

Agri-specialist Zagro Asia Limited Increases Turnover by 18%

**FY10 net earnings surged by 58% from
FY09 net earnings**

Singapore - 28 February 2011 - Net earning of life sciences specialist and SGX Mainbord-listed Zagro Asia Limited ("Zagro" or "The Group") heaved by 58% in FY2010, from \$6.1 million to \$9.6 million as revenue soared by 18% to \$137.2 million, from \$116.5 million a year ago.

The Group's reserves continue to grow steadily as they are poised for greater heights and are attaining ambitious performance goals, all the time bearing sustainability of business in mind. 2010 marked a very significant year in the history of Zagro and hopes to continue reaping the rewards of their growth strategy and the competitive edge of their business model.

Financial Summary

Overall Highlights (S\$)	FY10	FY09	% Change
Turnover	137.2m	116.5m	18%
Profit before taxation	12.2m	7.0m	74%
Net Profit Attributable to shareholders	9.6m	6.1m	58%
Earnings per share	3.72 cents	2.36 cents	58%

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Zagro Asia Limited
Zagro Global Hub
5 Woodlands Terrace
Singapore 738430
Tel: +65 6759 1811
Fax: +65 6759 1855
www.zagro.com
Co. Reg. No.: 199406784D

Mr. Poh Beng Swee, Chairman and CEO of Zagro Asia said, "Zagro has heavily invested in business systems and processes with the objective of ensuring business continuity and supply chain management throughout the year. With a plan for further investments in 2011 in infrastructure, we can be assured that only products conforming to stringent quality control procedures reach the global markets. Zagro has been awarded the ISO 9001 and ISO 2200 (by UKAS) inclusive of HACCP Certification and in conformance to GMP requirement. We are currently working towards the achievement of certifications SS 540:2008 and BS 25999:2006 for Business Continuity Management as well as FAMI-QS, the European Feed Additives and Premixtures Quality System. These achievements are direct results of the entire organization working together in effectively developing and maintaining the quality system. "

Earnings per share climbed by 58% from 2.36 cents to 3.72 cents while net asset value per share rose by 12.3% from 22.82 cents to 25.62 cents. The group continued to generate positive cashflow from its operating activities with net operating cashflow standing at \$8.3 million.

Gross margin rose from 17.0% to 20.4% as a result of the Group's stronger branding campaign, stringent sourcing abilities and their continuous demand to strengthen their Regulatory and Intellectual Property portfolio.

Moving ahead this year, the Group expects a sustainable performance. *"This year, our two major business units, Animal Health and Crop Care, are getting fitter, winning more and focused on attaining and strengthening its global footprint positions. Both business units demonstrated the strength of its market positioning as it responded quickly to the signs of market recovery and new opportunities. Zagro's milestone for 2011 will be the launching of our tested and proven premix manufacturing plant in Vietnam which shall be fully operational as the first quarter of 2011 unfolds," Mr. Poh added.* To date Zagro's distribution network spans across 50 countries globally.

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About Zagro Asia Limited

Listed on the Singapore Stock Exchange since 1996, the Zagro group is the leading Asian manufacturer and distributor of healthcare products for livestock, poultry, aquatic animals and crops.

The Group is engaged in the manufacture and distribution of a wide range of nutrition and protection products for livestock, aquatic animals and crops. It is actively involved in end-user marketing and distribution across many regions worldwide.

For more information on Zagro and its toolbox of Agrisolutions, please visit www.zagro.com or contact:

Teresa Martinez

Zagro Asia Limited

Tel: +65 6759 1811

Fax: +65 6759 1855

Email: teresa.martinez@zagro.com