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天溢（森美）控股有限公司
Tianyi (Summi) Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock code: 00756)

**ANNUAL RESULTS ANNOUNCEMENT
 FOR THE YEAR ENDED 30 JUNE 2016**

FINANCIAL HIGHLIGHTS

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>	Change % (Approximately)
Consolidated statement of profit or loss and other comprehensive income			
Revenue	581,273	470,834	23.5%
Gross profit	240,315	170,198	41.2%
Gross profit margin	41.3%	36.1%	5.2pp
EBITDA	130,465	145,162	(10.1%)
Profit for the year	62,870	78,025	(19.4%)
Basic EPS (<i>RMB cents</i>)	4.69	5.80	(19.1%)
Proposed final dividend (<i>HK cents per share</i>)	1.5	–	N/A
Consolidated statement of financial position			
Total cash and bank deposits	578,201	612,922	(5.7%)
Inventories	61,355	69,344	(11.5%)
Trade receivables	124,102	78,590	57.9%
Bank loans	575,656	544,794	5.7%
Net assets value	1,680,450	1,645,701	2.1%

The board (the “Board”) of directors (the “Directors”) of Tianyi (Summi) Holdings Limited (the “Company”) is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 30 June 2016 (the “Reporting Period”). The consolidated financial statements of the Group have been reviewed by the audit committee of the Company (the “Audit Committee”) and audited by SHINEWING (HK) CPA Limited, the independent auditor of the Company, in accordance with Hong Kong Standards on Auditing issued by Hong Kong Institute of Certified Public Accountants.

BUSINESS REVIEW AND PROSPECT

During the Reporting Period, the Group concentrated its resources to promote Summi fresh orange juice and made significant progress. The Group expects that, as consumers gradually realise the nutritional value and positive effects of not-from-concentrate orange juice to health, Summi fresh orange juice, as one of the few orange juice brands in the market that is under strict management from the announce source, juicing to production management technology, is set to become a leading brand, which is a key step of achieving the Group’s long-term strategy.

Breakdown of revenue by product for the years ended 30 June 2016 and 2015 are set out as follow.

	2016		2015	
	<i>RMB’000</i>	<i>percentage of total revenue</i>	<i>RMB’000</i>	<i>percentage of total revenue</i>
Summi fresh orange juice	148,334	25.5%	13,292	2.8%
Frozen concentrate orange juice (“FCOJ”) and related products	304,497	52.4%	280,044	59.5%
Fresh oranges	127,200	21.9%	146,069	31.0%
Other products	1,242	0.2%	31,429	6.7%
	581,273	100.0%	470,834	100.0%

Summi fresh orange juice

Since its launch to the market in March 2015, Summi fresh orange juice has been well received by the market and the sales network of Summi fresh orange juice has now covered over thousands of high-end super-markets and convenience shops in major cities in China such as Beijing, Shanghai, Guangzhou, Shenzhen, Chongqing, Chengdu and Nanjing. In addition, the Group has established its sales points in Wellcome Supermarket, Eateast and 7-11 convenience store in Hong Kong step by step this year, which is the milestone of the Group’s ambition to expand its sales network to overseas markets. The Group expects that its sales network would stabilise after a rapid growth last year. The next step of our strategy is to focus on enhancing the recognition of Summi fresh orange juice and building up the customers’ long-term drinking habit of Summi fresh orange juice.

We spare no effort to enhance the recognition of Summi fresh orange juice and believe the best way to promote Summi fresh orange juice is offering free tasting to the customers to experience the quality of Summi fresh orange juice. Therefore, free tasting events have been organised by the Group continuously in major cities in the mainland China and Hong Kong during the Reporting Period. Feedbacks from the public have been positive in the ongoing free tasting events on street. The Group estimated that, after our tireless devotion, several hundred thousand people have tried Summi fresh orange juice in our free tasting events during the Reporting Period. On the other hand, we have also promoted Summi fresh orange juice among the public media appropriately with a view to enhancing the recognition of Summi fresh orange juice from different ways. The Group believes the new line of business would strengthen the Group's long-term strategy of transformation from a raw material producer to a retail brand enterprise.

FCOJ and related products

Breakdown of revenue by products in respect of the FCOJ and related products for the years ended 30 June 2016 and 2015 are set out as follows:

	2016	2015
	<i>RMB'000</i>	<i>RMB'000</i>
FCOJ	181,259	171,349
Orange Pulp	122,506	94,267
Orange Fibre	732	14,428
	<u>304,497</u>	<u>280,044</u>

The sales of the Group's FCOJ and related products included FCOJ, orange pulp and orange fibre. As the futures price of international FCOJ stabilised during the Reporting Period, it is encouraging that the sales volume of the Group's FCOJ recorded a mild rebound as compared with last year, which was mainly attributable to the increase in sales volume from major clients. The Group expects that the demand of FCOJ will remain stable and generate a stable revenue for the Group. On the other side, the strong demand from the Group's major clients has been favourable to the sales of orange pulp, which increased by approximately 30.0% as compared with last year. During the Reporting Period, the Group commenced the business of orange juice pulp exports, and actively identified potential new clients in a bid to further enlarge the sales of orange pulp in the following year.

