



REPLACEMENT PROSPECTUS



For the offer of 50 million shares by
Dongfang Modern Agriculture Holding
Group Limited at an Issue Price of \$1.00
per Share to raise up to \$50 million with a
Minimum Subscription of \$39 million

Lead Manager: Paradigm Securities Pty Ltd (ACN 159 611 061)

CONTENTS

1. Highlights and Risks	5
2. Investment Overview	12
3. Chairman's Letter	14
4. Details of Offer	16
5. Industry Overview	21
6. Group Overview	26
7. Risks	41
8. Profile of Directors and Management	49
9. Financial Information	53
10. Investigating Accountant's Report on Historical Financial Information and Forecasts – PKF Corporate Finance (NSW) Pty Ltd	74
11. Additional Information	82
12. Directory	99
13. Directors' Statement	100
14. Definitions & Glossary	101
15. Appendix A – Significant Accounting Policies	103
16. Instructions for Completing Application Form	110



Important Information

These dates are indicative only and subject to change. The Board at its own discretion and subject to its statutory obligations reserves the right to alter this timetable at any time and may extend the period of the Offer or bring forward the Close of the Offer.

Offer Opens	30 June 2015
Offer expected to Close	7 August 2015
Share allotment date	10 August 2015
Expected Date for Dispatch of Shareholding Statements	17 August 2015
Expected Date for Quotation on the ASX	24 August 2015

This is a replacement prospectus is dated 30 June, 2015 and was lodged with Australian Securities & Investments Commission ("**ASIC**") on that date ("**Prospectus**"). It replaces the Prospectus dated 29 May, 2015 ("**Original Prospectus**") which was lodged with ASIC on that day. It relates to shares of Dongfang Modern Agriculture Holding Group Limited ACN 604 659 270 ("**Company**").

This Prospectus was prepared by the Company.

Neither ASIC nor the ASX take any responsibility for the contents of this Prospectus.

The Company has issued this Prospectus in Australia.

No Securities will be issued on the basis of this Prospectus later than thirteen months after 29 May, 2015.

This Prospectus comprises details of an offer by the Company for the issue of up to 50,000,000 Shares at \$1.00 each to raise \$50,000,000 ("**Offer**"). The Offer is subject to a minimum subscription of 39,000,000 Shares at \$1.00 per Share to raise a minimum of \$39,000,000 ("**Minimum Subscription**").

The Company made application for official quotation by ASX of the Shares offered by this Prospectus on the date of the Original Prospectus.

The Offer is being made in Australia and New Zealand. If the Offer cannot be lawfully made in the country in which you are resident, the Company does not make the Offer and nothing contained in this Prospectus or in any statement made by any person to you for or on behalf of the Company may be taken as the making of the Offer in the country in which you are resident. However the onus is on you to ascertain whether or not it is lawful for the Offer to be made to you. You must obtain and rely upon your own independent advice as to whether or not the Offer is lawful in your country of residence. It is recommended you consult your broker in that regard.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital or the payment of a return on the Shares.

The Prospectus will be made generally available in electronic form by being posted through the Company website at www.dongfangmodernagriculture.com.au. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the Application Form (free of charge) from the registered office of the Company during the Offer Period by contacting the Company on +61 2 8964 8531. The Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and Application Form within Australia and New Zealand.

Please read this document carefully before you make a decision to invest. An investment in the Company has specific risks, which you should consider before making a decision to invest.

Investors should carefully read the section on risk factors outlined in section 7.

Important Information for New Zealand Investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

Australian rather than New Zealand law principally governs this offer and the content of the offer document. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made.

There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the securities are able to be traded on a securities market and you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

How to apply for shares

Applications for Shares will only be accepted on the Application Form attached to or accompanying this Prospectus or in its paper copy form from www.dongfangmodernagriculture.com.au. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Applications must be for a minimum of 2,000 Shares at the Offer price of \$1.00 per Share. Applications for more than 2,000 Shares must be in multiples of 200 Shares.

Bookbuild

The Company may make available a certain percentage of the Shares to ASX Bookbuild to offer the Shares to participants in a volume bookbuild.

The ASX Bookbuild Facility ("ASX Facility") launched by ASX in October 2013 is an automated on-market bookbuild service introduced to provide issuers of securities with an alternative to off-market bookbuild processes used to date when conducting capital raisings. Under the ASX Facility, the bookbuild takes place within parameters set by the issuer. All eligible investors will have on-market access to participate in the bookbuild through their broker. No fees are imposed directly by ASX on investors that participate in the ASX facility but investors' brokers may charge them brokerage fees like any on-market trade. Information about the ASX Facility for investors can be found on the ASX website at:

<http://www.asx.com.au/documents/professionals/bookbuild-investor-information-sheet.pdf>.

If the Company proceeds to conduct a bookbuild using the ASX Facility, it will announce this on its website at www.dongfangmodernagriculture.com.au when the Offer opens. The announcement will include details of the ASX ticker under which eligible investors will be able to participate in the Company's bookbuild using the ASX Facility.



Representation

No person is authorised to give any information or to make any representation in connection with the Offer other than as is contained in this Prospectus. Any information or representation not contained in the Prospectus should not be relied on as having been made or authorised by the Company or its Directors in connection with the Offer.

Privacy and personal information

The completed Application Form provides personal information about you to the Company. The Company collects your personal information to process and administer your investment in the Company and to provide related services to you. If you do not complete the Application Form in full, the Company may not accept your Application Form.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by that Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers and to ASX and regulatory authorities.

If you become a Security Holder, the Corporations Act requires the Company to include information about the Security Holder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if you cease to be a Security Holder. Information contained in the Company's register is used to facilitate distribution payments and corporate communications (including the Company financial results, annual reports and other information that the Company may wish to communicate to its Security Holders) and for compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process that Application efficiently, or at all.

You have a right to gain access to the information that the Company holds about you subject to certain exemptions under law. A fee may be charged for such access. You can obtain access to personal information that the Company holds about you. To make a request for access or to obtain further information about the Company's personal information management practices, please contact the Company on +61 2 8964 8531.

Special Note Regarding Forward-looking Statements

This Prospectus contains forward-looking statements and information relating to the Company that are based on the beliefs of our management as well as assumptions made by, and information currently available to, the Company. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events.

Generally, words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "may," "can," "could," "might," "will" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. These statements reflect our current views and beliefs with respect to future events at the time that the statements are made, are not historical facts or guarantees of future performance and are subject to significant risks, uncertainties and other factors that are difficult to predict and many of which are outside of our control. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate and, accordingly, should not have undue reliance placed upon them.

Any forward-looking statement speaks only as of the date on which it is made.

Photographs and Diagrams

Items and undertakings depicted in photographs and diagrams in this Prospectus, unless otherwise stated, are not assets of the Company. Diagrams appearing in this Prospectus are illustrative only and may not be drawn to scale.

Glossary

Defined terms and abbreviations used in this Prospectus are explained in section 14.

Please read this document carefully before you make a decision to invest. An investment in the Company has specific risks which you should consider before making a decision to invest.

1. Highlights and Risks

1.1 Key terms and conditions of the Offer

The following is a summary of the key terms and conditions of the Offer. Investors should have regard to the more detailed information at section of this Prospectus.

Key Feature	Comment
Issue Price	\$1.00 per Share
Minimum Application	2,000 Shares (\$2,000)
Minimum Subscription	\$39,000,000.00
Maximum Subscription	\$50,000,000.00
Indicative Market Capitalisation at Issue Price	\$390 million (Minimum Subscription) to \$401 million (Maximum Subscription)
Price to Earnings Multiple (CY2015F Pro-Forma NPAT) ^{Note 1}	5.3x (Minimum Subscription) to 5.5x (Maximum Subscription)
Implied Forecast Dividend Yield (Based on Pro-Forma CY2015F NPAT) ^{Note 2}	3.4% (Maximum Subscription) to 3.5% (Minimum Subscription)
Implied Forecast Dividend Yield Based on Statutory CY2015F NPAT) ^{Note 2}	3.3% (Maximum Subscription) to 3.4% (Minimum Subscription)

Note 1: The price to earnings multiple (based on CY2014F Pro-Forma NPAT) has been converted at an exchange rate of RMB 1.00 = AUD 4.9353.

Note 2: The implied forecast dividend yield (based on CY2015 pro-forma and statutory NPAT) is calculated assuming a payout ratio of 20% of CY2015F NPAT divided by the issue price, converted at an exchange rate of RMB 1.00 = AUD 4.9353. The implied forecast dividend yield has also been calculated after deducting a 10% dividend withholding tax applicable in the PRC.

1.2 ASX Listing

On 29 May, 2015, the Company made application to the ASX for the Company to be admitted to the Official List and for the Shares offered by this Prospectus to be granted Quotation – see section 4.10 for further explanation.

In recent years, Australian Commonwealth and State Governments, together with the ASX have been promoting ASX as one of best destinations for IPOs in a global market. As a result, a number of Chinese enterprises have submitted applications and have listed in ASX.

After careful assessment of other overseas stock markets, the Directors are of the view that the ASX is the most ideal stock market for listing. The key advantages of listing on the ASX over other stock markets that the Directors have assessed as are:

- simpler listing process;
- high transparent government regulation;
- low cost of maintaining the listing; and
- good agricultural business investment exposure.

In addition, currently with more than 2,000 listed companies in ASX there is no direct investment opportunity for Australian investors into the ever growing China's agricultural industry and the Company with its proven and excellent business trading history, provides this credible opportunity to the Australian public investment community.

The reasons that the Company is seeking admission to the Official List are that it will:

- allow the Company to raise capital from a wider market in order to, among other things to expand existing business, acquire or establish new businesses and fund acquisitions;



- raise the profile of a company to institutional and professional investors;
- provide a means of increasing the number and diversity of Shareholders;
- enable Australians to acquire an interest in a substantial profitable agricultural enterprise conducted outside Australia in the PRC;
- improve the Company's public recognition and commercial standing outside the PRC;
- improve Company's investor profile;
- provide de facto third party valuation of the company by the market.

1.3 Application of Monies Raised

The funds raised by this Prospectus are intended to be applied in the manner set out in the following table:

	Use of Funds (RMB'000)		Use of Funds (A\$'000)	
	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
Cash on hand as at 31/12/2014 ^{Note 1}	2	2	0.4	0.4
Impact of the Acquisition ^{Note 2}	288,748	288,748	56,744	56,744
Funds raised under the Offer ^{Note 3}	198,350	254,295	39,000	50,000
Total Available Funds	487,100	543,045	95,775	106,775
Less: Estimated Costs of the Offer ^{Note 4}	(30,518)	(37,391)	(6,001)	(7,352)
Less: Second Instalment on the purchase of Rural Land Contracted Operation Rights for the No. 6 Tangerines Orchard Nanfeng County (see section 11.6) ^{Note 5, Note 7}	(60,000)	(60,000)	(11,797)	(11,797)
Less: Purchase price for acquisition of Rural Land Contracted Operation Rights with respect to between 400 and 544 hectares of Camellia Plantation in Xingguo County presently subject to a Lease to the Company ^{Note 6, Note 7}	(180,000)	(244,890)	(35,392)	(48,151)
Funds Available for Working Capital ^{Note 7 Note 8}	216,582	200,764	42,585	39,475

Note 1: As the Company was only incorporated on 10 March 2015, it had no cash on hand as at 31 December 2014. Cash on hand as at 31 December 2014 as set out above represents amounts paid by existing shareholders in relation to the 351,000,000 shares on issue as at the date of this Prospectus, being A\$ 352.00. Amounts shown in RMB have been converted at an exchange rate of A\$ 1.00 = RMB 5.0859.

Note 2: These amounts represent cash held by Worldwide and its subsidiary Ganzhou Chinese as at 31 December 2014. Amounts shown in A\$ have been converted at an exchange rate of A\$ 1.00 = RMB 5.0859.

Note 3: Amounts shown in RMB have been converted at an exchange rate of A\$ 1.00 = RMB 5.0859.

Note 4: Costs of the Offer have been converted at exchange rates as follows:

- A\$ 1.00 = RMB 5.0859
- A\$ 1.00 = HKD 6.3620

Note 5: The Company is required to make a payment in the amount of RMB 60 million upon the granting of the Forest Title Certificate with respect to tangerine site 6B, representing the second and final instalment in relation to the acquisition of this tangerine site in January 2015. The granting of the Forest Title Certificate and payment of the RMB 60 million is expected to take place in or around December 2015.

The first instalment for this tangerine site in the amount of RMB 240 million was paid by Ganzhou Chinese in December 2014 as is recognised in the Pro-Forma Balance Sheets set out in Section 9.4 of this Prospectus.

The financial impact from the acquisition of tangerine site 6B (i.e. additional revenues and associated costs) will be realised during CY2015 and accordingly, has been reflected in the forecast financial information set out in Section 9 of this Prospectus.

Amounts shown in A\$ have been converted at an exchange rate of A\$ 1.00 = RMB 5.0859

Note 6: Ganzhou Chinese has signed a non-binding letter of intent to acquire the rural land contracted operation rights in relation to a camellia plantation, for a period of 30 years. The plantation in question is already leased by the Company with a lease term to 30 November 2025. However the acquisition will provide the Company with extended rights of an additional 20 years (approximately).

Under the non-binding letter of intent, Ganzhou Chinese will have the ability to acquire between 6,000 and 8,163 Mu (or 400 to 544 hectares) depending on the level of funds raised under the Offer, for a total consideration of between RMB 180 million and RMB 245 million.

As the camellia plantation in question is already leased by Ganzhou Chinese, this acquisition will not result in any additional revenue or expenses being derived / incurred by the Company during the forecast period. Subsequent to the forecast period, the following will occur:

- a) lease costs associated with this plantations will cease; and
- b) as, upon the acquisition, this plantation will be recognised as an asset of the Company, changes in its fair market value will be reflected in the income statements from year to year.

Amounts shown in A\$ have been converted at an exchange rate of A\$ 1.00 = RMB 5.0859.

Note 7: Expenditure by the Company of any of the funds raised through this Prospectus is required to be approved by the independent non-executive directors in accordance with the principles of corporate governance adopted by the Company as detailed in section 11.2(g) of this Prospectus.

Note 8: The reason for the high working capital is due to the seasonal nature of the Company's business, the Directors are of the opinion that it is not advisable to use debt to fund the Company's business. Further as the income of the Company is currently not subject to income tax, the cost of the debt would not be a deductible cost to the Company.

As stated in section 4.8, subject to the qualifications stated in that paragraph, the Company proposes to pay a dividend in respect of the period from 1 January 2015 to 31 December 2015. This will be only paid out of distributable profits of the Company and not out of the capital raising through this Offer.

The reason for why the Company is raising between \$39-\$50 million yet intending to pay a dividend of RMB74.6 million (approximately A\$15.1million) is that:

- the Company wishes to establish a pattern of regular dividend payments to its shareholders as soon as possible out of distributable profits and not out of capital;
- the Company anticipates that, subject to the qualifications set out in section 4.8, it should have sufficient distributable profits by the end of the calendar year 2015 to pay the proposed first dividend;
- from an income tax perspective, it is a better use of shareholder funds that the funds raised through the Offer are applied to the capital expenditure proposed in the table above and working capital requirements of the Company rather than payment of dividends;
- as explained in section 7.3(h) of this Prospectus, under existing PRC foreign exchange regulations, payments of profits can be made in foreign currencies without prior approval from SAFE, by complying with certain procedural requirements and therefore it is better for the Company that profits be paid as dividends rather than used for capital expenditure that can be met out of the proceeds of the Offer.

However it should be noted that Mr Hongwei Cai will hold 80.1% of the Shares on issue at Minimum Subscription and 77.9% of the Shares on issue at Maximum Subscription. Therefore most of the dividends declared by the Company will be paid to him

1.4 Key Features of the Company's Business Model

The following are the key features of the Company's business model from which the Company intends to generate income and/or capital growth for investors in the Company. Investors should have regard to the more detailed information set out at section 5 and 6 of this Prospectus.



Key Feature**Comment**

Business	Cultivation and sales of tangerines, navel oranges, pomelos and camellia fruits located in the Ganzhou City, Jiangxi Province in PRC. See section 6.2
Products	Major products are tangerine, navel orange, camellia seed, camellia fruit and pomelo. See section 6.2(d).
Customers	Established broad customer base with various wholesalers. See section 6.8.
Proven track record	Pro-forma EBITDA for CY2012, CY2013 and CY2014 of A\$21.24 million, A\$43.95 million and A\$56.61 million respectively. See section 9 of this Prospectus for further information
Strong Forecast Growth	Forecast pro-forma EBITDA for CY2015 of A\$75.41 million, representing pro-forma EBITDA growth of 18.2% (before taking into account foreign exchange differences) compared to CY2014. See section 9 of this Prospectus for further information
One of the Largest Agricultural Producers in PRC in 2014	Number 1 agricultural farming and sales industry player in Ganzhou in terms of total industry revenue in 2014
	Number 2 citrus fruit farming and sales industry player in PRC in terms of revenue with about 1.0% share of the total industry revenue in PRC in 2014
	Number 3 citrus fruit farming and sales industry player in PRC in terms of hectares under plantation in Ganzhou in 2014
Supportive PRC government policy for the Agricultural industry consistent with the Company's Business Plan	<p>The following aspects of PRC Government policy in relation to the Agricultural industry are consistent with the Company's business plan:</p> <ul style="list-style-type: none">• The current model of agricultural product farming, including that of tangerine, navel orange, camellia fruit, camellia seed, and pomelo, is to become larger in scale and higher in intensity• The development of arable land to achieve high-yield production meeting high standards regarding drought and flood resistance• The camellia industry is the highlighted industry for development in the agricultural product farming and sales industry in PRC• Forestry area coverage is to be increased which will serve as a growth driver for the agricultural product farming and sales industry in PRC• The imposition of new higher food standards encouraging land aggregation• The encouragement of more efficient use of fertilizers and pesticides• The development of a nationwide wholesale network for agricultural products• The agricultural sector currently has a tax free status

1.5 Key Risks

Investors should be aware that an investment in the Company is subject to risks. The risks comprise specific risks related to the Company and its proposed activities as well as general risks common to many share investments and the business equipment rental industry generally.

Some of the key risks associated with an investment in the Company are summarised in the following table.

These do not identify all of the risks associated with the investment and investors should carefully read the section on risk factors outlined in section 7.

Key Risks	Comment
Foreign Exchange Risk	The main business of the Company is the operation of fruit orchards in the PRC through its wholly owned subsidiary, Ganzhou Chinese. The earnings of Ganzhou Chinese are in RMB. However any dividends paid by the Company to shareholders will be in Australian Dollars. There is therefore a risk that the amount paid in dividends may fluctuate from time to time due to changes in the exchange rate between RMB and Australian Dollars. Further the financial performance of the Company may be affected by exchange rate fluctuations.
Agricultural Risks	The main business of the Company is the operation of fruit orchards in the PRC through its wholly owned subsidiary, Ganzhou Chinese. Production of fruit may be affected by agricultural risks such as rain, frost, drought, flood, fire, storm, tempest, wind, pest and disease. See sections 7.2(a) and 7.2(b).
Greening	With citrus the HLB disease or commonly known as “greening” can be a major problem. It has been sighted in various publicly available sources that this has been a considerable problem in the Jiangxi province. However notwithstanding this, neither the Company’s orchards nor nearby orchards have to the knowledge of the Directors been affected by this disease.
Market Risks	The price obtained for the fruit production may be affected by supply exceeding demand and price fluctuations. See sections 7.2(b).
Consumer Demand	Consumer demand for the fruit produced from the Company’s operations may change affecting the price. See section 7.2(e).
Government Policy	Changes in Government policy may impact on returns from the Company’s business operations. See section 7.2(h).
PRC Land Title System	All lands in the PRC are either state-owned or collectively owned. Accordingly Ganzhou Chinese does not own the land on which the operations are carried out. The operations of Ganzhou Chinese are dependent on maintenance of various agreements detailed later in this Prospectus with varying expiry dates between 2028 and 2044. There is a risk that these agreements might not be renewed at the end of these periods or that the agreements are terminated due to contractual breaches or compulsory acquisition by the PRC Government. See section 7.3(c). Full details of the land interests held are set out in section 11.6.
Forest Title Certificates	Ganzhou Chinese does not hold Forest Title Certificates for 400ha forestland located in Nanfeng County on land on which it operates one of its orchards. Although it has received confirmation from the local forest authority that there is no obstacle for Ganzhou Chinese to obtain the Forest Title Certificates, there is a risk, albeit limited, that it might not be able to obtain those certificates. If it does not obtain these it will not hold title to the forests on the land. – see sections 7.3(c) and 11.6.
PRC Exchange Control	Although this is not currently an issue, changes in the exchange control rules of the PRC may affect the ability to distribute profits from the Chinese and Hong Kong subsidiaries of the Group to the Company for payment of dividends by the Company. See section 7.3(h).
Lack of Insurance	Insurance companies in PRC offer limited commercial insurance products for the agricultural sector or only offer them on unattractive terms. As a result, Ganzhou Chinese does not maintain any insurances in PRC other than the compulsory insurances for employees and motor vehicles. There is a risk of an event occurring in PRC for which Ganzhou Chinese may be liable for which there is no insurance policy such as fire, flood or storm and tempest. See section 7.3(b).



Key Risks

Comment

Tax Risk

Ganzhou Chinese is currently exempt from income tax (subject to approval or registration by relevant tax authorities) and value added tax in PRC up to and including the CY2015. There is a risk that Ganzhou Chinese may not receive approval of relevant tax authorities in future years if in the unlikely event, Ganzhou Chinese fails to lodge the tax exempt application form or there may be changes to tax legislation resulting in these exemptions no longer being applicable. See section 7.2(g).

Dividends paid by Ganzhou Chinese to Worldwide Network are subject to 10% withholding tax. Dividends paid by Worldwide Network are not subject to any further withholding tax in Hong Kong. The dividends received by the Company from Worldwide Network are not assessable income and not exempt income under Australian tax laws. There may be changes in withholding tax requirements in relation to dividends in PRC, Hong Kong and Australia which will then affect returns to shareholders.

Control Risk

After Completion of the Offer 80.1% of the Shares at Minimum Subscription or 77.9% of the Shares at Maximum Subscription will be held by the Executive Chairman of the Company, Hongwei Cai. There is a risk that the controlling shareholders may have different interests to other shareholders and may accordingly exercise their rights as shareholders contrary to the interests of other shareholders. See section 7.2(i)

1.6 Key Financial Information

The following is key financial information about the Company's financial performance, financial position and prospects. Investors should have regard to the more detailed information set out at section 9 of this Prospectus. These figures are based on the functional currency of RMB and do not take into account changes in the exchange rate from year to year (see section 9.2(c) in relation to currency conversion rate).

Key Financial Information	Note	Pro Forma Historical			Pro Forma Forecast
		CY2012	CY2013	CY2014	CY2015F
Total Plantation Size (Hectares)		4,454	7,476	7,973	8.639
Growth		n/a	67.8%	6.6%	8.4%
Revenue (A\$'000)		50,984	100,719	133,260	176.437
Growth	1	n/a	80.0%	23.7%	17.4%
EBITDA		21,325	43,953	56,610	75.413
Growth	1	n/a	88.6%	20.4%	18.2%
EBITDA Margin		41.7%	43.6%	42.5%	42.7%

Note 1: Before taking into account foreign exchange differences, for details see section 9.3 and 9.7.

1.7 Key Information about Directors and Key Managers

The following information is a summary of key information about the expertise and qualification of the directors and key managers. Investors should have regard to the more detailed information set out at section 8 of this Prospectus.

Information	Comment
Hongwei Cai	Executive Chairman, a Director and largest shareholder. Extensive experience in the management, marketing and business development of agricultural enterprises.
Ming Sing Barton Tso	Chief Executive Officer and a Director. Bachelor of Economics degree with major in international finance. Experience in enterprise management, capital market operation and banking business investment for over 26 years.
Chiu So	Chief Financial Officer and a Director. Holds a Bachelor degree in Commerce (Accounting) from Macquarie University. Fellow of Hong Kong Institute of Certified Public Accountants and a Member of Certified Practising Accountants of Australia. More than 15 years of experience in accounting and finance.
Dan Lin	Independent Non-executive Director. Experience in the communications industry including government relations at all levels. Awarded the title of Outstanding Entrepreneur of Chinese Enterprise Management by China Academy of Management Science in 2005.
Information	Comment
Michael Wai-Man Choi	Independent Non-executive Director. Australian trained professional project manager and engineer with proven track record in delivering projects on time and on budget. Experience in business management, strategic planning, processing improvement, human resources and financial management. Former member of the Old Parliament having held various ministerial portfolios as Assistant Minister including Mines, Energy, Natural Resources and Multicultural Affairs.
Zhiyuan Zhou	General Manager. Experience in GLOBALGAP system and ISO9000 standards for modern agriculture and policies on agricultural development and the development trend of agricultural, forestry and pastoral markets.

1.8 Significant Interests

The following information is a summary of significant interests and benefits payable to directors and other persons connected with the Company. Investors should have regard to the more detailed information set out at sections 11.7(b) to 11.11 of this Prospectus.

Information	Comment
Director Shareholdings	Hongwei Cai holds a direct interest in 80.1% of the Shares on issue at Minimum Subscription and 77.9% of the Shares on issue at Maximum Subscription – see section 11.8(b)(1).
Director Fees	The Directors will be paid director's fees with a maximum aggregate amount of \$320,000 per annum to be apportioned among the Directors in such manner as they determine payable on a monthly basis. See section 11.10.
Executive Salaries	Hongwei Cai as Executive Chairman, Ming Sing Barton Tso as Chief Executive Officer and Chiu So as Chief Financial Officer in addition to the Director fees will be paid an annual salary in the amounts referred to in section 11.5(c).

No guarantee of your investment is given by the Company. The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus. We look forward to your participation in the Company.



2. Investment Overview

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

2.1 The Company

The Company is the holding company for the Group. The operating company in the Group is Ganzhou Chinese Modern Agriculture Co., Ltd (Ganzhou Chinese) which is a limited liability company (wholly-invested by foreign enterprise legal person) under PRC law. All of the shares in Ganzhou Chinese are owned by a Hong Kong holding company, Worldwide Network Investment Group Limited (Worldwide Network). All of the shares in Worldwide Network are owned by the Company.

The main undertaking of the Group comprises the business of Ganzhou Chinese being the cultivation and sales of tangerines, navel oranges, pomelos and camellia fruits.

More detail may be found at section 6 of this Prospectus.

2.2 Purpose of the Prospectus

The purpose of the Prospectus is to raise \$39 million (at Minimum Subscription) and \$50 million (at Maximum Subscription) to provide funds to acquire additional camellia plantations.

2.3 Shares Offered for Subscription

This Prospectus offers investors the opportunity to apply for a total of up to 50 million Shares at an issue price of \$1.00 per Share to raise \$50 million. The Minimum Subscription is 39 million Shares at an issue price of \$1.00 per Share to raise \$39 million.

All Shares issued pursuant to this Prospectus will be issued as fully paid and will rank equally in all respects with the Shares already on issue in the Company.

Applications must be for a minimum of 2,000 Shares and thereafter in multiples of 200 Shares.

The details of how to apply for Shares are set out below.

The Share capital structure post-Offer is set out in the following table:

Capital Structure	Minimum Subscription		Maximum Subscription	
	Number of Share	%	No.	%
Number of Existing Shares	351,000,000	90.0%	351,000,000	87.5%
Number of new Shares issued by the Company under this Prospectus	39,000,000	10.0%	50,000,000	12.5%
Total Number of Shares on Issue at Completion of the Offer	390,000,000	100.0%	401,000,000	100.0%
Offer Price per Share	\$1.00		\$1.00	
Indicative Market Capitalisation at the Offer Price	\$390,000,000		\$401,000,000	

2.4 Application of Funds

Please refer to section 1.2 above in relation to use of funds.

The Directors consider that, on completion of the Offer the Company will have enough working capital to meet its current objectives and requirements as set out in this Prospectus.

However, investors should be aware that the Company may spend its cash reserves on its activities more quickly than currently anticipated. The Directors may consider further equity funding where they are of the view that the raising of such further capital is necessary to meet the Company's objectives and requirements.

2.5 Professional Advice

The Directors recommend that potential investors, when making an assessment of what will be the assets and liabilities, financial position, profits and losses and prospects of the Company, should read this Prospectus in its entirety. Potential investors who have any questions about investing in the Company, or are in any doubt about any matter relating to the Offer, should seek the advice of their professional advisers.

2.6 Enquiries

Questions relating to this Prospectus should be directed to the Company. Additional copies of the Prospectus or advice on how to complete the Application Forms can be obtained from the Company by

telephone on +61 2 8964 8531 or by

e-mail at info@dongfangmodernagriculture.com.au



3. Chairmans Letter



On behalf of the Directors, it gives me great pleasure to invite you to become a shareholder of Dongfang Modern Agriculture Holding Group Limited ("Dongfang"), a leading Chinese producer of agricultural produce in Ganzhou City District, Jiangxi Province of PRC. In 2014 it had the second largest sales revenue achieved by any citrus producer in the PRC.

The Company is currently engaged in the business of cultivation and sales of various agricultural produce including the citrus fruits tangerine, pomelo and navel oranges and also camellia seed, camellia fruit and related products.

The Company has a strong record in its short history as a producer of citrus fruits commencing in 2009. This has been through subsequent organic and acquisition growth. In just six short years from a small starting base the Company achieved sales revenue for CY2014 of A\$133.3 million after revenue growth of 23.7% (before taking into account foreign exchange differences) over CY2013 and giving a strong Pro-Forma EBITDA of \$56.6 million on a Pro-Forma EBITDA margin of 42.5%. The Company envisions significant further growth as it benefits from a large growing population in the PRC, rising living standards and a growing share of fruit in the population's diet.

The rapid changes in the living standards in the PRC since 2000 have created many opportunities in the ways of doing business with one of the most important being the aggregation of what are highly fragmented industries across the range of domestic and consumer sectors. The Company has been well positioned here.

Dongfang is also greatly assisted by PRC Government policies that not only directly encourage domestic self sufficiency in agricultural foodstuffs through direct policy initiatives but have since 2009 made most agricultural foodstuff production exempt from income and VAT. This exemption is expected to continue for the foreseeable future. Dongfang has therefore been able to reinvest almost all its earnings in growing its business.

The key strengths of the core business of the Company are:

- The growing revenues and earnings of the existing vertically integrated operations;
- The growing consumer market with fruit and health consciousness;
- The ideal locations and geography of the orchards for fruit cultivation;
- The established first mover advantage with the scale and size of aggregations;
- The existing PRC Government incentives for the agricultural industry;
- The Company's dynamic and growing distribution networks;

The Company's well-established and stable network of suppliers of plantation inputs;

The Company's experienced management team with proven track record of delivering sustainable growth and profitability.

The Company has a vision to increase its size and profitability in its core businesses but to also create new related businesses to take advantage of the fragmented nature of these industries in the PRC with its large and increasingly wealthy markets.

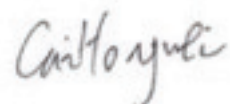
Under this Offer, the Company is offering for subscription 39,000,000 shares at \$1.00 per share to raise a minimum of A\$39,000,000 and a maximum of A\$50,000,000 by the offer of up to 50,000,000 shares.

The primary proceeds of the raising will be used for acquiring camellia orchards and related businesses.

I recommend you read this Prospectus carefully prior to making any investment decision.

On behalf of the Directors, I commend the Offer to you and look forward to welcoming you as a shareholder.

Yours faithfully,



Mr. Hongwei Cai

Executive Chairman



4. Details of Offer

4.1 The Offer

The information in this section is a summary of the key points only and is not intended to provide comprehensive details of the Offer. You should read the full text of this Prospectus and, if in any doubt, you should consult with your professional advisers before deciding whether to apply for Shares. The Shares offered under this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

This Prospectus invites investors to apply for up to 50 million Shares at an issue price of \$1.00 per Share to raise \$50 million with a Minimum Subscription of \$39 million.

All Shares issued pursuant to this Prospectus will be issued as fully paid ordinary Shares and will rank equally in all respects with the Shares already on issue. The rights attaching to the Shares are outlined in the Company's constitution and summarised in section 11.1 of this Prospectus.

The Offer under the Prospectus consists of a Public Offer, which is available to all public investors (see section 4.8(a) of this Prospectus).

If the Minimum Subscription for the Offer is not achieved within four months after the date of this Prospectus, all Applications will be dealt with in accordance with the Corporations Act.

All of the Shares offered under this Prospectus will rank equally with all existing Shares of the Company currently on issue.

4.2 Dongfang Modern Agriculture Holding Group Limited

The Company was incorporated as a public company on 10 March 2015.

It is the holding company for the Group which includes the main operating company Ganzhou Chinese.

More details about the business operations of the Group may be found at section 6 of this Prospectus.

4.3 Applications for Shares

Applications must be for a minimum of 2,000 Shares (\$2,000) and thereafter in multiples of 200 Shares (\$200) and can only be made by completing the Application Form attached to or accompanying this Prospectus. The Company reserves the right to reject any Application or to allocate any investor fewer Shares than the number applied for.

4.4 Offer statistics

A summary of the capital structure of the Company following this Issue is set out below:

Capital Structure	Minimum Subscription		Maximum Subscription	
	No.	%	No.	%
Existing Shares on issue as at the date of this Prospectus	351,000,000	90.0%	351,000,000	87.5%
New Shares to be issued under the Offer	39,000,000	10.0%	50,000,000	12.5%
TOTAL SHARES ON ISSUE AT COMPLETION OF OFFER	390,000,000	100.0%	401,000,000	100.0%
Offer Price	\$1.00		\$1.00	
Indicative Market Capitalisation at the Offer Price	\$390,000,000		\$401,000,000	

Rights attaching to the Shares are outlined in the Company's constitution and summarised in section 11.1 of this Prospectus.

4.5 Minimum Subscription and Over-Subscription

The minimum subscription for the Issue is \$39 million. The Directors reserve the right to accept oversubscriptions of up to a further 11 million shares at an issue price of \$1.00 per Share to raise an additional \$11 million making \$50 million in total.

