	–	(36,930)
Balance at 31 March 2008	381,587	–	218,365	94,511	(267,245)	1,380,375	11,056	1,818,649
Profit for the year	–	–	–	–	–	382,470	–	382,470
Currency translation – Net income/(expense) recognised directly in equity	–	–	–	–	–	–	8,271	8,271
Total recognised income and expense for the year	–	–	–	–	–	382,470	8,271	390,741
Interim dividend paid	–	–	–	–	–	(20,681)	–	(20,681)
Balance at 31 March 2009	381,587	–	218,365	94,511	(267,245)	1,742,164	19,327	2,188,709

* These reserve accounts comprise the consolidated reserves of approximately RMB1,807,122,000 (2008: approximately RMB1,437,062,000) in the consolidated balance sheet.

COMPANY

	Issued capital RMB'000	Proposed dividend RMB'000	Share premium** RMB'000	Retained profits/ (accumulated losses)** RMB'000	Translation reserve** RMB'000	Total RMB'000
Balance at 1 April 2007	381,587	36,930	259,325	10,027	(20,570)	667,299
Loss for the year	–	–	–	(32,663)	–	(32,663)
Currency translation – Net income/ (expense) recognised directly in equity	–	–	–	–	(60,306)	(60,306)
Total recognised income and expense for the year	–	–	–	(32,663)	(60,306)	(92,969)
Dividend paid 2007	–	(36,930)	–	–	–	(36,930)
Balance at 31 March 2008	381,587	–	259,325	(22,636)	(80,876)	537,400
Loss for the year	–	–	–	(45,038)	–	(45,038)
Currency translation – Net income/ (expense) recognised directly in equity	–	–	–	–	(11,747)	(11,747)
Total recognised income and expense for the year	–	–	–	(45,038)	(11,747)	(56,785)
Interim dividend paid	–	–	–	(20,681)	–	(20,681)
Balance at 31 March 2009	381,587	–	259,325	(88,355)	(92,623)	459,934

** These reserve accounts comprise the Company's reserves of approximately RMB78,347,000 (2008: approximately RMB155,813,000) in the balance sheet.

Consolidated Cash Flow Statement

for the year ended 31 March 2009

	Notes	2009 RMB'000	2008 RMB'000
Cash flows from operating activities			
Profit before taxation		382,470	480,607
Adjustments for:			
Interest income	5	(9,669)	(20,830)
Gains arising from changes in fair value less estimated point-of-sale costs of dairy livestock, net		(42,363)	(65,315)
Change in fair value of derivative financial instruments		12,677	(76,946)
Amortisation of land use rights	7	5,848	5,596
Depreciation	7	24,027	11,330
Interest on convertible bonds at amortised cost	6	93,952	91,481
Operating profit before working capital changes		466,942	425,923
Working capital adjustments:			
(Increase)/decrease in inventories		(18,326)	4,215
Increase in trade receivables		(60,166)	(18,948)
Increase in prepayments and other receivables		(43,533)	(631)
Increase/(decrease) in trade payables, accrued liabilities and other payables		5,777	(7,656)
<i>Net cash generated from operating activities</i>		350,694	402,903
Cash flows from investing activities			
Purchase of property, plant and equipment		(111,647)	(240,216)
Increase in pledged deposit	20	(2,420)	–
Acquisition of land use rights		–	(26,083)
Purchase of dairy livestock		(88,114)	(68,459)
Deposits paid for the purchase of dairy livestock		–	(46,298)
Proceeds from disposal of dairy livestock		79,873	53,281
Interest received		9,669	20,830
<i>Net cash used in investing activities</i>		(112,639)	(306,945)
Cash flows from financing activities			
(Repayment to)/advance from a director		(33,123)	19,096
Advancement for repurchase of convertible bonds	23	(275,109)	–
Dividend paid		(20,681)	(22,778)
<i>Net cash used in financing activities</i>		(328,913)	(3,682)
Net (decrease)/increase in cash and cash equivalents		(90,858)	92,276
Cash and cash equivalents at beginning of year		1,736,724	1,731,361
Effect of foreign exchange rates changes, net		(14,399)	(86,913)
Cash and cash equivalents at end of year		1,631,467	1,736,724
Analysis of balances of cash and cash equivalents			
Cash at banks and in hand	20	1,631,467	1,736,724