Sales volume of FCOJ and related products increased from approximately 27,350 tonnes for the last year to approximately 27,866 tonnes for the Reporting Period and the sales amounts increased by approximately 8.7% from approximately RMB280,044,000 for the last year to approximately RMB304,497,000 for the Reporting Period.

Fresh oranges

The Group operates approximately 146,000 mu (equivalent to approximately 97.3 km²) of orange plantations with orange trees in Kaizhou, Chongqing, and the oranges harvested from these plantations are used for selling as premium fresh oranges or as raw materials for producing Summi fresh orange juice and FCOJ and related products by the Group according to their grades. During the Reporting Period, the harvest volume of the Group's own plantations

in Chongqing remained stable and the sales of the fresh oranges amounted to approximately RMB127,200,000, representing a decrease of approximately 12.9% as compared with last year. With the orange trees in the plantations of nearly 70,000 mu which will reach their maturity in 2016 and the first lot of fresh oranges will be harvested by the end of 2016, the Group expects that the harvest volume of fresh oranges will increase in the financial year of 2017.

During the Reporting Period, the total volume of the fresh oranges harvested by the Group was approximately 126,780 tonnes, representing a slight decrease of approximately 6.3% as compared with approximately 135,357 tonnes for the last year and of which approximately 63,600 tonnes (2015: approximately 56,888 tonnes) of fresh oranges with superior quality were sold directly to local agricultural wholesalers. During the Reporting Period, the average selling price of premium fresh oranges was approximately RMB2,000 per tonne, representing a decrease of approximately 23.1% as compared with approximately RMB2,600 per tonne for the last year.

Other products

The Group's other products included orange residue, orange baking fillings and grapefruit juice processing. Sales of orange residue sharply decreased by approximately 96.0% from approximately RMB31,429,000 for the last year to approximately RMB1,242,000 for the Reporting Period.

Output of fresh oranges

The Group operates orange plantations and (i) the lower grade oranges are used as raw materials for producing FCOJ and related products; (ii) higher grade oranges are used as raw materials for producing Summi fresh orange juice; and (iii) the premium grade oranges are sold directly to the local agricultural wholesalers. In addition to using the self-operated plantations grown fresh oranges, the Group also purchases fresh oranges from independent third parties, mainly individual local farmers, to produce FCOJ and its related products. The volume of oranges growing from the self-operated farms and the volume of purchased oranges for the years ended 30 June 2016 and 2015 are set out as follows:

	2016	2015
	<i>Approximate tonnes</i>	<i>Approximate tonnes</i>
Output of fresh oranges from self-operated orange plantations		
– Fresh oranges for sale	63,600	56,888
– Producing Summi fresh orange juice	23,443	21,955
– Producing FCOJ and related products	39,737	56,514
	126,780	135,357
Purchases of fresh oranges for producing FCOJ and related products	127,183	112,984
Total consumption of fresh oranges	253,963	248,341

Gross profit

During the Reporting Period, the Group's gross profit increased by approximately 41.2% to approximately RMB240,315,000 as compared to approximately RMB170,198,000 for the last year. The gross profit margin of the Group increased to approximately 41.3% (2015: approximately 36.1%).

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

Gain from changes in fair value of biological assets less costs to sell represents the net increase of fair value of the oranges when the Group's oranges become mature and are harvested. During the Reporting Period, the Group's net gain from changes in fair value of biological assets was approximately RMB31,857,000 (2015: approximately RMB30,178,000).

Selling, distribution costs and administrative expenses

Selling and distribution costs of the Group are mainly comprised of marketing expenses such as costs of free tasting, promotion events costs and transportation fees. The selling and distribution costs increased from approximately RMB20,731,000 for the last year to approximately RMB98,543,000 for the Reporting Period. Substantial increase in selling and distribution costs was attributable to the marketing expenses of Summi fresh orange juice.

The Group's administrative expenses mainly included general office administrative expenses, salaries, amortisation, etc. The administrative expenses increased by approximately 1.3% from approximately RMB82,037,000 for the last year to approximately RMB83,108,000 for the Reporting Period.

Other operating expenses

During the Reporting Period, the Group's other operating expenses were approximately RMB12,712,000 (2015: approximately RMB1,619,000). The increased amount mainly comprised of the expenses for granting new share options to the employees during the Reporting Period.

Finance costs

During the Reporting Period, the Group's finance costs were approximately RMB22,570,000 (2015: approximately RMB32,733,000).

