QUARTERLY REPORT FOR
PERIOD ENDED
MARCH 31, 2010

SINO AGRO FOOD, INC.

GZ Office: Unit 11, 37/F
China Shine Plaza, No. 9 Lin He Xi Road
Tianhe District
Guangzhou 510610
China

Federal ID No.: NV19741004142 **CUSIP No.:** 829355106

ISSUER'S EQUITY SECURITIES

100,000,000 Shares of Common Stock authorized, par value $0. 001 per share
53,241,016 Common Shares issued and outstanding
10,000,000 Shares of Preferred Stock authorized, par value $0.001 per share
No Shares outstanding

SINO AGRO FOOD, INC.
QUARTERLY REPORT
MARCH 31, 2010

All information in this Quarterly Report has been compiled to fulfill the disclosure requirements of Rule 15c2-11 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The enumerated items and captions contained herein correspond to the format as set forth in that rule.

Forward-looking Statements

This Quarterly Report contains various "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements represent the Company's expectations or beliefs concerning future events. The words "*believe,"" expect," "anticipate," "intend," "estimate," "project"* and similar expressions are intended to identify forward-looking statements. The Company cautions that these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including without limitations, the factors described in this Quarterly Report.

Investors are cautioned not to place undue reliance on such forward-looking statements because they speak only of the Company's views as of the statement dates. Although the Company has attempted to list the important factors that presently affect the Company's business and operating results, the Company further cautions investors that other factors may in the future prove to be important in affecting the Company's results of operations. the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Item I. The exact name of the issuer and its predecessors (if any):

The exact name of the issuer is: **Sino Agro Food, Inc.**

The issuer's exact name of its predecessor in the past five (5) years:

Formerly	Date changed
Sino Agro Food, Inc.	October 2007 (Current name)
A Power Argo Agriculture Development, Inc.	August 2007
Volcanic Gold, Inc.	August 2007

The address of the issuer's principal executive offices are:

GZ Office: Unit 11, 37/F
China Shine Plaza, No. 9 Lin He Xi Road
Tianhe District
Guangzhou 510610, China
Tel: 86-20-22057868 / 86-20-38880923
Fax: 86-20-22057868
Email: solomon.lee1@gmail.com

Item II. Shares outstanding:

As of May 1, 2010, there were 53,241,016 shares of the Company's Common Stock issued and outstanding and 100,000,000 common shares authorized. There were 0 shares of preferred stock issued and outstanding and 10,000,000 preferred shares authorized.

Item III. Interim financial statements:

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	1Q 2009	1Q 2010
ASSETS		
Current Assets		
Cash and cash equivalents	955,405	3,170,811
Trade Receivable	11,976,436	12,177,446
Prepaid Expenses	9,955,022	11,515,493
Other Receivables	185,276	92,700
Inventories	3,496,894	4,657,248
Other current assets	20	
Total Current Assets	26,569,054	31,613,697
Non-Current Assets		
Fixed assets	2,925,687	5,163,706
Construction in progress	4,596,749	5,908,336
Bearer biological assets	5,673,503	5,399,247
Incorporation expenses	18,088	18,088
Intangible assets	21,715,989	22,224,376
Development expenditures		626,570
Goodwill	12,000,000	12,000,000
Other non-current assets	1	1
Total Non-Current Assets	46,930,017	51,340,324
Total Assets	73,499,071	82,954,021

LIABILITIES AND STOCKHOLDERS' EQUITY

	1Q 2009	1Q 2010
Current Liabilities		
Short term borrowing	2,430,454	2,430,534
Trade payable	1,264,310	4,287,131
Wages payable	110,968	136,070
Taxes payable	4,669	4,906
Other payable	4,431,408	854,850
Total current liabilities	8,241,808	7,713,491
Non-current liabilities		
Long term borrowing	4,392,387	4,392,387
Total non-current liabilities	4,392,387	4,392,387