No Securities will be issued pursuant to this Prospectus until the minimum subscription is reached. Should the Minimum Subscription not be reached within 4 months after the date of this Prospectus, all application monies will be dealt with in accordance with the Corporations Act.

The maximum amount that may be raised pursuant to this Prospectus is \$50 million.

All monies received in respect of Applications for Shares received after all the Shares have been allocated will be returned by the Company within the time prescribed by the Corporations Act without interest.

4.6 Proceeds of the issue

After expenses of the issue the net proceeds are estimated to be A\$33.0 million at Minimum Subscription and A\$42.7 million at Maximum Subscription.

4.7 Dividends

The payment of dividends by the Company is at the complete discretion of Directors.

Depending on available profits and the financial position of the Company, it is the current intention of the Board to pay final dividends in respect of full years ending 31 December each year. The payment of a dividend by the Company is at the discretion of Directors and will be a function of a number of factors including the general business environment, the operating results and financial condition of the Company, future funding requirements, capital management initiatives, taxation considerations, any contractual, legal or regulatory restrictions on the payment of dividends by the Company, and any other factors the Directors may consider relevant.

A final dividend is anticipated to be paid in respect of the period from 1 January 2015 to 31 December 2015. Based on a target payout ratio of 20% of pro forma NPAT, the CY2015 final pro forma dividend would be RMB 74.6 million (before PRC dividend withholding tax of 10% first applied at the Ganzhou Chinese company level) or between A\$0.034 per share (Maximum Subscription) and A\$0.035 per share (Minimum Subscription) (after PRC dividend withholding tax of 10%), assuming an exchange rate of RMB 1.00 = A\$4.9353.

Subject to the above considerations, beyond FY2015, the Directors intend to target a payout ratio of 20% of NPAT. The level of payout ratio is expected to vary between periods depending on the factors above and, in particular, should value accretive strategic growth, acquisition or investment opportunities arise it may result in a payout ratio in the future that is less than the above target.

No assurances can be given by any person, including the Directors, about the payment of any dividend.

Dividends are expected to be unfranked given that the Company's income is likely to be wholly non-assessable non-exempt income under Australia's income tax laws.

Dividends are not expected to be subject to Australian dividend withholding tax to foreign tax residents provided the Company has received a dividend from its subsidiary companies, Worldwide/Ganzhou Chinese equal to or greater than the dividend which the Company intends to pay. No dividend reinvestment plan has been assumed to be activated by the Company during the forecast period.

As a result of the above, the 10% withholding tax will be wasted in the sense that the tax credit from that withholding tax cannot be used by a Shareholder as an offset against any income tax payable by the Shareholder on the dividend.

4.8 How to apply for Shares

(a) Public Offer

To participate in the Public Offer, the Application Form attached to or accompanying this Prospectus must be completed in accordance with the instructions on its reverse side.

(b) General terms

Applications under the Offer may be made, and will only be accepted, in one of the following forms:

- on the Application Form attached to or accompanying this Prospectus; or
- on a paper copy of the relevant electronic Application Form which accompanies the electronic version of this Prospectus, both of which can be found at and can be downloaded from www.dongfangmodernagriculture.com.au.



Paper Application Forms, whether attached to or accompanying a paper copy of this Prospectus or which have been downloaded from www.dongfangmodernagriculture.com.au must be accompanied by a personal cheque or a bank draft payable in Australian dollars, for an amount equal to the number of Shares for which you wish to apply multiplied by the Application Price of \$1.00 per Share. Cheques or bank drafts should be made payable to "Dongfang Modern Agriculture Holding Group Limited – Offer Account" and crossed "Not Negotiable".

Applicants should ensure that cleared funds are available at the time the Application is lodged, as dishonoured cheques will result in the Application being rejected.

Applicants should return their completed Application Forms to:

**The Registrar:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001**

by no later than 5.00pm Sydney time on 31 July 2015 .

Detailed instructions on how to complete paper Application Forms are set out on the reverse of those forms. You are not required to sign the Application Form. the Company reserves the right to reject any Application (including where an Application has not been correctly completed) or allocate any person fewer Shares than that person applied for, or vary the dates and times of the Offer without prior notice and independently of other parts of the Offer. Where Applications are rejected or fewer Shares are allotted than applied for, surplus Application Monies will be refunded. No interest will be paid on any Application Monies refunded.

4.9 Allotment and Allocation of Shares

Subject to the ASX granting approval for the Company to be admitted to the Official List, the allotment of Shares to Applicants will occur as soon as possible after the Offer is closed, following which statements of Share holdings will be dispatched. It is the responsibility of Applicants to determine their allocation prior to trading in Shares. Applicants who sell their Shares before they receive their holding statements will do so at their own risk. Pending the issue of the Shares or return of the Application Monies, the Application Monies will be held in trust for Applicants.

The Company has the right to allocate the Shares under the Offer. The Company may reject any Application or allocate any investor fewer Shares than applied for under the Offer. If an Application is not accepted, or is accepted in part only, the relevant part of the Application Monies will be refunded. Interest will not be paid on Application Monies refunded.

4.10 ASX Listing

Application was made to the ASX for the Company on the date of the Original Prospectus to be admitted to the Official List and for the Shares offered by this Prospectus to be granted Quotation. If approval for Quotation is not granted within three months after the date of the Original Prospectus, the Company will not allot or issue any Shares pursuant to the Offer and will repay all Application Monies without any interest as soon as practicable. The fact that the ASX may admit the Company to its Official List is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

4.11 CHESS

The Company proposes participating in the Clearing House Electronic Sub register System (CHESS), operated by ASX Settlement Pty Ltd (ASX Settlement) a wholly owned subsidiary of ASX, in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under this system, the Company will not issue certificates to investors. Instead, Shareholders will receive a statement of their holdings in the Company. If an investor is Participant sponsored, ASX Settlement will send them a CHESS statement.

The CHESS statement will set out the number of Shares allotted to each holder under this Prospectus; give details of the Shareholder's holder identification number and give the Participant identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of Shares allotted under this Prospectus and the Shareholder's security holder reference number.

A CHESS statement or issuer-sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time however a charge may be made for additional statements.

4.12 Ranking

Shares issued pursuant to this Prospectus will rank equally in all respects with existing Shares. Full details of the rights attaching to Shares are contained in the Company Constitution, a summary of which is set out in section 11.1. The Constitution is available for inspection, without a charge, during normal business hours at the Company registered office.

4.13 No Underwriting

The offer made pursuant to this Prospectus is not underwritten.

4.14 Broker Commissions and Handling Fees

The Company will pay the following fees:

- the fees set out in section 11.5(a) of this Prospectus to Paradigm Securities;
- the fees set out in section 11.11 of this Prospectus to Austra Capital Pty. Ltd;
- the fees set out in section 11.11 of this Prospectus to Compass Investment Group Pty Ltd;

4.15 Investment Risks

Further information on risk is provided in section 7 of this Prospectus.

4.16 Taxation

Investors should seek and rely on their own taxation advice regarding an investment in the Company.

4.17 Stamp Duty

No stamp duty is payable by Applicants under this Prospectus.

4.18 Restricted Securities

ASIC has made an in-principle decision to grant voluntary escrow relief which, subject to ASIC issuing an instrument in accordance with its in-principle decision, will enable Hongwei Cai to enter into a voluntary restriction agreement with the Company pursuant to which 75% of his shareholding in the Company representing 234,292,500 ordinary shares in the Company ("Restricted Securities"). The material terms of this proposed agreement are set out in section 11.14.

The ASX may, as a condition of granting the Company's application for admission to the Official List, classify certain Shares as Restricted Securities.

If so, prior to the Official Quotation of the Company's Shares, the holders of the Restricted Securities will be required to enter into agreements with the Company not to do, or omit to do, any act which would have the effect of transferring effective ownership and control of any Restricted Securities, for a period determined by the ASX, without first obtaining the prior written consent of the ASX. The Company's Share Registrar will be requested to provide a holding lock on the securities classified as Restricted Securities and not to remove the holding lock without the ASX's written consent.

4.19 Overseas Investors

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law. Persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Lodgement of a duly completed Application Form will be taken by the Company as to constitute a representation that there has been no breach of such laws.



No action has been taken to register or qualify the Shares, or the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia and New Zealand.

The Offer pursuant to an Electronic Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia or New Zealand.

4.20 Privacy Act

The Company collects information about each Applicant from the Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's Shareholding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), ASX, ASIC and other regulatory authorities.

If an Applicant becomes a Shareholder of the Company, the Corporations Act requires the Company to include information about the Shareholder (name, address and details of the Shares held) in its public register. This information must remain in the register even if that person ceases to be a Shareholder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

4.21 Electronic Prospectus

This Prospectus may be accessed through the Company website at www.dongfangmodernagriculture.com.au.

Any person accessing the electronic version of this Prospectus for the purposes of investing in the Company must only access this Prospectus from within Australia and New Zealand. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by a hard copy of this Prospectus or accompanies a complete and unaltered electronic version of this Prospectus. Investors should read the Prospectus before completing the Application Form.

During the offer period, any person may obtain a hard copy of this Prospectus on request and without charge by contacting the Company on +61 2 8964 8531

Applications will not be accepted by email or any other electronic means.

4.22 Opening and Closing Dates

Subscription lists will open on the Opening Date and will remain open until 5.00 pm Sydney time on the Closing Date in respect of the Offer subject to the right of the Company to close the Offer at an earlier time and date or to extend the closing time and date of the Offer without prior notice. Applicants are encouraged to submit their Applications as early as possible.

5. Industry Overview

5.1 Agricultural Product Farming and Sales Industry in the PRC and Ganzhou City, Jiangxi

The main undertaking of the Group comprises the business of the wholly-owned PRC company Ganzhou Chinese. This business is the cultivation and sales of citrus products like tangerines, navel oranges, pomelos and of camellia tree products. The operations are located in the Ganzhou City district in Jiangxi Province in PRC.



Ganzhou, located in Jiangxi province PRC, is one of the three main citrus fruit plantation belts in China and regarded as one of the world's best production bases for navel oranges.

This section is a general overview of the industry in which Ganzhou Chinese operates in PRC.

(a) Demand

The growing personal income levels and the rising living standards in the PRC are improving the diets of the population by increasing the quality and range of foodstuffs available for consumption.

In PRC, consumption of fruit is growing at the expense of grains as diets become more health and nutrition conscious. Accordingly, the consumption of tangerines, pomelos and navel oranges in PRC has been on the rise.

In addition, Chinese consumers have started to realize the health benefits of using camellia oil in salads and in pan cooking, which has increased the demand for camellia fruit and seeds.

The distribution patterns of these products are also changing so that more than 85% of fruit production is sold through distributors and retailers rather than at the village level.

In 2013, there were about 230,000 fruit distributors in PRC with many of them seeking superior quality produce for distribution into the best and most affluent markets.

These major fruit distributors and also the food processing enterprises are the major customers for the Company's agricultural products of tangerines, pomelos and navel oranges and also the camellia fruit and camellia seeds.

According to the planning of the food industry development in the 12th Five-Year Plan, the demand for fruit and vegetable products will increase due to the increase in the total population in PRC and a more urbanized life style.

The total output value of the fruit and vegetable processing industry in 2015 is expected to reach about RMB300 billion (A\$62 billion), with the total production of fruit and vegetable juice reaching about 3 million tonnes; and the total production of canned fruit and vegetable reaching more than 2 million tonnes.

(b) Production value and volume for selected agricultural products in the PRC

In recent years, citrus fruit, which is one of the products grown by Ganzhou Chinese, has been one of the fastest growing segments of PRC's fresh fruit market. In 2014, production of citrus fruit accounted for more than 13% of the total fruit production within the PRC. In particular, the combined production volume of tangerine, pomelo and navel orange experienced a growth at a CAGR of 5.6% between 2009 and 2014.

The production of citrus fruit in PRC is expected to have further continual growth over the next five years with the production value and production volume growing at a CAGR of about 10.2% and about 4.9% respectively due to the initiatives carried out by the PRC government. For examples, Advantages of Regional planning of Citrus Fruit (2008-2015), "State Forestry Administration's Suggestion on the Development of the Camellia Industry" as well as elaborated "State Camellia Industrial Development Plan (2009-2020)".

Regional planning of Citrus Fruit (2008-2015), "State Forestry Administration's Suggestion on the Development of the Camellia Industry" as well as elaborated "State Camellia Industrial Development Plan (2009-2020)".

Table 5.1

Agricultural products of tangerine, navel orange, camellia fruit, camellia seed, pomelo, in PRC	2009	2014	CAGR
Value (\$'000,000)	7,958	18,969	19.0%
Volume ('000 tonnes)	21,095	29,544	7.0%

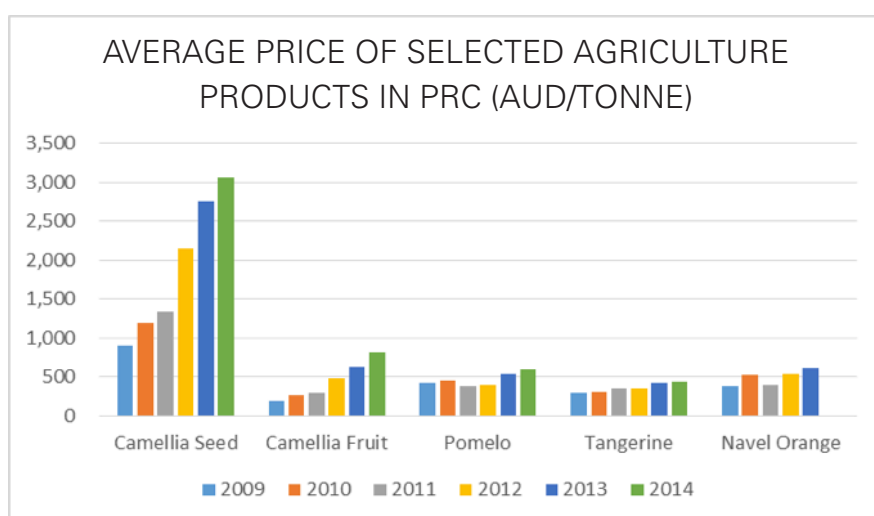
Sources: China Statistical Yearbook; Ipsos research and analysis

Table 5.2

The average price (\$/Tonne)	2009	2010	2011	2012	2013	2014
Tangerine	297	310	355	350	421	442
Camellia Seed	903	1191	1338	2142	2762	3,058
Camellia Fruit	196	260	293	472	626	817
Pomelo	417	454	374	389	531	599
Navel Orange	376	521	394	541	608	812

Sources: China Statistical Yearbook; Ipsos research and analysis

The average price of all selected agricultural products in PRC increased significantly over the past 5 years. Camellia fruit experienced the greatest increase in the average price per tonne amongst these selected agricultural products in PRC.

Figure 5.1: average price of selected agriculture products in PRC

(c) Price trend for input raw materials for agricultural products in the PRC

Fertilizers and pesticides in PRC			
(A\$/Tonne)	2009	2014	CAGR
Urea	373	328	-2.6%
40% omethoate emulsion	4,540	4,122	-1.9%

Fertilizers and pesticides have played an important role in the agricultural industry in PRC helping in preventing and combating agricultural pests and supplying nutrients to the plants. Fertilizers and pesticides help in increasing and stabilizing the agricultural production. Urea is one of the most commonly used fertilizers, while 40% omethoate emulsion is one of the most utilised pesticides.

(d) Future trends and development of agricultural product farming and sales industry in the PRC

The trends of agricultural product farming and sales in industry in PRC include having a more efficient farming model, a support network and more careful application of agricultural chemicals. These trends are reinforced by PRC policy guidelines.



(e) A more efficient farming model

PRC Government's reform policies on agricultural product farming are encouraging higher efficiencies through larger scale and intensity matches the business model of Ganzhou Chinese. Currently, the majority of individual farmers in PRC are practising farming techniques which are land and labour intensive but the decreasing farming population in PRC is hastening the need for more efficient farming.

(f) A support network

Individual farmers in PRC have been forming network organizations, such as cooperatives, to improve the selling price of agricultural products and to provide individual farmers with farming information, including on fertilizers and pesticides and the latest policy directions. These cooperatives serve as a support network to individual farmers in PRC and benefit the development of agricultural product farming and sales industry.

(g) More careful application of agrochemicals

The PRC has adopted stricter standards of fertilizer and pesticide usage to the agricultural product farming and sales industry in PRC. This is expected to lead to higher confidence in food safety in general. There is also an increased awareness of the harmful effects induced by fertilizers and pesticides. Recent initiatives have promoted the more efficient use of these agricultural chemicals according to the soil elements and plant natures and give farmers a better knowledge on the application of fertilizers and pesticides. New standards stipulate the amount of agrochemicals used in farming, which would improve consumers' confidence in the agricultural products in PRC, benefitting the product sales in the agricultural product farming and sales industry in PRC as well as the competitiveness for exports.

(h) Emergence of new sales and distribution channels

New sales and distribution channels have been emerging with farmers and close distributors building partnerships with supermarkets to optimise price and delivery. From 2009 onwards, over 30 international supermarket chains have established direct partnerships with farmers and farming companies in Ganzhou. The shortened supply chain reduces middle delivery transaction costs. Ganzhou has a reputation of producing high quality agricultural products and is regarded as one of the major places for supermarkets to source fruit, especially navel orange.

(i) The Intensive Farming Model

Private land ownership is not possible in the PRC but individual farmers historically have been given a right to the usage of the land. However, the Ganzhou City's government has allowed aggregation of these land usage rights to permit large-scale intensive farming.

Consequently farming in Ganzhou (city /Province) has been growing in scale and also in intensity as improved operating practices have increased yields and productivity.

This aggregation has allowed the business model of Ganzhou Chinese to thrive (see section 6 of this Prospectus).

This increasingly organized and intensive farming model will encourage the development of agricultural product farming and sales industry in Ganzhou and allow the expansion of the business of Ganzhou Chinese.

5.2 Competitive Analysis

(a) Competitive landscape

The agricultural product farming and sales industry in China is characterized by being highly fragmented. Within the PRC the top five companies in the agricultural citrus product farming and sales industry only had a combined market share of about 3.5% in 2014.

Within Ganzhou, the agricultural product farming and sales industry in Ganzhou is also highly fragmented. Ganzhou Chinese has 7.2% market share in Ganzhou with the next top four farming companies in Ganzhou being Asian Citrus Holding Limited, Jiangxi Yang's Trade Co., Ltd. Anyuan County and Shengda Fruit Industry Co., Ltd., and Ruijin Pinguan Agricultural Development Co., Ltd which hold a combined 16.1% market share in Ganzhou.

(b) Market growth drivers

The rapid economic and population growth in the PRC coupled with the rising urbanization rate, has led to increasing demand for food items with fruits, in particular, continuing to surge. As consumers are becoming even more health conscious, the demand for health-oriented food such as fresh fruits and vegetables is expected to continue to grow. In addition, with rising disposable incomes, consumers have proved to be willing to pay more for organic agricultural products.

PRC Government guidelines continue to support agricultural foodstuff production. On 28 June 2012 the Jiangxi State Council also issued the “Opinions about Supporting the Development of Gannan and other Former Central Soviet Areas”. It aims to support the revitalization and development in Central Soviet Area such as Gannan and suggest making Gannan the world biggest production base for quality navel orange, as well as the processing base for PRC’s major agricultural products and organic food production. Government also aimed to development a circular (recycling) economy and implement low-carbon and carbon sequestration afforestation agricultural projects to promote sustainable agriculture development.

These are supportive factors for the business of Ganzhou Chinese (see section 6 of this Prospectus).

(c) Entry barriers

The PRC is a vast country with varied geography so that local geography and climate combined with soil characteristics make an environment for specific agricultural products with their own varieties. Often these locations are unique for certain crops.

Centrally planned stocktaking within the PRC has shown that quality, flavour and appearance are often not successfully reproducible in another location outside their production origin.

Geographic barriers to entry are therefore significant for new entrants. In addition, new entrants would need to negotiate with local government agencies or tenants to secure the lands and the rights to operate a plantation. Also, after a plantation is developed, usually around three to four years are needed before the plantations start to produce marketable products on a commercial scale. Therefore, plantation development process would still be long and expensive. The agricultural product farming industry is labour intensive and it is highly reliant on environmental factors such as soil condition, geographic location and climates etc.

Also, there have been technological advances for the production of agricultural products. In order to produce agricultural products in an efficient and environmentally friendly manner, new entrants would need to have a high level of management and technology skills.

Ganzhou Chinese is ideally placed to take advantage of this because of its current management and technology skills

5.3 Opportunity and threats for agricultural product farming and sales industry in the PRC

The opportunities for the agricultural product farming and sales industry in Ganzhou develop around the high market demand and government support; while the threats are the lack of market promotion and the decentralized farming model.

The demand for camellia fruit and camellia seeds has been growing due to the increasing awareness of health benefits for consuming camellia oil. Currently, the demand in the PRC for camellia fruit and seeds is 4 times greater than the production thus ensuring an opportunity for the agricultural product farming and sales industry in Ganzhou to further expand and develop. Ganzhou Chinese is ideally placed to take advantage of these factors given the size of its operations (see section 6 of this Prospectus).

Government support for farmers and farming companies in PRC to cultivate fruit, including tangerine, navel orange, pomelo camellia fruit and camellia seed is strong. Research institutes are set up to help improve the quality of these agriculture products. In addition, the PRC government has stepped up effort to promote these products by establishing specific fruit belts, where Ganzhou is among the selected belts; and providing a range of subsidies. Such policies are regarded as opportunities to increase the competitive edge for the agricultural product farming and sales industry in Ganzhou.

Ganzhou Chinese is ideally placed to take advantage of these industry and policy factors given its current business model (to which see section 6 of this Prospectus).



6. Group Overview

6.1 Structure

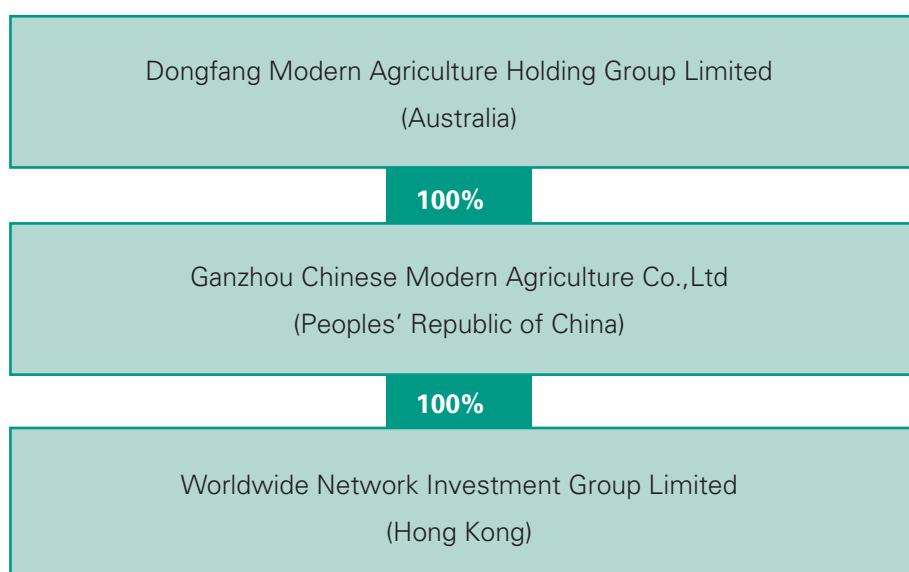
The Company was incorporated in Victoria, Australia on 10 March, 2015. The Company is the holding company of the Group with its main business operations conducted by its wholly owned subsidiary Ganzhou Chinese.

Ganzhou Chinese was incorporated in PRC on 14 October, 2005. Ganzhou Chinese is a limited liability company (wholly-invested by foreign enterprise legal person) under PRC law. Its AIC registered number is 360700520006245. Ganzhou Chinese has a paid up and registered capital of HKD 39,000,000.

Ganzhou Chinese is wholly owned by Worldwide Network Investment Group Limited ("Worldwide Network"), a company incorporated in Hong Kong.

On 15 May, 2015, as part of the restructure of the corporate group, the Company was issued with 99 shares in Worldwide Network paid to \$1.00 and acquired the existing 1 share paid to \$1.00 on issue to Hongwei Cai. As a result of this restructure, Worldwide Network became a wholly owned subsidiary of the Company.

Figure 6.1: Corporate Structure of Dongfang Modern Agriculture Holding Group Limited



6.2 Business Overview

Ganzhou Chinese is an important producer of mostly citrus agricultural foodstuff products in the PRC.

It was the second largest citrus fruits producer in PRC by revenue in 2014 ⁽¹⁾. The Company's operations span the cultivation and sale of tangerines, pomelos and navel oranges and also camellia seeds and fruits. Ganzhou Chinese's plantations are located in the district of Ganzhou City, Jiangxi Province, PRC.

(a) Ganzhou Chinese's Business and Plantation Acquisition History

Ganzhou Chinese was established in 2005 as a trading company and in December, 2008, the scope of the business was modified cover the cultivation of navel oranges, pomelos, tea plant and camellia products and also the breeding of pigs and poultry, including processing of these products.

In 2011, Ganzhou Chinese commenced cultivation and sale of camellia seeds and related products and took on leases of plantations of 2,187 hectares of camellia orchards of which about 60% (1,334 hectares) were generating revenue.

In 2012, Ganzhou Chinese acquired a further 60 hectares for production of camellia seeds and expanded through leases over 1,367 hectares of plantations for production of tangerine and of 840 hectares of plantations for pomelo.

¹ Ipsos report, Top 5 Agricultural Product Farming and Sales Industry Players in PRC

In 2013, Ganzhou Chinese acquired 45 hectares of navel orange plantations and took on leases of 593 hectares of plantations for pomelo and another 2,380 hectares of tangerine plantations. In mid-2013, the scope of business of Ganzhou Chinese was changed to focus on the cultivation of navel orange, pomelo, tangerine, tea tree, oil-seed camellia, seedlings and flowers and further processing and sale of these products to better reflect the evolving businesses of Ganzhou Chinese.

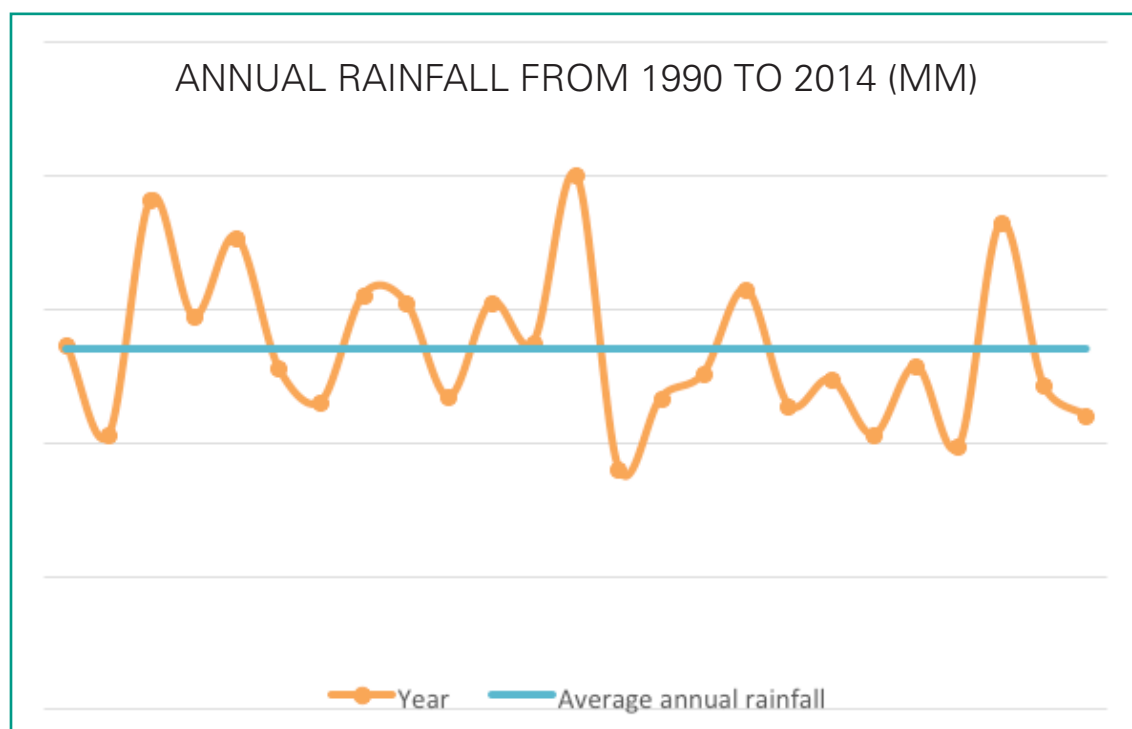
In 2014, Ganzhou Chinese acquired 497 hectares of plantations for production of orange.

In 2015, Ganzhou Chinese acquired 400 hectares of plantations for production of tangerine and took on leases of 267 hectares of tangerine plantations.

(b) Local Rainfall and Climate

The following figures illustrate the average rainfall

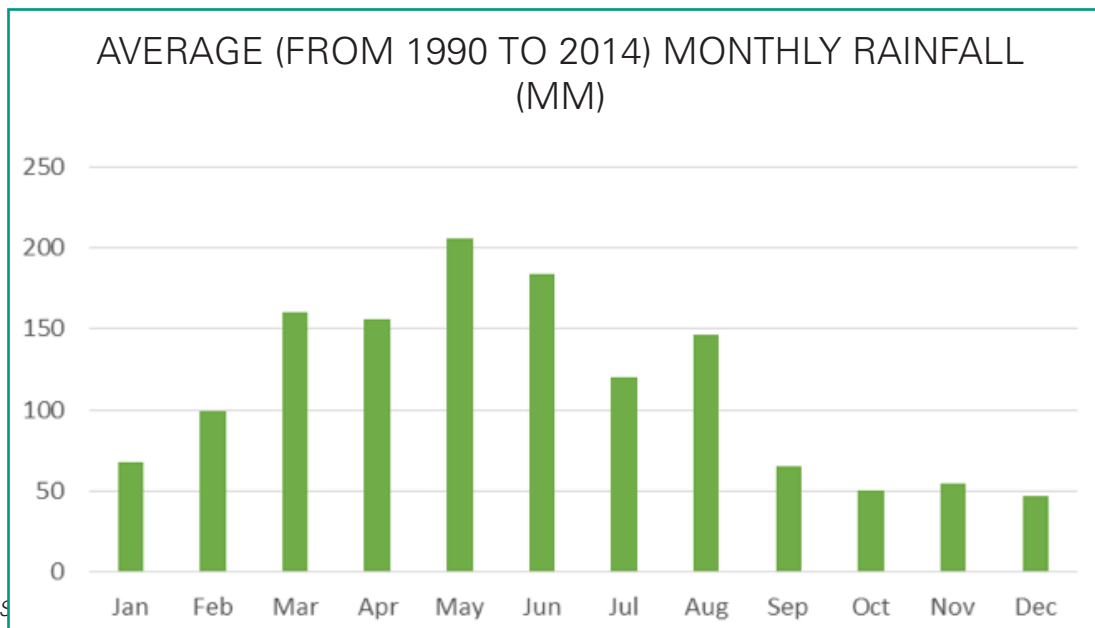
Figure 6.2: the annually rainfall in Ganzhou region



Source: Ganzhou City Weather Bureau



Figure 6.3: the average monthly rainfall in Ganzhou region



(c) Operational Review

Ganzhou Chinese operates plantations that produce a range of citrus fruits and camellia seeds and fruit for sale into the domestic markets in the PRC.

The business, as with most agricultural operations, is strongly seasonal (see section 6.6) and has a small workforce that maintains and develops the various plantations. Harvesting utilises a casual workforce from the local farming community.

Ganzhou Chinese sells the produce from the farm gate to a range of wholesalers who, through their distribution networks, deliver the output quickly and efficiently to the major fruits markets around PRC. Ganzhou Chinese has developed long-term relationships with a range of wholesale customers through its consistent focus on quality, reliable supply and dedicated customer service.

Ganzhou Chinese has had a long term business model of acquiring plantations through aggregation and has endeavoured to improve the land and products through application of modern processes of tree husbandry, fertilizer treatments, pest control and harvesting.

Ganzhou Chinese has engaged agricultural experts and professionals (see section 11.5(b)) to formulate overall cultivation and planting optimisation strategies, introduce new planting methodologies and oversee new pesticide and plant disease control agents. These consultants visit the plantations on a regular basis to examine the conditions of the plantations and make recommendations.

(d) Ganzhou Chinese's Key Products

TANGERINE

Tangerine (also known as 'mandarin' in Australia) is one of the most popular fruits in the PRC. It is the Company's largest volume product.

Figure 6.4: Pictures of Tangerine tree and fruits from a Ganzhou Chinese orchard



POMELO

Pomelo, Citrus genus, is a well known Southeast Asia fruit similar to grapefruit with white, pink or red flesh. This is the Company's second largest revenue earner. Pomelo fruit is characterised by significant amount of vitamin C and flavonoids, especially naringine and neohesperidin. The polyphenols and vitamin C, presented in pomelos, are well known for their beneficial biological activity that can reduce risk of cancers and cardiovascular diseases.

Figure 6.5: Pictures of Pomelos from a Ganzhou Chinese orchard



CAMELLIA FRUITS

Camellia fruit and seed are made into camellia oil by food processing enterprises and sold to oil distributors and retailers, such as supermarkets and grocery vendors.

Camellia fruit and seed are the third most important products for Ganzhou Chinese. These products have the highest unit value by weight.

The fruit and seeds are sold to various manufacturers of edible oils, textile producers and soap making. Camellia oil has a high content of unsaturated fatty acids which are valued for their health benefits. Within the PRC camellia oil is recognised for many therapeutic properties which include:

- Lipid reduction effects – reduces LDL cholesterol and triglycerides.
- Insecticide – useful as a pesticide for certain agricultural crops.
- Improves human immune reaction functions.
- Tea oil has been identified to prevent the proliferation of three specific cancers: colon, uterus and breast cancer.