Tax expenses and tax rate

The Group has been granted PRC enterprise income tax exemption for its orange juice processing business since 1 January 2011. As the Group has already been exempted from PRC enterprise income tax for its fresh orange cultivation and sales of fresh orange business, the Group has not been subject to any PRC enterprise income tax of its business since 1 January 2011. Most of the Group companies' business is exempted from the PRC enterprise income tax for the Reporting Period.

Net profit

During the Reporting Period, the Group's net profit decreased by approximately 19.4% from approximately RMB78,025,000 for the last year to approximately RMB62,870,000.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK\$0.015 per share of the Company (the "Shares") payable to shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on 18 November 2016 (Friday). Subject to approval by the Shareholders at the forthcoming annual general meeting of the Company to be held on 11 November 2016 (Friday) (the "AGM"), it is expected that those dividends will be paid on 1 December 2016 (Thursday).

LIQUIDITY, FINANCIAL RESOURCES, GEARING AND CAPITAL STRUCTURE

Held-to-maturity investments

As at 30 June 2016, held-to-maturity investments amounted to approximately RMB17,137,000 (2015: approximately RMB15,993,000).

Liquidity

As at 30 June 2016, current assets amounted to approximately RMB942,103,000 (2015: approximately RMB791,382,000). Current liabilities were approximately RMB471,936,000 (2015: approximately RMB296,985,000).

Financial resources

As at 30 June 2016, the Group had cash and cash equivalents and pledged bank deposits of approximately RMB450,443,000 (2015: approximately RMB430,922,000) and approximately RMB127,758,000 (2015: approximately RMB182,000,000), respectively and total bank loans of approximately RMB575,656,000 (2015: approximately RMB544,794,000).

As at 30 June 2016, trade receivables were approximately RMB124,102,000 (2015: approximately RMB78,590,000) and inventories were approximately RMB61,355,000 (2015: approximately RMB69,344,000).

Gearing

The Board's approach to manage the working capital is to ensure sufficient liquid assets to meet its matured liabilities so as to avoid any unacceptable losses or damage to the Group's reputation.

	2016	2015
Quick ratio (x)	1.7	2.1
Current ratio (x)	2.0	2.7
Gearing ratio (<i>note (a)</i>)	<u>34.3%</u>	<u>33.1%</u>

note (a): Gearing ratio is defined as sum of bank loans over total equity.

Capital structure

As at 30 June 2016, the total number of issued Shares was 1,347,860,727 shares. Based on the closing price of HK\$0.86 per share as at 30 June 2016, the Company's market capitalisation as at 30 June 2016 was HK\$1,159,160,225.22.

FOREIGN EXCHANGE EXPOSURE

The Group's sales and purchases were mainly denominated in RMB. As such, the Group has no exposure to any significant foreign currency exchange risks. The Board does not expect any material impact on the Group's operations caused by any foreign currency fluctuations. No financial instruments were employed by the Group for hedging purpose during the Reporting Period.

PLEDGE OF ASSETS

At the end of the Reporting Period, the Group had pledged the following assets to banks to secure banking facilities granted to the Group:

	2016	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Held-to-maturity investment	17,137	15,993
Property, plant and equipment	94,969	106,977
Land use rights	14,734	15,105
Pledged bank deposits	127,758	182,000
	<u>254,598</u>	<u>320,075</u>

CONTINGENT LIABILITIES

As at 30 June 2016, the Group had no material contingent liabilities (2015: nil).

CAPITAL EXPENDITURE

During the Reporting Period, the Group's capital expenditure amounted to approximately RMB156,083,000 (2015: approximately RMB150,810,000) which was used for acquisition of properties, plants, equipment and lease prepayments for orange plantations in Chongqing.

ORANGE PLANTATIONS AND PLANTS

Orange plantations

The Group operates approximately 76,000 mu (equivalent to 50.67 km²) of orange plantations with fruit trees and approximately 70,000 mu (equivalent to 46.67 km²) of orange plantations under construction in Kaizhou, Chongqing. The Group expects that all of the plantations under construction will be duly operated at the end of 2016.

Productivity of self-operated orange plantations

	2016	2015
Area of self-operated orange plantations with fruit trees	76,000 mu	76,000 mu
Average output per mu	1.7 tonnes	1.8 tonnes
Area of self-operated orange plantations under construction	70,000 mu	70,000 mu
Total area of self-operated orange plantations	<u>146,000 mu</u>	<u>146,000 mu</u>

Production facility

The Group has a total of four highly efficient concentrate orange juice production plants and a Not-From-Concentrate orange juice production plant, which are strategically located in China's major citrus growing areas, namely Chongqing, Fujian and Hunan, with advanced equipment imported from the US, Switzerland, Italy and Germany.

The Group has extensive experience in successfully handling the production demands of orange juice processing from the customers. The involved production process is closely based on the understanding by the Group in the design and manufacturing process including years of research and development which have allowed the Group to come up with processing equipment that deliver processed orange juice with superior quality.

