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CHINA KANGDA FOOD COMPANY LIMITED

中國康大食品有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code (Primary Listing): 834)

(Singapore Stock Code (Secondary Listing): P74)

PROFIT WARNING

This announcement is made by China Kangda Food Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on a preliminary review of the unaudited management accounts of the Group for the year ended 31 December 2020 (“**FY 2020**”) and information currently available, it is expected the Group will record a net loss attributable to the shareholders of the Company of around RMB36 million for FY 2020 as compared to the net profit attributable to the shareholders of the Company of approximately RMB4.4 million for the year ended 31 December 2019 (“**FY 2019**”). The reasons for the turnaround from net profit to net loss were mainly attributable to the recognition of net loss arising from changes in fair value less estimated costs to sell of biological assets (FY 2019: net fair value gain of approximately RMB34.9 million) as a result of a decline in market price of broiler and the recognition of impairment loss on the under-utilised or obsolete properties, plants, equipment and right-of-use assets related to certain broiler farms, which cannot meet the environmental protection requirements.

The Company is still in the process of finalising the consolidated results of the Group for FY 2020. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited management accounts of the Group for FY 2020 and information currently available and the same has not been audited by the auditors of the Company. Details of the Group's annual results for FY 2020 will be disclosed in the annual results announcement, which is expected to be announced on 29 March 2021.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board

China Kangda Food Company Limited

Fang Yu

Chairman, Executive Director and Chief Executive Officer

Hong Kong, 16 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Fang Yu (Chief Executive Officer and Chairman), Mr. An Fengjun, Mr. Gao Yanxu, Mr. Luo Zhenwu and Mr. Li Wei; and the independent non-executive directors of the Company are Mr. Chan Ka Yin, Mr. Li Xu and Ms. Hui Wing Man.