Figure 6.6: Pictures of Camellia tree and seeds from a Ganzhou Chinese orchard



NAVEL ORANGE

Navel oranges are the smallest volume product for Ganzhou Chinese. These oranges contain a variety of nutrients.

90% of the Gannan navel oranges are transferred outside the city, mostly to Guangdong, Zhejiang, Shanghai, Beijing and other cities. Ganzhou's agricultural product industry has established a nationwide marketing network and system. Agricultural products from Ganzhou not only available in the domestic market but also in Hong Kong, Macao, Mongolia, Russia, India, Southeast Asia and the Middle East etc. with more than 20 regions.

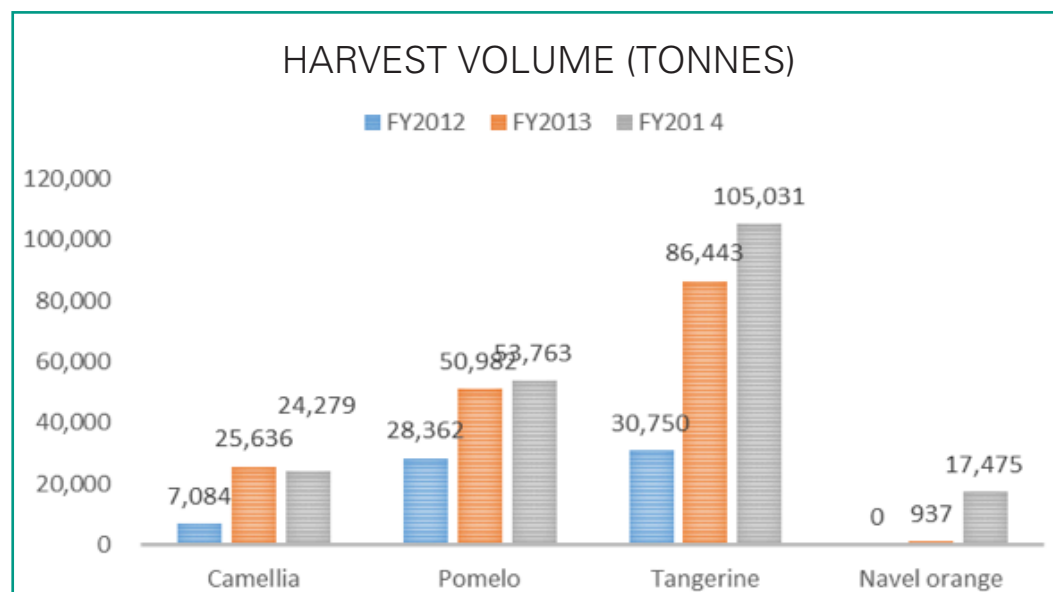
Figure 6.7: Pictures of Navel Orange tree and fruits from a Ganzhou Chinese orchard



(e) Key Production highlights

Ganzhou Chinese produced a total volume of 200,548 metric tonnes of fruit in FY2014, of which tangerine accounted for over 52% of the harvest volume and more than 56% of the total revenue generated.

Figure 6.8: Harvest Volume FY2012 to FY2014



6.3 Ganzhou Chinese's Competitive strength

Ganzhou Chinese is an important market leader in the citrus industry in the PRC. The Company's competitive strength in the PRC citrus industry is due to the following:

- **Ideal location for fruit cultivation**

Ganzhou Chinese's plantations are all located in the areas of Jiangxi province that enjoy a significant amount of sunshine, good levels of rainfall and long frost-free periods each year.

- **Established first mover advantage in scale and size**

As with many industries in China, the supply of citrus fruits and camellia fruits and seeds is highly fragmented across several regions and many farming communities. Ganzhou Chinese has invested significant capital to aggregate plantations through leases and acquisition of farming rights and has spent several years developing these plantations to the current scale and size of over 200,000 tones of fruit per year. Any new entrant hoping to reach the scale and size of company's operations to compete on the same volume level, would require substantial capital over many years to spend on plantation land acquisition, local supplier network building and marketing.

- **PRC Government Incentives**

Ganzhou Chinese has benefited from various financial incentives which include reduced tax rates and other financial measures. Effective from 1 January 2008 Article 27 of the New Tax Law and Article 86(1) of the New Tax Law Implementation Rules stipulates that enterprises engaging in certain agricultural activities, including growing of fruits and selection and cultivation of new agricultural species, are exempt from China Enterprise Income Tax (EIT) and business tax.

The Company has been able to benefit significantly from this opportunity by being able to reinvest almost all its operating cashflows into acquiring additional plantations and capital upgrading of existing operations.

- **Well-established and stable network input suppliers**

Ganzhou Chinese has made a substantial commitment to identifying key reliable suppliers of quality harvesting inputs such as pesticides, fertilizers and paper box as packaging materials. The consistent supply of high quality inputs is crucial to the business to maintain product value and quality. Ganzhou Chinese has maintained good and stable relationships with key suppliers and all of the major inputs have been sourced from five top suppliers which are all located in Jiangxi province. Long term relationships with these top five suppliers help Ganzhou Chinese to have a better bargaining power and a reliable supply of raw materials.

Based on reasonable grounds, the Directors are of the opinion that the ability to obtain a steady supply of raw materials has helped Ganzhou Chinese to increase its production output and to maintain its quality standard.

- **Experienced management teams with proven track record of delivering sustainable growth and profitability**

Ganzhou Chinese's management has proven knowledge and expertise in the agricultural industry. The management team has gained valuable experience over the last several years' successful operation and has continually contributed to the Company's expertise.

Based on reasonable grounds, the Directors are of the view that the favorable external conditions, together with the established reputation among customers, will help Ganzhou Chinese to enhance its market position.

6.4 Ganzhou Chinese growth strategies

Ganzhou Chinese plans to continue to expand its production capacity through the growth strategy adopted since CY2010.

The strategy recognises the need for increasing plantation yield and efficiency as well as improving produce quality. Recognition is also given to plantation sustainability and to optimising operating cost structures.

Ganzhou's growth strategy centres on the following key issues:

- **Increase production and growth through strategic acquisition**

Ganzhou Chinese will look to purchase additional rural land contracted operation rights to increase production. The acquisition of these additional rural land contracted operation rights will also give Ganzhou Chinese more control over future plantation products and soil quality and also the infrastructure on sites including irrigation, power and access roads.

The Company's growth plans involve the Company spending approximately A\$80million in acquisition of rural land contracted operation rights within the next 12 months (including the cost of planting of new trees and installation of irrigation) depending on the availability of funds from future retained profits and the need to retain funds for working capital .

It has already signed two non-binding letters of intent to acquire rural land contracted operation rights the details of which are as follows:

- approximately 301 hectares of navel orange plantation in Xingguo County for RMB180 million (A\$35,391,966 at an exchange rate of A\$ 1.00 = RMB 5.0859) for a period of 30 years;
- approximately 33.5 hectares of tangerine plantation in Xunwu County for RMB20 million (A\$10,891,281 at an exchange rate of A\$ 1.00 = RMB 5.0859) for a period of 30 years.

These have not been factored in to the use of funds table at section 1.3 because it is not anticipated that any agreement will be entered into until CY2016 and are dependent on sufficient monies being available from retained profits.

(Note: This is in addition to the non-binding letter of intent to acquire the rural land contracted operation rights for the No. 2 Camelia Plantation in Zingguo County referred to in Note 5 to the table in section 1.3).

- **Continuously focusing on improving quality**

Ganzhou Chinese is continuously endeavouring to improve the characteristics of its produce through tree maintenance, breeding varieties of its fruit trees, improving soil properties and the implementation of camellia organic cultivation.

- **More efficient production practices**

Ganzhou Chinese is committed to improving operating efficiencies, driven by the goal of delivering higher margins and lower costs. Economies of scale effects should gradually become apparent by the increase in the area of plantation land and the continuous improvement of management.

6.5 Ganzhou Chinese's Business Operational model

The following table represents the details of Ganzhou Chinese's business operational model:



Table 6.1 Operational Model

Cultivation	Ganzhou Chinese operates and manages all of its plantation bases in Jiangxi Province. It purchases produce containers (boxes, plastic and woven bags), fertilizers and pesticides etc. from suppliers. It engages temporary employment with relevant local villagers' committees. The above villagers' committees convene its villagers to provide temporary services to Ganzhou Chinese in their spare time in accordance with the content or workload of the project to be finished (including pesticide, fertilizer, harvest, etc.) in the plantation land, respectively. Ganzhou Chinese has no water costs.
Packaging	Depending on the customers' request, Ganzhou Chinese packages its produce in boxes or wraps them into plastic bags after harvesting before collection by its customers in its plantation bases
Distribution	Ganzhou Chinese sells its produce solely to its wholesale customers

6.6 Ganzhou Chinese's Production Process

The tables below shows the typical growth cycle of GanZhou Chinese's key citrus fruit and the relevant agricultural activities involved in cultivation throughout a year in general. The growth cycle differs in each year.

Table 6.2 Production Process

TANGERINE	
Month	Agricultural activities
January	Applying fertilizer and pesticides
February	Weeding and trenching
March	Applying pesticides
April	Applying fertilizer and pesticides
May	Pruning
June	Applying fertilizer
July	Applying pesticides
August	nil
September	Harvest
October	Harvest
November	Cleaning up plantation
December	Cleaning up plantation, antifreeze and applying fertilizers

NAVEL ORANGE	
Month	Agricultural activities
January	Antifreeze, weeding and applying fertilizer and pesticides
February	Applying pesticides and pruning
March	Applying fertilizer and pruning
April	Nil
May	Nil
June	Applying fertilizer, pesticides and pruning
July	Applying pesticides
August	Applying fertilizer, pesticides
September	Nil
October	Applying fertilizer
November	Cleaning up plantation
December	Antifreeze, weeding

POMELO	
Month	Agricultural activities
January	Antifreeze and pruning
February	Applying fertilizer
March	Applying pesticides
April	nil
May	Applying pesticides and pruning
June	nil
July	Applying pesticides
August	Applying fertilizer
September	Applying pesticides
October	Harvest
November	Harvest
December	Cleaning up plantation, antifreeze and applying fertilizers



CAMELLIA	
Month	Agricultural activities
January	Applying fertilizer
February	nil
March	Applying pesticides
April	nil
May	Weeding
June	nil
July	Applying pesticides
August	nil
September	Applying pesticides
October	Harvest
November	Harvest
December	Harvest, ridge shovelling and applying fertilizers

By its very nature, the business undertaken by Ganzhou Chinese is highly seasonal with all harvests and sales occurring during the months of September to December each year as follows:

Camellia	October (approximately 40%), November (approximately 44%), and December (approximately 16%)
Pomelo	November (approximately 100%)
Navel Orange	November (approximately 100%)
Tangerine	September (approximately 43%), and October (approximately 57%)

6.7 Plantations

As at the date of the Prospectus, Ganzhou Chinese owns the plantation rights for 5 plantations and leases an additional 14 plantations with a total size of approximately 8,643 hectares (see section 11.6 for details).

In addition, Ganzhou Chinese has its head office located in Ganzhou and a number of small offices located in proximity to its plantations.

Table 6.3: Company's Plantation Area by Products

Areas (Hectares)		FY2012	FY2013	FY2014	FY2015 Current
Tangerine	Leased	1,387	3,753	3,753	4,153
	Obtained	0	0	0	266
	Subtotal	1,367	3,753	3,753	4,419
Camellia	Obtained	60	60	60	60
	Leased	2,188	2,188	2,188	2,188
	Sub Total	2,248	2,248	2,248	2,248
Pomelo	Leased	840	1,434	1,434	1,434
Orange	Obtained	0	45	542	542
Total		4,455	7,479	7,976	8,643

Note 1: In this table "obtained" means the rights to land obtained through Rural Land Contracted Operation Rights Agreements or Subcontract Agreements of Rural Land Contracted Operation Rights (see section 11.6)

Note 2: In this table "Leased" refers to "the rights to land obtained through Lease Agreements of Rural Land Contracted Operation Rights" (see section 11.6)

Figure 6.9: Company's Plantation Area Change

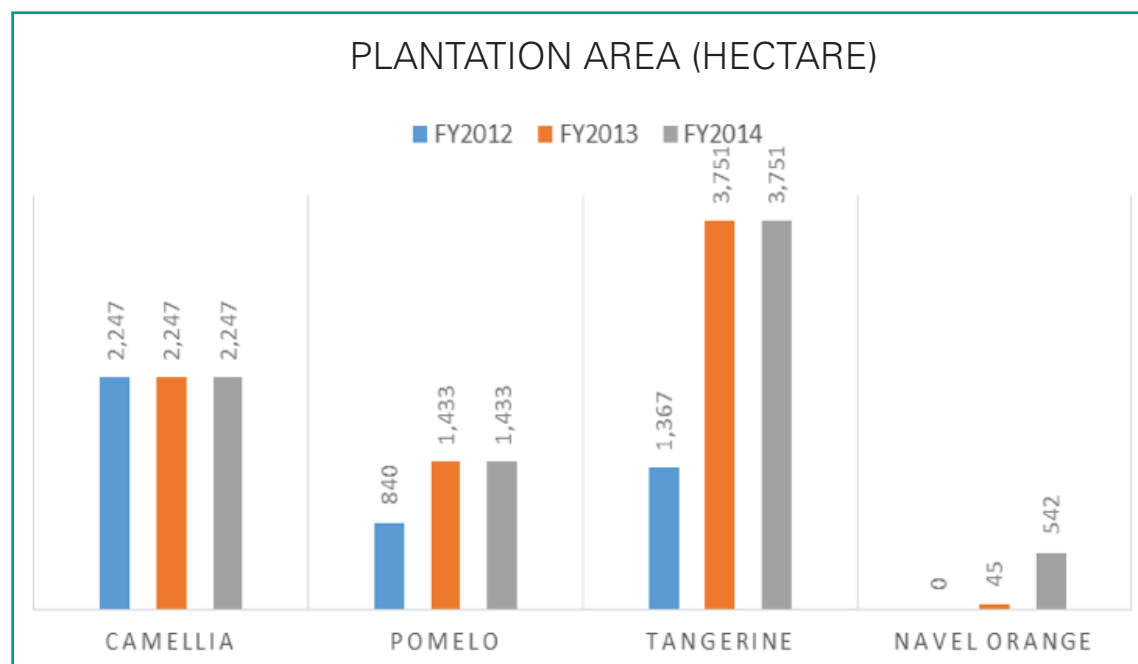


Figure 6.10: Company's Harvest Volume Yield ('000kg/ ha)

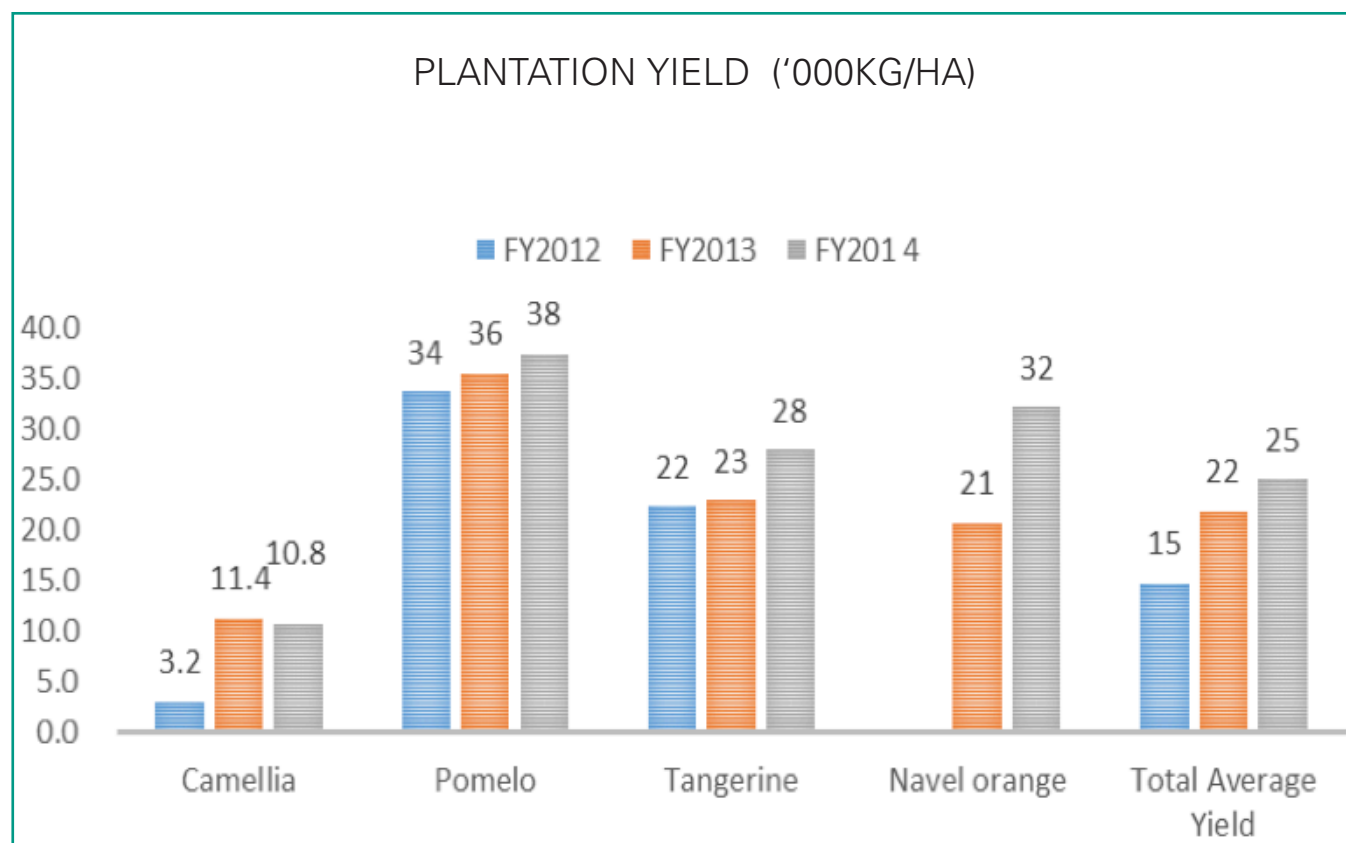


Figure 6.11: Company's Location Map of Plantations

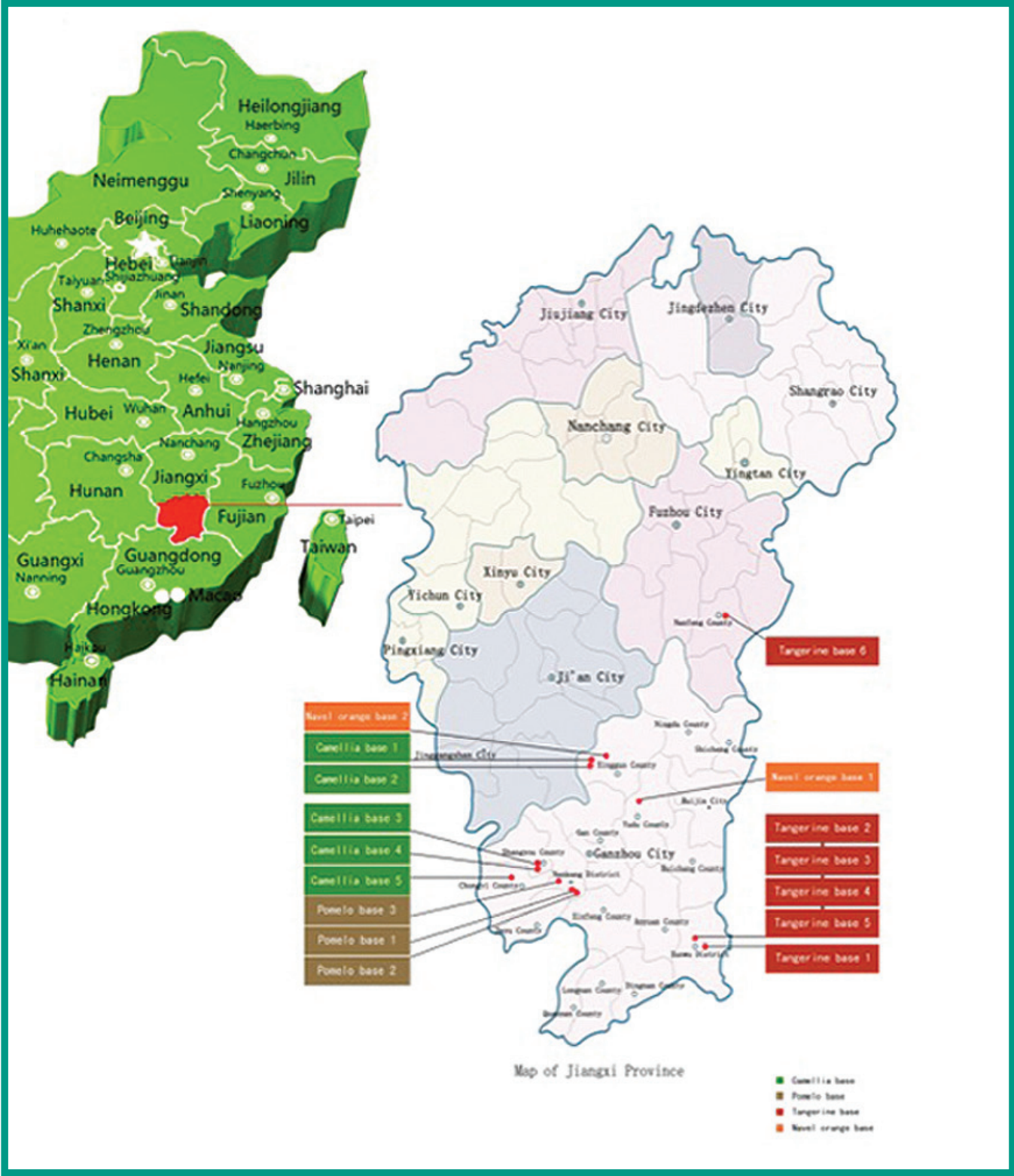
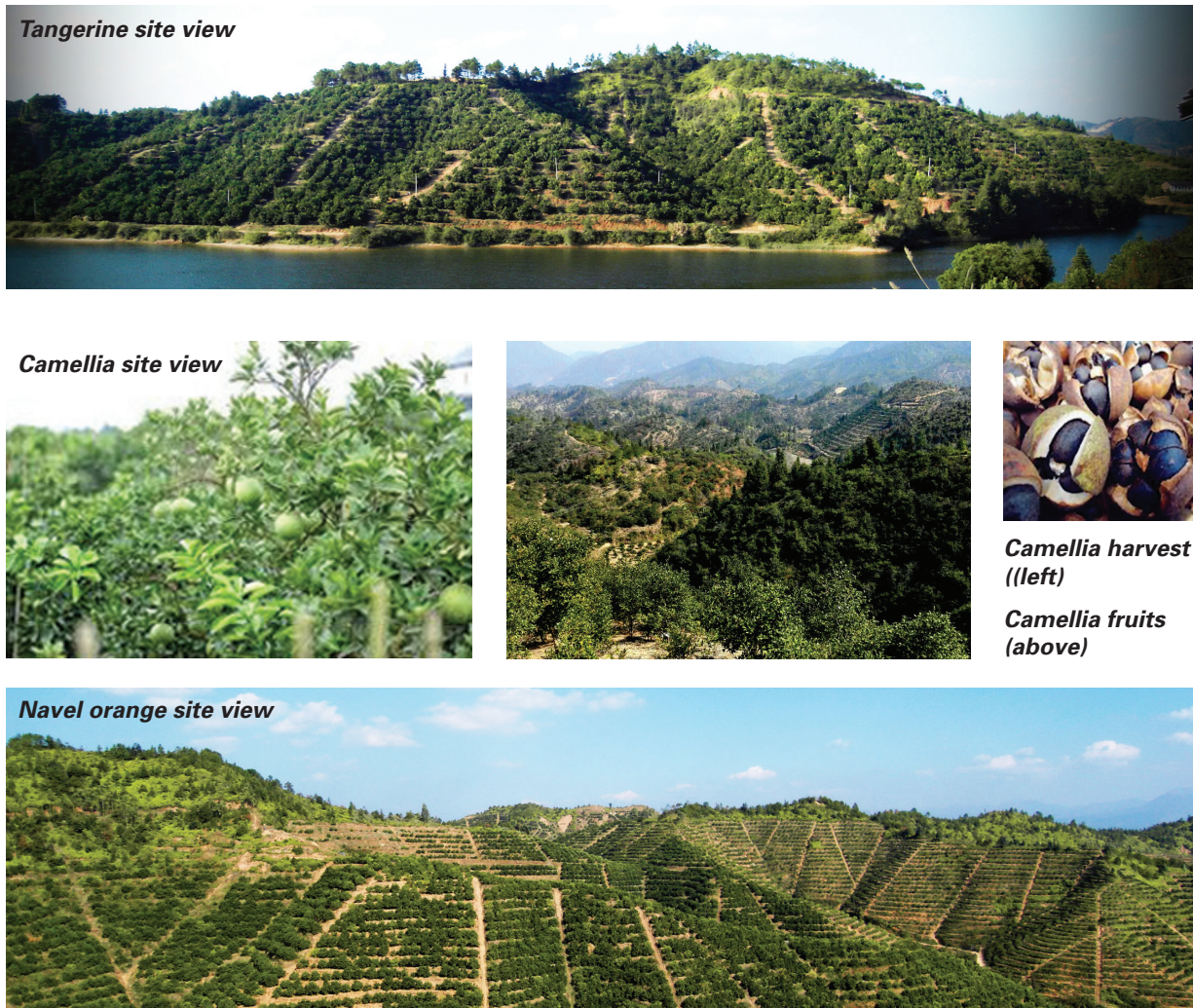


Figure 6.12: Photographs of Company's Plantations



6.8 Customers

Ganzhou Chinese has developed long-term relationships with a range of wholesale customers through its consistent focus on quality, reliable supply and dedicated customer service. Through this, Ganzhou Chinese enjoys a relatively even spread of revenue reliance from its customer base, with the largest customer accounting for approximately 13% of revenue in 2014.

Table 6.5: Breakdown of Revenue and Customer for the Year 2014

Year 2014	No. of Customers	% of Revenue	No. of Years of relationship
	1	13%	3
	1	11%	3
	1	9%	2
	1	9%	2
	1	8%	3
	11	50%	n/a
Total	16	100%	n/a

Ganzhou Chinese's major sales contract terms are as follows and are expected to continue in the future :

- Company pays packaging costs;
- Customers collect the products at site and pays transportation;
- Payment must be made in cash or by bank transfer within 30 days from the actual delivery date.

6.9 Suppliers

The principal input raw materials used by Ganzhou Chinese are fertilizers and pesticides and also paper box as packaging materials. Ganzhou Chinese has increased its number of key suppliers from 4 at 2012 to 8 at 2014.

6.10 Employees

As at the date of the Offer Ganzhou Chinese has approximately 98 full-time employees who were directly employed by of Ganzhou Chinese in PRC.

6.11 Future Plan in CY2016

Ganzhou Chinese has signed two non-binding letters of intent to acquire rural land contracted operation rights the details of which are as follows:

- approximately 301 hectares of navel orange plantation in Xingguo County for RMB180 million (A\$35,391,966 at an exchange rate of A\$ 1.00 = RMB 5.0859) for a period of 30 years;
- approximately 33.5 hectares of tangerine plantation in Xunwu County for RMB20 million (A\$10,891,281 at an exchange rate of A\$ 1.00 = RMB 5.0859) for a period of 30 years.

The production of the navel orange plantations for CY2014 was 32,258 kilograms per hectare (see Note 4 to the table in section 9.6.6) so it is expected that the addition hectares of navel orange plantations will result in an overall increased production of navel oranges.

The production of the tangerine plantations for CY2014 was 28,003 kilograms per hectare (see Note 1 to the table in section 9.6.6) so it is expected that the addition hectares will result in an overall increased production for tangerines.

These have not been factored in to the use of funds table at section 1.3 because it is not anticipated that any agreement will be entered into until CY2016 and are dependent on sufficient monies being available from retained profits.

6.12 Ganzhou Chinese and PRC taxation

The currently applicable tax rates in PRC are as follows:

Category	Tax Rate
Value Added Tax	13%
Income Tax	25%
Education Surcharge	3%
Local Education Surcharge	2%
Stamp Tax for sale agreement	0.1%



(a) Income tax

According to the PRC enterprise income tax law ("EIT Law") and its implementation rules, the PRC statutory income tax rate is 25%.

However because Ganzhou Chinese is engaging in growing, processing and sales of agricultural products it is currently exempt from PRC enterprise income tax ("EIT") subject to approval by or registration with the relevant tax authority. According to the Preferential Tax Treatments Confirmation Form issued by the State Tax Bureau of Xingguo County Jiangxi Province, Ganzhou Chinese is exempt from PRC EIT for the years of 2012, 2013, 2014 and 2015.

While Ganzhou Chinese expects to receive a Preferential Tax Treatments Confirmation Form for the future years, if it does not receive the same, its profits may be subject to income tax of 25%.

(b) Withholding Tax

Dividends paid by Ganzhou Chinese to Worldwide Network will be subject to a 10% withholding tax in PRC.

(c) Value-Added Tax

According to the Interim Regulations of the People's Republic of China on Value-added Tax and the Notification of the Ministry of Finance and the State Administration of Taxation Pertaining to the Explanatory Notes on the Levying Scope of Agricultural Products, enterprises engaging in agricultural production and operation, and the sale of self-produced agricultural products are exempt from value-added tax.

According to the Preferential Tax Treatments Confirmation Form issued by the State Tax Bureau of Xingguo County Jiangxi Province, Ganzhou Chinese is exempt from Enterprise value-added tax for the years of 2012, 2013, 2014 and 2015.

While Ganzhou Chinese expects to receive a Preferential Tax Treatments Confirmation Form for the future years, if it does not receive the same, the sale of its agricultural products will become subject to VAT of 13%.



7. Risks

7.1 Introduction

There are a number of factors that may have a material adverse effect on the Company's future operating and financial performance.

The Company's business activities are subject to risk factors both specific to its business activities and that of a general nature. If any of the risks associated with the Company materialised, the Company's business, results of operations, financial condition and prospects could be materially and adversely affected, which could result in the loss of all or part of your investment. The principal risk factors are described below. While some of these risks can be mitigated by the use of appropriate safeguards and systems, many are outside the control of the Company and cannot be mitigated.

Before deciding whether to invest in the Company's Shares, prospective investors should carefully consider the risk factors described below, together with all other information contained in this Prospectus. If any of these risks and uncertainties, together with the possible additional risks and uncertainties of which the Directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's business, financial position, the amount of work able to be performed with the funds raised from the Offer or operating results could be materially and adversely affected.

In addition, potential investors should be aware that the value of the Company's Shares on ASX may rise and fall depending on a range of factors that affect the market price of Shares. These include local, regional and global economic conditions and sentiment towards equity markets in general. The Shares issued under this Prospectus carry no guarantee with respect to the profitability, the payment of dividends, return of capital or the price at which the Shares may trade on the ASX.

It should be noted that this list is not exhaustive and that certain other risk factors may apply.

You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to apply for Shares. You should also seek your own professional advice in relation to the risks associated with an investment in the Company and should make your own assessment as to whether to invest in the Company.

7.2 Specific Risks

(a) Agricultural Industry Risk

The agricultural industry is highly competitive and fragmented, and the competition is expected to continually increase. Many of Ganzhou Chinese's competitors sell produce that are similar to Ganzhou Chinese's produce, and Ganzhou Chinese's ability to compete against them is significantly dependent on Ganzhou Chinese's ability to distinguish Ganzhou Chinese's produce from those of the competitors and demonstrate product quality.

In addition, consumer preferences and needs may change quickly and frequently, creating opportunities for new competitors to enter the market and for existing competitors to take away Ganzhou Chinese's market share. Some of these competitors have better financial, technical and marketing resources, recognized brand names and larger customer base than us. It is also possible that these competitors may have the ability to respond more quickly to new or emerging technologies, may adapt more quickly to changes in customer requirements and may devote more resources to the development, promotion and sales of their produce than Ganzhou Chinese.

Ganzhou Chinese's competitors may successfully expand their business upstream in cultivation of produce, which may enable them to better control the price and quality of the produce, thereby enhancing their competitiveness. Increased competition may reduce Ganzhou Chinese's sales volume, prices and margins. There can be no assurance that Ganzhou Chinese will be able to continue to compete successfully against Ganzhou Chinese's competitors or such competition will not have any material adverse effect on Ganzhou Chinese's business, financial position and results of operations.

(b) Agricultural risks

The main business undertaking of Ganzhou Chinese involves the operation of fruit orchards.



As with any horticultural crop, there are a number of factors that may affect yield. These include extreme rainfall, storms and other weather events, interruption of water supply, variations in soil types, vermin, disease, frost and wind, as well as other environmental factors. Whilst every effort will be made to minimise annual variations in yields and production, yields may vary from tree to tree and from harvest to harvest.

“Huanglongbing (HLB), previously known as citrus greening disease, is said by the Australian Department of Agriculture to be perhaps the worst problem in citrus trees worldwide. HLB is a bacterial disease that spreads through the tree canopy, causing decline and then death. It has no cure. HLB is spread by a sap-sucking insect. The only way to stop the disease is to destroy all infected trees and replace them.

However Ganzhou Chinese has not had this problem with its operations and the Directors are not aware of any greening occurring in nearby orchards to its orchards.

Although this is a risk, due to the lack of presence of this disease in the location of its orchards, the Company does not expect this to be a major problem..

(c) Disruptions in the operations during or near the harvest seasons

Ganzhou Chinese’s revenue is subject to seasonal factors with sales only during the harvest period from September to December (see section 6.6). If there is any substantial disruption in the operations during or near the harvest period either as a result of above-mentioned natural disasters or human failures outside Ganzhou Chinese’s control, this may have a material adverse impact on Ganzhou Chinese’s production and may materially affect Ganzhou Chinese’s revenue and financial performance.

(d) Marketing risk

There is a risk in relation to marketing the fruit, as with any agricultural commodity. Fruit prices are likely to fluctuate from year to year.