Integrated business model

The Group adopts an integrated business model and is one of the few orange juice processors operating its own upstream orange farms to enhance the value chain.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 June 2016, the Group employed 964 employees (2015: 1,029 employees). The Group offered competitive remuneration package, discretionary bonuses and social insurance benefits to its employees. In addition, a share option scheme (the "Scheme") has been adopted on 7 June 2008 for, among others, the employees of the Group. The Scheme limit in respect of the grant of options to subscribe for shares in the share capital of the Company under the Scheme has been refreshed on 5 November 2012.

The audited financial information for the year ended 30 June 2016 together with the comparative figures for the year ended 30 June 2015 is as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2016

	<i>Notes</i>	2016 RMB'000	2015 RMB'000
Revenue	4	581,273	470,834
Cost of sales		<u>(340,958)</u>	<u>(300,636)</u>
Gross profit		240,315	170,198
Gain from changes in fair value of biological assets less costs to sell		31,857	30,178
Other revenue	5	7,065	6,018
Gain on early redemption of convertible bonds		–	23,342
Selling and distribution expenses		(98,543)	(20,731)
Administrative expenses		(83,108)	(82,037)
Impairment loss on intangible assets		–	(18,414)
Other operating expenses	6	<u>(12,712)</u>	<u>(1,619)</u>
Profit from operations		84,874	106,935
Finance costs	7	<u>(22,570)</u>	<u>(32,733)</u>
Profit before tax	8	62,304	74,202
Income tax credit	9	<u>566</u>	<u>3,823</u>
Profit for the year attributable to owners of the Company		<u>62,870</u>	<u>78,025</u>
Other comprehensive (expense) income for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		<u>(19,741)</u>	<u>9</u>
Total comprehensive income for the year attributable to owners of the Company		<u>43,129</u>	<u>78,034</u>
Earnings per share	<i>11</i>		
– Basic (RMB cents)		<u>4.69</u>	<u>5.80</u>
– Diluted (RMB cents)		<u>4.69</u>	<u>5.68</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	<i>Notes</i>	2016 RMB'000	2015 RMB'000
Non-current assets			
Property, plant and equipment		386,033	427,117
Land use rights		23,100	23,655
Lease prepayments for orange plantations		829,759	747,997
Goodwill		56,696	56,696
Intangible assets		46,508	51,009
Held-to-maturity investment		17,137	15,993
Pledged bank deposits		6,169	170,000
		1,365,402	1,492,467
Current assets			
Inventories		61,355	69,344
Biological assets		97,712	95,831
Lease prepayments for orange plantations		77,012	84,432
Trade receivables	<i>12</i>	124,102	78,590
Other receivables, deposits and prepayments		9,890	20,263
Pledged bank deposits		121,589	12,000
Cash and cash equivalents		450,443	430,922
		942,103	791,382
Current liabilities			
Trade payables	<i>13</i>	8,274	12,063
Other payables and accruals		21,931	56,186
Bank loans		441,674	228,254
Income tax payable		57	482
		471,936	296,985
Net current assets		470,167	494,397
Total assets less current liabilities		1,835,569	1,986,864
Non-current liabilities			
Bank loans		133,982	316,540
Deferred income		8,260	10,620
Deferred tax liabilities		12,877	14,003
		155,119	341,163
Net assets		1,680,450	1,645,701
Capital and reserves			
Share capital	<i>14</i>	11,610	11,610
Reserves		1,668,840	1,634,091
Total equity		1,680,450	1,645,701

1. GENERAL

Tianyi (Summi) Holdings Limited (formerly known as China Tianyi Holdings Limited) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the opinion of the directors of the Company (the “Directors”), its parent and ultimate holding company is Key Wise Group Limited, a company incorporated in the British Virgin Islands (the “BVI”).

Pursuant to a special resolution passed at the extraordinary general meeting held on 12 November 2015, the English name of the Company was changed from “China Tianyi Holdings Limited” to “Tianyi (Summi) Holdings Limited” and the Chinese name of the Company was changed from “中國天溢控股有限公司” to “天溢(森美)控股有限公司”. The “Certificate of Incorporation on Change of Name” was issued by the Registrar of Company in the Cayman Islands on 18 December 2015.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in plantation and sale of agricultural produce, production and sale of frozen concentrated orange juice (“FCOJ”) and other related products and production and sale of Summi 100% freshly squeezed orange juice (“Summi fresh orange juice”) (formerly known as “Summi NFCOJ”).

The Company’s functional currency is Hong Kong dollars (“HK\$”) while that for the major subsidiaries in the People’s Republic of China (the “PRC”) is Renminbi (“RMB”). As the operation of the Group is mainly held in the PRC, the Directors consider that it is appropriate to present the consolidated financial statements in RMB.

2. PRINCIPAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for biological assets that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods. The accounting policies and methods of computation used in the consolidated financial statements for the year ended 30 June 2016 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2015.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

New and revised IFRSs issued but not yet effective

The Group has not early adopted the following new and revised IFRSs that have been issued but are not yet effective.

IFRS 9 (2014)	Financial Instruments ³
IFRS 15	Revenue from Contracts with Customers ³
IFRS 16	Leases ⁵
Amendments to IFRSs	Annual Improvements to IFRSs 2012–2014 Cycle ¹
Amendments to IAS 1	Disclosure Initiative ¹
Amendments to IAS 7	Disclosure Initiative ²
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ²
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants ¹
Amendments to IAS 27	Equity Method in Separate Financial Statements ¹
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions ³
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception ¹
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations ¹
Amendments to IFRS 15	Clarification to IFRS 15 ³

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

² Effective for annual periods beginning on or after 1 January 2017.

³ Effective for annual periods beginning on or after 1 January 2018.

⁴ Effective date not yet been determined.

⁵ Effective for annual periods beginning on or after 1 January 2019.

The Directors anticipate that the application of the new and revised IFRSs will have no material impact on the results and the financial position of the Group.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the revenue arising on the sales of fresh oranges, FCOJ and other related products and Summi fresh orange juice.

The Group determines its operating segments based on the information reported to the chief operating decision maker, being the most senior executive management of the Group, for making strategic decisions and assessing the performance of each operating segment. The segments are managed separately as each operating segment offers different products which require different production information to formulate different strategies. No operating segment identified by the chief operating decision maker has been aggregated in arriving at the reportable segments of the Group.

The Group's reportable and operating segments are as follows:

1. Plantation and sale of agricultural produce
2. Production and sale of FCOJ and other related products
3. Production and sale of Summi fresh orange juice

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable and operating segment.

	Plantation and sale of agricultural produce RMB'000	Production and sale of FCOJ and other related products RMB'000	Production and sale of Summi fresh orange juice RMB'000	Total RMB'000
Year ended 30 June 2016				
Segment revenue				
Sales to external customers	127,200	305,739	148,334	581,273
Intersegment sales	72,024	5,511	–	77,535
Segment revenue	<u>199,224</u>	<u>311,250</u>	<u>148,334</u>	<u>658,808</u>
Elimination				<u>(77,535)</u>
Consolidated revenue				<u>581,273</u>
Segment results	<u>23,689</u>	<u>97,303</u>	<u>(16,980)</u>	104,012
Unallocated gains				3,385
Corporate and other unallocated expenses				(22,523)
Finance costs				<u>(22,570)</u>
Profit before tax				<u>62,304</u>

	Plantation and sale of agricultural produce <i>RMB'000</i>	Production and sale of FCOJ and other related products <i>RMB'000</i>	Production and sale of Summi fresh orange juice <i>RMB'000</i>	Total <i>RMB'000</i>
As at 30 June 2016				
Assets and liabilities				
Segment assets	<u>1,004,548</u>	<u>363,859</u>	<u>335,393</u>	1,703,800
Corporate and other unallocated assets				<u>603,705</u>
Total assets				<u>2,307,505</u>
Segment liabilities	<u>7,228</u>	<u>20,344</u>	<u>6,675</u>	34,247
Corporate and other unallocated liabilities				<u>592,808</u>
Total liabilities				<u>627,055</u>
	Plantation and sale of agricultural produce <i>RMB'000</i>	Production and sale of FCOJ and other related products <i>RMB'000</i>	Production and sale of Summi fresh orange juice <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 30 June 2015				
Segment revenue				
Sales to external customers	146,069	311,473	13,292	470,834
Intersegment sales	<u>41,421</u>	<u>893</u>	<u>–</u>	<u>42,314</u>
Segment revenue	<u>187,490</u>	<u>312,366</u>	<u>13,292</u>	513,148
Elimination				<u>(42,314)</u>
Consolidated revenue				<u>470,834</u>
Segment results	<u>20,419</u>	<u>86,547</u>	<u>(4,776)</u>	102,190
Unallocated gains				3,658
Gain on early redemption of convertible bonds				23,342
Corporate and other unallocated expenses				(22,255)
Finance costs				<u>(32,733)</u>
Profit before tax				<u>74,202</u>

	Plantation and sale of agricultural produce <i>RMB'000</i>	Production and sale of FCOJ and other related products <i>RMB'000</i>	Production and sale of Summi fresh orange juice <i>RMB'000</i>	Total <i>RMB'000</i>
As at 30 June 2015				
Assets and liabilities				
Segment assets	<u>928,323</u>	<u>410,823</u>	<u>313,398</u>	1,652,544
Corporate and other unallocated assets				<u>631,305</u>
Total assets				<u>2,283,849</u>
Segment liabilities	<u>10,638</u>	<u>25,674</u>	<u>38,762</u>	75,074
Corporate and other unallocated liabilities				<u>563,074</u>
Total liabilities				<u>638,148</u>

The accounting policies of the operating segments are identical to the Group's accounting policies. Segment results represent the profit earned by/(loss from) each segment without allocation of central administration costs, director's remuneration, certain other revenue, gain on early redemption of convertible bonds and finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

For the purposes of monitoring segment performances and allocating resources between segments:

- (a) all assets are allocated to operating segments other than held-to-maturity investment, pledged bank deposits, cash and cash equivalents, certain property, plant and equipment and other receivables which were managed in a centralised manner.
- (b) all liabilities are allocated to operating segments other than bank loans, income tax payable, deferred tax liabilities and certain other payables which were managed in a centralised manner.