Total liabilities	12,634,194	12,105,878
Net Assets	60,864,876	70,848,144
Stockholders' Equity		
Share capital	52,944	52,944
Additional paid-in capital	43,489,213	43,489,213
Capital Reserve	(2,897,537)	(2,580,305)
Retained earnings	12,002,041	16,748,525
Accumulative other comprehensive income	583,796	2,099,888
Minority interest	7,634,419	11,037,879
Total Equity	60,864,876	70,848,144
Total Liabilities and Stockholders' Equity	73,499,071	82,954,021

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (UNAUDITED)

	1Q 2009	**1Q 2010**
Net Sales	4,036,053	4,087,683
Cost of Sales	1,744,944	1,772,968
Gross Profit	2,291,109	2,314,715
Operating Expenses		
General and administrative expenses	755,047	325,220
Business tax and surcharges	2,673	2,806
Financial expenses	117,364	117,345
Total Expenses	875,084	445,371
Operating Profit	1,416,025	1,869,344
Total Profit		
Minority interest	297,017	416,206
Net Income	1,119,008	1,453,138
Net income per common share		
Diluted EPS	0.02	0.03
Weighted average number of shares issued	52,834,016	53,241,016

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	1Q 2010
Opening Cash Balance at 12/31/2009	1,670,203
Cash Flows from Operating Activities	
Net income	1,453,139
Minority interest	1,293,613
Long term debt proceed	(1,681,687)
Short term debt proceed	(3,724,352)
Depreciation and amortization	110
Additional paid in capital	1,409,921
Changes in operating assets and liabilities	
Increase / (Decrease) of Trade Payable	2,251,196
Increase / (Decrease) of other payable	(89,559)
Increase / (Decrease) of other current liabilities	(1,043,079)
Total Inflow	1,539,505
Increases / (Decreases) in investments assets of the period	
Property Plants and Equipment (Net of depreciation)	(1,025,889)
Proceeds from investments by shareholders	(37,745)
Intangible assets(in land usage right) (Net of amortization)	3,305,673
Other noncurrent assets (including Biological assets)	549,247
Construction in progress	1,033,027
Other Non-current assets (investments)	(3,953)
Development Expenditures	(535,805)
Increases / (Decreases) in operating assets of the period	
Inventories	44,522
Trade receivables	(2,842,229)
Other receivables	(4,005,100)
Other current assets (Deposit and prepayments)	1,886,945
Total Outflow	(1,631,307)
Net Cash Balance at end of period	3,170,812

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Stock Equity Statement	Common Shares	Common Stock	Additional Paid-in Capital	Capital Reserve	Retained Earnings	Accumulative other Comrehensive Income	Total
Balance as at 31st December 2007	52,943,579	52,944	43,489,213	-	3,174,089	398,520	47,114,766
Balance as at 31st December 2008	52,843,016	52,944	43,489,213	(2,897,537)	12,002,041	583,796	53,177,513
Balance as at 31st December 2009	53,241,016	52,944	43,489,213	1,039,307	10,265,853	2,099,888	56,947,205
Balance as at 31st March 2010	53,241,016	52,944	43,489,213	(2,580,305)	16,748,525	2,099,888	59,810,265

Sino Agro food, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

2.1 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America ("US GAAP") requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

2.2 FISCAL YEAR

The company has adopted December 31 as its fiscal and financial year-end.

2.3 BASIS OF CONSOLIDATION

Subsidiary companies are wholly-owned subsidiaries, namely CA, HYT, TRW and MEIJI which in turn own, ZX , HST and TQST which are enterprises controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of the enterprises so as to obtain benefits from their activities. HST and TQST have been officially approved as Sino Joint Venture Companies (SJVCs) on December 17, 2007 and December 18, 2007 respectively by the relevant authorities of PRC. Once approval are granted, the China Central Bank will provide SJVC with an approved foreign currency bank account to govern all movements (imports and exports) of the foreign currency made by the SJVC .

