

CHINA KANGDA FOOD COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Company Registration No.: 38299)

**EMPHASIS OF MATTER BY AUDITORS ON THE FINANCIAL STATEMENTS
FOR FINANCIAL YEAR ENDED 31 DECEMBER 2013**

In compliance with Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Board of Directors wishes to announce that the independent joint auditors of the Company, BDO Limited and BDO LLP (the “Auditors”), have an emphasis of matter in their Independent Joint Auditors’ Report for the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2013 (the “Financial Statements”). The opinion of the Auditors, however, remains unqualified.

Please refer to the copy of the Independent Auditor’s Report.

By Order of the Board of Directors

Fong William

Company Secretary

25 March 2014

**INDEPENDENT JOINT AUDITORS' REPORT
TO THE SHAREHOLDERS OF CHINA KANGDA FOOD COMPANY LIMITED**
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of China Kangda Food Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 48 to 109, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2013, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of the financial performance and cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards.

EMPHASIS OF MATTER

We draw attention to the financial statements which indicates that the Group's current liabilities exceeded its current assets by approximately RMB80.2 million as at 31 December 2013. This condition, along with other matters as set forth in note 3(b), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

BDO LLP
Public Accountants and Chartered Accountants
21 Merchant Road
#05-01
Singapore 058267

BDO Limited
Certified Public Accountants
25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

25 March 2014

25 March 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF CHINA KANGDA FOOD COMPANY LIMITED**
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Kangda Food Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 48 to 109, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the consolidated statement of comprehensive income, the consolidated and company statements of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

We draw attention to the financial statements which indicates that the Group's current liabilities exceeded its current assets by approximately RMB80.2 million as at 31 December 2013. This condition, along with other matters as set forth in note 3(b), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

BDO Limited
Certified Public Accountants

Li Wing Yin
Practising Certificate Number P05035

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

25 March 2014