General economic conditions and actions taken by governments and regulatory authorities may also have an impact on the price of the fruit.

(e) Consumer demand

There is a risk that local and overseas consumer preference for the fruit produced from the orchards and particular varieties may change over time.

(f) Changes in technology

Changes in technology may make other citrus orchards more competitive and therefore affect returns. To counter any increased competition and remain competitive, Ganzhou Chinese is committed to using world best management practices and to upgrading these practices, as appropriate, with the best available technology. Ganzhou Chinese is focused on leading the market in technology, particularly in the areas of orchard management, harvesting techniques, packing equipment, ripening systems and fruit tracking systems.

(g) Tax risk

The tax treatment of profits made from the business operations may change over time affecting net profit of those operations. Further tax changes in treatment of dividends may also change over time.

Ganzhou Chinese is engaged in growing, processing and sales of agricultural products which is currently exempt from PRC enterprise income tax (“EIT”) subject to approval by or registration with the relevant tax authority. According to the Preferential Tax Treatments Confirmation Form issued by the State Tax Bureau of Xingguo County Jiangxi Province, Ganzhou Chinese is exempt from PRC EIT for the years of 2012, 2013, 2014 and 2015. While Ganzhou Chinese expects to receive a Preferential Tax Treatments Confirmation Form for future years, if it does not receive approval of the exemption application, its profits may be subject to EIT of 25% in those future years.

According to the Interim Regulations of the People’s Republic of China on Value-added Tax and the Notification of the Ministry of Finance and the State Administration of Taxation Pertaining to the Explanatory Notes on the Levying Scope of Agricultural Products, enterprises engaging in agricultural production and operation, and the sale of self-produced agricultural products are exempt from value-added tax. According to the Preferential Tax Treatments Confirmation Form issued by the State Tax Bureau of Xingguo County Jiangxi Province, Ganzhou Chinese is exempt from Enterprise value-added tax for the years of 2012, 2013, 2014 and 2015. While Ganzhou Chinese expects to receive a Preferential Tax Treatments Confirmation Form for future years, if it does not receive approval of the exemption application, the sale of its agricultural products will become subject to VAT of 13%.

To retain PRC EIT and VAT exemption, every year Ganzhou Chinese must complete an application form for tax exemption, attach the relevant documentation and lodge it with the competent tax authority. The form and supporting documentation include but is not limited to Ganzhou Chinese's agriculture products list, a description of the producing process of its agriculture products, detailed tax information and financial information.

Other than by failing to lodge the tax exempt application form, the only circumstance in which Ganzhou Chinese could lose its exemption from PRC EIT and VAT is if there is a change in the law(s) / circular(s) issued by the relevant government authorities (e.g. State Tax Bureau, Ministry of Finance). Since the tax authority executes / reviews every application in accordance to the effective laws and regulations, it has quite limited discretion to withhold the exemption from PRC EIT and VAT subjectively unless such application does not meet the criteria of the relevant laws and regulations.

Dividends from Ganzhou Chinese to Worldwide Network are currently subject to 10% withholding tax. There is always a risk that withholding tax rates can change. Although there is no further withholding tax on dividends either by Hong Kong or Australia on dividends, the taxation treatment of such dividends may change from time to time.

(h) Legislative change

Changes in legislation may have an impact on returns from the business operations.

(i) Potential conflict of interests between the Controlling Shareholders and other minority Shareholders

The following shareholders ("Controlling Shareholders") will collectively beneficially own 90% of the Shares at Minimum Subscription and 87.53% at Maximum Subscription:

Shareholder	Shares held	Percentage of Shares held at Minimum Subscription	Percentage of Shares held at Maximum Subscription
Cai Hongwei	312,390,000	80.1%	77.9%
Super Fusion International Limited	21,060,000	5.4%	5.3%
Huge Ease Limited	17,550,000	4.5%	4.4%
Total	351,000,000	90%	87.5%

The interests of the Controlling Shareholders may differ from the interests of other Shareholders.

Subject to any restrictions imposed on the Controlling Shareholders under the Corporations Act and the Listing Rules, the Controlling Shareholders could have significant influence in determining the outcome of any corporate transaction or other matters submitted to the Company's Shareholders for approval, including mergers, consolidations and the sale of all or substantially all of the assets, election of Directors and other significant corporate action. In cases where their interests are aligned and they vote together, the Controlling Shareholders will also have the power to prevent or cause a change in control. Without the consent of some or all of the Controlling Shareholders, the Company may be prevented from entering into transactions that could be beneficial to the Company. The Company cannot assure potential investors that the Controlling Shareholders will act entirely in the Company's interest or that conflicts of interest will be resolved in the Company's favour. The interests of the Controlling Shareholders may differ from the interests of the minority Shareholders and the Controlling Shareholders are free to vote according to their interests.

7.3 Risks relating to the PRC

(a) General

All of the Group's business activities are located in the PRC. Accordingly, the results of operations, financial position and prospects of the Group are subject, to a significant degree, to the economic, political and legal developments of the PRC.

The political and economic situation in the PRC may have a material adverse effect on the Group's business.



Any changes in the political climate, economic and social situation, the laws, regulations and policies of the PRC arising therefrom, may have an adverse effect on the present or future operations of the Group. With the Group's business and operations substantially based in the PRC, the Group's operation and financial results could be adversely affected by the restrictive or austere policies introduced by the PRC government. The Group may not be able to capitalise on economic reform measures adopted by the PRC government. The Company cannot assure you that the PRC government will not impose economic and regulatory controls that may adversely affect the Group's business, financial position and results of operations.

The Group's operations may be subject to acts of God, acts of war and epidemics or pandemics which are beyond its control and which may cause damage, loss or disruption to the Group's business.

The Group's business is subject to general economic and social conditions in the PRC. Natural disasters, epidemics or pandemics and other acts of God which are beyond the Group's control may adversely affect the economy, infrastructure and livelihood of the people in PRC. Some cities in PRC are under the threat of floods, earthquakes, sandstorms, snowstorms, fires or droughts. For instance, a severe snowstorm hit the southern part of PRC, in particular, Yangtze River Delta in January and February of 2008, resulting in a breakdown of the transportation system in the southern part of PRC and loss of agriculture produce in the said areas. In May and June 2008, a serious earthquake and its successive aftershocks hit Sichuan, leading to a tremendous loss of lives and injury and destruction of assets in the region. In April 2013, there were outbreaks of highly pathogenic avian flu, caused by the H7N9 virus, in certain parts of PRC.

The Group's, results of operations and financial condition may be adversely affected in a material respect if such natural disasters occur in the PRC. A recurrence of Severe Acute Respiratory Syndrome (also known as SARS) or outbreak of swine or avian influenza, or any epidemic in PRC may result in material disruptions to the industries or a slowdown of PRC's economy, which may materially and adversely undermine the Group's business, financial condition and results of operations. Acts of war and terrorism may also injure the Group's employees, cause loss of lives, damage the Group's facilities, disrupt the Group's distribution channels and/or destroy the Group's markets, which may materially affect the Group's sales, costs, overall financial condition and results of operations. The potential for war or terrorist attacks may also cause uncertainty and cause the Group's business to suffer in ways that it cannot predict. The Group's, financial condition and results of operations may be materially and adversely affected as a result.

(b) Insurance Risks

Except for the compulsory social insurances for the employees and some compulsory insurance for automobiles, Ganzhou Chinese does not purchase any insurance for its assets and employees. The reason for this is that the insurance industry in PRC is still at an early stage of development. Insurance companies in PRC offer limited commercial insurance products for the agricultural sector or only offer them on unattractive terms. Ganzhou Chinese has therefore determined that balancing the risks of disruption or product liability or the risk of loss or damage to their property on the one hand, the cost of insuring for these risks and the difficulties associated with acquiring such insurance on commercially reasonable terms on the other hand, that it is not commercially feasible for them to have such insurance.

There is therefore a risk that an event may occur for which Ganzhou Chinese is not insured and will have to meet any loss of damage arising from its own assets.

(c) Land title risk

The land on which the Ganzhou Chinese's orchards are located are not owned by Ganzhou Chinese because this is not possible within the PRC. Land is only held for a term as explained in section 11.6 of this Prospectus. There is a risk that at the end of the term of the relevant tenure of the land that Ganzhou Chinese may not be able to renew that tenure and therefore it will be unable to continue its operations. However the tenure is long term as described in section 11.6 of this Prospectus.

In addition to the risk of the land tenures not being extended, under PRC law, Ganzhou Chinese faces certain risks which are inherent if the parties breach the contractual arrangements. The contracts can be terminated if there is a material breach by Ganzhou Chinese of its obligations or breaches of PRC law or regulations in its use of the plantations or as a result of compulsory acquisition by the PRC Government. Should the agreements as explained in section 11.6 of this Prospectus be terminated prematurely or Ganzhou Chinese's access to such plantations are adversely affected as a result of any dispute or challenge and/or Ganzhou Chinese is unable to find suitable alternative plantations, Ganzhou Chinese's business, operations and financial performance would be adversely affected."

Ganzhou Chinese has not yet started to apply for the Forest Title Certificates of 400ha forestland located on one of the orchards to which it holds Rural Land Contracted Operation Rights Agreement in Nanfeng County being the No. 6 Tangerines Orchard Nanfeng County for a term from 01.01 2015 to 31.12.2044 (see section 11.6).

The reason that Ganzhou Chinese has not yet started to apply for these Forest Title Certificates is that once the Certificates are granted the second instalment of the purchase price, being RMB60 million, for the acquisition of the rural land contracted operation rights for the No. 6 Tangerines Orchard Nanfeng County for a term from 01.01 2015 to 31.12.2044 referred to in the table of Rural Land Contracted Operation Rights held by the Company in section 11.6 becomes payable. As set out in section 1.3, it is intended that part of the funds being raised through the Offer are to be applied to meeting this payment.

However irrespective of whether the Offer is successful or not, Ganzhou Chinese will apply for Forest Title Certificates before, 31 December 2015. According to the confirmation issued by the Forestry Administration Bureau of Nanfeng County dated 13 April, 2015, there is no obstacle for Ganzhou Chinese to obtain these Forest Title Certificates .

If these Forest Title Certificates are not granted then the first instalment of the purchase price of RMB240 million that has already been paid by Ganzhou Chinese must be returned to it by the vendors.

In the unlikely event that the Forest Title Certificates were not granted the non-completion of the agreement to acquire the rural land contracted operation rights for the No. 6 Tangerines Orchard Nanfeng County would reduce the CY2015 forecast revenue by 5.5%

However there is a risk, albeit small, that the governmental confirmation with respect to the Forest Title Certificates would be revoked or otherwise rendered defective in any respect. The absence of title certificates also subjects Ganzhou Chinese to the risk that it does not have valid ownership of the forest on the forestland.

(d) Possible change on PRC environmental protection regulations

The Group carries on business in an industry which is subject to PRC environmental protection law and regulations. Enterprises engaged in food production should comply with the law and regulations concerning environmental protection. If an enterprise fails to report or provide false information about the environmental pollution caused by it, it will receive a warning or be penalized. Failure to eliminate or control pollution within the required timeframe may result in the payment of a fee for excessive discharge; or imposition of a fine; or suspension or close down of the operation.

The Group has been complying with the relevant PRC environmental protection law and regulations. Nevertheless, there can be no assurance that the PRC government will not change the existing law and regulations or make additional or stricter law and regulations on environmental protection, compliance of which may cause us to incur significant capital expenditures. There is no assurance that the Group will be able to comply with any such law and regulation as may be amended or promulgated in the future.

(e) Possible change on agricultural products and food safety laws

The Group's operations are subject to compliance with the PRC agricultural products and food safety laws and regulations. Failure to comply with such agricultural products and food safety laws and regulations may result in fines, suspension of operations, loss of hygiene licence and, in more extreme cases, criminal proceedings against the enterprise and its management. The Group has been complying with the relevant PRC agricultural products and food safety laws and regulations. Nevertheless, there is no assurance that the existing PRC agricultural products and food safety laws will not be changed in the future. In such event, additional cost may need to be incurred by us to comply with more stringent laws and regulations, which could have an adverse impact on the Group's financial position.

(f) Introduction of new laws or changes to existing laws by the PRC government may adversely affect the Group's business

The Group's business and operations in PRC are governed by the legal system of PRC. The legal system in PRC is based on statutory law. Under this system, prior court decisions may be cited for references but do not have binding precedential effect. Accordingly, the outcome of dispute resolution may not be consistent or predictable as in the other more developed jurisdictions where prior court decisions may have binding precedential effect.

Interpretation and enforcement of the PRC laws and regulations may be subject to changes in policies and political environment. Different regulatory authorities may have different



interpretation and enforcement of the industries' policies and foreign investment policies, which requires companies to meet the policies requirements issued by relevant regulatory authorities from time to time, and obtain approvals and complete filings in accordance with the relevant regulatory authorities' interpretation and enforcement of such policies.

If there are any future changes in applicable laws, regulations, administrative interpretations or regulatory documents, or stricter enforcement policies by the relevant PRC regulatory authorities, more stringent requirements could be imposed on the industries the Group is currently engaged in.

Compliance with such new requirements could impose substantial additional costs or otherwise have a material adverse effect on the Group's business, financial condition and results of operations. In addition, if the Group fails to meet such new rules and requirements relating to approval, construction, environmental or safety compliance of the Group's operations, the Group may be ordered by the relevant PRC regulatory authorities to change, suspend construction of or close of the relevant production facilities.

Alternatively, these changes may also relax some requirements, which could be beneficial to the Group's competitors or could lower market entry barriers and increase competition. As a result, the Group's business, financial condition and results of operations could be materially and adversely affected.

In addition, since the PRC economy is developing at a faster pace than its legal system and the PRC laws and regulations regarding cultivation of agricultural produce and foreign investments are relatively new and evolving, there may be uncertainties as to whether and how existing laws and regulations will apply to certain circumstances or events, and until the development of the legal system is kept abreast of economic reforms and development in PRC, such uncertainties are likely to remain. The Company cannot give any assurance that introduction of new laws and amendments to existing laws by the PRC government may not adversely affect the Group's profitability and prospects.

(g) Distribution and transfer of funds

Dividends

The tax position of Ganzhou Chinese is explained in section 7.2(g) above. Subject to the risks disclosed in section 7.2(g), its income is not presently subject to EIT.

Ganzhou Chinese is wholly owned by Worldwide Network which is a Hong Kong incorporated entity and is located in Hong Kong. Worldwide Network does not have any substantive operating activities. Its only income will consist entirely of dividends paid by Ganzhou Chinese. There are some rules in the PRC which affect the ability of Ganzhou Chinese to remit dividends to Worldwide Network that need to be considered.

Firstly under the PRC laws, dividends from subsidiaries of a foreign company in the PRC may only be paid out of distributable after-tax profits, less any recovery of accumulated losses and allocations to statutory funds which are not available for distribution as cash dividends. Any distributable profits that are not distributed in a given year may be retained and made available for distribution in subsequent years. The calculation of distributable profits under PRC accounting principles is different in many respects from Hong Kong and Australian accounting principles. In accordance with the PRC law, Ganzhou Chinese is required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses) to the statutory surplus reserve until the balance of the reserve fund reaches 50% of the entity's registered capital.

Ganzhou Chinese does not have prior year losses and the balance of the reserve fund has reached 50% of the registered capital already. Therefore the funds available for distribution by Ganzhou Chinese by way of dividends would not be reduced. However there is a risk that in the future, there may be losses incurred that will affect the ability of Ganzhou Chinese to remit dividends to Worldwide Network under these provisions.

Secondly any distributions by Ganzhou Chinese to the Company through its wholly owned subsidiary in Hong Kong, Worldwide Network, will be subject to dividend withholding tax. Pursuant to the PRC EIT Law and its implementation rules, if the Company's wholly owned subsidiary Worldwide Network (located in Hong Kong) is regarded as a non-PRC tax resident enterprise, a general withholding tax at the rate of 10% will be applied to any dividends paid by Ganzhou Chinese to Worldwide Network, unless Worldwide Network is entitled to a reduction or elimination of such tax, including by tax treaties. However because Worldwide Network does not have substantive operating activities, any dividends which are paid by Ganzhou Chinese to Worldwide Network will be subject to PRC dividend withholding tax of 10% rather than the lower rate under the tax treaties.

Thirdly, the PRC EIT Law provides that, if an enterprise incorporated outside PRC has its central management and control located within PRC, such enterprise may be recognised as a PRC tax resident enterprise and thus may be subject to PRC EIT at the rate of 25% on its worldwide income excluding equity-investment income such as dividends and bonuses between qualified resident enterprises.

The effect of this provision is that if a company not incorporated in PRC has its central management and control in PRC, it will be a tax resident of PRC even though it is not incorporated in PRC. Therefore its income will be subject to EIT of 25%. However dividend income of such a PRC resident is treated differently. Dividend income is not taxable under EIT if the dividend is paid by one PRC tax resident "A" to another PRC tax resident "B" unless the PRC tax resident "A" is a listed company and PRC tax resident "B" hold shares in "A" for less than 12 months.

Therefore if Worldwide Network was deemed to be a PRC tax resident it would be subject to EIT of 25% on its income other than any dividend income it receives from Ganzhou Chinese. The dividend income which it receives from Ganzhou Chinese would not be subject to EIT of 25% under this rule. Worldwide Network is a company incorporated in Hong Kong wholly owned by the Company which is an Australian resident and not a PRC resident. Worldwide Network is a mere holding company with no operational functions. Its key assets and corporate documents such as board and shareholders resolutions and minutes of board meetings and shareholders meeting, are located and maintained outside the PRC. This means that its central management and control is not in PRC. Therefore this provision will not apply to Worldwide Network.

In relation to the position of the Company under this third aspect of EIT law, Australia has a double tax agreement with PRC. Under the terms of the double tax agreement with PRC, the Company is a resident of Australia. The only income of the Company is the dividend income from Worldwide Network. This income of the Company is not subject to income tax in PRC under any of the provisions of the double tax agreement. Therefore only Australia has the right to tax the dividend income of the Company.

However under Australia's income tax laws, foreign non-portfolio dividends (i.e. dividends on a participation interest of at least 10% in a foreign resident company) received by an Australian corporate tax entity is non-assessable non-exempt ("NANE") income. This means that any dividends the Company receives from Ganzhou Chinese through its foreign wholly owned subsidiaries (i.e. Worldwide Network) will not be subject to any Australian income tax in the hands of the Company. Dividends received by Worldwide Network from Ganzhou Chinese are not taxable in Hong Kong. However this means that both the Company and Worldwide Network will not be able to obtain any foreign tax offset for any withholding tax deducted at source by PRC on dividends paid by Ganzhou Chinese to Worldwide Network and in turn by Worldwide Network to the Company.

Other distributions

In addition to the above tax issues, any transfer of funds from the Company to Ganzhou Chinese, either as a shareholder loan or as an increase in registered capital, is subject to registration and/or approval granted by PRC governmental authorities. These limitations on the free flow of funds between the Company and Ganzhou Chinese could restrict the Company's ability to act in response to changing market conditions in a timely manner.

Enforcement of judgements

It may be also difficult to enforce any judgments obtained from non-PRC courts against Ganzhou Chinese in the PRC.

At present substantially all of Ganzhou Chinese's assets are located within PRC. PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with most of the western countries. Therefore, it may be difficult for persons to enforce against Ganzhou Chinese in PRC from any judgments obtained from non-PRC courts

(h) Exchange control

The official currency of the PRC, RMB, is not a freely convertible currency. Limits are imposed on the amount of currency which may be carried in or out of the PRC. The foreign exchange rate system is regulated using a "controlled float regime" based on market demand which is managed by the State Administration of Foreign Exchange (SAFE). Currently, the RMB is permitted to increase or decrease by 1% from the currency's daily central parity rate. While current account foreign exchange receipts and disbursements are, to a large extent, unrestricted, capital account foreign exchange receipts and payments are still subject to strict control. Businesses are able to buy and sell foreign currency for trade and non-trade current account receipts and payments through designated banks.

Governmental control of currency conversion may limit the Ganzhou Chinese's ability to utilise its revenues effectively.



The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Ganzhou Chinese receives most of its revenues in Renminbi. Under the Group's current corporate structure, the Company may rely on dividend payments from Ganzhou Chinese to fund any cash and financing requirements that Ganzhou Chinese may have.

Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE, by complying with certain procedural requirements. Therefore, Ganzhou Chinese is able to pay dividends in foreign currencies to the Company without prior approval from SAFE by complying with certain procedural requirements.

However approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. This could affect the ability of Ganzhou Chinese to obtain foreign exchange through debt or equity financing, including by means of loans or capital contributions from the Company. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions.

If the foreign exchange control system prevents Ganzhou Chinese from obtaining sufficient foreign currencies to satisfy Ganzhou Chinese's foreign currency demands, the Company may not be able to pay dividends in foreign currencies to its shareholders.

7.4 General Risks

(a) General investment risks

There are general risks associated with any investment and the share market. The price of Shares may rise or fall depending upon a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. Movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, commodity supply and demand, government taxation and royalties, legislation and other policy changes may affect the stock market generally and the market for the Company's Shares in particular.

(b) Possible volatility of Share price

The price of Shares listed on ASX may also be affected by a range of factors including the Company's financial performance and by changes in the business environment in which the Company operates. The value of Shares can increase or decrease. Economic factors such as changes in interest rates, exchange rates, inflation rates, tax rates and governmental regulation; industry factors such as the development of new and competing resources and products by the Company's competitors; changing commodity supply and demand and commercial factors such as the loss of key staff can also affect the value of the Shares. Similarly the level of dividends paid on Shares (if any) could rise or fall.

(c) Changes in laws and government policy

Changes in laws, regulations and government policy may affect the Company and the attractiveness of an investment in the Company.

(d) Government actions

The impact of actions by government may affect the Company's activities including such matters as infrastructure, compliance with environmental regulations, taxation and royalties.

(e) Key personnel and management

The Company's success is closely linked to the ability of the Company to recruit and train high quality personnel with experience in the industry in which the Company operates. The inability to attract and retain the services of a sufficient number of suitably qualified personnel could be disruptive to the Company's development and could materially adversely affect its operating results.

(f) Application of and changes to accounting policies

Accounting standards and policies may change in the future especially in relation to the application of the International Financial Reporting Standards. Such changes may have an adverse impact on future reported financial results.

8. Profile of Directors and Management

8.1 Directors

Although none of the directors have been directors of an ASX listed Chiu So and Ming Sing Barton Tso both have experience with companies listed on the Hong Kong stock exchange and all directors have substantial business experience.



(a) Hongwei Cai

Hongwei Cai is aged 29. He is the Executive Chairman of the Board and also an executive Director of the Company. He is also the major shareholder of the Company.

Mr Cai is responsible for the overall strategic management, investment planning and business development of the Group. Mr Cai is also the ultimate controlling shareholder of the Company, and except as disclosed, he has no relationship with any other Directors, senior management or substantial shareholders of the Company.

Mr Cai has extensive experience in management, marketing and business development of agricultural enterprises and public relation.

Mr Cai studied investment management in Singapore during the respective periods of September 2006 to December 2007 and January 2009 to December 2009.

For the period from January 2008 to December 2008, Mr Cai worked as a market promotion manager at Ganzhou Dingsheng New Tech Water Products Company Limited, an Independent Third Party, responsible for overall market planning, product marketing and research and development of new products.

Mr Cai has been the major underlying equity holder of Ganzhou Chinese since 2008.

Since January 2010, Mr Cai has worked for Ganzhou Chinese. During the period from January 2010 to December 2010, Mr Cai acted as the assistant to the general manager of Ganzhou Chinese, assisting the general manager in the overall planning and market operation of Ganzhou Chinese. In January 2011, Mr Cai was promoted as deputy general manager of Ganzhou Chinese, responsible for the overall market planning and the marketing of products, and the research and development of new products. Mr Cai remained in the position of deputy general manager at Ganzhou Chinese up to September 2012. Thereafter, Mr Cai acted as the director and deputy general manager of Ganzhou Chinese, performing substantially the same functions but with intensified responsibilities.

From December 2012 onwards, Mr Cai has acted as the chairman of the board of Ganzhou Chinese. He has also served as a director and general manager of Ganzhou Chinese concurrently with his position as chairman of the board of Ganzhou Chinese. Mr Cai is at present responsible for the overall strategic development, strategic planning, business development and market operation of Ganzhou Chinese. Mr Cai has been a director of Worldwide Network since 9 October 2012.



(b) Ming Sing Barton Tso

Mr Ming Sing Barton Tso is aged 49. He is the Chief Executive Officer and an executive Director of the Company.

Mr Tso is responsible for the overall operation of the Group.

In 1988, Mr Tso graduated from the School of Economics, Fudan University with a Bachelor Degree of Economics, majoring in International Finance.

In the 26 years since graduating from Fudan University, Mr Tso has been engaging in the enterprise management, capital market operation and banking business investment in various enterprises and public companies in PRC Mainland & Hong Kong. Mr Tso also has experience in strategies for public companies, internal control management, enterprise investment and financing and building of talent



Mr Tso was the Financial Manager in the Hong Kong Branch of Fujian Start Group Co., Ltd., which is a public company listed in Shanghai Stock Exchange of PRC. Mr Tso was also the Executive Director and Chief Operating Officer in China Fortune Holdings Limited, a public company listed in Hong Kong Stock Exchange.



(c) Chiu So

Mr Chiu So is aged 39. He is Chief Financial Officer and an executive Director of the Company.

Mr So is responsible for the accounting and financial management of the Group. Mr So has no relationship with any other Directors or senior management of the Company.

Mr So was awarded a bachelor degree in Commerce (Accounting) from Macquarie University in Sydney, Australia in 2000.

Mr So has been a fellow member of Hong Kong Institute of Certified Public Accountants since September 2013 and a member of Certified Practicing Accountant of Australia since

2005.

Mr So possesses more than fifteen years of experience in accounting and finance. In particular, he is experienced in assisting enterprises for listing, issuing convertible bonds and arranging equity participation of international funds.

Prior to joining the Group, Mr So was an executive director of China Packaging Group Company Limited, an investment holding company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 572), during the year of 2009. The principal business activities of China Packaging Group Company Limited and its subsidiaries are the manufacture and sale of tins for the packaging of beverage in Shanxi, PRC. Mr So was responsible for the administration of China Packaging Group Company Limited and its subsidiaries at the material times.



(d) Dan Lin

Ms Dan Lin is aged 46. She is an Independent Non-executive Director of the Company. Ms Lin has no relationship with any other Directors, senior management or substantial shareholders of the Company.

Dan Lin together with Michael Choi is one of the two Australian based directors of the Company

Ms Lin is currently studying a Capital Operation MBA at Tsinghua University, China.

Ms Lin has worked in the telecommunication industry, including working at Telstra. Ms Lin has also worked in the Chinese telecommunication industry, including working as a council member and the executive of the council member in the communications industry in China

for 7 years.

Ms Lin has experience as an entrepreneur. In 2005, Ms Lin was awarded the title of Outstanding Entrepreneur of Chinese Enterprise Management by China Academy of Management Science.

Ms Lin has experience handling government relations at all levels in China.

Ms Lin also has experience in business development.



(e) Michael Wai-Man Choi

Michael Wai-Man Choi is aged 56. He is an Independent Non-executive Director of the Company.

Michael Choi together with Dan Lin is one of the two Australian based directors of the Company.

Mr Choi is an Australian trained professional project manager and engineer with proven records in delivering projects on time and on budget. He has extensive experience in business, management, strategic planning, processing improvement, human resources, financial management, marketing and business development. He is also a facilitator in the political and community arena with proficient leadership and people skills in stakeholder facilitation, consultation and management.

Mr Choi has a Bachelor of Engineering from the University of Queensland and is a Registered Professional Engineer of Queensland. Mr Choi is a member of various professional groups including being a member of the Australia Institution of Project Management. Mr Choi was previously a member of the Queensland China Council, a state government established body. Mr Choi is also an Advisor of the Queensland Chinese United Council, a Permanent Patron of the Queensland Chinese General Chamber of Business and a Committee Member of the Australia China Business Council Queensland Chapter.

Mr Choi was a member of the Queensland Parliament, being the first Asian Australian elected to Queensland Parliament. In this role, Mr Choi held various ministerial portfolios as Assistant Minister including Mines, Energy, Natural Resources, Trade and Multicultural Affairs.

Mr Choi speaks English, Mandarin and Cantonese, and can read and write both English and Chinese.

8.2 Senior Management

(a) Mr Zhiyuan Zhou

Mr Zhou is aged 33. He was appointed as the Executive Director of the Board of Ganzhou Chinese and General Manager of Ganzhou Chinese in October 2014.

Mr Zhou graduated with an undergraduate diploma in Civil and Commercial Law from the University of Political Science and Law, China, in Jul. 2005.

Mr Zhou specialises in the modern agriculture industry. Mr Zhou has extensive experience in the GLOBALGAP system and ISO9000 standards for modern agriculture. Mr Zhou is knowledgeable in macropolicy for agricultural development and the development trend of agricultural, forestry and husbandry market. Mr Zhou also has management experience in the agriculture industry, having experience in production management, industrial management, project development, marketing management and brand integration in relation to the agriculture industry. From this experience, Mr Zhou is familiar with the strategic requirements for the development planning of an agricultural company and the business aim of the same. Mr. Zhou has experience in coordinating the relationship between Ganzhou Chinese and relevant Chinese villages, as well as relationships between Ganzhou Chinese and the local authorities.

Mr Zhou was the head of the Ningdu Huitong Thoroughbred Pig Breeding Ground from August 2005 to March 2007. In this role, Mr Zhou was responsible for the management of breeding production, production flow and quality, overall planning and market operation of the Ground.

Mr Zhou was the Manager of Ningdu Cuiwei Animal Husbandry Co., Ltd. from April 2007 to August 2008. In this role, Mr Zhou was responsible for production flow, quality management, overall strategic development, strategic planning, business development and market operation of the husbandry company.

Mr Zhou was the Deputy GM of Ganzhou Agricultural Development Service Company from September 2010 to May 2013. In this role, Mr Zhou was responsible for assisting the GM in the overall planning, market operation and development of high agricultural technology of the company, and the management of administrative management, HR management, strategic planning, business development and market operation.



Mr Zhou was the GM of Ganzhou Agricultural Development Service Company from June 2013 to September 2014. In this role, Mr Zhou was responsible for the overall planning, market operation and development of high agricultural technology of the company.

Mr Zhou has been the Director/GM of Ganzhou Chinese since October. 2014. In this role, Mr Zhou is responsible for assisting the President in the overall strategic development, strategic planning, business development, market operation, development and research of new products, and development of high modern agricultural technology of the company.

(b) Ms Minhui Wen

Ms Wen is aged 42. She was appointed as the Director of the Board/Deputy GM of Ganzhou Chinese in October 2014.

Ms Wen is an accountant & economist. Ms Wen has experience in the management of husbandry enterprise and financial management experience, having worked as the financial supervisor of various companies.

From July 1992 to November 1995, Ms. Wen worked as an accountant of the Business Department of Shenzhen Special Economic Zone Security Company (the first security company in Shenzhen and now named China Merchants Securities).

Ms Wen participated in the Public Share Offering of Yichang Monkey King Group in the Hubei Province from December 1992 to February 1993, being responsible for the supervision and auditing of the accounting events of the company.

From Dec. 1995 to July 2000, Ms Wen worked as the personnel officer and office director of Shenzhen SEZ Security Company, being responsible for checking and keeping the daily documents and personnel files.

From August 2000 to December 2002, Ms Wen worked as the Transaction Manager of the Business Department of Shenzhen SEZ Security Company, being responsible for the overall work of the Business Department.

From February 2003 to December 2008, Ms Wen worked as the Accounting Supervisor of Shenzhen Xinwang Security Technology Company.

From January 2009 to September 2013, Ms Wen worked as the General Accounting Supervisor of Shenzhen Huinong Agricultural Technology Company, and was responsible for supervising over and handling the tax reimbursement for vegetable export (the company mainly engages in import and export of agricultural products and export of vegetable to Hong Kong).

Since October 2014, having been working as the Director/Deputy GM of Ganzhou Chinese, Ms Wen has taken charge of the financial affairs and investment and promotion abroad of Ganzhou Chinese, and been responsible for assisting the President in the overall strategic development and planning, business development, market operation, development and research of new products, and development of high modern agricultural technology of Ganzhou Chinese.

9. Financial Information

9.1 Introduction

The financial information for the Company (Financial Information) contained in this Section 9 includes:

Historical Financial Information	Section
Pro Forma Consolidated Historical Income Statements for CY2012, CY2013 and CY2014 (Pro Forma Historical Income Statements)	Section 9.3
A reconciliation of the Statutory Consolidated Historical Income Statements to the Pro Forma Historical Income Statements	Section 9.3.1
Pro Forma Consolidated Historical Balance Sheet as at 31 December 2014	
(Pro Form Historical Balance Sheet)	Section 9.4
Pro Forma Consolidated Historical Cash Flow Statements for CY2012, CY2013 and CY2014 (Pro Forma Historical Cash Flow Statements)	Section 9.5
Forecast Financial Information	Section
Pro Forma Consolidated Forecast Income Statement for CY2015 (Pro Forma Forecast Income Statement)	Section 9.3
Statutory Consolidated Forecast Income Statement for CY2015 (Statutory Forecast Income Statement) including a reconciliation to the Pro Forma Forecast Income Statement	Section 9.3
Pro Forma Consolidated Forecast Cash Flow Statement for CY2015 (Pro Forma Forecast Cash Flow Statement)	Section 9.5
Statutory Consolidated Forecast Cash Flow Statement for CY2015 (Statutory Forecast Cash Flow Statement) including a reconciliation to the Pro Forma Forecast Cash Flow Statement	Section 9.5

9.2 Basis of preparation and presentation of Financial Information

The Financial Information was prepared by management and was adopted by the Directors. The Directors are responsible for the inclusion of all Financial Information in this Prospectus. The Financial Information has been reviewed and reported on by PKF Corporate Finance (NSW) Pty Limited (PKFCF) as set out in the Investigating Accountant's Report (IAR) in Section 10. Investors should note the scope and limitations of the IAR.