Inter-segment sales are charged at prevailing market rates.

Other segment information

Year ended 30 June 2016

	Plantation and sale of agricultural produce <i>RMB'000</i>	Production and sale of FCOJ and other related products <i>RMB'000</i>	Production and sale of Summi fresh orange juice <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profits or segment assets:					
Depreciation and amortisation (<i>note 1</i>)	–	28,627	16,752	212	45,591
Additions to non-current assets (<i>note 2</i>)	–	16	430	–	446
Loss on disposal of property, plant and equipment	–	6	–	–	6
Loss on disposal of scrap materials	–	–	6,275	–	6,275
Write-off of property, plant and equipment	–	–	995	–	995
Write-off of inventories	3,512	–	–	–	3,512
Gain from changes in fair value of biological assets less costs to sell	(31,857)	–	–	–	(31,857)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profits or segment assets:					
Bank interest income	–	–	–	(1,725)	(1,725)
Interest income from pledged bank deposits	–	–	–	(414)	(414)
Interest income from held-to-maturity investment	–	–	–	(998)	(998)
Finance costs	–	–	–	22,570	22,570
Income tax credit	–	–	–	(566)	(566)

Year ended 30 June 2015

	Plantation and sale of agricultural produce <i>RMB'000</i>	Production and sale of FCOJ and other related products <i>RMB'000</i>	Production and sale of Summi fresh orange juice <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profits or segment assets:					
Depreciation and amortisation (<i>note 1</i>)	–	30,371	7,685	171	38,227
Additions to non-current assets (<i>note 2</i>)	–	9,497	56,529	321	66,347
Impairment loss on intangible assets	–	18,414	–	–	18,414
Loss on disposal of property, plant and equipment	–	489	–	–	489
Write-off of property, plant and equipment	–	977	–	–	977
Write-off of inventories	8,800	–	–	–	8,800
Gain from changes in fair value of biological assets less costs to sell	(30,178)	–	–	–	(30,178)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profits or segment assets:					
Bank interest income	–	–	–	(1,529)	(1,529)
Interest income from pledged bank deposits	–	–	–	(866)	(866)
Interest income from held-to-maturity investment	–	–	–	(798)	(798)
Write-off of other receivables	–	–	–	114	114
Finance costs	–	–	–	32,733	32,733
Income tax credit	–	–	–	(3,823)	(3,823)

Note 1: Amount excluded amortisation of lease prepayments for orange plantations.

Note 2: Amount included property, plant and equipment, intangible assets and land use rights and excluded additions to lease prepayments for orange plantations, pledged bank deposits and held-to-maturity investment.

Geographical information

In view of the fact that the Group's operations and non-current assets are mainly located in the PRC (country of domicile), no geographical information about the Group's revenue from external customers and non-current assets are presented.

Revenue from major products

The following is an analysis of the Group's revenue from sales of its major products to external customers:

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Sales of FCOJ	304,497	280,044
Sales of Summi fresh orange juice	148,334	13,292
Sales of fresh oranges	127,200	146,069
Sales of other products	1,242	31,429
	581,273	470,834

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Customer A ¹	127,200	146,069
Customer B ²	89,429	80,378
Customer C ^{2, 3}	70,185	70,550
Customer D ²	N/A ⁴	50,620
Customer E ²	63,832	49,249

¹ Revenue from plantation and sale of agricultural produce segment.

² Revenue from production and sale of FCOJ and other related products segment.

³ Revenue from production and sale of Summi fresh orange juice segment.

⁴ The corresponding revenue did not contribute over 10% of total revenue of the Group.

5. OTHER REVENUE

	2016	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Bank interest income	1,725	1,529
Government grants (<i>notes a and b</i>)	3,680	2,360
Interest income from pledged bank deposits	414	866
Interest income from held-to-maturity investment	998	798
Others	248	465
	<hr/> 7,065 <hr/>	<hr/> 6,018 <hr/>

Notes:

- (a) During the year ended 30 June 2016, government grant of approximately RMB1,320,000 (2015: nil) was granted in respect of FCOJ production, which immediately recognised as other revenue for the year as there is no unfulfilled condition or contingencies relating to this subsidy.
- (b) Government grant of RMB2,360,000 (2015: RMB2,360,000) was deferred income amortised during the year, which was granted in respect of supporting the Group's investment in a FCOJ production plant.