Effective August 24, 2007 , CA, a Belize Corporation, completed a reverse merger transaction with SIAF; a public shell into which CA merger pursuant to which SIAF acquired all the outstanding common stock of CA from Capital Adventure, a shareholder of CA for 32,000,000 shares of the company's common stock. Although legally the issuing publicly tradable entity is regarded as the parent and the private entity is regarded as the subsidiary, the legal subsidiary is the acquirer if it has the power to govern the financial and operating policies of the legal parent so as to obtain benefits from its activities. For accounting purposes, CA is considered the accounting acquirer. Accordingly, the reverse merger was accounted for as recapitalization of CA and the assets and liabilities of the company have been recorded using CA historical values and the shareholders of CA received approximately 100% of the post reverse merger common stock of SIAF. In addition, the historical shareholders equity of CA prior to the reverse merger has been retroactively restated (recapitalization) for the equivalent number of shares received in acquisition. The consolidated retained earnings of CA have been carried forward after the reverse merger.

Under reverse merger, the consolidated financial statements shall be issued under the name of the legal parent, but described in the notes as a continuation of the financial statements of the legal subsidiary (ie: the acquirer for accounting purposes). Because such consolidated financial statements represent a continuation of the financial statements of the legal subsidiary:

(a) the assets and liabilities of the legal subsidiary shall be recognized and measured in those consolidated financial statements at their pre-combination carrying amounts.

(b) the retained earnings and other equity balances recognized in those consolidated financial statements shall be the retained earnings and other equity balances of the legal subsidiary immediately before the business combination.

(c) the amount recognized as issued equity instruments in those consolidated financial statements shall be determined by adding to the issued equity of the legal subsidiary immediately before the business combination the cost of the combination determined. However, the equity structure appearing in those consolidated financial statements (ie the number and type of equity instruments issued) shall reflect the equity structure of the legal parent, including the equity instruments issued by the legal parent to effect the combination.

d) comparative information presented in those consolidated financial statements shall be that of the legal subsidiary.

2.3 BASIS OF CONSOLIDATION

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. The consolidated financial statements are prepared on the basis of subsidiaries and unconsolidated equity investee acquired by the Company on September 5, 2007, and profits up to this date are recognized as pre-acquisition profits and profits thereafter are recognized as post-acquisition profits. In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profits and losses resulting from intra-group transactions have been eliminated. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Investments in subsidiaries are accounted for by the parent at cost less any allowance for impairment. Acquisitions are accounted for using the purchase / acquisition method of accounting for HYT, TRW and MEIJI. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Minority interests represent the portion of profit or loss (where attributable) and net assets in ZX, HST and TQST not held by the Group and are presented separately in the consolidated statements of income and balance sheets respectively.

2.4 BUSINESS ACQUISITION

(a) HYT and ZX Group acquisition

On September 5, 2007, the Company made further acquisitions by acquiring of Hang Yu Tai Investmento Limited ("HYT"), a Macau incorporated company, the owner of 78% equity stake in ZhongXing Agriculture and Husbandry Co. Ltd. ("ZX"). The results of ZX's operations have been included in the consolidated financial statements of the Company since that date. The aggregate purchase price was $17,760,099 including $10,000,000 of cash and common stock valued at $7,7610,099

2.5 PROPERTY, PLANT AND EQUIPMENT AND IMPAIRMENT OF ASSETS

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalization when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalization. The assets' residual values, useful lives and amortization methods are reviewed, and adjusted if appropriate, at each financial year-end.

Depreciation is calculated on a straight-line basis over the estimated useful life of

the assets. Milk cows 10 years

Plant and machinery 5 - 10

years Leasehold improvements

10 years Motor vehicles 5 -10

years

Furniture, fixtures and equipment 2.5 - 10 years

An item of property, plant and equipment is written upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statements of income in the period the item is disposed.

2.6 CONSTRUCTION IN PROGRESS

Construction in progress represents direct costs of construction as well as acquisition and design fees incurred. Capitalization of these costs ceases and the construction in progress is transferred to property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided until construction is completed and the asset is ready for its intended use.

2.7 LAND USE RIGHTS

Land use rights represent acquisition of land use right rights of agriculture land from farmers and are amortized on the straight line basis over their respective lease periods. The lease period of agriculture land are in the range from 30 years to 60 years.