The Financial Information included in this Section 9 has been prepared in accordance with the measurement and recognition criteria (but not the disclosure requirements) of Australian Accounting Standards and the significant accounting policies detailed in section 15 (Appendix A). The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with the Australian Accounting Standards and the Corporations Act.

(a) Basis of Historical Financial Information

The Pro Forma and Statutory Historical Income Statements have been derived from the audited consolidated financial statements of Worldwide Network Investment Group Limited (Worldwide Network) and its subsidiary Ganzhou Chinese Modern Agriculture Co., Ltd (Ganzhou Chinese), together referred to as the Worldwide Network Group, for the years ended 31 December 2012, 31 December 2013 and 31 December 2014.

On 15 May 2015, the Company became the sole shareholder of Worldwide Network (the Acquisition). Prior to the Acquisition, Worldwide Network had one (1) ordinary share on issue. The Acquisition was effected via the following transactions:

- Worldwide Network issued 99 new ordinary shares to the Company for a total consideration of HK\$99.00; and
- the remaining one (1) ordinary shares in Worldwide Network was transferred from the original shareholders to the Company for a total consideration of HK\$1.00.



As the shareholders of Worldwide Network, prior to the Acquisition, were the same as the shareholders of the Company on completion of the Acquisition, the Financial Information has been prepared as if the Company and Worldwide Network formed part of the same consolidated group for financial reporting purposes. In addition, the Acquisition has been treated as a “common control transaction” which does not meet the requirements of a “business combination” as set out in AASB 3 Business Combinations and accordingly, no additional intangible assets (including any goodwill) have been recognised upon completion of the Acquisition.

The Pro Forma Historical Income Statements for CY2012, CY2013 and CY2014 illustrate what the financial performance of the Company would have been had:

- (a) the Acquisition occurred on 1 January 2012; and
- (b) the Company had operated as an ASX listed entity since 1 January 2012.

The Pro Forma Income Statements do not take into account one-off expenses related to the Offer and IPO, which have been taken up in the Statutory Forecast Income Statement for CY2015.

The Pro Forma Historical Balance Sheet as at 31 December 2014 has been adjusted to take into account the following:

- (a) the accounting impacts resulting from the Acquisition; and
- (b) the impact of the Offer.

(b) Basis of Forecast Financial Information

The Forecast Financial Information has been prepared by the Directors based on an assessment of present economic and operating conditions, and on a number of best estimate assumptions regarding future events, to the best of their knowledge as at the date of this Prospectus. These assumptions are set out in Section 9.6 and 9.7 and is subject to the Specific Risks set out in Section 7.2.

The Forecast Financial Information for CY2015 is based on two (2) months actual results to 28 February 2015 and ten (10) months forecast results to 31 December 2015.

Prior to the issue of this Prospectus, the Directors reviewed additional operating results for the period 1 March 2015 to 30 April 2015 and noted no material differences to the Forecast Financial Information adopted in this Prospectus for those months.

This information is designed to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumption will occur.

The Directors believe that the Forecast Financial Information has been prepared with due care and attention, and consider all best estimate assumptions, when taken as a whole, to be reasonable at the time of preparing this Prospectus. However, this information is not fact and investors are cautioned not to place undue reliance on the Forecast Financial Information.

Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information, and that this may have a material positive or material negative effect on the Company’s actual financial performance or financial position.

In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of the Company, the Directors and management. Accordingly, neither the Company, the Directors, nor any other person can give investors any assurance that the outcomes discussed in the Forecast Financial Information will arise.

The Forecast Financial Information should be read in conjunction with the general assumptions as set out in Section 9.7.1, the specific assumptions as set out in Section 9.7.2, the sensitivities as set out in Section 9.8, the specific risks as set out in Section 7.2 and other information in this Prospectus.

(c) Foreign Currency Conversion

The primary economic environment in which the Company operates (i.e. the economic environment in which an entity primarily generates and expends cash) is China. Accordingly, the functional currency of the Company is Chinese Renminbi (**RMB**).

The Financial Information contained in this Prospectus has been presented in Chinese Renminbi and Australia Dollars where applicable, at the following exchange rates:

AUD 1.00 = RMB X.XXXX	CY2012	CY2013	CY2014	CY2015F
Average Annual Rate (Used for conversion of Historical and Forecast Income Statements and Cash Flow information)	6.5349	5.9531	5.5641	4.9353
Spot Rate (Used for conversion of balance sheet and pro-forma balance sheet information, including conversion of IPO proceeds and costs)	6.4687	5.4147	5.0859	n/a

AUD 1.00 = HKD X.XXXX	CY2012	CY2013	CY2014	CY2015F
Average Annual Rate (Used for conversion of Historical and Forecast Income Statements and Cash Flow information)	8.0345	7.5079	7.0017	6.0304
Spot Rate (Used for conversion of balance sheet and pro-forma balance sheet information, including conversion of IPO proceeds and costs)	8.0491	6.9385	6.3620	n/a



9.3 Pro Forma Historical and Forecast Income Statements

Tables 9.1 and 9.2 below set out the Pro Forma Historical Income Statements for CY2012, CY2013 and CY2014 and the Pro Forma and Statutory Income Statements for CY2015, in Chinese Renminbi and Australian Dollars Respectively:

Table 9.1

Pro Forma Historical					Forecast	
RMB'000	Note	CY2012	CY2013	CY2014	Pro Forma CY2015F	Statutory CY2015F
Revenue	1	333,174	599,587	741,470	870,775	870,775
Cost of sales		(182,149)	(325,245)	(414,819)	(486,842)	(486,842)
Gross profit		151,025	274,342	326,651	383,933	383,933
Gross Profit Margin		45.3%	45.8%	44.1%	44.1%	44.1%
Selling and distribution expenses		(495)	(646)	(359)	(359)	(287)
Administrative expenses		(11,760)	(12,039)	(11,313)	(11,386)	(25,367)
Total Expense		(12,255)	(12,685)	(11,672)	(11,745)	(25,654)
EBITDA		138,770	261,657	314,979	372,188	358,279
EBITDA Margin		41.7%	43.6%	42.5%	42.7%	41.1%
Changes in fair value of biological assets less costs to sell	2	(4,974)	(1,663)	58,780	-	-
Depreciation		(448)	(435)	(503)	(401)	(267)
Interest income		216	375	833	969	825
Net Profit Before Tax (NPBT)		133,564	259,934	374,089	372,756	358,837
Income tax expense	3	-	-	-	-	-
Net Profit After Tax (NPAT)	4	133,564	259,934	374,089	372,756	358,837

Table 9.2

Pro Forma Historical					Forecast	
A\$'000	Note	CY2012	CY2013	CY2014	Pro Forma CY2015F	Statutory CY2015F
Revenue	1	50,984	100,719	133,260	176,437	176,437
Cost of sales		(27,873)	(54,635)	(74,553)	(98,644)	(98,644)
Gross profit		23,111	46,084	58,707	77,793	77,793
Gross Profit Margin		45.3%	45.8%	44.1%	44.1%	44.1%
Selling and distribution expenses		(76)	(109)	(65)	(73)	(58)
Administrative expenses		(1,800)	(2,022)	(2,033)	(2,307)	(5,140)
Total Expense		(1,875)	(2,131)	(2,098)	(2,380)	(5,198)
EBITDA		21,325	43,953	56,610	75,413	72,595
EBITDA Margin		41.7%	43.6%	42.5%	42.7%	41.1%
Changes in fair value of biological assets less costs to sell	2	(761)	(279)	10,564	-	-
Depreciation		(69)	(73)	(90)	(81)	(54)
Interest income		33	63	150	196	167
Net Profit Before Tax (NPBT)		20,439	43,664	67,233	75,528	72,708
Income tax expense	3	-	-	-	-	-
Net Profit After Tax (NPAT)	4	20,439	43,664	67,233	75,528	72,708

Note 1: Refer to Section 9.6 for a detailed analysis of the Company's revenue streams and business channels.

Note 2: The Company controls plantations via land use rights (LURs) or are leased. Plantation bases that are held under LURs, are classified as biological assets and recognised in the balance sheet initially at cost, and subsequently at their fair values with any changes in fair values recognised in the profit or loss.

Note 3: The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Under PRC tax regulations, profits derived from the sale of certain agricultural activities are exempt from income tax in the PRC. The operations of Ganzhou Chinese fall within this category and accordingly, Ganzhou Chinese is not currently subject to income tax on its operations in the PRC.

The Group has not, and is not expected in the future, to derive assessable profits in either Hong Kong or Australia. Accordingly, no Hong Kong profits tax or Australian income tax has been provided in the Pro Forma Financial Information.

Note 4: The pro-forma historical and forecast income statements are reconciled to the statutory historical and income statements in Section 9.3.1 below.

9.3.1 Pro forma adjustments to the Statutory Historical Income Statements

Tables 9.3 and 9.4 below set out the adjustments that have been made to the Statutory Historical and Forecast Income Statements:

Table 9.3

RMB'000	Note	CY2012	CY2013	CY2014	CY2015F
NPAT (Statutory)	1	-	-	-	358,837
Impact of the Acquisition	2	143,446	268,782	382,559	(1,528)
Costs of the Offer Taken to the Profit & Loss	3	-	-	-	16,890
Corporate Expenses - Recurring	4	(9,500)	(8,848)	(8,470)	(1,815)
Corporate Expenses - Non-Recurring	4	-	-	-	371
Non-Recurring Income	5	(382)	-	-	-
NPAT (Pro Forma)		133,564	259,934	374,089	372,756

Table 9.4

A\$'000	Note	CY2012	CY2013	CY2014	CY2015F
NPAT (Statutory)	1	-	-	-	72,708
Impact of the Acquisition	2	21,951	45,150	68,755	(310)
Costs of the Offer Taken to the Profit & Loss	3	-	-	-	3,422
Corporate Expenses - Recurring	4	(1,454)	(1,486)	(1,522)	(368)
Corporate Expenses - Non-Recurring	4	-	-	-	75
Non-Recurring Income	5	(58)	-	-	-
NPAT (Pro Forma)		20,439	43,664	67,233	75,528

Note 1: As the Company was only incorporated on 10 March 2015, there were not statutory results for the years ended 31 December 2012 to 2014.

Statutory results for the year ending 31 December 2015 represent the forecast operating results of the Company, (including Worldwide Network) for the period 1 May 2015 to 31 December 2015, on the basis that the Acquisition was completed on 1 May 2015.

Note 2: These pro-forma adjustments represent the impact of the Acquisition on the Company, as if the Company had owned Worldwide Network since 1 January 2012. These pro-forma adjustments basically reflect the statutory results of Worldwide Network since 1 January 2012.

Note 3: This pro-forma adjustment relates to non-recurring costs relating directly to the Offer and IPO which have not been taken up against equity.

Note 4: The statutory forecast income statement for the year ending 31 December 2015 includes Hong Kong and Australian head office costs payable from 1 July 2015 onwards (i.e. subsequent to completion of the Offer and IPO).

Pro-forma adjustments have been taken up to reflect Hong Kong and Australian head office costs as if the Company had been listed on the ASX since 1 January 2012 and predominately relate to the following:

- Executive remuneration for Mr Cai (Chairman), Mr Tso (CEO) and Mr So (CFO). We note that historically, Mr Cai, Mr Tso and Mr So did not received any remuneration for the services to Worldwide Network and/or Ganzhou Chinese;
- Non-executive fees amounting to A\$320,000 per annum;
- Honk Kong and Australian audit and review fees; and
- ASX listing related costs including annual ASX listing fees, share registry fees legal/company secretarial costs.

Non-recurring corporate costs predominately relate to audit and other related fees with respect to CY2012, CY2013 and CY2014 which are to be accounted for in CY2015 and are included in the Statutory Forecast Income Statement.

Note 5: A pro-forma adjustment has been taken up to remove the impact of a one-off revenue item relating to a discontinued inventory item.



9.3.2 Key Operating Metrics

The following table provides a summary of the Company's key historical and forecast operating metrics relation to the Pro Forma Historical and Forecast Income Statements.

	Note	Pro Forma Historical			Forecast
		CY2012	CY2013	CY2014	CY2015F
Tangerine Revenue:					
Number of Plantations		2	5	7	7
Total Plantation Size (Hectares)		1,367	3,751	3,751	4,417
Revenue (RMB '000)		118,695	329,348	418,751	529,580
Growth		n/a	177.5%	27.1%	26.5%
Average Selling Price (RMB per Kg)		3.86	3.81	3.91	4.11
Growth		n/a	-1.3%	4.6%	3.0%
Production (Tonnes)		30,750	86,443	105,031	128,958
Growth		n/a	181.1%	21.5%	22.8%
Production (Kg Per Hectare)		22,500	23,047	28,003	29,194
Growth		n/a	2.4%	21.5%	4.3%
Gross Profit (RMB '000)		50,761	152,197	182,001	230,499
Growth		n/a	199.8%	19.6%	26.6%
Gross Profit Margin		42.8%	46.2%	43.5%	43.5%
Pomelo Revenue:					
Number of Plantations		2	3	3	3
Total Plantation Size (Hectares)		840	1,433	1,433	1,433
Revenue (RMB '000)		82,714	139,249	146,401	147,586
Growth		n/a	68.3%	5.1%	0.8%
Average Selling Price (RMB per Kg)		2.92	2.73	2.75	2.86
Growth		n/a	-6.3%	-0.3%	5.0%
Production (Tonnes)		28,362	50,982	53,761	51,600
Growth		n/a	79.8%	5.5%	-4.0%
Production (Kg Per Hectare)		33,765	35,569	37,501	36,000
Growth		n/a	5.3%	5.5%	-4.0%
Gross Profit (RMB '000)		41,268	62,896	68,431	67,890
Growth		n/a	52.4%	8.8%	-0.8%
Gross Profit Margin		49.9%	45.2%	46.7%	46.0%
Camellia Revenue:					
Number of Plantations		7	7	7	7
Total Plantation Size (Hectares)		2,247	2,247	2,247	2,247
Revenue (RMB '000)		131,765	128,181	116,541	116,626
Growth		n/a	-2.7%	-9.1%	0.1%
Average Selling Price (RMB per Kg)	1	18.6	5.00	4.81	4.94
Growth		n/a	-73.1%	-4.0%	3.0%
Production (Tonnes)	1	7,084	25,636	24,271	23,589
Growth		n/a	261.9%	-5.3%	-2.8%
Production (Kg Per Hectare)	1	3,153	11,411	10,801	10,500
Growth		n/a	261.9%	-5.3%	-2.8%
Gross Profit (RMB '000)		58,996	57,640	43,181	41,575
Growth		n/a	-2.3%	-25.1%	-3.7%
Gross Profit Margin		44.8%	45.0%	37.1%	35.6%
Orange Revenue:					
Number of Plantations		-	1	1	2
Total Plantation Size (Hectares)		-	45	54	542
Revenue (RMB '000)		-	2,810	59,761	76,983
Growth		n/a	n/a	2,027.2%	28.8%

Average Selling Price (RMB per Kg)	-	3.00	3.42	3.59
Growth	n/a	n/a	14.0%	5.0%
Production (Tonnes)	-	937	17,475	21,438
Growth	n/a	n/a	1,766.0%	22.7%
Production (Kg Per Hectare)	-	20,967	32,258	39,572
Growth	n/a	n/a	53.9%	22.7%
Gross Profit (RMB '000)	-	1,610	33,025	43,969
Growth	n/a	n/a	1,951.9%	33.1%
Gross Profit Margin	-	57.3%	55.3%	57.1%
Corporate Statistics				
Selling & Distribution Expenses (Pro-Forma)	495	646	359	359
Movement	n/a	30.5%	-44.4%	0.0%
Administration & General Expenses (Pro-Forma)	11,760	12,039	11,313	11,386
Movement	n/a	2.4%	-6.0%	0.6%

Note 1: Camellia Revenue Between CY2012 and CY2013, Ganzhou Chinese changed its camellia product from camellia seed to camellia fruits. This change resulted in dramatic movements in the per Kg price, total production, and production per hectare. As such, production and price statistics presented above for camellia in CY2012 are not directly comparable to the statistics presented for CY2013 to CY2015(F)

9.4 Pro Forma Historical Balance Sheet

Tables 9.5 and 9.6 below set out the Pro Forma Historical Balance Sheet as at 31 December 2014 under the Minimum and Maximum Subscription Scenarios in Chinese Renminbi and Australian Dollars respectively:

Table 9.5

		Impact of the Acquisition ^{Note 2}			Impact of the Offer ^{Note 3}		Pro Forma	
RMB'000	Note	Actual	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
Current assets								
Cash and cash equivalents	4	2	228,748	228,748	167,832	216,904	396,582	445,654
Trade receivables		-	18,591	18,591	-	-	18,591	18,591
Inventories		-	-	-	-	-	-	-
Deposits and prepayments		-	60,111	60,111	-	-	60,111	60,111
Deferred expenses		-	94,565	94,565	-	-	94,565	94,565
Total current assets		2	402,015	402,015	167,832	216,904	569,849	618,921
Non-current assets								
Property, plant and equipment		-	738	738	-	-	738	738
Biological assets		-	688,473	688,473	-	-	688,473	688,473
Deferred expenses		-	33,999	33,999	-	-	33,999	33,999
Total non-current assets		-	723,210	723,210	-	-	723,210	723,210
Total assets		2	1,125,225	1,125,225	167,832	216,904	1,293,059	1,342,131
Current liabilities								
Trade payables		-	59,623	59,623	-	-	59,623	59,623
Other payables and accruals		-	552	552	-	-	552	552
Amount due to a shareholder		-	38	38	-	-	38	38
Total current liabilities		-	60,213	60,213	-	-	60,213	60,213
NET ASSETS		2	1,065,012	1,065,012	167,832	216,904	1,232,846	1,281,918
Equity								
Share capital	5	2	-	-	183,542	234,975	183,544	234,977
Reserves		-	60,963	60,963	-	-	60,963	60,963
Retained profits	6	-	1,004,049	1,004,049	(15,710)	(18,071)	988,339	985,979
TOTAL EQUITY		2	1,065,012	1,065,012	167,832	216,904	1,232,846	1,281,918

			Impact of the Acquisition ^{Note 2}		Impact of the Offer ^{Note 3}		Pro Forma	
AS'000	Note	Actual	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
Current assets								
Cash and cash equivalents	4	0.4	44,977	44,977	32,999	42,648	77,977	87,625
Trade receivables		-	3,655	3,655	-	-	3,655	3,655
Inventories		-	-	-	-	-	-	-
Deposits and prepayments		-	11,819	11,819	-	-	11,819	11,819
Deferred expenses		-	18,594	18,594	-	-	18,594	18,594
Total current assets		0.4	79,045	79,045	32,999	42,648	112,045	121,694
Non-current assets								
Property, plant and equipment		-	145	145	-	-	145	145
Biological assets		-	76,382	76,382	-	-	76,382	76,382
Deferred expenses		-	6,685	6,685	-	-	6,685	6,685
Total non-current assets		-	142,199	142,199	-	-	142,199	142,199
Total assets		0.4	221,244	221,244	32,999	42,648	254,244	263,893
Current liabilities								
Trade payables		-	11,723	11,723	-	-	11,723	11,723
Other payables and accruals		-	109	109	-	-	109	109
Amount due to a shareholder		-	7	7	-	-	7	7
Total current liabilities		-	11,839	11,839	-	-	11,839	11,839
NET ASSETS		0.4			32,999	42,648	242,405	252,053
Equity			209,405	209,405				
Share capital	5	0.4			36,088	46,201	36,089	46,202
Reserves		-	-	-	-	-	11,987	11,987
Retained profits	6	-	11,987	11,987	(3,089)	(3,553)	194,329	193,865
TOTAL EQUITY		0.4	197,418	197,418	32,999	42,648	242,405	252,053

Note 1: As the Company was only incorporated on 10 March 2015, no audited or reviewed financial statements of the Company are available.

The actual balance of the Company as at the date of this Prospectus reflects the only transactions which have been undertaken by the Company up until the date of this Prospectus (excluding the Acquisition for which separate pro-forma adjustments have been taken up), which were as follows:

- the issue of one (1) ordinary share to Mr Cai for AUD 1.00;
- the issue of 312,389,999 ordinary shares to Mr Cai on 24 April, 2015 for \$0.000001 per Share;
- the issue of 21,060,000 ordinary shares to Super Fusion International Limited on 24 April, 2015 for \$0.000001 per Share; and
- the issue of 17,550,000 ordinary shares to Huge Ease Limited on 24 April, 2015 for \$0.000001 per Share.

Note 2: Impact of Acquisition

The Company acquired 100% of issued shared of Worldwide Network via the following transactions:

- on 11 May 2015, Worldwide Network issued 99 ordinary shares to the Company for a total consideration of HKD 99; and
- on 15 May 2015, the original shareholders of Worldwide Network transferred the remaining 1 ordinary share they held in Worldwide Network to the Company for a total consideration of HKD1.00.

The Acquisition has been treated as a "common control transaction" and therefore, does not fall within the scope of AASB 3 (IFRS 3) Business Combinations. Accordingly, a suitable accounting policy has been determined in accordance with the hierarchy in paragraph 10 of AASB 108 Accounting Policies, Changes in Accounting Estimates & Errors. This hierarchy looks for a policy that provides users of the financial statements with relevant and reliable information about the financial position and performance of the reporting entity. Therefore an accounting choice is available for the accounting of the acquisition of Worldwide Network by the Company.

The choice is to either apply the "purchase method" (i.e. applying a fair value approach to the acquisition value) or to apply the "pooling of interest method" (also referred to as "merger accounting") where the combination is recorded at historical book values. Given the continuing control of the business, the Directors consider that it is appropriate to use the pooling of interest method to account for the Acquisition using historical book values of the acquired assets and liabilities rather than reassessing these to more subjective and uncertain fair values.

Based on the above, a number of pro-forma adjustments have been taken up in order to recognise the Acquisition:

- the assets, liabilities and equity accounts of Worldwide Network have been recognised in the pro-forma balance sheet of the Company at book values as if the Acquisition had taken place on 31 December 2014;
- a pro-forma adjustment has been taken up to eliminate the investment in Worldwide Network by the Company in the amount of HKD 100.00; and
- a pro-forma adjustment to recognise the Hong Kong stamp duty payable by the Company upon the transfer of the one (1) ordinary share from Mr Cai to DFM in the amount of RMB 18,874.

A pro-forma adjustment to recognise the payment of RMB 60 million upon the granting of the Forest Title Certificate with respect to tangerine site 6B, representing the second and final instalment in relation to the acquisition of this tangerine site in January 2015. The granting of the Forest Title Certificate and payment of the RMB 60 million is expected to take place in or around December 2015

Note 3: Impact of the Offer

The following pro-forma adjustments have been taken up to reflect the impact of the Offer:

- the issue of between 39 million Shares ("Minimum Subscription") and 50 million Shares ("Maximum Subscription") at an issue price of \$1.00 per Share; and
- costs of the Offer estimated to be between RMB 30.5 million / AUD 6.0 million (under a Minimum Subscription scenario) and RMB 37.4 million / AUD 7.4 million (under a Maximum Subscription scenario) which have been taken up against equity and retained earnings.

We note that as the Group's business operations will not be subject to income tax, no deferred tax asset has been taken up in relation to costs of the Offer.

Note 4: Movements in Cash & Cash Equivalents

The following table provides a reconciliation between actual and pro-forma cash as at 31 December 2014:

	Minimum subscription		Maximum subscription	
	RMB'000	A\$'000	RMB'000	A\$'000
Actual as at 31 December 2014	2	0.4	2	0.4
Net cash obtained from acquisition	288,748	56,774	288,748	56,774
Second and final instalment for tangerine site 6B	(60,000)	(11,797)	(60,000)	(11,797)
Proceeds from the Offer	198,350	39,000	254,295	50,000
Costs of the Offer	(30,518)	(6,001)	(37,391)	(7,352)
Pro Forma as at 31 December 2014	396,582	77,977	445,654	87,625

Note 5: Share capital

The following table provides a reconciliation between actual and pro-forma share capital as at 31 December 2014:

	Minimum subscription			Maximum subscription		
	RMB'000	A\$'000	No. of shares	RMB'000	A\$'000	No. of shares
Actual as at 31 December 2014	2	0.4	351,000,000	2	0.4	351,000,000
Shares Issued Pursuant to the Offer	198,350	39,000	39,000,000	254,295	50,000	50,000,000
Costs of the Offer Taken to Equity	(14,808)	(2,912)	-	(19,320)	(3,799)	-
Pro Forma as at 31 December 2014	183,544	36,089	390,000,000	234,977	46,202	401,000,000

Note 6: Retained profits

The following table provides a reconciliation between actual and pro-forma retained earnings as at 31 December 2014

	Minimum subscription		Maximum subscription	
	RMB'000	A\$'000	RMB'000	A\$'000
Actual as at 31 December 2014	-	-	-	-
Impact of the Acquisition	1,004,049	197,418	1,004,049	197,418
Costs of the Offer Taken to Profit & Loss	(15,710)	(3,089)	(18,071)	(3,553)
Pro Forma as at 31 December 2014	988,339	194,329	985,979	193,865



9.5 Pro Forma Historical and Forecast Cash Flow Statements

Tables 9.7 and 9.8 below set out the Pro Forma Historical Cash Flow Statements for the years ended 31 December 2014 and the Pro Forma and Statutory Forecast Cash Flow Statements for the year ending 31 December 2015 Chinese Renminbi and Australian Dollars respectively:

Table 9.7

RMB'000	Note	Pro Forma Historical			Forecast	
		CY2012	CY2013	CY2014	Pro Forma CY2015F	Statutory CY2015F
EBITA		138,770	261,657	314,979	372,188	358,279
Changes in working capital		(52,540)	18,015	43,714	62,586	112,297
Operating cash flow flows before CAPEX		86,230	279,672	358,693	434,774	470,576
Payments for acquisition of biological assets		(26,800)	(238,592)	(299,648)	(277,956)	(277,956)
Payments for acquisition of property, plant and equipment		(85)	(539)	-	-	-
Operating cash flow flows after CAPEX		59,345	40,541	59,045	156,818	192,620
Net interest received		216	375	833	969	825
Income tax paid		-	-	-	-	-
Operating cash flows before dividends		59,561	40,916	59,878	157,787	193,445
Cash conversion ratio	1	42.9%	15.6%	19.0%	42.4%	54.0%
Dividends paid	2	-	-	-	(74,551)	-
Operating cash flows after dividends		59,561	40,916	59,878	83,236	193,445

Table 9.8

AS'000	Note	Pro Forma Historical			Forecast	
		CY2012	CY2013	CY2014	Pro Forma CY2015F	Statutory CY2015F
EBITA		21,235	43,953	56,610	75,413	72,595
Changes in working capital		(8,040)	3,026	7,856	12,681	22,754
Operating cash flow flows before CAPEX		13,195	46,979	64,466	88,094	95,348
Payments for acquisition of biological assets		(4,101)	(40,079)	(53,854)	(56,320)	(56,320)
Payments for acquisition of property, plant and equipment		(13)	(91)	-	-	-
Operating cash flow flows after CAPEX		9,081	6,810	10,612	31,775	39,029
Net interest received		33	63	150	196	167
Income tax paid		-	-	-	-	-
Operating cash flows before dividends		9,114	6,873	10,762	31,971	39,196
Cash conversion ratio	1	42.9%	15.6%	19.0%	42.4%	54.0%
Dividends paid	2	-	-	-	(15,106)	-
Operating cash flows after dividends		9,114	6,873	10,762	16,865	39,196

Note 1: Cash conversion ratio represents operating free cash flow after capital expenditure as a percentage of EBITA.

Note 2: The implied CY2015 pro-forma dividend represents the indicative dividends to be paid in accordance with the stated dividend policy as set out in Section 9.9 of the Prospectus. The CY2015 pro-forma dividend has been calculated assuming a dividend payout ratio of 20% of CY2015 pro-forma NPAT and that the whole dividend is paid in CY2015. In practice however, the CY2015 dividend is expected to be paid in the first quarter of CY2016.

9.5.1 Pro forma adjustments to the Statutory and Historical and Forecast Cash Flow Statements Income Statements

Tables 9.9 and 9.10 below set out the adjustments that have been made to the Statutory Historical and Forecast Cash Flow Statements:

Table 9.9

RMB'000	Note	CY2012	CY2013	CY2014	CY2015F
Net Cash Generated from Operating Activities After CAPEX (Statutory)	1	-	-	-	192,620
Impact of the Acquisition	2	69,227	49,389	67,515	(51,250)
Costs of the Offer taken to Profit & Loss	3	-	-	-	16,890
Corporate Expenses - Recurring	4	(9,500)	(8,848)	(8,470)	(1,815)
Corporate Expenses - Non-Recurring	4	-	-	-	371
Non-Recurring Income	5	(382)	-	-	-
Net Cash Generated From Operating Activities After CAPEX (Pro Forma)		59,345	40,541	59,045	156,817

Table 9.10

AS\$'000	Note	CY2012	CY2013	CY2014	CY2015F
Net Cash Generated from Operating Activities After CAPEX (Statutory)	1	-	-	-	39,029
Impact of the Acquisition	2	10,593	8,296	12,314	(10,384)
Costs of the Offer taken to Profit & Loss	3	-	-	-	3,422
Corporate Expenses - Recurring	4	(1,454)	(1,486)	(1,522)	(368)
Corporate Expenses - Non-Recurring	4	-	-	-	75
Non-Recurring Income	5	(58)	-	-	-
Net Cash Generated From Operating Activities After CAPEX (Pro Forma)		9,081	6,810	10,612	31,774

Note 1: As the Company was only incorporated on 10 March 2015, there were not statutory cash flow results for the years ended 31 December 2012 to 2014.

Statutory cash flow results for the year ending 31 December 2015 represent the forecast cash flows of the Company, (including Worldwide Network) for the period 1 May 2015 to 31 December 2015, on the basis that the Acquisition was completed on 1 May 2015.

Note 2: These pro-forma adjustments represent the impact of the Acquisition on the Company, as if the Company had owned Worldwide Network since 1 January 2012. These pro-forma adjustments basically reflect the statutory cash flows of Worldwide Network since 1 January 2012.

Note 3: This pro-forma adjustment relates to non-recurring costs relating directly to the Offer and IPO which have not been taken up against equity.

Note 4: The statutory forecast cash flow statement for the year ending 31 December 2015 includes Hong Kong and Australian head office costs payable from 1 July 2015 onwards (i.e. subsequent to completion of the Offer and IPO).

Pro-forma adjustments have been taken up to reflect Hong Kong and Australian head office costs as if the Company had been listed on the ASX since 1 January 2012 and predominately relate to the following:

- Executive remuneration for Mr Cai (Chairman), Mr Tso (CEO) and Mr So (CFO). We note that historically, Mr Cai, Mr Tso and Mr So have not received any remuneration for the services to Worldwide Network and/or Ganzhou Chinese;
- Non-executive fees amounting to AUD 320,000 per annum;
- Hong Kong and Australian audit and review fees; and
- ASX listing related costs including annual ASX listing fees, share registry fees legal/company secretarial costs.

Note 5: A pro-forma adjustment has been taken up to remove the impact of one-off revenue cash flows relating to a discontinued inventory item.

9.6 Management discussion and analysis of pro forma historical results

Below is a discussion of the main factors which affected the Company's operations and relative financial performance in CY2012, CY2013 and CY2014 and which the Company expects may continue to affect the future.

The discussion of these general factors is intended to provide a brief summary only and does not detail all the factors that affected the Company's historical operating and financial performance, nor everything which may affect the Company's operations and financial performance in the future.

The Company has grown organically predominately through the acquisition of additional plantations year-on-year, which have been funded from operational cash flows only.

9.6.1 Revenue

An overview of the difference revenue streams generated by the Company and the key drivers of each revenue stream are set out in Sections 9.6.5 and 9.6.6 below.

9.6.2 Cost of Sales & Overhead Expenses

Across all plantation types, costs of sales are predominately made up of the following expenses:

- Fertilizer and pesticide costs;
- Plantation leasing costs;
- Packaging costs;
- Site salaries (i.e. permanent plantation workers); and



- Workers' salaries (i.e. contract labour to facilitate harvest).

For all plantations, these costs account for approximately 99% of total costs of sales.

An overview of the difference cost of sales drivers relating to each revenue stream and overhead expenses are set out set out in Sections 9.6.5 and 9.6.6 below.

9.6.3 Cash Flows & Working Capital

The Company's working capital cycle is driven by the following factors:

- As at 31 December of each, the Company typically holds substantial cash representing retained profits from the year's operations. The Company requires that a portion of these cash reserved is maintained to fund the subsequent years' non-harvest period of operations.
- The Company's cash flows are highly seasonal and have historically been dependent on the harvest cycle of its plantations (see section 6.6).
- During the months of January to September of each year, operating cash flows are negative, reflecting the non-harvest periods of operation. During these months, cash outflows predominately relate to fertilizer costs, sub-contracted labour costs relating to continuing plantation maintenance, and fixed head office costs.
- During the months of October to December of each year, operating cash flows are positive, reflecting the harvest periods of operation. During these months, harvested produce is sold and revenue is collected by the Company. Partly offsetting these substantial cash inflows, are additional casual labour costs relating to harvest activities.

9.6.4 CAPEX

Due to hilly nature of the Company's plantations, the Company relies mainly on manual labour for plantation related activities including harvesting and is not able to make use of heavy and expensive agricultural machinery.

Historically, the Company's major CAPEX has related to the acquisition of additional plantations to facilitate the growth of operations.