6. OTHER OPERATING EXPENSES

	2016	2015
	<i>RMB'000</i>	<i>RMB'000</i>
Loss on disposal of scrap materials	6,275	–
Equity-settled share-based payment expenses	5,436	–
Loss on disposal of property, plant and equipment	6	489
Write-off of property, plant and equipment	995	977
Write-off of other receivables	–	114
Others	–	39
	<hr/> 12,712 <hr/>	<hr/> 1,619 <hr/>

7. FINANCE COSTS

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Imputed interest expenses on convertible bonds	–	12,556
Interest expenses on bank loans	<u>22,570</u>	<u>20,177</u>
	<u>22,570</u>	<u>32,733</u>

8. PROFIT BEFORE TAX

The Group's profit before tax has been arrived at after charging:

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Staff costs, including Directors' and chief executive's remuneration		
Wages, salaries and other benefits	89,063	78,843
Contributions to defined contribution plans	9,024	7,733
Equity-settled share-based payment expenses	<u>5,436</u>	<u>–</u>
	<u>103,523</u>	<u>86,576</u>
Amortisation of land use rights	555	555
Amortisation of intangible assets	4,501	6,124
Depreciation of property, plant and equipment	40,535	31,548
Operating lease charges in respect of rented premises	83,037	83,208
Less: operating lease capitalised in biological assets	<u>(34,090)</u>	<u>(34,520)</u>
	<u>48,947</u>	<u>48,688</u>
Auditor's remuneration	1,184	1,085
Net foreign exchange loss	77	1,170
Amount of inventories recognised as an expense	340,958	300,636
Write-off of inventories recognised in cost of sales	<u>3,512</u>	<u>8,800</u>

9. INCOME TAX CREDIT

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Current tax – PRC Enterprise Income Tax (“EIT”)		
Provision for the year	560	2,311
Deferred tax		
Reversal of temporary differences	<u>(1,126)</u>	<u>(6,134)</u>
Income tax credit	<u>(566)</u>	<u>(3,823)</u>

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI for both years.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years. No provision has been made for Hong Kong Profits Tax as there are no assessable profits generated for both years.

The provision for PRC EIT is based on the respective applicable rates on the estimated assessable income of the Company’s subsidiaries in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC for both years.

With effect from 1 January 2011, the Company’s subsidiaries which are responsible for orange juice production are exempt from EIT on profits from orange juice production, pursuant to Cai Shui [2008] No. 149 issued by the Ministry of Finance of the PRC. Accordingly, from 1 January 2011, certain subsidiaries of the Group in the PRC (i.e. cultivation and selling of self-cultivated fresh oranges and orange juice production) are exempt from EIT, subject to annual review by the local PRC tax authority of the Company’s subsidiaries and any future changes in the relevant tax exemption policies or regulations.

The applicable income tax rate for the rest of the Group’s operating subsidiaries in the PRC is 25% for both years.

10. DIVIDEND

No dividend was paid or proposed during the year ended 30 June 2016 (2015: nil). Subsequent to the end of the Reporting Period, a final dividend of HK\$0.015 per share in respect of the year ended 30 June 2016 has been proposed by the Directors and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

Earnings

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Earnings for the purpose of basic and diluted earnings per share (Profit for the year attributable to owners of the Company)	<u>62,870</u>	<u>78,025</u>

Number of shares

	2016	2015
Weighted average number of ordinary shares in issue less shares held under the share award scheme for the purpose of basic earnings per share	1,340,392,069	1,345,393,330
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	<u>–</u>	<u>29,095,494</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,340,392,069</u>	<u>1,374,488,824</u>

The diluted earnings per share for the year ended 30 June 2016 is the same as basic earnings per share. The computation of diluted earnings per share for the year ended 30 June 2016 does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares.

12. TRADE RECEIVABLES

The Group allowed a credit period ranging from 30 to 90 days (2015: 28 to 90 days) to its trade customers from the date of billing.

The following is an aged analysis of trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the Reporting Period.

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
0 to 30 days	57,681	66,620
31 to 60 days	37,850	10,693
61 to 90 days	28,571	1,277
	124,102	78,590

The aged analysis of trade receivables based on the due dates at the end of the Reporting Period is set out below:

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Neither past due nor impaired	124,102	78,590

Trade receivables that were neither past due nor impaired related to customers that had no recent history of default payment.

The Group did not hold any collateral over the trade receivables.

13. TRADE PAYABLES

The Group had financial risk management policies in place to ensure all payables are settled within the credit timeframe. The average credit period on purchase of goods was 90 days (2015: 90 days or on demand).

The following is an aged analysis of trade payables presented based on the invoice date at the end of the Reporting Period.