2.8 OTHER ASSETS

We evaluate long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with SFAS No.144, "Accounting for the Impairment of Disposal of Long-Lived Assets." Factors we consider important which could trigger an impairment review include, but are not limited to, significant underperformance relative to expected or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for our overall business, significant negative industry or economic trends, a significant decline in our stock price for a sustained period, or a significant decline in our market capitalization relative to net book value. An asset is considered impaired if its carrying amount exceeds its fair market value. We assess the recoverability of our long-lived assets by determining whether the unamortized balances can be recovered through undiscounted future net cash flows of the related assets. The amount of impairment, if any, is measured based on projected discounted future net cash flows using a discount rate reflecting our average cost of capital.

2.9 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- sale of goods – revenue is recognized when goods are delivered and title has passed and when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer;
- service fee – revenue is recognized when services have been rendered to a buyer by reference to stage of completion;
- license fee – income is recognized on the accrual basis in accordance with the underlying agreements; and
- dividends – revenue is recognized when the shareholders' right to receive the payment is established.

2.10 TRADE AND OTHER RECEIVABLES

Trade receivables in general, which are non-interest bearing and generally have 2 to 30 day terms, are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. Trade receivables due from Government related contracts (primarily receivable of TQST) generally have a 180 day terms, are recognized and carried at original invoice less an allowance for any uncollectible amounts, if any.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

2.11 INVENTORIES

Inventories are valued at the lower of cost and net realizable value.
Costs incurred in bringing each product to its location and conditions are accounted for as follows:

- raw materials – purchase cost on a weighted average basis;
- manufactured finished goods and work-in-progress – cost of direct materials and labor and a proportion of manufacturing overheads based on normal operation capacity but excluding borrowing costs; and
- retail and wholesale merchandise finished goods – purchase cost on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 EQUITY METHOD INVESTMENTS

Investee entities in which the company can exercise significant influence, but not control, are accounted for under the equity method of accounting. Under the equity method of accounting, the company's share of the earnings or losses of these companies is included in net income.

A loss in value of an investment that is other than a temporary decline is recognized as a charge to operations. Evidence of a loss in value might include, but would not necessarily be limited to absence of an ability to recover the carrying amount of the investment or inability of the investee to sustain an earnings capacity that would justify the carrying amount of the investment.

2.13 INCOME TAXES

We account for income taxes under an asset and liability approach that requires the expected future tax consequences of temporary differences between book and tax basis of assets and liabilities be recognized as deferred tax assets and liabilities. Generally accepted accounting principles require us to evaluate the realizability of our net deferred tax assets on an ongoing basis. A valuation allowance is recorded to reduce the net deferred tax assets to an amount that will more likely than not be realized. Significant factors considered by management in assessing the need for a valuation allowance include our historical operating results, the length of time over when the differences will be realized, tax planning opportunities and expectations for future earnings. In the consideration of the realisability of net deferred tax assets, recent losses must be given substantially more weight than any projections of future profitability. The Company's consolidated earnings are not subjected to income tax of Nevada USA. Its branch office in china is primarily an administration office looking after its subsidiaries' operations in China will not derive profit so as to cause income tax to arise in China. However the PRC Government will impose Income Tax on all foreign owned offices operating in China including the Company's representative office in GuangZhou, China based on the following formulas:

Income = All expenses paid or incurred by its representative office in China will be multiplied 1.172 times

Income tax payable = 5% x Income

This means if your China office expense is USD 100, the income will be deemed USD 117.20 and taxed at 5% or USD 5.86

The Company's income are derived through its subsidiaries and associate such that its consolidated earnings will incur income tax payable in accordance with the tax law of Nevada USA, if any. Its subsidiaries' incomes are subject to income tax of respective country where the subsidiaries were incorporated.

CA is a international business company incorporated in Belize, and its earnings are not subjected to income tax, The Company has an associated office in China. However, all sales invoicing were raised by its representative office in Malaysia for its sales outside of Malaysia and as such income received in its offshore bank account, and thus does not result in any tax being imposed as a result of its trading and servicing activities in China nor Malaysia, which tax is imposed on a territorial basis and not on a worldwide basis.

Accordingly, no necessity to provide for income taxes in the CA's 2004 to 2007 financial statements which position is confirmed by the respective CPA firms in Malaysia and China.