9.6.5 Pro forma Historical Income Statements: CY2013 vs CY2012

Pro forma historical results					
	Note	CY2012 RMB'000	CY2013 RMB'000	Change RMB'000	%
Tangerine	1	118,695	329,348	210,653	177.5%
Camellia	2	131,765	128,181	(3,585)	(2.7%)
Pomelo	3	82,714	139,249	56,535	68.3%
Orange	4	-	2,810	2,810	n/a
Total Revenue		333,174	599,587	266,412	80.0%
Cost of sales	5	(182,149)	(325,245)	(143,096)	78.6%
Gross profit	5	151,025	274,342	123,316	81.7%
Gross Profit Margin	5	45.3%	45.8%	0.4%	0.9%
Selling and distribution expenses		(495)	(646)	(151)	30.5%
Administrative expenses		(11,760)	(12,039)	(279)	2.4%
Total Expense	6	(12,255)	(12,685)	(430)	3.5%
EBITDA		138,771	261,657	122,886	88.6%
EBITDA Margin		41.7%	43.6%	2.0%	4.8%
Changes in fair value of biological assets less costs to sell		(4,974)	(1,663)	3,311	(66.6%)
Depreciation		(448)	(435)	13	(2.9%)
Interest income		216	375	159	73.6%
Income tax expense		-	-	-	n/a
NPAT		133,565	259,934	126,369	94.6%

Note 1: Revenue from tangerine

Overall, revenue derived from tangerine products increased by 177.5% in CY2013 over CY2012. This growth was predominately driven by the following factors:

- Between December 2012 and January 2013, the Company acquired an additional three plantations (to total five (5) plantations) increasing the total plantation size to 3,751 hectares, up from 1,367 hectares, an increase of 174.4%; and
- An increase in yields from 22,500 kilograms per hectare to 23,047 kilograms per hectare (an increase of 2.4%) which is with normal seasonal fluctuations.

The above factors were partly offset by a small decrease in the average selling price from RMB 3.86 per kilogram in CY2012 to RMB 3.81 per kilogram in CY2013, a decrease of 1.3% which was predominately driven by the Company in order to secure the sale of its increased pomelo production.

Note 2: Revenue from camellia products

During CY2012 and CY2013, the Company held five (5) camellia plantations with a total area of 2,247 hectares.

During CY2012, the Company derived revenue from the sale of camellia seeds. This required that the Company dry the camellia fruit in order to extract the camellia seeds. During CY2012, the Company produced approximately 7,084 tonnes of camellia seeds which were sold at an average price of RMB 18.60 per kilogram.

During CY2013, the Company decided to cease the sale of camellia seed, and concentrate on the sale of camellia fruit which are higher yielding, yet have a lower average selling price. During CY2013, the Company produced approximately 25,636 tonnes of camellia fruit which were sold at an average price of RMB 5.00 per kilogram.

Overall, revenue derived from camellia products decreased slightly by 2.7% from RMB131.8 million in CY2012 to RMB 128.2 million in CY2013.

Note 3: Revenue from pomelo

Overall, revenue derived from pomelo products increased by 68.3% in CY2013 over CY2012. This growth was predominately driven by the following factors:

- In January 2013, the Company acquired an additional plantation (to total three (3) plantations) increasing the total plantation size to 1,433 hectares, up from 840 hectares, an increase of 70.6%; and
- An increase in yields from 33,765 kilograms per hectare to 35,569 kilograms per hectare (an increase of 5.3%).

The above factors were partly offset by a decrease in the average selling price from RMB 2.92 per kilogram in CY2012 to RMB 2.73 per kilogram in CY2013, a decrease of 6.3% which was predominately driven by the Company in order to secure the sale of its increased pomelo production.

Note 4: Revenue from orange

The Company acquired its first orange plantation in December 2012. Accordingly, CY2013 was the first year in which the Company derived revenue from orange products.

Being the Company's first venture into orange production, CY2013 was predominately a 'pilot' year and as such, production volumes were low (compared to subsequent years) at only 20,967 kilograms per hectare.

Note 5: Cost of sales and gross margin

Overall, gross profit increase by approximately 81.7%, predominately driven by the revenue increases described above. Gross profits margins remained fairly stable, increasing slightly in CY2013 to 45.8%, up from 45.3% in CY2012. A discussion regarding cost of sales associated with each product follows:

(a) Tangerine

Overall, gross profits from tangerine sales increased by 199.8% in CY2013 compared to CY2012 which was predominately driven by increases in tangerine revenue as detailed above.

Gross profit margins from tangerine sales also increase, from 42.8% in CY2012 to 46.2% in CY2013. This increase was predominately driven by improved economies of scale (due to the acquisition of an additional three plantations).

(b) Camellia

Despite the change in focus from camellia seeds in CY2012 to camellia fruits in CY2013, the gross profit margin from the sale of camellia products remained stable at 45.0% (CY2012: 44.8%).

Overall, costs of sales relating to camellia products decreased by 3.1% predominately due to labour savings from the change in product focus.

(c) Pomelo

Overall, gross profit from pomelo sales increased by 52.4% in CY2013 compared to CY2012 which was predominately driven by increases in pomelo revenue as detailed above.

Despite the overall increase in gross profit from pomelo sales, gross profit margins decreased from 49.9% in CY2012 to 45.2% in CY2013. This decrease was predominately driven by an increase in packaging costs (on a per kilogram basis) as a result of the Company changing from plastic bag packing to carton packing, in order to reinforce the "premium" quality of the Company's pomelo product.

(d) Orange

As the orange plantation was new and a pilot project that the results were not indicative.



Note 6: Overhead expenses

On a pro-forma basis, overhead expenses increased by approximately 3.5% in CY2013 predominately driven by increased remuneration expenses relating to administration staff located in the Company's Chinese offices. The increase in remuneration expenses resulted from the requirement to employ additional staff to manage the newly acquired plantations.

Overall however, overhead expenses account for only a small portion of the Company's operating results in CY2012 and CY2013 and remained fairly stable between these years.

9.6.1 Pro forma Historical Income Statements: CY2014 vs CY2013

Pro forma historical results					
	Note	CY2013 RMB'000	CY2014 RMB'000	Change RMB'000	%
Tangerine	1	329,348	418,757	89,410	27.1%
Camellia	2	128,181	116,542	(11,639)	(9.1%)
Pomelo	3	139,248	146,405	7,156	5.1%
Orange	4	2,810	59,766	56,957	2,027.2%
Total Revenue		599,587	741,470	141,883	23.7%
Cost of sales	5	(325,245)	(414,819)	(89,574)	27.5%
Gross profit	5	274,342	326,651	52,309	19.1%
Gross Profit Margin	5	45.8%	44.1%	(1.7%)	(3.7%)
Selling and distribution expenses		(646)	(359)	287	(44.4%)
Administrative expenses		(12,039)	(11,313)	726	(6.0%)
Total Expense	6	(12,685)	(11,672)	1,013	(8.0%)
EBITDA		261,657	314,979	53,322	20.4%
<i>EBITDA Margin</i>		<i>43.6%</i>	<i>42.5%</i>	<i>(1.2%)</i>	<i>(2.7%)</i>
Changes in fair value of biological assets less costs to sell		(1,633)	58,780	60,433	(3,634.6%)
Depreciation		(435)	(503)	(68)	15.6%
Interest income		375	833	458	122.1%
Income tax expense		-	-	-	-
NPAT		259,934	374,089	114,155	43.9%

Note 1: Revenue from tangerine

Overall, revenue derived from tangerine products increased by 27.1% in CY2014 over CY2013. This growth was predominately driven by the following factors:

- an increase in production from 23,047 kilograms per hectare in CY2013 to 28,003 kilograms per hectare in CY2014, an increase of 21.5%. This significant increase was the result of a maturing plantation base (which increased the average production of tangerine trees) and improvement management of plantations; and
- a 4.6% increase in the average selling price from RMB 3.81 per kilogram in CY2013 to RMB 3.99 per kilogram in CY2014.

There were no changes in the number and size of tangerine plantations between CY2013 and CY2014.

Note 2: Revenue from camellia products

Overall, revenue from camellia products decreased by 9.1% in CY2014 when compared to CY2013. In the absence of any changes to the number and size of camellia plantations, this decrease in revenue was predominately driven by the following factors:

- A decrease in production from 11,411 kilograms per hectare in CY2013 to 10,807 kilograms per hectare in CY2014, a decrease of 5.3%; and
- A 4% decrease in the average selling price from RMB 5.00 per kilogram in CY2013 to RMB 4.80 per kilogram in CY2014.

Note 3: Revenue from pomelo

Overall, revenue derived from pomelo products increased by 5.1% in CY2013 over CY2014. This growth was predominately driven by an increase in production from 35,569 kilograms per hectare in CY2013 to 37,509 kilograms per hectare in CY2014, an increase of 5.5%. There were no changes in the number and size of plantations between CY2013 and CY2014.

The increases in production were partly offset by a 0.3% decrease in the average selling price from RMB 2.73 per kilogram in CY2013 to RMB 2.72 per kilogram in CY2014.

Note 4: Revenue from orange

Overall, revenue from orange products increased by over 2,000% in CY2014 when compared to CY2013. This significant increase in revenue was predominately driven by the following factors:

- in January 2014, the Company acquired an additional orange plantation (for a total of two (2) plantations) increasing the total area of orange plantations to 542 hectares (up from 45 hectares in CY2013);
- an increase in production from 20,967 kilograms per hectare to 32,258 kilograms per hectare, an increase of 53.9%. This significant increase in production was predominately driven by the fact that the newly acquired plantation (which is over 11x the size of the first orange plantation) had more mature trees which on average, produced more fruit at a higher quality; and
- an increase in the average selling price from RMB 3.00 per kilogram in CY2013 to RMB 3.42 per kilogram in CY2014.

Note 5: Cost of sales and gross margin

Overall, gross profit increased by approximately 19.1%, predominately driven by the revenue increases described above. Gross profits margins remained fairly stable, decreasing slightly in CY2014 to 44.1%, down from 45.8% in CY2013. A discussion regarding cost of sales associated with each product follows:

(a) Tangerine

Overall, gross profits from tangerine sales increased by 19.6% in CY2014 compared to CY2013 which was predominately driven by increases in tangerine revenue as detailed above.

Gross profit margins from tangerine sales decreased from 46.2% in CY2013 to 43.5% in CY2014. This decrease was predominately driven by increases in fertiliser and pesticide costs (on a per acre basis), leasing costs (as a result additional plantation acquisitions), packaging costs (on a per kilogram basis) and plantation workers' salaries (on a per kilogram basis), which were mostly the result of management adapting to the increased overall plantation size during the year.

(b) Camellia

Overall, gross profit from camellia sales decreased RMB 14.5 million, or 25.1%. Further, the gross profit margin from the sale of camellia products decreased to 37.1% in CY2014 (CY2013: 45.0%). These decreases were predominately driven by the following factors:

- A decrease in the average selling price and production yields as described in Note 1 above.
- An increase in costs of sales of approximately RMB 2.8 million compared to CY2013 (a 4% increase) which was primarily the result of increase fertilizer and pesticide costs. In CY2014 management made an active decision to increase fertilizer and pesticide applications to the Company's camellia plantations in order to sustain the long term yield of camellia trees, which is expected to continue into CY2015.

(c) Pomelo

Overall, gross profit from pomelo sales increased by 8.8% in CY2014 compared to CY2013 which was predominately driven by increases in pomelo revenue as detailed above. Partly offsetting improved pomelo sales, was a small increase in costs of sales of approximately 2.1% spread across increased fertiliser, pesticide, leasing and packaging costs.

Overall, gross profit margins slightly increased to 46.7% in CY2014 (CY2013: 45.2%).

(d) Orange

CY2014 was the first full year of the Company's operation of its orange plantations. Gross profit derived by the Company in CY2015 was RMB 33.0 million, with a gross profit margin of 55.3%.

Note 6: Other operating expenses

On a pro-forma basis, overhead expenses decreased by approximately 8.0% in CY2014.

Overall however, overhead expenses account for only a small portion of the Company's operating results in CY2014 and CY2013 and remained fairly stable between these years.



9.7 Forecast Financial Information

The Forecast Financial Information has been prepared based on key accounting policies adopted by the Company, which are in accordance with Australian Accounting Standards and are disclosed in the Summary of Key Accounting Policies. It is assumed that there will be no changes to Australian Accounting Standards, the Corporations Act or other financial reporting requirements that may have a material effect on the Company's accounting policies in CY2015.

The Forecast Financial Information is based on various best estimate assumptions concerning future events, including those set out below. In preparing the Forecast Financial Information, the Company has undertaken an analysis of historical performance and applied assumptions in order to predict future performance for CY2015. The Company believes that it has prepared the Forecast Financial Information with due care and attention and considers all assumptions when taken as a whole to be reasonable at the time of preparing this Prospectus, including each of the general assumptions set out in Section 9.7.1.

However, the actual results for CY2015 are likely to vary from those forecast and any variation may be materially positive or negative. The assumptions upon which the Forecast Financial Information is based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of the Company, the Directors and management, and are not reliably predictable.

Accordingly, none of the Company, its Directors, management, or any other person can give you any assurance that the Forecast Financial Information or any prospective statement contained in this Prospectus will be achieved. Events and outcomes might differ in amount and timing from assumptions, with a material consequential impact on the Forecast Financial Information. Potential investors should note that past financial performance is not necessarily a guide to future financial performance.

The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 9.8, the risk factors set out in Section 7 and the Investigating Accountant's Report on the Forecast Financial Information set out in Section 10.

A reconciliation of the Pro Forma Forecast Financial Information to the Statutory Forecast Financial Information is set out in Section 9.3.1.

9.7.1 General assumptions

In preparing the Forecast Financial Information, the following general best estimate assumptions have been adopted:

- There will be no material change in the competitive environment in which the Company operates;
- There will be no material changes in government legislation (whether it be local, state or federal), tax legislation, regulatory legislation, regulatory requirements or government policy in China, Hong Kong and/or Australia that will have a material impact on the financial performance or cash flow, financial position, accounting policies or disclosure of the Company during the Forecast Period;
- There will be no significant deviation from current market expectations of general economic and business conditions including levels of inflation, employment and interest rates;
- There will be no material changes in applicable Australian Accounting Standards, other mandatory professional reporting requirements or the Corporation Act which have a material effect on the Company financial performance, financial position, accounting policies, financial reporting or disclosure;
- There will be no material supply disturbances, environmental costs, contingent liabilities or legal claims will arise or be settled to the detriment of the Company;
- There will be no material changes in key personnel;
- No material changes to the Company corporate and funding structure other than as set out in, or contemplated by, this Prospectus;
- No material disruptions to the continuity of operations of the Company nor other material changes in its business.

9.7.2 Specific Assumptions

- There will be no movements in the fair value of biological assets in CY2015. It should be noted that a fair value movement is likely to be taken up in CY2015 in relation to biological assets however the quantum of such movement is unknown as at the date of this Prospectus. Any fair value movement will be a non-cash item and is not expected to have any impact on the short to medium term operations of the Company.
- Chinese operations continues to enjoy a preferential tax rate of 0% in relation to the Company's agricultural activities;
- An exchange rate of RMB 1.00 = AUD 4.9353; and
- Other specific assumptions detailed in Section 9.7.3 below.

9.7.3 Pro forma Income Statements: CY2015F vs CY2014

Pro forma results					
	Note	CY2014 RMB'000	CY2015 RMB'000	Change RMB'000	%
Tangerine	1	418,757	529,580	110,823	26.5%
Camellia	2	116,542	116,625	84	0.1%
Pomelo	3	146,405	147,586	1,181	0.8%
Orange	4	59,766	76,983	17,217	28.8%
Total Revenue		741,470	870,775	129,305	17.4%
Cost of sales	5	(414,819)	(486,842)	(72,023)	17.4%
Gross profit	5	326,651	383,933	57,282	17.5%
Gross Profit Margin	5	44.1%	44.1%	0.0%	0.0%
Selling and distribution expenses		(359)	(359)	-	0.0%
Administrative expenses		(11,313)	(11,386)	(73)	0.6%
Total Expense	6	(11,672)	(11,745)	(73)	0.6%
EBITDA		314,979	372,188	57,209	18.2%
<i>EBITDA Margin</i>		42.5%	42.7%	0.3%	0.6%
Changes in fair value of biological assets less costs to sell		58,780	N/A	N/A	N/A
Depreciation		(503)	(40)	102	(20.3%)
Interest income		833	969	136	16.3%
Income tax expense		-	-	-	-
NPAT		374,089	372,756	57,447	15.4%

Note 1: Revenue from tangerine

Overall, revenue from tangerine products is expected to increase significantly in CY2015 compared to CY2014, with a forecast increase in total revenue from tangerine products of 26.5%. CY2015 revenue from tangerine products has been forecast based on the following key assumptions:

- An increase in overall production by 22.8% in CY2015 to 129.0 million kilograms (up from 105.0 million kilograms in CY2014). This forecast increase in overall production will be driven by an increase in the number and size of tangerine plantations over CY2014 (i.e. 7 tangerine plantations with a total size of 4,417 hectares, up from 5 tangerine plantations with a total size of 3,751 hectares in CY2014). The two additional plantations were secured by the Company in January 2015, one via lease and the other via land use right entitlement.
- Production yields increasing slightly to 29,194 kilograms per hectare in CY2015 (CY2014: 28,003 kilograms per hectare), an increase of 4.3%. In forecasting CY2015 tangerine yields, the Directors have had regard to normal annual fluctuations, historical trends, the increasing average age of tangerine trees which are higher producing, management's assessment of the quality of trees on the two new plantation sites, and management's best assessment of other contributing factors including other environmental factors.
- Average selling prices increasing by 3.0% in CY2015 to RMB 4.11 per kilogram (CY2014: RMB 3.99 per kilogram). In forecasting CY2015 average selling prices for tangerine products, the Directors have had regard to intention letters received from a number of major customers which set out intended quantity orders and prices. Whilst not legally binding, the Directors believe that these intention letters provide the strongest guidance in relation to CY2015 average selling prices. These intention letters cover over 100% of forecast tangerine production in CY2015. In addition, in forecasting CY2015 average selling prices for tangerine products, the Directors have also relied upon management's best assessment of other contributing factors including market demand and expected quality of tangerine products to be harvested in CY2015.



Note 2: Revenue from camellia products

Overall, revenue from camellia products is expected to remain stable in CY2015 compared to CY2014, with a forecast increase in total revenue from camellia products of only 0.1%. CY2015 revenue from camellia products has been forecast based on the following key assumptions:

- The number and size of camellia plantations remains unchanged from CY2014 (i.e. 7 camellia plantations with a total size of 2,247 hectares).
- Production yields decreasing slightly to 10,500 kilograms per hectare in CY2015 (CY2014: 10,807 kilograms per hectare), a decrease of 2.8%. In forecasting CY2015 camellia yields, the Directors have relied on independent plantation expert assessments in relation to certain camellia plantations, historical trends, and management's best assessment of other contributing factors including tree age and other environmental factors.
- Average selling prices increasing by 3.0% in CY2015 to RMB 4.94 per kilogram (CY2014: RMB 4.80 per kilogram). In forecasting CY2015 average selling prices for camellia products, the Directors have had regard to intention letters received from a number of major customers which set out intended quantity orders and prices. Whilst not legally binding, the Directors believe that these intention letters provide the strongest guidance in relation to CY2015 average selling prices. These intention letters cover a significant portion of forecast production in CY2015 (approximately 71% of forecast production). In addition, in forecasting CY2015 average selling prices for camellia products, the Directors have also relied upon management's best assessment of other contributing factors including market demand and expected quality of camellia products to be harvested in CY2015.

Note 3: Revenue from pomelo

Overall, revenue from pomelo products is expected to remain stable in CY2015 compared to CY2014, with a forecast increase in total revenue from pomelo products of only 0.8%. CY2015 revenue from pomelo products has been forecast based on the following key assumptions:

- The number and size of pomelo plantations remains unchanged from CY2014 (i.e. 3 pomello plantations with a total size of 1,433 hectares).
- Production yields decreasing slightly to 36,000 kilograms per hectare in CY2015 (CY2014: 37,509 kilograms per hectare), a decrease of 4.0%. In forecasting CY2015 camellia yields, the Directors have had regard to normal annual fluctuations, historical trends, and management's best assessment of other contributing factors including tree age and other environmental factors.
- Average selling prices increasing by 5.0% in CY2015 to RMB 2.86 per kilogram (CY2014: 2.72 RMB per kilogram). In forecasting CY2015 average selling prices for pomelo products, the Directors have had regard to intention letters received from a number of major customers which set out intended quantity orders and prices. Whilst not legally binding, the Directors believe that these intention letters provide the strongest guidance in relation to CY2015 average selling prices. These intention letters cover a significant portion of forecast pomelo production in CY2015 (approximately 85% of forecast production). In addition, in forecasting CY2015 average selling prices for pomelo products, the Directors have also relied upon management's best assessment of other contributing factors including market demand and expected quality of pomelo products to be harvested in CY2015.

Note 4: Revenue from orange

Overall, revenue from orange products is expected to increase significantly in CY2015 compared to CY2014, with a forecast increase in total revenue from orange products of 28.8%. CY2015 revenue from orange products has been forecast based on the following key assumptions:

- An increase in overall production by 22.7% in CY2015 to 21.44 million kilograms (up from 17.48 million kilograms in CY2014).

This forecast increase in overall production is forecast to be entirely driven by an increase in production yields, which are forecast to increase to 39,572 kilograms per hectare in CY2015 (CY2014: 32,258 kilograms per hectare), an increase of 22.7%. In forecasting CY2015 orange yields, the Directors have relied on historical trends, and management's best assessment of other contributing factors including tree age and other environmental factors.

- Average selling prices increasing by 5.0% in CY2015 to RMB 3.59 per kilogram (CY2014: RMB 3.42 per kilogram). In forecasting CY2015 average selling prices for orange products, the Directors have had regard to intention letters received from a number of major customers which set out intended quantity orders and prices. Whilst not legally binding, the Directors believe that these intention letters provide the strongest guidance in relation to CY2015 average selling prices. These intention letters cover a significant portion of forecast pomelo production in CY2015 (approximately 83.5% of forecast production). In addition, in forecasting CY2015 average selling prices for orange products, the Directors have also relied upon management's best assessment of other contributing factors including market demand and expected quality of orange products to be harvested in CY2015.



Note 5: Cost of sales and gross margin

Overall, gross profit is expected to increase by approximately 17.5%, predominately driven by the revenue increases described above. Overall gross profit margins are also expected to remain stable at 44.1%. A discussion regarding cost of sales associated with each product follows:

(a) Tangerine

Overall, gross profits from tangerine sales is expected to increase significantly in CY2015 by approximately 26.6% compared to CY2014. Gross profits margins are expected to remain stable in CY2015 at 43.5%. The significant increase in gross profits from tangerine sales is expected to be driven by the following factors:

- A significant increase in sales revenue from tangerine products (see Note 3 above); which is expected to be partly offset by:
- An increase in fertilizer and pesticide costs in line with the increase in size of plantations;
- An increase in fertilizer and pesticide costs of 5.6% in CY2015 (on a per acre basis) predominately driven by general price increases;
- An increase in worker' salaries (i.e. contract labour relating to harvesting operations only) in line with the expected increase in production in CY2015;
- An increase in workers' salaries (i.e. contract labour relating to harvesting operations only) of 13.9% (on a per kilogram basis), which is expected to be predominately driven by market conditions; and
- An increase in leasing costs only partially in line with the increase in plantations, due to only one of the two plantations acquisitions in January 2015 being undertaken via a lease (the other being secured via a land use right entitlement).

(b) Camellia

Overall, gross profit from camellia sales is expected to decrease by approximately 3.7% in CY2015 to RMB 41.6 million. Further, the gross profit margin from the sale of camellia products is also expected to decrease from 37.1% in CY2014 to 35.6% in CY2015. These decreases are expected to be predominately driven by the following factors:

- An increase in fertilizer and pesticide costs of 8.3% in CY2015 (on a per acre basis) which continues management's active decision to increase fertilizer and pesticide applications to the Company's camellia plantations in order to sustain the long term yield of camellia trees; and
- An increase in workers' salaries (i.e. contract labour relating to harvesting operations only) of 2.3% (on a per kilogram basis), which is expected to be predominately driven by market conditions.

(c) Pomelo

Overall, gross profit from pomelo sales are expected to remain reasonable stable in CY2015 decreasing slightly by 0.8% over CY2014. In addition, a slight decrease in the gross profit margin from the sale of pomelo products is expected, from 46.7% in CY2014 to 46.0% in CY2015. This performance is expected to be predominately driven by the following factors:

- Reasonably stable forecast sales revenue (see Note 3 above);
- An increase in fertilizer and pesticide costs of 4.1% in CY2015 (on a per acre basis); and
- An increase in workers' salaries (i.e. contract labour relating to harvesting operations only) of 7.6% (on a per kilogram basis), which is expected to be predominately driven by market conditions.

(d) Orange

Overall, gross profits from orange sales is expected to increase significantly in CY2015 by approximately 33.1% compared to CY2014. Gross profits margins are also expected to increase in CY2015 to 57.1% (up from 55.3% in CY2014). These increases in relation to orange sales are expected to be driven by the following factors:

- A significant increase in sales revenue from tangerine products (see Note 4 above); which is expected to be partly offset by:
- An increase in fertilizer and pesticide costs of 7.6% in CY2015 (on a per acre basis) predominately driven by general price increases and increases in consumption due to the needs of aging orange trees across the Company's orange plantations;
- An increase in workers' salaries (i.e. contract labour relating to harvesting operations only) of 10.8% (on a per kilogram basis), which is expected to be predominately driven by market conditions; and
- An increase in packaging costs in line with expected increases in production.

Note 6: Other operating expenses

On a pro-forma basis, overhead expenses are expected to remain reasonably stable in CY2015, increasing by approximately 0.6%. Overall, pro-forma overhead expenses account for only a small portion of the Company's forecast pro-forma operating results in CY2015.

On a statutory basis, CY2015 forecast overhead expenses will include significant one-off costs relating to the Offer (approximately RMB 16.9 million assuming the mid-point of the Minimum Subscription and Maximum Subscription).



9.8 Sensitivity Analysis

The following sensitivity sets out the impact on CY2015 pro-forma NPAT from a 5% movement in forecast revenues, cost of sales and overhead expenses:

	-5%		Pro forma forecast		+5%	
	RMB'000	AS'000	RMB'000	AS'000	RMB'000	AS'000
	0		0		0	
Revenue	827,236	167,615	870,775	176,437	914,314	185,259
Impact on CF2015 Pro-Forma NPAT	(43,539)	(8,822)	-	-	43,539	8,822
Cost of Sales	462,500	93,712	486,842	98,644	511,184	103,576
Impact on CY2015 Pro-Forma NPAT	24,342	4,932	-	-	(24,342)	(4,932)
Overhead Expenses	10,817	2,192	11,386	2,307	11,955	2,422
Impact on CY2015 Pro-Forma NPAT	569	115	-	-	(569)	(115)

9.9 Dividend Policy

The payment of dividends by the Company is at the complete discretion of Directors.

Depending on available profits and the financial position of the Company, it is the current intention of the Board to pay final dividends in respect of full years ending 31 December each year. The payment of a dividend by the Company is at the discretion of Directors and will be a function of a number of factors including the general business environment, the operating results and financial condition of the Company, future funding requirements, capital management initiatives, taxation considerations, any contractual, legal or regulatory restrictions on the payment of dividends by the Company, and any other factors the Directors may consider relevant.

A final dividend is anticipated to be paid in respect of the period from 1 January 2015 to 31 December 2015. Based on a target payout ratio of 20% of pro forma NPAT, the CY2015 final pro forma dividend would be RMB 74.6 million (before PRC dividend withholding tax of 10% first applied at the Ganzhou Chinese company level) or between A\$0.034 per share (Maximum Subscription) and A\$0.035 per share (Minimum Subscription) (after PRC dividend withholding tax of 10%), assuming an exchange rate of RMB 1.00 = AU 4.9353.

Subject to the above considerations, beyond CY2015, the Directors intend to target a payout ratio of 20% of Statutory NPAT. The level of payout ratio is expected to vary between periods depending on the factors above and, in particular, should value accretive strategic growth, acquisition or investment opportunities arise it may result in a payout ratio in the future that is less than the above target.

No assurances can be given by any person, including the Directors, about the payment of any dividend.

Dividends are expected to be unfranked given that the Company's operations are not subject to income tax in China.

Dividends are not expected to be subject to Australian Dividend Withholding Tax to either Australian or foreign tax resident shareholders.

No dividend reinvestment plan has been assumed to be activated by the Company during the forecast period.

9.10 Significant accounting policies

These are set out at Section 15 (Appendix A) of this Prospectus



10. Investigating Accountant's Report on Historical Financial Information and Forecasts – PKF Corporate Finance (NSW) Pty Ltd



25 June 2015

Board of Directors
Dongfang Modern Agriculture Holding Group Limited
Unit 410, 282 Victoria Avenue
CHATSWOOD NSW 2067

Dear Directors,

INVESTIGATING ACCOUNTANT'S REPORT

INDEPENDENT LIMITED ASSURANCE INVESTIGATING ACCOUNTANT'S REPORT AND FINANCIAL SERVICES GUIDE

1. Introduction

PKF Corporate Finance (NSW) Pty Limited ("**PKFCF**", "**We**", "**Us**") have been engaged by Dongfang Modern Agriculture Holding Group Limited ("**DFM**" or the "**Company**") to prepare this report for inclusion in the Replacement Prospectus (the "**Prospectus**") to be dated on or about 25 June 2015 relating to the issue of ordinary shares in the Company and listing on the Australian Securities Exchange ("**ASX**") (the "**Offer**").

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

PKFCF holds Australian Financial Services Licence ("**AFSL**") 295872. This report is both an Independent Limited Assurance Report, which scope of which is set out below, and a Financial Services Guide, as attached at Appendix 1.

2. Scope

You have requested PKFCF to perform a limited assurance engagement in relation to the pro forma historical and forecast financial information described below and disclosed in the Prospectus.

The Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to a general purpose financial report prepared in accordance with the Corporations Act 2001.

2.1. Pro Forma Historical Financial Information

The pro forma historical financial information has been derived from the historical financial information of the Company, after adjusting for the effects of pro forma transactions and/or adjustments described in Section 9.2(a) of the Prospectus. The pro forma historical financial information consists of the Company's:

- pro forma consolidated historical income statements for the years ended 31 December 2012, 31 December 2013 and 31 December 2014 ("**Pro Forma Historical Income Statements**");
- a reconciliation of the Statutory Consolidated Historical Income Statements to the Pro Forma Historical Income Statements;

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PKF International Limited administers a network of legally independent firms which carry on separate business under the PKF Name. PKF International Limited is not responsible for the acts or omissions of individual member firms of the network.

www.pkf.com.au

- pro-forma historical consolidated statement of financial position as at 31 December 2014 (“**Pro Forma Historical Balance Sheet**”); and
 - pro forma consolidated historical cash flow statements for the years ended 31 December 2012, 31 December 2013 and 31 December 2014; and
 - and related notes as set out in Appendix A of the Prospectus,
- collectively known as the “**Pro Forma Historical Financial Information**”.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 9.2 of the Prospectus. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company’s actual or prospective financial position, financial performance, and/or cash flows.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the Offer on the Company’s financial position as at 31 December 2014, financial performance and cash flows for the years ended 31 December 2012, 31 December 2013 and 31 December 2014.

As part of this process, information about the Company’s financial position, financial performance and cash flows has been extracted from the audited consolidated financial statements of Worldwide Investment Group Limited (“**Worldwide Network**”) for the years ended 31 December 2012, 31 December 2013 and 31 December 2014. The Pro Forma Historical Financial Information and Pro Forma and Statutory Forecast Financial Information assume that Worldwide Network was owned by DFM at all times during the above periods.

The financial statements of Worldwide Network for the years ended 31 December 2012, 31 December 2013 and 31 December 2014 were audited by PKF Hong Kong in accordance with Hong Kong Auditing Standards. The audit opinions issued to members of the Company relating to those financial statements were unqualified.

For the purposes of preparing this report we have performed limited assurance procedures in relation to the Pro Forma Historical Financial Information in order to state whether, on the basis of the procedures described, anything comes to our attention that would cause us to believe that the Pro Forma Historical Financial Information is not prepared or presented fairly, in all material respects, by the Directors in accordance with the stated basis of preparation. As stated in Section 9.2 of the Prospectus, the basis for the preparation of the Pro Forma Historical Information was as follows:

- The Pro Forma Historical Income Statements for the years ended 31 December 2012, 2013 and 2014 illustrate what the financial performance of the Company would have been had:
 - the Company acquired Worldwide Network on 1 January 2012; and
 - the Company had operated as a listed entity on the ASX since 1 January 2012.
- The Pro Forma Historical Balance Sheet as at 31 December 2014 illustrates what the financial position of the Company would have been had:
 - the Company acquired Worldwide Network on 31 December 2014; and
 - the Offer was completed on 31 December 2014.

The procedures we performed were based on our professional judgement and included:

- **Historical financial information:**
 - consideration of the audit working papers, accounting records and other documents, including those dealing with the extraction of the historical financial information of Worldwide Network from its audited financial statements for the years ended 31 December 2012, 31 December 2013 and 31 December 2014;

- **Pro forma adjustments:**
 - consideration of the pro forma adjustments made to the Historical Financial Information following;
 - enquiry of directors, management, personnel and advisors of the Company;
 - the performance of analytical procedures applied to the Pro Forma Historical Financial Information; and
 - a review of the Company's accounting policies so as to ensure consistency of application in the preparation of the pro forma adjustments.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about whether the Pro Forma Historical Financial Information is prepared, in all material respects, by the directors in accordance with the stated basis of preparation.

2.2. Forecast Financial Information and Directors' Best-Estimate Assumptions

You have requested PKFCF to perform limited assurance procedures in relation to the:

- pro-forma consolidated forecast income statement for the year ending 31 December 2015 ("**Pro Forma Forecast Income Statement**");
- statutory consolidated forecast income statement for the year ending 31 December 2015 ("**Statutory Forecast Income Statement**");
- pro-forma consolidated forecast cash flow statement for the year ending 31 December 2015 ("**Pro Forma Forecast Cash Flow Statement**"); and
- statutory consolidated forecast cash flow statement for the year ending 31 December 2015 ("**Statutory Forecast Cash Flow Statement**"),

of the Company (the responsible party) as described in Section 9.2(b) of the Prospectus and collectively the "**Forecast Financial Information**".

