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DACHAN FOOD (ASIA) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3999)

RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2009

The directors (the “Directors”) of DaChan Food (Asia) Limited (the “Company”) are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2009.

HIGHLIGHTS

	Three months ended		
	2009 (January to March) (unaudited)	2008 (January to March) <i>(unaudited)</i>	2008 (October to December) <i>(unaudited)</i>
Turnover (<i>USD '000</i>)	272,912	295,068	309,888
Gross profit (<i>USD '000</i>)	22,519	25,651	14,534
Gross profit margin (%)	8.3	8.7	4.7
Profit attributable to equity shareholders (<i>USD '000</i>)	3,368	8,388	-1,417
Basic earnings per share (<i>US cents</i>)	0.33	0.83	-0.14

This announcement is made as part of the Company’s adopted practice to publish its financial results quarterly and pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

CONSOLIDATED INCOME STATEMENT
for the three months ended 31 March 2009
(Expressed in United States dollars)

	Three months ended		
	2009 <i>USD'000</i> (January to March) <i>(unaudited)</i>	2008 <i>USD'000</i> (January to March) <i>(unaudited)</i>	2008 <i>USD'000</i> (October to December) <i>(unaudited)</i>
Turnover	272,912	295,068	309,888
Cost of sales	(250,393)	(269,417)	(295,354)
Gross profit	22,519	25,651	14,534
Change in fair value of biological assets			
less estimated point-of-sale costs	438	83	(420)
Fair value of agricultural produce on initial recognition	680	3,325	861
Reversal of fair value of agricultural produce due to sales and disposals	(1,004)	(1,968)	(1,744)
Other income	1,471	4,346	539
Distribution costs	(7,667)	(7,378)	(7,002)
Administrative expenses	(9,812)	(8,406)	(4,158)
Other operating expenses	(631)	(1,185)	(1,980)
Profit from operations	5,994	14,468	630
Finance costs	(556)	(1,130)	(1,398)
Share of losses of jointly controlled entities	–	(550)	–
Profit before taxation	5,438	12,788	(768)
Income tax	(1,148)	(2,642)	(1,185)
Profit for the year	4,290	10,146	(1,953)
Attributable to:			
Equity shareholders of the Company	3,368	8,388	(1,417)
Minority interests	922	1,758	(536)
Profit for the year	4,290	10,146	(1,953)
Earnings per share			
– Basic (cents)	0.33	0.83	-0.14
– Diluted (cents)	N/A	N/A	N/A

CONSOLIDATED BALANCE SHEET

(Expressed in United States dollars)

	31 March 2009 USD'000 (unaudited)	31 December 2008 USD'000 (audited)
Non-current assets		
Fixed assets		
– property, plant and equipment	149,365	145,593
– lease prepayments	18,416	17,999
Deferred tax assets	757	759
	<u>168,538</u>	<u>164,351</u>
Current assets		
Inventories	75,199	73,825
Biological assets	2,357	1,841
Trade and other receivables	70,784	66,377
Income tax recoverable	628	979
Pledged bank deposits	2,036	1,253
Cash and cash equivalents	53,943	60,505
	<u>204,947</u>	<u>204,780</u>
Current liabilities		
Interest-bearing borrowings	17,891	23,145
Trade and other payables	99,218	91,364
Amounts due to related parties	449	867
Income tax payable	3,867	3,332
	<u>121,425</u>	<u>118,708</u>
Net current assets	<u>83,522</u>	<u>86,072</u>
Total assets less current liabilities	<u>252,060</u>	<u>250,423</u>
Non-current liabilities		
Interest-bearing borrowings	3,073	6,145
Deferred tax liabilities	21	22
	<u>3,094</u>	<u>6,167</u>
Net assets	<u>248,966</u>	<u>244,256</u>

CONSOLIDATED BALANCE SHEET

(Expressed in United States dollars)

	31 March 2009 USD'000 (unaudited)	31 December 2008 USD'000 (audited)
Capital and reserves		
Share capital	12,957	12,957
Reserves	207,888	203,959
Total equity attributable to equity shareholders of the Company	220,845	216,916
Minority interests	28,121	27,340
Total equity	248,966	244,256

In view of the deteriorating economic environment and declining market sentiment brought about by the unprecedented credit crisis in the second half of 2008, the Group has adopted a tightened risk management policy as well as stringent cost control measures. As a result, the Group experienced a solid rebound in terms of operational performance and profitability in first quarter of 2009. During the period, gross profit achieved a growth of 54.9% quarter-on-quarter, while gross profit margin increased by 3.6% points to 8.3% in the quarter from the quarter ended 31 December 2008. On account of such improvements, the Group managed to turn around its financial results into the projected track in the quarter compared that of the fourth quarter of 2008.

However, in comparison with the same period of last year, the Group recorded turnover of USD272,912 thousand (equivalent to about HKD2,115,068 thousand) for the three months ended 31 March 2009, representing a year-on-year decrease of 7.5%. Gross profit and profit attributable to equity shareholders were USD22,519 thousand (equivalent to about HKD174,522 thousand) and USD3,368 thousand (equivalent to about HKD26,102 thousand) respectively. Gross profit margin was maintained at a healthy level at 8.3% in first quarter of 2009.

The decrease in financial performance was attributable to (1) a comparatively higher base in the first quarter of 2008 which recorded exceptionally strong performance, (2) the exchange gain recognized due to appreciation of Renminbi in the first quarter of 2008, (3) strong surges in the prices of chickens seen in the beginning of last year has come down and (4) significant declines in the fair value of agricultural products on initial recognition.

The Group's balance sheet remains solid and its cash holdings are at a healthy level. Net assets increased by approximately USD4,710 thousand (equivalent to about HKD36,503 thousand) from approximately USD244,256 thousand (equivalent to about HKD1,892,984 thousand) as at 31 December 2008 to

approximately USD248,966 thousand (equivalent to about HKD1,929,487 thousand) as at 31 March 2009. As at 31 March 2009, the Group's cash and cash equivalents stood at 14.4% of total assets, while current ratio and gearing ratio held steady at healthy levels at 1.7 times and 8.5%, respectively.

2009 is a year of challenge. In 2009, the Group will focus on strengthening its competitive edge and consolidate its leadership position in quality chicken meat and livestock feeds production. With the continued increase in income nationally and the stimulus package introduced by the Chinese government to boost consumer spending, we expect the food and consumption market will continue to grow in China. It is well-positioned to capitalize the industry's promising growth prospect in the long run.

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**"), holding approximately 52.32% equity interest in the Company through two of its wholly owned subsidiaries, namely, Waverley Star Limited (holding approximately 37.19%) and Asia Nutrition Technologies Corporation (holding approximately 15.13%). 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 the website. As the Company is an indirect subsidiary of Great Wall Enterprise, the operating results of the Group were incorporated into the financial statements of Great Wall Enterprise.

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 2009, including the principles adopted by the Group.

By Order of the Board
Han Jia-Hwan
Chairman

Hong Kong, 27 April 2009

As at the date of this announcement, Mr. Han Jia-Hwan (Chairman), Mr. Chang Tsee-Shen (Chief Executive Officer) and Mr. Chen Fu-Shih 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. Liu Fuchun, Dr. Chen Chih and Mr. Way Yung-Do are the independent non-executive Directors.