Upon the commencement of the development of the fishery project, CA will participate as a foreign partner in a Sino Joint Venture Company (SJVC) to be incorporated in China. As a foreign partner of the SJVC the Company will officially be allowed to repatriate all capital investments invested and corresponding earnings earned from China but subject to whatever income tax payable in China then. However, the PRC Government has allowed income taxconcession for agriculture, aquaculture and high technology industries starting from January 1, 2008 that will cap CA's income tax at a minimum and maximum rate of 5 to 13% respectively.

Since year 2006, the Government of China has exempted sales tax of all primary produce and related value added products derived from the agriculture or husbandry or aquaculture industry, and provided much incentive schemes to encourage the developments of the industries. New tax legislation of China has been effective from January 2008 to allow the agriculture, husbandry and aquaculture sectors with free income tax, free sales tax and free value added tax. Therefore no enterprise income taxes are provided in the financial statements of CA, ZX, and HST. Net income from unconsolidated equity investee (TQST) of the company is not subjected to income tax for the year and will not be taxable even though the investment is sold. Therefore no China Enterprise income tax and deferred tax have been provided in the financial statements. The Company adopted Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109) that requires recognition of deferred income tax liabilities and assets for the expected future tax consequences of temporary differences between income tax basis and financial reporting basis of assets and liabilities. Provision for income taxes consist of taxes currently due plus deferred taxes. Since the Company had no operations within the United States there is no provision for US income taxes and there are no deferred tax amounts as of December 31, 2007. The charge for taxation is based on the results for the year as adjusted for items, which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of assessable tax profit. In principle, deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probably that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred tax is charged or credited in the income statement, except when it related to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The Company adopted FASB Interpretation 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), as of January 1, 2007. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The adoption had no affect on the Company's financial statements.

2.14 GOODWILL

The company accounts for goodwill and intangible assets in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets". SFAS No. 142 requires that good will and other intangibles with indefinite lives tested for impairment annually or an interim basis if events or circumstances indicate that the fair value of an asset has decreased below its carrying value..

Goodwill represents that the excess of the purchase price over the fair value of net assets acquire in business acquisitions. SFAS No.142 requires that goodwill be tested for impairment at reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests when circumstances indicate that the recoverability of the carrying amount of goodwill may of reporting units, assign be in doubt. Application of the goodwill impairment test requires judgment, including the identification of reporting unit. Significant judgments required to estimate the fair value of a reporting unit include estimating future cash flows, determining appropriate discounts rates and other assumptions. Changes in these estimates and assumptions or the occurrence of one or more confirming events in future periods could cause the actual results or outcomes to materially differ from such estimates and could also affect the determination of fair value and/ or goodwill impairment at future reporting dates. The company performs its impairment test annually during the fourth quarter of the fiscal year. During the year ended December 31, 2006, the Company decided to recognize impairment loss on goodwill of $19,657,157 immediately as the result of reverse merger with the CA. During the year ended December 31, 2007, the Company decided to recognize impairment loss on goodwill of $6,786,942 immediately as the result of business acquisition with the HYT group. Impairment losses recognized for goodwill are not subsequently reversed.

2.15 IMPAIRMENT OF LONG-LIVED ASSETS

In accordance with SFAS No. 144, “Long-Live Assets”, the Company reviews the carrying value of other long-lived assets for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Recoverability of long-lived assets is measured by comparison of their carrying amounts to be undiscounted cash flows that the assets or assets group is expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the property, if any exceeds its fair market value. The Company determined that there was no impairment of long-lived assets as of December 31, 2007 and December 31, 2006.

2.16 TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortized cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade payables are non-interest bearing and are normally settled on 7 to 60 day terms.

2.17 FOREIGN CURENCY TRANSACTIONS AND TRANSLATIONS

The Company uses Renminbi (RMB) as the functional currency and United States Dollars (US$) as the reporting currency. Transactions denominated in other than reporting currency are translated into US$ at the average rate of exchange for the year. Monetary assets and liabilities denominated in other than reporting currency are translated into US$ at rates of exchange at the balance sheet dates. Exchange differences are reported in equity and classified as other comprehensive income.