The Directors' best-estimate assumptions underlying the Forecast Financial Information are described in Section 9.7 of the Prospectus. As stated in Section 9.7 of the Prospectus, the basis of preparation of the Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Company's accounting policies.

We have performed limited assurance procedures in relation to the Forecast Financial Information, set out in Section 9.7 of the Prospectus and the Directors' best-estimate assumptions underlying it in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that:

- the Directors' best-estimate assumptions do not provide reasonable grounds for the Forecast Financial Information;
- in all material respects the Forecast Financial Information is not:
 - prepared on the basis of the Directors' best-estimate assumptions as described in the Prospectus; and
 - presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards and the Company's accounting policies;
- the Forecast Financial Information itself is unreasonable.

We have conducted our engagement in accordance with the Standard on Assurance Engagements *ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with management and directors of the Company of the factors considered in determining their assumptions; and
- examination, on a test basis, of evidence supporting:
 - the assumptions and amounts in the Forecast Financial Information; and
 - the application of accounting policies used in the Forecast Financial Information.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion.

3. Directors' Responsibilities

- The Directors of the Company are responsible for the preparation of:
 - the Pro Forma Historical Financial Information, including the selection and determination of the pro forma transactions and/or adjustments made to the historical financial information and included in the Pro Forma Historical Information; and
 - the Forecast Financial Information, including the Directors' best-estimate assumptions on which the Forecast Financial Information is based and the sensitivity of the Forecast Financial Information to changes in key assumptions.

The Directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

4. Conclusions

4.1. Review Statement on the Pro Forma Historical Financial Information

Based on our procedures, which are not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in Section 9.3 of the Prospectus, comprising:

- pro forma consolidated historical income statements for the years ended 31 December 2012, 31 December 2013 and 31 December 2014 ("**Pro Forma Historical Income Statements**");
- the reconciliation of the statutory historical income statements to the Pro Forma Historical Income Statements;
- pro-forma historical consolidated statement of financial position as at 31 December 2014 ("**Pro Forma Historical Balance Sheet**"); and
- pro forma consolidated historical cash flow statements for the years ended 31 December 2012, 31 December 2013 and 31 December 2014,

is not prepared or presented fairly, in all material respects, on the basis of the pro forma transactions and/or adjustments described in Section 9.2 of the Prospectus, and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and the Company's accounting policies.

4.2. Forecast Financial Information and the Directors' Best-Estimate Assumptions

Based on our procedures, which are not an audit, nothing has come to our attention which causes us to believe that:

- the Directors' best-estimate assumptions used in the preparation of the Forecast Financial Information do not provide reasonable grounds for the Forecast Financial Information; and
- in all material respects, the Forecast Financial Information:
 - is not prepared on the basis of the Directors' best-estimate assumptions as described in Section 9.7 of the Prospectus; and
 - is not presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards, and the Company's accounting policies; and
- the Forecast Financial Information itself is unreasonable.

The Forecast Financial Information has been prepared by the Company's management and adopted and disclosed by the Directors in order to provide prospective investors with a guide to the forecast financial performance of the Company for the year ending 31 December 2015.

There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation may be material.

The Directors' best-estimate assumptions on which the Forecast Financial Information is based relate to future event(s) and/or transaction(s) that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the Directors' best-estimate assumptions on which the Forecast Financial Information is based. However, such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the Forecast Financial Information. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in Sections 7 and 9.8 of the Prospectus. The sensitivity analysis described in Section 9.8 of the Prospectus demonstrates the impact on the Forecast Financial Information of changes in key best-estimate assumptions. We express no opinion as to whether the Forecast Financial Information will be achieved.

We have assumed and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

5. General Advice Warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

6. Independence

PKFCF does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. PKFCF will receive a professional fee for the preparation of this Independent Limited Assurance Report.

PKF Hong Kong is an affiliated firm to the parent entity of PKFCF, PKF(NS) Pty Limited. PKFCF has confirmed with PKF Hong Kong that it does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to act as an independent auditor.

7. Restriction on Use

Without modifying our conclusions, we draw attention to Section 9.2 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

PKFCF has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, PKFCF makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

8. Financial Services Guide

We have included our Financial Services Guide as an Appendix to this report. The Financial Services Guide is designed to assist retail clients in their use of general financial product advice in our report.

Yours faithfully

PKF Corporate Finance (NSW) Pty Limited



Andrew Jones
Director



Vince Fayad
Director

APPENDIX 1 - FINANCIAL SERVICES GUIDE

25 June 2015

What is a Financial Services Guide?

This Financial Services Guide ("FSG") is an important document, the purpose of which is to assist you in deciding whether to use any of the general financial product advice provided in the form of an independent limited assurance report by PKF Corporate Finance (NSW) Pty Limited (ABN 65 097 893 957) ("**PKF Corporate Finance (NSW)**"). The use of "we", "us" or "our" is a reference to PKF Corporate Finance (NSW) as the holder of Australian Financial Services Licence ("**AFSL**") No. 295872.

The contents of this FSG include:

- who we are and how we can be contacted;
- what services we are authorised to provide under our AFSL;
- how we (and any other relevant parties) are remunerated in relation to any general financial product advice we may provide;
- details of any potential conflicts of interest; and
- details of our internal and external dispute resolution systems and how you can access them.

Information about us

We have been engaged by the Independent Directors of Dongfang Modern Agriculture Holding Group Limited ("**DFM**") to prepare an Independent Limited Assurance Report for inclusion in a Prospectus dated on or about [Date] (the "**Prospectus**") relating to the offer of shares in the Company (the "**Offer**").

You are not the party or parties who engaged us to prepare the Report. We are not acting for any person other than the party or parties who engaged us. We are required by law to give you an FSG because the Report is being provided to you. You may contact us using the details located below.

PKF Corporate Finance (NSW) provides services primarily in the area of corporate finance and is partly owned by partners of the Australian partnership of PKF Lawler. PKF Lawler and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services. Our directors may be partners in the partnership of PKF Lawler.

The financial product advice in the Report is provided by PKF Corporate Finance (NSW) and not by PKF Lawler.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and PKF Lawler (and its related bodies corporate) may from time to time provide professional services to financial product issuers in the ordinary course of business.

What financial services are we licensed to provide?

The AFSL we hold authorises us to carry on a financial services business to:

- (a) provide financial product advice for the following classes of financial products:
 - (i) deposit and payment products limited to:
 - (A) basic deposit products;
 - (B) deposit products other than basic deposit products;
 - (ii) debentures, stocks or bonds issued or proposed to be issued by a government;
 - (iii) interests in managed investment schemes excluding investor directed portfolio services; and
 - (iv) securities; and
- (b) deal in a financial product by:
 - (i) arranging for another person to apply for, acquire, vary or dispose of financial products in respect of the following classes of financial products:
 - (A) securities;

to retail and wholesale clients.

Information about the general financial product advice we provide

The financial product advice provided in the Report is known as "general advice" because it does not take into account your personal objectives, financial situation or needs. You should consider whether the general advice contained in the Report is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is being provided to you in connection with the acquisition or potential acquisition of a financial product issued by another party, we recommend you obtain and read carefully the relevant offer document provided by the issuer of the financial product. The purpose of the offer document is to help you make an informed decision about the acquisition of a financial product.

The contents of the offer document will include details such as the risks, benefits and costs of acquiring the particular financial product.

How are we and our employees remunerated?

We charge fees for providing Reports. Fees are agreed with the party or parties who engages us, and we confirm our remuneration in a written letter of engagement to the party or parties who engage us.

Our fees are usually determined on an hourly basis. However they may be a fixed amount or derived using another basis. We may also seek reimbursement of any out-of-pocket expenses incurred in providing the services. The fee payable for this report is \$205,000 plus GST and disbursements.

Neither PKF Corporate Finance (NSW), nor its directors and officers, receive any commissions or other benefits arising directly from providing Reports to you. The remuneration paid to our directors and staff reflects their individual contribution to the company and covers all aspects of performance.

We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

Responsibility

The liability of PKF Corporate Finance (NSW) is limited to the contents of this FSG and the Report referred to in this FSG.

What compensation arrangements do we have?

PKF Corporate Finance (NSW) holds professional indemnity insurance that covers the financial services provided by us. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

What should you do if you have a complaint?

If you have any concerns regarding the Report, you may wish to advise us. Our internal complaint handling process is designed to respond to your concerns promptly and equitably. Please address your complaint in writing to:

AFS Compliance Manager
PKF Corporate Finance (NSW) Pty Limited
GPO Box 5446
SYDNEY NSW 2001
Telephone: +61 2 9008 1404 Fax: +61 2 8346 6099

If you are not satisfied with the steps we have taken to resolve your complaint, you may contact the Financial Ombudsman Service ("FOS"). FOS provides free advice and assistance to consumers to help them resolve complaints relating to members of the financial services industry. Complaints may be submitted to FOS at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Telephone: (03) 9613 7366 Fax: (03) 9613 6399
Internet: <http://www.fos.org.au>

If your complaint relates to the professional conduct of a person who is a Chartered Accountant, you may wish to lodge a complaint in writing with the Institute of Chartered Accountants in Australia ("ICAA").

The ICAA is the professional body responsible for setting and upholding the professional, ethical and technical standards of Chartered Accountants and can be contacted at:

The Institute of Chartered Accountants
GPO Box 9985
Sydney NSW 2001
Telephone: +61 2 9290 1344 Fax: +61 2 9262 1512

Specific contact details for lodging a complaint with the ICAA can be obtained from their website at <http://www.charteredaccountants.com.au/The-Institute/Member-complaints-and-discipline/How-to-make-a-complaint.aspx>

The Australian Securities and Investments Commission ("ASIC") regulates Australian companies, financial markets, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit. Their website contains information on lodging complaints about companies and individual persons and sets out the types of complaints handled by ASIC. You may contact ASIC as follows:

Info line: 1 300 300 630
Email: infoline@asic.gov.au
Internet: <http://www.asic.gov.au/asic/asic.nsf>

PKF Corporate Finance (NSW) is part of the PKF(NS) Pty Limited group of practice entities. PKF(NS) Pty Limited is an independent member of the PKF International Limited network of legally independent firms which carry on separate businesses under the PKF Name. PKF International Limited does not accept any responsibility or liability for the actions or inactions on the part of any other individual member or correspondent firm or firms of the PKF network. PKF Corporate Finance (NSW) and PKF(NS) Pty Limited do not accept any responsibility or liability for the actions or inactions on the part of any other individual member or correspondent firm or firms of the PKF network.

11. Additional Information

11.1 Constitution

A copy of the constitution of the Company will be accessible on the website of the Company and may be inspected at the registered office of the Company during normal business hours by appointment with the Company Secretary.

(a) Shares

There is only one class of the Company Shares being ordinary shares. The Shares issued under this Prospectus will be fully paid shares. Detailed provisions relating to the rights attaching to Shares are set out in the Company constitution and the Corporations Act. The Company has adopted a constitution of the kind usually adopted by a public company listed on the ASX. The following is a broad summary of the key provisions in the constitution and the rights attaching to Shares.

(b) General meetings

Each shareholder is entitled to receive notice of and be present, to vote and speak at general meetings of the Company.

(c) Voting rights

At a general meeting every shareholder present (in person or by proxy, attorney or representative) has one vote on a show of hands. Every shareholder present (in person or by proxy, attorney or representative) has one vote per fully paid Share on a poll, except in respect of each partly paid Share held by a shareholder, where the shareholder has a fraction of a vote for each partly paid Share they hold. This is subject to any other rights or restrictions attached to any Shares.

(d) Dividend rights

Subject to any special rights or restrictions attached to a Share, each holder of a fully paid Share will participate in all dividends declared after their issue and rank equally with all existing Shares. Dividends are declared by the Directors at their discretion and, subject to any special rights, are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

(e) Rights on winding up

Subject to any special rights and restrictions attached to Shares, on a winding up any surplus must be divided among the shareholders in the proportion that the amount paid up on the Shares bears to the total amount paid up on all Shares on issue. Subject to any special rights and restrictions attached to Shares, on a winding up, a liquidator of the Company may, with the sanction of a special resolution of shareholders, divide among shareholders the whole or any part of the property of the Company and may decide how to distribute the property as between the shareholders.

(f) Transfer of shares

Subject to the constitution of the Company, the Corporations Act and the Listing Rules, generally, Shares are freely transferable.

(g) Future changes in capital

Subject to Listing Rules and the constitution of the Company, the Directors may issue, grant options over, or otherwise dispose of Shares on such conditions, at such times and with the preferred, deferred or other special rights or restrictions as the Directors think fit. Subject to the Corporations Act and the Listing Rules, the Company may by resolution, consolidate and divide its share capital or reduce its share capital and buy back its Shares.

(h) Variation of rights

The Company may only vary or cancel the rights attaching to any class of shares, or convert shares from one class to another, by a special resolution of the Company and a special resolution passed at a meeting of the holders of shares in that class or the written consent of shareholders with at least 75% of the votes in that class.

(i) Marketable parcels

Subject to certain conditions the Company may sell non-marketable parcels on issue as agent for the holders of those parcels.

Shareholders will be provided at least six weeks' notice with preliminary notice provided at least four weeks earlier (a total of ten weeks) enabling the shareholder to elect not to have their shares sold.

In the event the shareholder does not elect to retain their shares the shares may be sold and the proceeds held in trust on behalf of the shareholder.

(j) Proportional takeover

The constitution of the Company contains a proportional takeover provision, which may be renewed from time to time in accordance with the Corporations Act.

11.2 Corporate governance

The business and affairs of the Company are vested in the Directors who have responsibility for the management and control of the Company.

The Board will pursue best practice in corporate governance. The best practice platforms of governance will apply to:

- establishing the roles of management and the Board with a balance of skills, experience and independence appropriate to the nature and extent of corporate operations;
- ensuring levels of integrity are maintained among those who can influence the Company's strategy and financial performance, together with responsible and ethical decision making;
- ensuring that the Company meets the appropriate information needs of our modern investment community;
- ensuring the safety and rights of shareholders and all stakeholders;
- in presenting the Company's financial and non financial position, the Board will ensure the adoption of a process that safeguards, both internally and externally, the integrity of the Company and its disclosure standards; and
- ensuring that environment best practice will at all times be a key focus of the Company Board, its management team, suppliers and consumers of its products.

The Board considers that its membership should comprise directors with an appropriate mix of skills, knowledge, experience and personal attributes that allow the directors individually and the Board collectively, to:

- discharge their duties and responsibilities under the law efficiently and effectively;
- understand the business of the Company and the environment within which the Company operates so as to be able to provide sound stewardship for management and the Company's objectives, goals and strategic direction to maximise shareholder value; and
- assess the performance of management in meeting those objectives.

In addition to ensuring that the Board has a broad range of necessary skills, knowledge and experience to govern the Company and understand the challenges that the Company faces, the Board considers that its membership should represent an appropriate balance between directors with experience and knowledge of the Company and directors with an external perspective.

The Board also considers that its size should be conducive to effective discussion and efficient decision-making. The Board believes that its current composition meets these requirements.

(a) Board responsibilities

The principal role of the Board is to ensure the long term prosperity of the Company by setting broad corporate governance policies and ensuring that they are effectively implemented by management. The Board carries out this role principally by:

- setting the strategic direction of the Company and providing strategic guidance to management;
- providing input into and approval of management's development of corporate strategy and performance objectives;
- reviewing and approving business plans for the Company;
- approval of annual budget and financial plans including available resources and major capital expenditure and initiatives;
- overseeing and monitoring progress against budget via the establishment and reporting of both financial and non-financial key performance indicators, organisational performance, the achievement of strategic goals and objectives and compliance with the Company's Code of Conduct;
- appointing and assessing performance and the removal (where appropriate) of senior executives of the Company;
- monitoring financial performance including approval of the half year and annual financial reports and liaison with the Company's auditors; and
- overseeing, reviewing and ratifying systems of governance, management processes, risk management, internal compliance and controls, codes of conduct and legal and regulatory compliance to ensure appropriate compliance frameworks and controls are in place.

The Board has delegated to executive management, responsibility for a number of matters including:

- managing the Company's day-to-day operations in accordance with the Board approved authorisations, policies and procedures;
- developing the Company's annual budget and recommending it to the Board for approval and managing the day-to-day operations within the budget; and
- implementing corporate strategy and making recommendations on significant corporate strategic initiatives.

Executive management reports directly to the Chairman.



(b) Board meetings

The Board plans to meet at least six times a year, both as a Board and in conjunction with executive management, to discuss the short and long term strategy of the Company.

The Board receives a monthly report, which provides current information concerning the Company. The monthly Board report includes salient financial details, together with information on the performance of operations, major initiatives, as well as legal, governance, risk management and compliance issues that may arise.

The Board convenes by email and by telephone conference call to discuss matters of urgency and importance with management, make recommendations to management and discuss strategy.

(c) Chairman

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their roles and responsibilities, facilitating Board discussions and managing the Board's relationship with the Company's executive management.

(d) Audit Committee

The Company will not be in the top 300 of the S&P All Ordinaries Index (Index) on listing. Therefore it does not presently have an audit committee. Upon completion of the Offer, the Board will consider whether a separate audit committee is required given the size of the Board and the Company's circumstances.

(e) Remuneration Committee

A remuneration committee, which presently consists of the whole Board, will serve to determine the remuneration levels of any Executive Directors. Hongwei Cai is the chairman of the remuneration committee. When decisions are made concerning the remuneration of a Board member, that Board member must not be present while the remuneration decision is being discussed or voted upon.

(f) Review of Board and executive performance

In order to ensure that the Board continues to discharge its duties effectively, the performance of all directors is reviewed annually by the Chairman. The performance of the Chairman will be reviewed during each reporting period by his fellow directors.

The Board undertakes an annual assessment of its collective performance and the performance of the Audit Committee in accordance with the Company's performance evaluation process for directors and executives.

The Board also annually reviews the performance of the executive management team.

(g) Identifying and managing business risks

There are a variety of risks that exist in the agriculture industry in which the Company operates and there are a range of factors, some of which are beyond the control of the Company and which may impact on the Company's performance.

The Board:

- reviews and approves the parameters under which such risks are managed including the responsibility for internal control systems;
- compliance and the procedure for identifying business risks and the methods to control their financial impact on the Company.

The Chairman and the executive management team are instructed and empowered by the Board to:

- implement risk management strategies in co-operation with it and the Audit Committee;
- report to the Board and the Audit Committee on developments related to risk; and
- suggest to the Board new and revised strategies for mitigating and resolving risk.

The Company's business operations are in the PRC. There is therefore a risk to investors in relation to the remittance of funds raised through the Offer to meet any expenditure in the PRC on those business operations. In order to manage this risk, the Company has adopted as a principle of corporate governance an internal management rule that before any monies raised in Australia are expended outside Australia, that must first be approved by the non-executive independent directors. Unless such approval is given The Company is not to remit any funds raised through the Offer outside Australia.

(h) Independent advice

The Company permits any Director to obtain advice about transactions or matters of concern at the Company's cost. Approval for directors seeking independent advice is subject to the approval of the Chairman acting reasonably. Where appropriate, directors share such independent advice with other directors.

(i) Security Holder communications

The Board aims to ensure that Security Holders are informed of all information necessary to assess the performance of the Company.

Information is communicated to the shareholders through:

- the annual report, which is distributed to all shareholders (other than those who elect not to receive it);
- the AGM and other shareholder meetings called to obtain approval for Board action as appropriate;
- making available all information released to the ASX on the Company's website immediately following confirmation of receipt by the ASX;
- ensuring all press releases issued by the Company are posted on the Company's website as soon they are disclosed to the ASX;
- encouraging active participation by shareholders at shareholder meetings; and
- encouraging all shareholders who are unable to attend general meetings to communicate issues or ask questions by writing to the Company.

(j) Company Commitment to Continuous Disclosure

The Board has approved a continuous disclosure policy to ensure the fair and timely disclosure of price sensitive information to the investment community as required by applicable law.

The Company Secretary Dan Lin of the Company has been appointed the disclosure officer of the Company and is required to keep abreast of all material information and where appropriate, ensure disclosure of share price sensitive information.

(k) External Audit Independence

The Company's policy is to appoint external auditors who demonstrate quality and independence. The performance of the auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into account an assessment of performance, existing value and tender costs. The Board or if there is an audit committee, the audit committee, will meet with the external auditor of the Company, independently of executive management, at least twice a year.

The external auditor will be requested to attend the AGM and be available to answer shareholder questions about the conduct of the audit and the preparation of the content of the audit report

All Directors are expected to act with the utmost integrity and objectivity in the performance of their duties, striving at all times to enhance the reputation and performance of the Company.

Management will review the Company's corporate governance policies and practices in light of the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (Recommendations). Following this review, the Board will consider the suitability of any Recommendations having regard to the Company's size and operations.

(l) Company policy and practice for dealing in Shares

In addition to legal and regulatory restrictions, the Company has a robust trading policy on how and when the Directors and employees may deal in the Company's securities. Trading in Company shares are prohibited under certain circumstances, and short-term trading is discouraged.

Together this policy and the Corporations Act, requires that the Directors and employees deal in the Company's securities in a manner which (for Directors) properly reflects their fiduciary duty, and that neither Directors nor employees engage in securities transactions whilst in possession of price sensitive information.

This policy requires that Directors and Senior Executives disclose their share trade intentions to the Chairman prior to dealing in the Company's securities.

The Company maintains compliance standards and procedures to ensure that the policy is properly implemented. In addition there is also an internal review mechanism to assess compliance and effectiveness.

'Closed periods' and 'prohibited periods'

Directors and key management personnel must not deal in the Company's securities during the following periods:

- Within 1 month immediately preceding and 48 hours immediately following the release by the Company of its annual results to the ASX;
- Within 1 month immediately preceding and 48 hours immediately following the release by the Company of its half-yearly results to the ASX;
- Within 2 weeks immediately preceding and 48 hours immediately following the Company's Annual General Meeting; and
- Other periods as advised by the Board or Chief Executive Officer.



Requests to trade during the closed periods may be considered in exceptional circumstances. The current procedure is that a written request is made to the Chairman and/or an independent director if the Chairman makes the request, describing the claim. Any approval to trade should be in writing and will be determined on a case by case basis.

Exceptional circumstances include:

- a severe financial hardship due to a pressing financial commitment that cannot be satisfied otherwise by selling the relevant securities in the Company; or
- a court order, or an enforceable court undertakings relating to a family settlement to transfer or sell securities in the Company, or some other overriding legal or regulatory requirement relating to you to comply.

It is recognised that exceptional circumstances may arise that have not been considered in the policy and those requests will be considered if they arise.

Key Management Personnel Securities Trading Policy

At all other times outside the Closed Periods, Key Management Personnel should not deal in securities of the Company unless:

- they have satisfied themselves that they are not in possession of any inside information that is not generally available to the public;
- they have contacted the Chairman or Company Secretary, and notified them of their intention to do so; and
- where the Chairman wishes to deal in securities, he or she has contacted the Company Secretary or, in his or her absence, a Non-Executive Director, and notified them of his or her intention to do so.

Notification to the Chairman or Company Secretary is intended as a compliance monitoring function only and is not an endorsement of the proposed dealing.

The Company's Securities Trading Policy will be posted on the Company's website.

(m) Diversity and Gender

The Board embraces the view that diversity is an economic driver of competitiveness for companies. The Board's substantial international experience arises from the diversity of its cultural background. At this stage, the Board has not formalised a diversity policy as suggested in Recommendation 3.2. It is the Board's position that the spirit of this Recommendation is self-evident from the structure of the Board and its senior management team. The Company has likewise yet to adopt Recommendations 3.3 and 3.4. These Recommendations requires that a diversity policy include measurement objectives for facilitating greater participation of women to the Board, and produce tables describing the proportion of females across the Company's Board, management and employee tiers.

The implementation of an appropriate diversity policy to reflect the circumstances of the Company and the industry in which the Company operates is currently under review with this task to be delegated to a nomination committee.

The Board wishes to note that it supports these Recommendations in principle and anticipates their adoption in the near future.

11.3 Litigation

The Company is not involved in any actual or threatened litigation which could have a material effect on the Company.

11.4 ASIC and ASX exemptions, modifications and waivers

ASIC has made an in-principle decision to grant voluntary escrow relief described in section 11.14 below.

11.5 Material contracts

(a) Lead Manager Mandate Agreement

The Company has entered into a Lead Manager Mandate Agreement with Paradigm Securities Pty Ltd ABN 95 159 611 060 ("Paradigm Securities") Paradigm Securities is an authorised representative (AR No. 426970) of Pulse Markets Pty Ltd ABN 14 081 505 268 (AFSL No. 220383).

The material terms of the agreement are as follows:

- (a) Paradigm Securities will act as the Lead Manager for six months .

Dongfang Modern has agreed to pay Paradigm the following fees (plus disbursements payable in \$A):

- (A) \$20,000 per month plus GST up to maximum of \$40,000 plus GST payable from allotment of Shares equivalent in value to the Minimum Subscription;

- (B) 6% of the value of shares issued in the Offer, comprising a management fee of 1% (plus GST) and an IPO Selling Fee of 5% (plus GST) each calculated on the value of shares issued in the Offer.
- (b) Any legal, accounting or any external advisors that provides agreed authorised input to the transaction and any travel or accommodation cost will be met by the Company.
- (c) Paradigm Securities and the Company further acknowledge and agree that, with the exception of the above points, transaction fees are only payable in the event that any funds raised by DFM pursuant to the Offer are as a direct result of the introduction of a party providing the funding by Paradigm Securities.
- (d) Paradigm Securities and the Company further acknowledge and agree that, with the exception of the above points, transaction fees are only payable in the event that the securities offered under this Prospectus are admitted to the Official List of the ASX following the successful completion of the Offer ('Completion')

(b) Consultancy Agreements

Ganzhou Chinese has entered into the following consultancy agreements:

Consultant	Validity Term	Subject Matter	Contract Price
Jianwei MAO	01.01.2015 -31.12.2015	Providing consultancy services as described below	RMB30,000 (approximately A\$6,363.56) per annum
Kai XU	01.01.2015 -31.12.2015	Providing consultancy services as described below	RMB30,000 (approximately A\$6,363.56) per annum

Pursuant to these consultancy agreements, each of the consultants is required, amongst other things, to:

- provide consulting services and technical guidance to Ganzhou Chinese, and provide professional opinions on the industry investment decisions of Ganzhou Chinese;
- assist Ganzhou Chinese in the collection of industry development information at home and abroad and providing suggestions to Ganzhou Chinese accordingly;
- hold lectures and seminars as well as providing professional technical trainings to relevant employees of Ganzhou Chinese in accordance with its internal training plan;
- integrate talents resources to meet the needs of Ganzhou Chinese development, and applying for science and technology program/s funded by the Government;
- provide their scientific research achievements in relevant industry to Ganzhou Chinese with priority given to same and the royalties shall be determined on the basis of equality and mutual benefits;
- introduce business partners to Ganzhou Chinese to meet the needs of its development, and extend the reputation and popularity of Ganzhou Chinese; and
- participate in relevant activities held by Ganzhou Chinese as required.

(c) Executive Services Agreements

Worldwide Network has entered into Executive Services Agreement with Ming Sing Barton Tso, Chiu So and Hongwei Cai. The material terms of these agreements are as follows:

Name	Role	Salary (per annum)	Leave entitlements
Hongwei Cai	Executive Chairman	\$18,750.00 per month	in addition to public holidays in both Australian and Hong Kong, 20 days of paid annual leave per annum
Ming Sing Barton Tso	Chief Executive Officer	A\$11,250.00 per month	in addition to public holidays in both Australian and Hong Kong, 20 days of paid annual leave per annum
Chiu So	Chief Financial Officer	\$8,333.33 per month	in addition to public holidays in both Australian and Hong Kong, 20 days of paid annual leave per annum

The services provided by each of them are in addition to their role as directors of the Company and are the usual services to be provided by a person in the above role of a listed company.



(d) Directors' Employment Agreements

The Company has entered into employment agreements with Hongwei Cai, Ming Sing Barton Tso, Chiu So and Michael Choi. The employment agreement sets out each Director's duties and their remuneration currently being \$75,000, \$65,000, \$60,000 and \$60,000 per annum respectively payable monthly. Michael Choi has been engaged as a director for a period of time of three (3) years from 20 May, 2015. Except for material default, he is entitled to payment of his fee for those 3 years on termination of his agreement.

In relation to Hongwei Cai, Ming Sing Barton and Tso, Chiu So, these Director fees are in addition to the remuneration that they receive under the Executive Services Contracts referred to in clause 11.5(c).

(e) Current Directors' indemnity agreements

The Company has entered into an Indemnity and Access Agreement with each current Director. The terms of the agreement provide for the Company:

- to indemnify the Director against all liabilities incurred as an officer of the Company or any other the Company group company;
- to ensure that the Company use its best commercial endeavours to maintain Directors and Officers insurance for the benefit of the Director in relation to acts and omissions of the Officer in his capacity as an officer of the Company; and
- to give access to a Director to documents (excluding a document created after the Director ceased to be an officer of the Company) for the purposes of any claims where the Director is a party, witness or otherwise and the Director is involved because they are or were an officer of the Company or any other the Company group company.

11.6 Land Tenure Agreements

Ganzhou Chinese has long term tenure of its plantations strategically located in various counties of Ganzhou City for the plantation of tangerine, camellia, pomelo and navel orange detailed in this section 11.6.

The land use rights agreements referred to in this section 11.6 are in a Chinese language. However the land use rights agreements referred to in this section 11.6, namely the Rural Land Contracted Operation Rights Agreements, the Subcontract Agreements of Rural Land Contracted Operation Rights and the Lease Agreements of Rural Land Contracted Operation Rights have been reviewed by the Company's PRC lawyers, Dacheng Law Offices LLP (Fuzhou), who have confirmed to the Company that these agreements are valid and enforceable by the Company.

According to the PRC Law on Land Administration, all lands in the PRC are either State-owned or collectively owned. Generally, lands in the urban areas of a city or town are state-owned, whereas lands in the rural areas of a city or town and all rural lands are, unless otherwise specified by law, collectively owned. When required, the State has the right to reclaim the collectively owned lands in accordance with law if such reclaim is beneficial to the public. For individuals, businesses and other organizations granted with the land use rights of state-owned or collectively-owned agricultural land, they are permitted to hold, lease and develop these lands. Under this law, lands located within a village or rural collective economic organization, except for those stipulated by laws as being owned by the State, are collectively owned by rural residents. Lands collectively owned by rural residents are contracted to and operated by farmer household of the respective village or rural collective economic organization for various uses such as plantation, forestry, livestock husbandry or fishery productions.

According to the Law of People's Republic of China on Land Contract in Rural Areas, the State applies the contractual management system in respect of lands in rural areas. These land contracts take the form of household contracts within the rural collective economic organization. Anyone entering into a household contract must be a farmer household of the relevant village or rural collective economic organization. The term of the contracts is 30 years for arable land, 30 to 50 years for grassland, and 30 to 70 years for forestland. Lands collectively owned by rural residents can be contracted to and operated by individuals, businesses and other organizations without that village or rural collective economic organization provided that certain approvals and procedures have been complied with. A local villagers' committee or rural collective economic organization is designated to operate and manage the rural land collectively owned by all the rural residents within that village or rural collective economic organization.

Under this title system, Ganzhou Chinese has the following rights to land in order to carry on its above-mentioned business:

Rural Land Contracted Operation Rights Agreements				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 6 Tangerines Orchard Nanfeng County	400	01.01.2015 to 31.12.2044	Cultivation of tangerine	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement
No. 2 Camellia Orchard Xingguo County	26	01.01.2012 to 31.12.2031	Cultivation of camellia	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement

The abovementioned Contracted Agreements were approved by more than two-thirds of farmer households of the respective village and competent local government authorities in compliance with relevant laws and regulations such as the Law of the People's Republic of China on the Contracting of Rural Land, the Administrative Measures for circulation of Rural Land Contracted Operation Right and the Regulations of Jiangxi Province on Transfer of Forest Resources. Ganzhou Chinese has obtained the Forest Title Certificates for 26ha forestland located in Xingguo County issued by the People's Government of Xingguo County.

Ganzhou Chinese has not yet started to apply for the Forest Title Certificates of 400ha forestland located in Nanfeng County. However Ganzhou Chinese will apply for Forest Title Certificates for 400ha forestland located in tangerines land of Nanfeng County before 31 December 2015. According to the confirmation issued by the Forestry Administration Bureau of Nanfeng County dated 13 April, 2015, there is no obstacle for Ganzhou Chinese to obtain the Forest Title Certificates of 400ha forestland located in Nanfeng County.

There is no assurance that the governmental confirmation with respect to the Forest Title Certificates would not be revoked or otherwise rendered defective in any respect. The absence of title certificates also subjects Ganzhou Chinese to the risk that it does not have valid ownership of the forest on the forestland.

Rural Land Contracted Operation Rights Agreements				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 1 Camellia Orchard Xingguo County	33	01.01.2012 to 31.12.2031	Cultivation of camellia	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement
No. 2 Navel orange Orchard Xingguo County	497	01.01.2014 to 31.12.2043	Cultivation of navel oranges	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement
No. 1 Navel orange Orchard Yudu County	44	01.01.2012 to 31.12.2042	Cultivation of navel oranges	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement

The abovementioned Subcontract Agreements have been approved by more than two-thirds of farmer households of the respective village and competent local government authorities consistent with the Law of the People's Republic of China on the Contracting of Rural Land the Administrative Measures for circulation of Rural Land Contracted Operation Right and the Regulations of Jiangxi Province on Transfer of Forest Resources.

Ganzhou Chinese has obtained the Forest Title Certificate issued by the People's Government of Xingguo County for the 33ha camellia land in Xingguo County on March 13, 2014, the Forest Title Certificate issued by the People's Government of Xingguo County for the 497ha navel oranges land in Xingguo County on the same date, and the Forest Title Certificate issued by the People's Government of Yudu County for the 44 ha navel oranges land in Yudu County on March 14, 2014.