	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
0–90 days	8,274	12,063

14. SHARE CAPITAL

	Number of shares	Amount HK\$'000	Amount RMB'000
Ordinary shares of HK\$0.01 each			
Authorised:			
As at 1 July 2014, 30 June 2015, and 30 June 2016	3,000,000,000	30,000	26,376
Issued and fully paid:			
As at 1 July 2014	1,336,460,727	13,365	11,520
Share issued under share option scheme (<i>note a</i>)	11,400,000	114	90
As at 30 June 2015 and 30 June 2016	1,347,860,727	13,479	11,610

All of the shares issued by the Company rank pari passu in all respects with other shares in issue.

Notes:

- (a) During the year ended 30 June 2015, share options granted under the Share Option Scheme were exercised to subscribe for 11,400,000 ordinary shares of the Company in aggregate of HK\$0.01 each at a consideration of HK\$8,550,000 (equivalent to approximately RMB6,779,000), of which HK\$114,000 (equivalent to approximately RMB90,000) was credited to share capital and the balance of HK\$8,436,000 (equivalent to approximately RMB6,689,000) was credited to the share premium account.

RMB3,080,000 has been transferred from the capital reserve to the share premium.

15. EVENT AFTER THE REPORTING PERIOD

On 8 August 2016, a three-year term loan facility in an aggregate sum of US\$80,000,000 (equivalent to approximately RMB532,075,000) (the "Credit Facility") was granted by several banks in Hong Kong to the Company. The Credit Facility was jointly guaranteed by a director of the Company, Mr. Sin Ke and six non-PRC incorporated subsidiaries of the Company. Details of the Credit Facility are set out in the announcement of the Company dated 8 August 2016.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

The Group's corporate governance practices are based on the Corporate Governance Code (the "Code") – Appendix 14 to the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company has, throughout the Reporting Period, complied with all the relevant code provisions and, where applicable, the recommended best practices as set out in the Code of the Listing Rules, save for the deviation mentioned below:

Code Provision A.2.1

Under the Code Provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive should be clearly established and set out in writing.

Mr. Sin Ke is currently the chairman of the Board and the chief executive officer of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals and meets regularly to discuss issues relating to the operations of the Company. The Board will review the management structure regularly and consider separating the roles of the chairman and chief executive officer if and when appropriate.

The Board will periodically review the Company's current corporate practices and procedures and will maintain and further enhance the standard of corporate governance practices of the Company, in order to ensure it is in line with international and local best practices and optimise the interests of the Shareholders, investors, employees, business partners and the community as a whole.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in Appendix 10 – Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to the Listing Rules. Specific enquiry has been made to all the Directors and the Directors have confirmed that they had complied with the Model Code and such code of conduct during the Reporting Period.

AUDIT COMMITTEE

The Audit Committee currently consists of 3 independent non-executive Directors. The primary duties of the Audit Committee are to review the Company's financial information, review and supervise the Company's financial reporting process, risk management system, and internal control procedures, nominate and monitor external auditors and provide advice and comments to the Board. The Audit Committee is established with specific terms of references which deal clearly with the committee's authority and duties and is available on the website of the Stock Exchange and the Company.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of this announcement and the final result of the Group for the year ended 30 June 2016.

SCOPE OF WORK OF SHINEWING (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2016 as set out in this announcement have been agreed by the Group's auditors, SHINEWING (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by SHINEWING (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SHINEWING (HK) CPA Limited on this announcement.

CLOSURE OF THE REGISTER OF MEMBERS

Annual General Meeting

For determining the Shareholders' eligibility to attend and vote at the forthcoming annual general meeting to be held on 11 November 2016 (Friday) (the "AGM"), the register of members of the Company will be closed from 7 November 2016 (Monday) to 11 November 2016 (Friday), both days inclusive, during which period no transfer of Shares will be registered. The record date will be 11 November 2016 (Friday). In order to qualify for attending and voting at the AGM, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on 4 November 2016 (Friday).

Final Dividend

For determining entitlement to the proposed final dividend (if approved at the AGM), the register of members of the Company will be closed from 17 November 2016 (Thursday) to 18 November 2016 (Friday), both days inclusive. The record date will be 18 November 2016 (Friday). In order to qualify for the entitlement of the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on 16 November 2016 (Wednesday). If the resolution for approving the proposed final dividend is passed at the AGM, the proposed final dividend will be payable on 1 December 2016 (Thursday).

By Order of the Board
Tianyi (Summi) Holdings Limited
Sin Ke
Chairman

Hong Kong, 26 September 2016

As at the date of this announcement, the Board comprises: Mr. SIN Ke and Mr. SAN Kwan as executive Directors; Mr. TSANG Sze Wai Claudius as non-executive Director and Mr. ZENG Jianzhong, Mr. ZHUANG Weidong and Mr. ZHUANG Xueyuan as independent non-executive Directors.