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DACHAN FOOD (ASIA) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3999)

Announcement of Results for the Three Months Ended 31 March 2011

The board of directors (the "Board") of DaChan Food (Asia) Ltd (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the three months ended 31 March 2011:

Highlights

	Three months ended 31 March		
	2011	2010	% Change
	<i>(unaudited)</i>	<i>(unaudited)</i>	
Turnover (RMB'000)	2,355,656	2,111,898	11.5
Gross Profit (RMB'000)	196,471	123,237	59.4
Gross profit margin (%)	8.3	5.8	
Profit attributable to equity shareholders of the Company (RMB'000)	43,879	10,230	328.9
Basic earnings per share (RMB)	0.04	0.01	300.0

CONSOLIDATED INCOME STATEMENT*(Expressed in RMB '000)*

	Three months ended 31 March	
	2011	2010
	<i>(unaudited)</i>	<i>(unaudited)</i>
Turnover	2,355,656	2,111,898
Cost of sales	(2,159,185)	(1,988,661)
Gross profit	196,471	123,237
Change in fair value of biological assets less cost to sell	947	2,857
Fair value of agricultural produce on initial recognition	11,797	5,193
Reversal of fair value of agricultural produce due to sales and disposals	(13,020)	(6,853)
Other income	3,065	1,299
Other net income	2,359	8,022
Distribution costs	(67,231)	(60,642)
Administrative expenses	(64,293)	(56,002)
Other operating expenses	(830)	(1,234)
Profit from operations	69,265	15,877
Finance costs	(4,070)	(3,701)
Share of losses of equity-accounted investees	(289)	(280)
Profit before taxation	64,906	11,896
Income tax	(7,794)	(2,528)
Profit for the year	57,112	9,368
Attributable to:		
Equity shareholders of the Company	43,879	10,230
Non-controlling interests	13,233	(862)
Profit for the year	57,112	9,368
Earnings per share		
– Basic (RMB)	0.04	0.01
– Diluted (RMB)	0.04	0.01

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in RMB '000)

	31 March 2011 <i>(unaudited)</i>	31 December 2010 <i>(unaudited)</i>
Non-current assets		
Fixed assets		
– property, plant and equipment	1,036,733	1,065,459
– lease prepayments	128,879	121,961
Interests in equity-accounted investees	17,399	8,036
Deferred tax assets	28,374	29,327
	<u>1,211,385</u>	<u>1,224,783</u>
Current assets		
Inventories	891,574	724,606
Biological assets	14,216	13,479
Trade and other receivables	739,429	686,615
Cash and cash equivalents	282,449	408,973
	<u>1,927,668</u>	<u>1,833,673</u>
Current liabilities		
Trade and other payables	842,961	929,271
Interest-bearing borrowings	400,429	259,328
Loan from an associate	–	5,033
Income tax payable	23,623	26,314
	<u>1,267,013</u>	<u>1,219,946</u>
Net current assets	<u>660,655</u>	<u>613,727</u>
Total assets less current liabilities	<u>1,872,040</u>	<u>1,838,510</u>
Non-current liabilities		
Interest-bearing borrowings	5,455	5,810
Deferred tax liabilities	106	106
	<u>5,561</u>	<u>5,916</u>
Net assets	<u>1,866,479</u>	<u>1,832,594</u>
Capital and reserves		
Share capital	97,260	97,259
Reserves	1,520,570	1,494,841
Total equity attributable to shareholders of the Company	<u>1,617,830</u>	<u>1,592,100</u>
Non-controlling interests	248,649	240,494
Total equity	<u>1,866,479</u>	<u>1,832,594</u>

In the first quarter of 2011, the prices of chicken meat had a steady recovery driven by stabilizing pork prices. The Group recorded a turnover of RMB2,355,656,000, an increase of 11.5% from the previous year.

While the prices of chicken meat continued to improve, the Group had further enhanced its food operation, which resulted in significant improvements in both operational performance and profitability in the first quarter as compared with the previous year. During the first quarter of 2011, gross profit grew by 59.4% to RMB196,471,000 while gross profit margin increased to 8.3% from 5.8% in the previous year. During the three months to 31 March 2011, profit attributable to equity shareholders of the Company was RMB43,879,000.

The Group's balance sheet remained solid while its cash holdings continued to stay at a healthy level. Net assets stood at approximately RMB1,866,479,000 as at 31 March 2011, representing a 1.8% increase from 31 December 2010. As at 31 March 2011, the Group's cash and cash equivalents accounted for 9% of total assets, while current ratio and gearing ratio held steady at healthy levels, at 1.5 times and 21.9%, respectively.

In 2011, the Group will step up its focus on research and development to consolidate its leadership position in the provision of quality chicken meat and livestock feeds production. Thanks to promotion of a more modernized agricultural industry as proposed by China's "12th Five Year Plan", a host of agricultural policies will be introduced to help make the Chinese farmer "richer and stronger" by taking the industry to a higher level. The continued increase in national income levels is expected to fuel the growth of China's food and consumer markets further. At the same time, to cope with rising raw material cost pressures, the Group will further optimize its operation, exercise more stringent control on costs and enhance the internal control system. Looking ahead, the Group is well positioned to take advantage of opportunities in this growth industry.

As at the date of this announcement, the Company is a subsidiary of Great Wall Enterprise Co., Ltd, ("Great Wall Enterprise"), a company listed on the Taiwan Stock Exchange Corporation ("TSEC"). Great Wall Enterprise indirectly holds approximately 52.26% equity interest in the Company, hence the operating results of the Group were incorporated into the financial statements of Great Wall Enterprise. Pursuant to Taiwan Securities and Exchange Act and the listing rules of TSEC, Great Wall Enterprise is required to prepare its consolidated quarterly financial reports and to announce its quarterly operating results on its website.

The purpose of this announcement is to disclose the financial information of the Company to the shareholders of the Company and prospective investors in Hong Kong in order to ensure timely disclosure of information in compliance with Rule 13.09 of the Listing Rules.

PURCHASES, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's consolidated financial statements for the three months ended 31 March 2011, including the principles adopted by the Group.

By Order of the Board

Han Jia-Hwan

Chairman

Hong Kong, 28 April 2011

As at the date of this announcement, Mr. Han Jia-Hwan (Chairman), Mr. Chen Fu-Shih and Mr. Shu Edward Cho-Shen are the executive Directors, Mr. Han Chia-Yau, Mr. Harn Jia-Chen, Mr. Nicholas William Rosa and Mr. Chao Tien-Shin are the non-executive Directors, and Mr. Way Yung-Do, Mr. Liu Fuchun and Dr. Chen Chih are the independent non-executive Directors.