Lease Agreements of Rural Land Contracted Operation Rights				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 1 Camellia Orchard Xingguo County	308	01.12.2011 to 30.11.2020	Cultivation of camellia	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 2 Camellia Orchard, Xingguo County	544	01.02.2012 to 31.01.2025	Cultivation of camellia	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 5 Camellia Orchard , Chongyi County	398	01.03.2011 to 28.02.2026	Cultivation of camellia	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 1 Tangerines Orchard , Xunwu, County	566	01.01.2012 to 31.12.2026	Cultivation of tangerines	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>

Lease Agreements of Rural Land Contracted Operation Rights				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 1 Pomelos Orchard Nankang City	480	01.12.2012 to 30.11.2026	Cultivation of pomelos	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the pomelo trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the pomelo tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted pomelo tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including pomelo trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 2 Pomelos Orchard , Nankang City	360	01.02.2012 to 31.01.2026	Cultivation of pomelos	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the pomelo trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the pomelo tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted pomelo tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including pomelo trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 3 Camellia Orchard , Shangyou County	511	01.03.2011 to 28.02.2026	Cultivation of camellia	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 4 Camellia Orchard , Shangyou County	424	01.01.2012 to 31.12.2026	Cultivation of camellia	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>

Lease Agreements of Rural Land Contracted Operation Rights				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 3 Tangerines Orchard , Xunwu County	800	01.12.2012 to 31.12.2026	Cultivation of tangerines	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 2 Tangerines Orchard , Xunwu County	646	01.12.2012 to 30.11.2027	Cultivation of tangerines	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 3 Pomelos Orchard , Nankang County	593	01.01.2013 to 31.12.2027	Cultivation of pomelos	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>
No. 4 Tangerines Orchard , Xunwu County	864	01.01.2013 to 31.12.2027	Cultivation of tangerines	<p>Ganzhou Chinese shall make the payment on the terms stipulated in the agreement;</p> <p>The ownership of the camellia trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings;</p> <p>If the camellia tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted camellia tree belongs to the lessor;</p> <p>Ganzhou Chinese is not allowed to damage or change the use of the facility (including orchard trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.</p>

Lease Agreements of Rural Land Contracted Operation Rights				
Location	Approximate Area (ha)	Term	Use	Key obligation of Ganzhou Chinese
No. 5 Tangerines Orchard , Xunwu County	873	01.01.2013 to 31.12.2027	Cultivation of tangerines	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement; The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings; If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor; Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.
No. 6 Tangerines Orchard , Xunwu County	266	01.01.2015 to 30.12.2029	Cultivation of tangerines	Ganzhou Chinese shall make the payment on the terms stipulated in the agreement; The ownership of the tangerine trees on the leased land belong to the lessor while Ganzhou Chinese has right of use and earnings; If the tangerine tree on the leased land is dead due to natural death, Ganzhou Chinese need to plant a new one, and the ownership of the new planted tangerine tree belongs to the lessor; Ganzhou Chinese is not allowed to damage or change the use of the facility (including tangerine trees, irrigation facility and land etc.) on the leased land, and Ganzhou Chinese shall return the facility fully to lessor after the valid term.

The rent for each of these leases is an annual fixed rent. The abovementioned Lease Agreements have been filed with the contract-issuing parties and competent local government authorities, and are consistent with applicable PRC laws and regulations such as Law of the People's Republic of China on Land Contract in Rural Areas, Measures for the Administration of the Circulation of the Right to Rural Land Contracted Operation and Regulations of Jiangxi Province on Transfer of Forest Resources.

11.7 Licences

(a) Food Distribution Permit

A licensing system has been adopted in PRC for the distribution of food products. According to the Food Safety Law of the PRC, the Regulation on the Implementation of the Food Safety Law of the People's Republic of China and the Administrative Measures for Food Distribution Permits any organization or individual shall obtain a food distribution permit before engaging in food distribution business.

Ganzhou Chinese holds a Food Distribution Permit (No. SP3607321410048573) issued by Xingguo County AIC, with valid period from May 29, 2014 to May 28, 2017, the details of the Food Distribution Permit are as follows:

Name of License	Issue Authority	Issue Date	Valid Period	Scope
Food Distribution Permit	Xingguo County AIC	May 29, 2014	May 29, 2014 to May 28, 2017	Prepackaged food, bulk food



This Permit would expect to be renewed in the normal course of events at its expiry date provided that Ganzhou Chinese still conforms to PRC Food Security Law.

Ganzhou Chinese actually does not at the present time engage in wholesale and retail of pre-packaged foods, bulk foods. Therefore the Food Distribution Permit is not a necessary requirement in order for Ganzhou Chinese to engage its current business i.e. the sales of self-produced agricultural products.

(b) SAFE Circular 37 Registration

According to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investments and Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles, the "SAFE Circular 37"), PRC domestic residents, including both PRC domestic institutions and PRC domestic individual residents, are required to register with their local SAFE branch before establishing or acquiring control of any company outside of PRC with the domestic or overseas assets or equity they legally hold for the purpose of investment and financing and conducting roundtrip investment in PRC. Such a company located outside of PRC is referred to as an "offshore special purpose company".

According to the Confirmation issued by Ganzhou SAFE dated March 5, 2015 the nationality of the Chairman of Board of Directors of the Ganzhou Chinese, Hongwei Cai, is Tongan and Hongwei Cai is not a PRC resident who is required to register with a SAFE branch according to SAFE Circular No. 37.

11.8 Interests of Directors

Other than set out below or elsewhere in this Prospectus:

(a) No Director or proposed Director of the Company and no firm in which a Director of the Company is or was at the relevant time a partner has, or has had in the 2 years before lodgement of this Prospectus, any interest in the promotion of, or in any property proposed to be acquired by the Company other than as follows:

Hongwei Cai was the holder of the whole of the issued capital of Worldwide Network. Worldwide Network is the holder of the whole of the issued capital of Ganzhou Chinese.

The Company has issued Hongwei Cai with 312,390,000 Shares representing his 89% beneficial interest in the share he held in Worldwide Network with respect to the acquisition by the Company of 100% of the issued capital of Worldwide Network.

(b) No amounts, whether in cash or Shares or otherwise, have been paid or agreed to be paid to any Director or proposed Director of the Company (or any firm in which he or she is or was a partner) either to induce him or her to become, or to qualify him or her as, a Director, or otherwise for services rendered by him or her or by the firm in connection with the promotion or formation of the Company other than as follows:

- (a) Hongwei Cai was the holder of the whole of the issued capital of Worldwide Network. Worldwide Network is the holder of the whole of the issued capital of Ganzhou Chinese.
The Company has issued Hongwei Cai with 312,390,000 Shares representing his 89% beneficial interest in the share he held in Worldwide Network with respect to the acquisition by the Company of 100% of the issued capital of Worldwide Network.
- (b) Ming Sing Barton Tso in his capacity as Chief Executive Officer will be paid the remuneration set out in clause 11.5(c) and 11.5(d) above;
- (c) Chiu So in his capacity as Chief Financial Officer of the Company will be paid the remuneration set out in clause 11.5(c) and 11.5(d) above;
- (d) Hongwei Cai in his capacity as Executive Chairman of the Company will be paid the remuneration set out in clause 11.5(c) and 11.5(d) above;
- (e) The non-executive Directors will be paid a maximum aggregate remuneration of \$320,000 per annum to be apportioned among the Directors in such manner as they determine. These fees are payable on a monthly basis. They are in addition to any salary payable to any of the persons referred to in clause 11.5(c) above who are also directors of the Company

11.9 Security Holdings of Directors and associates

Directors are not required under the constitution of the Company to hold any Shares in the Company.

Associated company directorships are as listed below. Directors hold the following shares indirectly in the Company through their associates. No shares are held directly in the Company by any director.

Director	Shares held
Hongwei Cai	312,390,000

11.10 Directors' fees

Directors are entitled to remuneration out of the funds of the Company but the remuneration of the non-executive Directors may not exceed in any year the amount fixed by the Company in general meeting for that purpose. Subject to obtaining shareholder approval, it is proposed that the maximum aggregate remuneration of the non-executive Directors be fixed at \$320,000 per annum to be apportioned among the Directors in such manner as they determine. The Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at the Board meetings and otherwise in the execution of their duties as Directors.

11.11 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company or a financial services licensee named in this Prospectus as a financial services licensee involved in the Offer (collectively Prescribed Persons). Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) the offer of Shares under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with the:

- (a) formation or promotion of the Company; and
- (b) Offer of Shares under this Prospectus.

PKFCF has acted as Investigating Accountants to the Offer and has performed work in relation to due diligence enquiries, for which it will be paid \$205,000 plus GST plus disbursements.

PKF Lawler Tax Pty Ltd has acted as taxation advisor to the Offer for which it will be paid \$17,500 plus GST plus disbursements.

PKF Hong Kong has performed certain taxation, accounting and audit work for which it will be paid \$HK140,000 (\$A equivalent is approximately \$A23,709.70) plus disbursements.

Piper Alderman has acted as legal advisors to the Offer for which it will be paid \$120,000 inclusive of GST plus disbursements.

Dacheng Law Offices LLP(Fuzhou) has acted as the Company's PRC legal advisor and in that capacity has been involved in conducting due diligence enquires in relation to Ganzhou Chinese in the PRC. In respect of this work, the Company will pay approximately \$A100,000 (plus disbursements) for services in relation to this Prospectus.

Ipsos Hong Kong Limited. Has undertaken independent research on the industry in PRC in which the Company operates. In respect of that work, the Company has agreed to pay ipsos Hong Kong Limited approximately \$A20,000.

Paradigm Securities Pty Ltd ABN 95 159 611 060 has acted as lead manager for the Offer for which it will be paid the fees referred to in Section 11.5(a) above.



Austra Capital Pty Ltd has acted as corporate advisors to provide it with various corporate services in and out of Australia. In respect of this work, the Company will pay, excluding GST, \$90,000 of retainer fees plus disbursements including promotional costs, a two percent corporate advisory fee of the funds raised pursuant to the Offer and a five percent success fee of the total proceeds raised from investors identified and sourced by Austra which may be used by Austra to pay other parties upon the successful listing for services in relation to this Prospectus.

Compass Investment Group Pty Ltd has acted as the Company's coordinator in both PRC and Australia in relation to the Offer. In respect of this work, the Company will pay Compass \$100,000 in service fees plus disbursements, a fee of 2% of the funds raised and a bonus of 1% of the funds raised pursuant to the Offer upon the successful listing for services in relation to this Prospectus.

11.12 Interests of Others

Lixia Qi held a beneficial interest in 6% of the equity capital of Worldwide Network and Tek Lo held a beneficial interest in 5% of the equity capital of Worldwide Network prior to its acquisition by the Company. Super Fusion International Limited and Huge Ease Limited, companies controlled respectively by Lixia Qi and Tek Lo respectively, have been issued with the Shares referred to in section 11.17 below.

11.13 Expenses of the Offer

Other than as stated in this Prospectus, all expenses connected with the Offer are being borne by the proceeds from the issue.

11.14 Escrow arrangements

ASIC has made an in-principle decision to grant voluntary escrow relief which, subject to ASIC issuing an instrument in accordance with its in-principle decision, will enable Hongwei Cai to enter into a voluntary restriction agreement with the Company pursuant to which 75% of his shareholding in the Company representing 234,292,500 ordinary shares in the Company ("**Restricted Securities**"). The material terms of this proposed agreement are:

- (a) Subject to paragraph (b) below, during the period of 12 months from the date of issue of the Restricted Securities ("**Restriction Period**"), Hongwei Cai will not do any of the following:
 - (a) dispose of, or agree or offer to Dispose of, the Restricted Securities;
 - (b) create, or agree or offer to create, any Security Interest in the Restricted Securities;
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Restricted Securities.
- (b) However:
 - (a) in the case of a takeover bid (including a proportional takeover bid), Hongwei Cai may accept the takeover bid where holders of at least half of the bid class securities that are not subject to an escrow arrangement have accepted into the bid;
 - (b) Hongwei Cai is permitted to transfer or cancel the Restricted Securities as part of a merger by way of compromise or arrangement under Part 5.1 of the Act.
- (c) If the takeover bid referred to in (b) (1) above does not occur, the Restricted Securities will be placed back in the escrow arrangements.

Under the Listing Rules, the ASX may require the Promoter's shares to be escrowed for a maximum of two years.

The ASX may require other securities issued pursuant to this Prospectus to be escrowed for a period of time determined by the ASX.

11.15 Consents and disclaimers

PKFCF has consented in writing to the inclusion in this Prospectus of the Investigating Accountant's Report on Historical Financial Information and Forecasts in the form and context in which it appears and at the time of lodgement of this Prospectus with ASIC has not withdrawn that consent. It takes no responsibility for any part of the Prospectus other than the Investigating Accountant's Report on Historical Financial Information.

Ipsos Hong Kong Limited has consented in writing to the inclusion in this Prospectus of extracts attributed to it from a research industry report published by it in the form and context in which such extracts appear and at the time of lodgement of this Prospectus with ASIC have not withdrawn that consent. It takes no responsibility for any part of the Prospectus other than its expert report.

Paradigm Securities Pty Ltd ABN 95 159 611 060 has given and, as at the date hereof, has not withdrawn, its written consent to be named as Lead Manager in the form and context in which it is named.

Pulse Markets Pty Ltd ABN 14 081 505 268 has given and, as at the date hereof, has not withdrawn, its written consent to be named in this Prospectus in the form and context in which it is named.

Boardroom Pty Limited has given, and as the date hereof, has not withdrawn, its written consent to be being named as Share Registrar in the form and context in which it is named.

Boardroom Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Boardroom Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

Piper Alderman has given, and as the date hereof, has not withdrawn, its written consent to be being named in the form and context in which it is named.

Austra Capital Pty Ltd has given, and as the date hereof, has not withdrawn, its written consent to be being named in the form and context in which it is named.

Compass Investment Group Pty Ltd has given, and as the date hereof, has not withdrawn, its written consent to be being named in the form and context in which it is named.

Dacheng Law Offices LLP (Fuzhou) has given and, as at the date hereof, has not withdrawn, its written consent to be named as the PRC lawyers for the Company.

Dacheng Law Offices LLP (Fuzhou) has given and, as at the date hereof, has not withdrawn, its written consent to inclusion of the statement attributable to it in section 11.6.

Poon Lawyers has given and, as at the date hereof, has not withdrawn, its written consent to be named as the Hong Kong lawyers for the Company.

Scott Douglas Tobutt has given and, as at the date hereof, has not withdrawn, its written consent to be named as the auditor for the Company.

PKF Hong Kong has given and, as at the date hereof, has not withdrawn, its written consent to be named as auditor of Worldwide Network in the form and context in which it is named. PKF Hong Kong has had no involvement in the preparation of any part of the Prospectus. PKF Hong Kong has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

11.16 Documents available for inspection

The following documents are available for inspection at the offices of the Company during business hours:

- o Constitution of the Company; and
- o Material contracts referred to in section 11.5 above.



11.17 Major security holders

As at the date of this Prospectus the major shareholders (>3%) of the Company are:

Shareholder	No Shares	% Shares held at Minimum Subscription	% Shares held at Maximum Subscription
Hongwei Cai	312,390,000	80.1%	77.9%
Super Fusion International Limited <small>(Note 1)</small>	21,060,000	5.4%	5.25%
Huge Ease Limited <small>(Note 2)</small>	17,550,000	4.5%	4.38%

Note 1: Lixia Qi holds a relevant interest in the Shares held by Super Fusion International Limited being 100%.

Note 2: Tek Lo, through Fortune Fancy Limited which holds a 100% interest in Huge Ease Limited, holds a relevant interest in the Shares held by Huge Ease Limited being 100%.



12 Directory

Company Dongfang Modern Agriculture Holding Group Limited 410/282 Victoria Street CHATSWOOD NSW 2067	Directors Mr. Hongwei Cai Mr. Ming Sing Barton Tso Mr. Chiu So Ms. Dan Lin Mr. Michael Wai-Man Choi
Company Secretary Ms. Dan Lin	Auditor Scott Douglas Tobutt PKF (NS) Audit and Assurance Partnership Level 8, 1 O'Connell Street SYDNEY NSW 2000
Australian Lawyers Piper Alderman Level 23, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000	Investigating Accountant PKF Corporate Finance (NSW) Pty Ltd Level 8, 1 O'Connell Street SYDNEY NSW 2000
PRC Lawyers Dacheng Law Offices LLP (Fuzhou) 21F Yango Times Square Xiang Road Northern Bank CBD of Minjiang River FUZHOU 350002 CHINA	Hong Kong Lawyers Poon Lawyers Room 402, 4/F, Loke Yew Building, 50-52 Queen's Road Central, Hong Kong
Lead Manager Paradigm Securities Pty Ltd Suite 204, Level 2 1 Alfred Street Sydney NSW 2000	Share Registry Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001



13. Directors' Statement

The Directors report that, in their opinion, since the date of the financial statements used in the preparation of the Investigating Accountant's Report on Historical Financial Information, no circumstances have arisen that materially affect or will materially affect the profitability of the Company or the value of the Company assets and liabilities, except as disclosed in this Prospectus. The Directors have consented to the lodgement of this Prospectus with ASIC.

Signed by Michael Wai-Man Choi a Director of the Company, pursuant to section 351 of the Corporations Act, for the purposes of lodgement of this Prospectus with ASIC.



.....
Director

14. Definitions & Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

A\$ or \$ or AUD	an Australian dollar
Acquisition	the acquisition by the Company of Worldwide Network
AIC	Administration for Industry and Commerce
Applicant	a person who submits an Application
Application	an application for Shares under this Prospectus
Application Form	an application form in the form attached to this Prospectus
Application Monies	the Application Price multiplied by the number of Shares applied for
ASIC	Australian Securities and Investments Commission
Associate	has the meaning given by Division 2 of the Corporations Act
ASX	Australian Securities Exchange Limited
ASX Bookbuild	a facility to enable a trading participant acting on behalf of an entity to offer and allocate financial products and to enable trading participants to enter bids for those financial products (including where financial products are offered, bid for and allocated by way of the purchase and immediate exercise of rights to subscribe for those financial products)
Board	Board of Directors of the Company for the time being
Business Day	a day, other than a Saturday or Sunday, on which banks are open for general banking business in Sydney
CAGR	Compound Annual Growth Rate
Closing Date	the date by which valid acceptances must be received by the Share Registrar being 31 July, 2015 or such other date determined by the Board
Company	Dongfang Modern Agriculture Holding Group Limited and where the context so permits, includes any related body corporate including subsidiaries
Constitution	Constitution of the Company as registered with ASIC and as amended from time to time
Conversion Rate	The rate at which RMB is expressed in A\$ equivalent being A\$1 for every RMB4.65961
Corporations Act	the Corporations Act 2001 (Cth) – an Act to make provision in relation to corporations and financial products and services, and for other purposes
CY	calendar year
DFM	Company including its subsidiaries where the context so requires
Director	a director of the Company
EBIT	earnings before interest and tax
EBITDA	earnings before interest, tax, depreciation and amortisation
EIT	enterprise income tax
EIT Law	the law relating to EIT in the PRC
Existing Shareholders	means Shareholders at the date of this Prospectus
FY	fiscal year or financial year
Ganzhou Chinese	Ganzhou Chinese Modern Agriculture Co., Ltd
Group	means the Company and its related body corporates including Ganzhou Chinese and Worldwide Network
Hard Copy Prospectus	paper version of this Prospectus
Issue	the issue of Shares in accordance with this Prospectus
Issue Price	\$1.00 per Share
Listing Rules	the official listing rules of ASX
Marketable Parcel	a parcel of securities of not less than \$500 based on the closing price on the Stock Exchange Automated Trading System providing for the trading of securities on ASX on the Record Date
Maximum Subscription	50,000,000 Shares at \$1.00 per Share raising \$50 million
Minimum Subscription	39,000,000 Shares at \$1.00 per Share raising \$39 million



mu	Chinese unit of measurement of area - 1 mu = 0.066666666667 hectare
NPAT	net profit after tax
Offer	the offer of up to 50 million Shares pursuant to and in accordance with this Prospectus
Offer Period.....	period from 8 June, 2015 to 31 July, 2015 when the Offer is made
Official List.....	the official list of entities that ASX has admitted and not removed
Official Quotation.....	quotation on the Official List
Online Prospectus	the electronic version of this Prospectus which can be viewed at www.dongfangmodernagriculture.com.au
Opening Date	8 June, 2015
Option.....	an option to acquire a Share
Paradigm Securities.....	Paradigm Securities Pty Ltd ACN 159 611 060 which is the lead manager for the Offer
PKFCF of PKF Corporate Finance	PKF Corporate Finance (NSW) Pty Ltd ACN 097 893 957
PRC.....	Peoples Republic of China
Prescribed Person	a person referred to in section 711(4) of the Corporations Act
Promoter.....	has the meaning provided in Chapter 9 of the Listing Rules
Prospectus.....	this Prospectus dated 29 May, 2015 as modified or varied by any replacement or supplementary Prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this Prospectus, replacement prospectus and supplementary Prospectus
Public Offer.....	as described in section 4
Register	Company register of the Company
Restricted Securities	has the same meaning as in ASX Listing Rule 19.12
RMB	Renminbi, the lawful currency of the PRC
SAFE.....	State Administration of Foreign Exchange in the PRC
Securities.....	has the same meaning as in section 92 of the Corporations Act
Security Holders or Shareholders	the shareholders of the Company from time to time
Shares.....	ordinary fully paid shares in the capital of the Company
Sydney time.....	Australian Eastern Daylight Time or Australian Eastern Standard Time in effect at the relevant time
Track Record Period.....	from 31 December 2012 to 31 December 2014
we, us or our	Company
Worldwide Network	Worldwide Network Investment Group Limited

15. Appendix A – Significant Accounting Policies

The significant accounting policies adopted in the preparation of the Historical Financial Information are summarised below. These policies have been consistently applied to all the years presented.

15.1 Consolidation

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

The Group applies merger accounting to account for the business combinations (including acquisition of subsidiaries) under common control, where all assets and liabilities are recorded at predecessor carrying amounts, as if the existing group structure had been in existence throughout the years presented, and the existing business have been combined from the date when they first came under the control of the controlling party, where differences between consideration payable and the net assets value are taken to the capital reserve.

Inter-company transactions and balances between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

15.2 Property, plant and equipment and depreciation

Property, plant and equipment, is stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

	Estimated	Estimated
Category	useful life	residual values
Furniture and equipment	3 - 10 years	0% - 3%
Motor vehicle	4 years	3%
Leasehold improvements	Over the shorter of lease terms and estimated useful life	-

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at least at the end of each reporting periods.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.



15.3 Prepaid leases payments

Upfront payments made to acquire land use rights and/or plantation bases under an operating lease are stated at costs less accumulated amortisation and any accumulated impairment losses. Minimum lease payments are amortised on a straight line basis over the term of the lease except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

15.4 Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group contributes on a monthly basis to various defined contribution retirement benefit plans organized by relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred.

15.5 Biological assets

Biological assets comprise Camellia and Navel Orange trees in forests, of which the Forestry Right Certificates have been issued to the Group for the purpose of Camellia and Navel Orange cultivation, involved in the agricultural activities of the transformation of biological assets into agricultural produce for sale or further processing.

Biological assets are measured at fair value less costs to sell at initial recognition and at the end of each reporting period, with any change therein recognised in profit or loss. Costs to sell include all costs that would be necessary to sell the assets.

Agricultural produce harvested from biological assets for further processing is measured at its fair value less costs to sell at the point of harvest. The fair value less costs to sell at the time of harvest is deemed as the cost of agriculture produce for further processing.

If an active market exists for a biological asset or agricultural produce with reference to comparable species, growing condition and expended yield of the crops, the quoted price in that market is adopted for determining the fair value of that asset. If an active market does not exist, the Group uses the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the transaction date and the end of reporting period, or the market prices for similar assets adjusted to reflect differences to determine fair values or as determined by independent professional valuers.

All the plantation costs incurred after the harvest period is stated as deferred expenses at cost. When the agricultural produce is harvested, the carrying amount of the deferred expenses is recognised as expenses in the period in which the related revenue is recognised.

15.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis and comprises all costs of purchasing cost of raw materials direct labour and another cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimates of costs of completion and selling expenses.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related turnover is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories as an expense in the period in which the reversal occurs.

15.7 Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

15.8 Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from differences which arose on initial recognition of assets and liabilities that affect neither accounting nor taxable profit, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised in profit or loss.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met :-

- (a) In the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- (b) In the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - (1) the same taxable entity; or
 - (2) different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.



15.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and other short-term (with original maturity less than three months), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

15.10 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

15.11 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

15.12 Classification of assets leased to the Group

Assets that are held by Group under lease which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

15.13 Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

15.14 Impairment of assets

(a) Impairment of trade and other receivables

Trade and other receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any of such evidence exist, an impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the receivables' original effective interest rate (i.e. the effective interest rate computed at initial recognition), where the effect of discounting is material. The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the receivable exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

(b) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- inventories;
- deferred expenses; and
- prepayments.

If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash generating unit).

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

15.15 Related parties

For the purposes of the Financial Information, a party is considered to be related to the Group if:

- (a)** A person, or a close member of that person's family, is related to the Group if that person:
 - (a) has control or joint control over the Group;
 - (b) has significant influence over the Group; or
 - (c) is a member of the key management personnel of the Group or the Group's holding company.
- (b)** An entity is related to the Group if any of the following conditions applies:
 - (a) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (c) Both entities are joint ventures of the same third party.
 - (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (f) The entity is controlled or jointly controlled by a person identified in (1).
 - (g) A person identified in (a)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (h) Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.



15.16 Foreign currency translation

These consolidated financial statements are presented in RMB. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to functional currency at rates of exchange ruling at the end of each reporting period. All exchange differences are recognised in profit or loss.

The functional currencies of any group entities, not operating in the PRC, are currencies other than RMB. At the end of each reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of each reporting period, and their income and expense are translated into RMB at the weighted average exchange rates for the period. The resulting exchange differences are included in the translation reserve as an item of current period other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated cash flow statements, the cash flows of non-PRC entities are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of non-PRC entities which arise throughout the period are translated into RMB at the weighted average exchange rates for the period.

15.17 Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a)** Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. This is usually taken as the time when the goods are delivered and the customers have accepted the goods.
- (b)** Interest income is recognised on an accrual basis using the effective interest method.



16. Instructions for Completing Application Form

PLEASE READ BEFORE COMPLETING THE APPLICATION FORM ON THE FOLLOWING PAGES

1. Application for Shares

To calculate application money due, multiply the number of Shares that have been applied for by \$1.00. Please forward the completed Application Form and cheque to:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

2. Name of Applicant

Write the applicant's FULL NAME in Item 2. This must be either an individual's name or the name of a company. If a company, please also include its ACN/ ABN. Note that ONLY legal entities are allowed to hold securities and therefore Application Forms must be in the name(s) of a natural person(s), company, or other legal entity acceptable to the Company.

If an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decisions of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more Shares than is indicated by the amount of the accompanying cheque for the application monies referred to in Item 1.

3. Joint Applicants and/or Account Designations

If JOINT APPLICANTS are applying or an ACCOUNT DESIGNATION is required complete Items 2 & 3.

4. Tax File Number or Exemption

An Applicant is not obliged to quote their Tax File Number ("TFN"). However, in cases where no TFN is quoted, the Company must deduct tax from any dividends payable (to the extent that they are not franked) at the top personal marginal tax rate plus the Medicare levy.

5. Address

Enter the Applicant's postal address for all correspondence.

6. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact that Applicant if there is an irregularity regarding the Application Form.

7. Payment Details

Payment must be made in Australia currency by cheque or bank cheque drawn on an Australian bank. The amount of the cheque should agree with the amount shown in Item 1 of the Application Form. Cheques are to be made payable to "**Dongfang Modern Agriculture Holding Group Limited – Share Application Account**" and should be crossed "Not Negotiable". Cash should not be forwarded.

This Application must not be handed to any person unless accompanied by this Prospectus as required by the Corporations Act.

Personal Information Collection Notification Statement

The Register for the Shares in Dongfang Modern Agriculture Holding Group Limited will be maintained by Boardroom Pty Limited

Personal information about you is or as a result of this Application will be held on the public register in accordance with Chapter 2C of the Corporations Act, 2001.

For details about Boardroom Pty Limited's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns visit Boardroom Pty Limited's website at www.boardroomlimited.com.au for a copy of the privacy policy or phone 1300 737 760.

Phone Contact for Boardroom Pty Limited

Contact phone on 1300 737 760

(free call within Australia) Monday to Friday (excluding public holidays) to request a copy of a change of address form or for Link's complete privacy policy.

TYPE OF INVESTOR	CORRECT FORM OF REGISTRATABLE TITLE	INCORRECT FORM OF REGISTRATABLE TITLE
Individual- Use given names, not initials	John Alfred Smith	JA Smith
Company- Use Company title, not Abbreviations	XYZ Pty Ltd	XYZ P/L, XYZ Co
Trusts- Use trustee(s) personal name(s), Do not use the name of the trust	Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates- Use executor(s) personal name(s)	Jane Smith, Est John Smith A/C	Estate of late John Smith
Partnerships- Use partners' personal names, do not use the name of the partnership	John Smith and Michael Smith	
Clubs/Incorporated Bodies/Business Names- Use office bearer(s) personal name(s), Do not use the names of the clubs etc.	<John Smith and Son Michael Smith> <XYZ Cricket Association A/C>	XYZ Cricket Association
Superannuation Funds- Use of name of trustee of fund, do not use the name of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund



DONGFANG MODERN AGRICULTURE HOLDING GROUP LIMITED APPLICATION FORM

Applicants should read this Prospectus in its entirety before completing this form. A person who gives another person access to this Application Form, must at the same time and by the same means give that person access to the Prospectus.

Please use BLOCK LETTERS – refer to reverse side for instructions on completing this form. Applications must be for a minimum of 2,000 Shares (\$2,000) and thereafter multiples of 200 Shares (\$200).

1. APPLICATION FOR SHARES

I/ We apply for Shares at \$1.00 cents per Share

I/ We lodge the application monies of

A\$.00

2. TITLE

GIVEN NAMES OR COMPANY NAMES

SURNAME/ACN/ABN

--	--

3. TITLE

JOINT APPLICANTS OR DESIGNATED ACCOUNT EG. <SUPER FUND A/C>

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4. TAX FILE NUMBER OR EXEMPTION CATEGORY

(First Applicant)

CHESS HIN (if applicable)

(Second Applicant)

--

5. FULL ADDRESS

SUBURB/CITY/TOWN:	STATE:	POSTCODE:

6. CONTACT DETAILS

CONTACT NAME:	TEL (HM):	TEL (WK):
FAX:	EMAIL:	

7. PAYMENT DETAILS – All cheques should be made payable to “Dongfang Modern Agriculture Holding Group Limited – Share Application Account” and crossed “Not Negotiable”

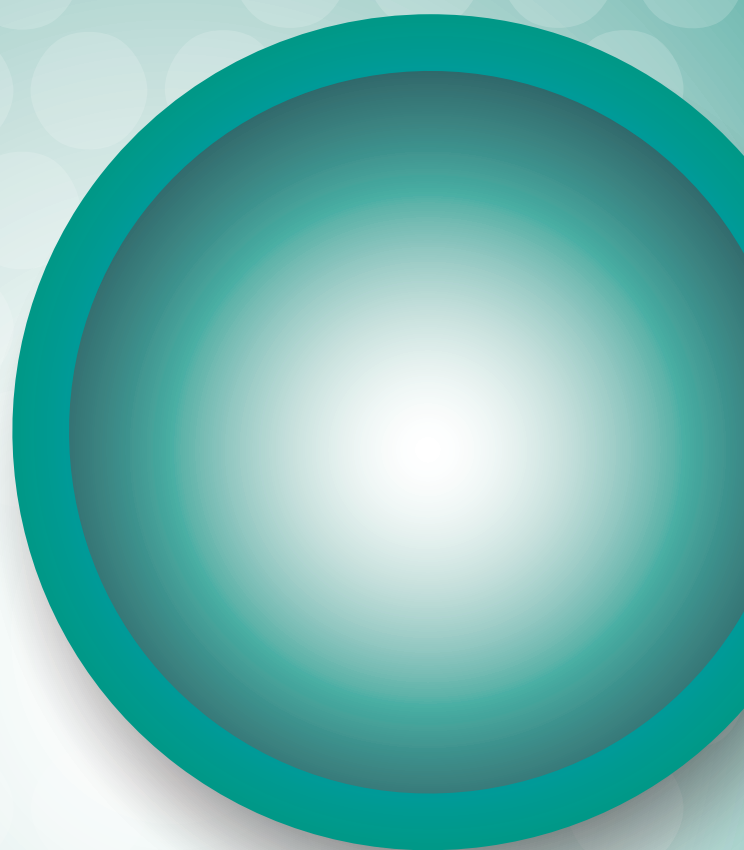
DRAWER:	BANK:	BRANCH:	AMOUNT OF CHEQUE A\$:
DRAWER:	BANK:	BRANCH:	AMOUNT OF CHEQUE A\$:
TOTAL AMOUNT			

In the event that I/We receive this Prospectus electronically via the internet, I/We declare that I/We have received this Prospectus personally, or a printout of it, accompanied by or attached to this Application Form prior to applying for Shares. I/We acknowledge that the Corporations Act prohibits any person from passing on to another person this Application Form unless it is attached to or accompanied by the complete and unaltered version of this Prospectus.

DECLARATION- This Application Form does not need to be signed. By lodging this Application Form and a cheque for the application money I/We hereby:

- a) apply for the number of Shares specified in the Application Form or such lesser number as may be allocated by the directors;
- b) agree to be bound by the Constitution of the Company; and
- c) authorise the directors to complete or amend this Application Form where necessary to correct any errors or omissions.

By lodging this Application Form I/we declare that this Application is completed and lodged according to the Prospectus and that all statements made by me/us are complete and accurate.



DONGFANG MODERN AGRICULTURE HOLDING GROUP LIMITED

www.dongfangmodernagriculture.com.au

info@dongfangmodernagriculture.com.au