2.18 CONCENTRATION OF CREDIT RISK

Our cash and cash equivalents and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents are deposited with financial institutions that we believe are of high credit quality. Our customers are selected based on the quality of their credit standing. The directors of the Company, subsidiaries and associate apply a strict credit policy when extending credit so as to mitigate risks associated with delinquent or bad debts notwithstanding that credit may be concentrated in the names of a few customers in the case of CA, ZX, HST and TQST. To date there are no incidence of any material doubtful and or bad debts due to the strict assessment of credit worthiness of customers.

2.19 EARNINGS PER SHARE

The Company reports earnings per share in accordance with the provisions of SFAS 128, "Earnings per Share." SFAS 128 requires presentation of basic and diluted earnings per share in conjunction with the disclosure of the methodology used in computing such earnings per share. Basic earnings per share excludes dilution and is computed by dividing income available to common stockholders by the weighted average common shares outstanding during the period. The equity structure appearing in the consolidated financial statements prepared following a reverse merger reflects the equity structure of the legal parent, including the equity instruments issued by the legal parent to effect the business combination. For the purpose of calculating the weighted average numbers of common stockholders outstanding (the denominator) during the period in which the reverse merger occurs:

(a) the number of common shares outstanding from the beginning of that period to the reverse merger date shall be deemed to be the number of common shares issued by the legal parent to the owners of the legal subsidiary; and

(b) the number of ordinary shares outstanding from the reverse merger date to the end of that period shall be the actual number of common shares of the legal parent outstanding during that period.

The basic earnings per share disclosed for each comparative period before the reverse merger date that is presented in the consolidated financial statements following a reverse merger shall be calculated by dividing the income or loss of the legal subsidiary attributable to common stockholders in each of those periods by the number of common shares issued by the legal parent to the owners of the legal subsidiary in the reverse merger date.

On the assumption that there were no changes in the number of the legal subsidiary's issued common shares during the comparative periods and during the period from the beginning of the period in which the reverse merger occurred to the reverse merger date. The calculation of earnings per share shall be appropriately adjusted to take into account the effect of a change in the number of the legal subsidiary's issued common shares during those periods.

Diluted earnings per share takes into account the potential dilution (using the treasury stock method) that could occur if securities or other contracts to issue common stock were exercised and converted into common stock.

2.20 RETIREMENT BENEFIT COSTS

PRC state managed retirement benefit programs are defined contribution scheme and the payments to the scheme are charged as expenses when employees have rendered service entitling them to the contribution.

2.21 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

2.22 STOCK-BASED COMPENSATION

At March 31st 2010, the Company had no stock-based compensation plans.

2.23 FAIR VALUE OF FINANCIAL INSTRUMENTS

Statement of Financial Accounting Standards No. 107 (SFAS 107), “Disclosures about Fair Value of Financial Instruments” requires disclosure of the fair value of financial instruments held by the Company. SFAS 107 defines the fair value of financial instruments as the amount at which the instrument could be exchanged in a current transaction between willing parties. The Company considers the carrying amount of cash, accounts receivable, other receivables, accounts payable, accrued liabilities, other payables and line of credit to approximate their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest.

Item IV. Management’s discussion and analysis or plan of operation:

Forward Looking Statements

Some of the statements contained in this information statement that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. We urge you to be cautious of the forward-looking statements, that such statements, which are contained in this prospectus, reflect our current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting our operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks we face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events. Factors that may cause actual results, our performance or achievements, or industry results, to differ materially from those contemplated by such forward-looking statements include without limitation:

- Our ability to attract and retain management, and to integrate and maintain technical information and management information systems;
- Our ability to raise capital when needed and on acceptable terms and conditions;
- The intensity of competition; and
- General economic conditions.

All written and oral forward-looking statements made in connection with this Quarterly Report that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

Results of Operations

Results of Operations for the Years Ended March 31, 2010 compared to March 31, 2009

Assets. Our total assets were $82,954,021 at March 31, 2010 compared to $73,499,070 as of March 31, 2009 This increase of assets from March 31, 2009 to March 31, 2010 was primarily as a result of the growth in net earnings and the increase in Shareholders’ additional capital.

Liabilities. Our total liabilities were $12,105,877 at March 31, 2010 compared to $12,634,194 at March 31, 2009. This decrease was primarily due to the improvement of the Company's cash flows during the years.

Total Stockholders' Equity. Our stockholders' equity was $70,848,144 at March 31, 2010 compared to $60,864,876 at March 31, 2009. This increase in equity was primarily as a result of the growth in net earnings and the increase in Shareholders' additional capital.

Gross Profits. For the three months ended March 31, 2010, we had a gross profit of $2,314,716 and Operation Profit of $1,869,346 compared to a gross profit of $2,291,109 and an Operation Profit of US$1,416,025 for the three months ended March 31, 2009. This increase was due to increase on productivities, higher sales margins/profits, direct production costs and general expenses being reduced to an efficient level due to more crops being grown and harvested internally instead of having to buy and sources raw materials from externally sources, also as the maturity of our HU Plantations and our cows reaching better yield cycles that also help to increase productivity while their basic cost of upkeep would increase only marginally at a rate much lower the rate of growth. Managements of the Company is expecting this trend to be sustained for the coming years.

Our net income from operation was $1,453,139 and $1,119,008 for the three months ended March 31, 2010 and 2009, respectively. This increase from 2009 to 2010 was due to an increased profit margin during the three months ended March 31, 2010 compared to the three months ended March 31, 2009.

Interest expense was $117,345 and $117,364 for the three months ended March 31, 2010 and 2009, respectively, there was hardly any increase due to better cash-flow to keep debt facilities from 2009 to 2010 at its minimal.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources and would be considered material to investors. Certain officers and directors of the Company have provided personal guarantees to our various lenders as required for the extension of credit to the Company.

Item V. Legal Proceedings:

The Company is not engaged in any legal proceedings.

Item VI. Default upon senior securities:

None for the period ended March 31, 2010 and through the date of this report.

Item VII. Other Information:

I. Material modification of rights of security holders:

None for the period ended March 31, 2010 and through the date of this report.

A. Entry into a material definitive agreement.

None for the period ended March 31, 2010 and through the date of this report.

B. Termination of material definitive agreement:

None for the period ended March 31, 2010 and through the date of this report.

C. Completion of acquisition or disposition of assets, including but not limited to merger

None for the period ended March 31, 2010 and through the date of this report.

D. Creation of a direct financial obligation or an obligation under an off-balance sheet arrangement of an Issuer:

None for the period ended March 31, 2010 and through the date of this report.

E. Triggering events that accelerate or increase a direct financial obligation or an obligation under an off-balance sheet arrangement:

None for the period ended March 31, 2010 and through the date of this report.

F. Costs associated with exit or disposal activities:

None for the period ended March 31, 2010 and through the date of this report.

G. Material Impairments:

None for the period ended March 31, 2010 and through the date of this report.

H. Sales of equity securities:

None for the period ended March 31, 2010 and through the date of this report.

J. Changes in issuer's certifying accountant

None for the period ended March 31, 2010 and through the date of this report.

K. Non-reliance on previously issued financial statements or a related audit report or completed interim review:

None for the period ended March 31, 2010 and through the date of this report.

L. Changes in control of issuer:

None for the period ended March 31, 2010 and through the date of this report.

M. Departure of directors or officers, election of directors, appointment of principal officers:

None for the period ended March 31, 2010 and through the date of this report.

N. Amendments Article of Incorporation or Bylaws; Change in Fiscal Year:

None for the period ended March 31, 2010 and through the date of this report.

O. Amendments to the Issuer's Code of Ethics or Waiver of a provision of the Code of Ethics:

None for the period ended March 31, 2010 and through the date of this report.

Item XIII. Exhibits

None

Item IX. Issuer's Certification:

I, Solomon Lee, Chief Executive Officer of the issuer, certify that:

a. I have reviewed the Quarterly Report including the financial statements for the period ended March 31, 2010 and the footnotes of Sino Agro Food, Inc.

b. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report; and

c. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented.

May 12, 2010

Solomon Lee
Chief Executive Officer