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CHINA PUTIAN FOOD HOLDING LIMITED

中國普甜食品控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01699)

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This announcement is made by China Putian Food Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2) and 13.49(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 20 March 2023 in relation to the meeting of the board (the “**Board**”) of directors (the “**Directors**”) of the Company originally scheduled to be held on 31 March 2023 (the “**Board Meeting**”) for the purpose of, among other matters, considering and approving the annual results of the Group for the year ended 31 December 2022 (the “**2022 Annual Results**”).

DELAY IN PUBLICATION OF AUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

Pursuant to Rule 13.49(1) of the Listing Rules, the Company is required to publish an announcement for the 2022 Annual Results not later than three months after the end of the financial year of the Company, i.e. on or before 31 March 2023. Under Rule 13.49(2) of the Listing Rules, the preliminary announcement in relation to the 2022 Annual Results shall be based on the Company's financial statements for the year ended 31 December 2022 which shall have been agreed with the auditors of the Company (the "**Auditors**").

The Board hereby announces that the publication of the 2022 Annual Results will be delayed. The reason for such delay is that additional time is required for addressing certain outstanding requests raised by the Auditors to the Board and the audit committee of the Company in respect of (i) the Expected Credit Loss ("**ECL**") provision relating to the long outstanding accounts receivables of the Group and (ii) a possible further substantial impairment loss on non-current assets of the Group's cash generating units under a fair value assessment test. Hence, it is expected that, subject to any unforeseeable circumstances and assuming that the audit procedure will be completed on or before 28 April 2023, the 2022 Annual Results will be published on or before 28 April 2023. Due to the delay in the publication of the 2022 Annual Results, it is expected that, subject to any unforeseeable circumstances, the annual report of the Group for the year ended 31 December 2022 will be despatched on or before 19 May 2023. As a result of the further delay in publication of the 2022 Annual Results and despatch of the annual report of the Group for the year ended 31 December 2022, it is expected that the Board Meeting and the convening of the annual general meeting of the Company will be postponed accordingly.

The Board acknowledges that any delay in publishing the announcement in relation to the 2022 Annual Results will constitute non-compliance with Rule 13.49(1) of the Listing Rules.

Rule 13.49(3) of the Listing Rules provides that where an issuer is unable to issue its preliminary results in accordance with Rules 13.49(1) and (2) of the Listing Rules, it must announce its results based on the financial results that have yet to be agreed with the auditors (so far as the information is available).

After due and careful consideration, the Board is of the view that it may not be appropriate for the Company to publish the unaudited management accounts of the Group for the year ended 31 December 2022 at this stage as they may not accurately reflect the financial performance and position of the Group, and their publication may be misleading and/or confusing to the shareholders ("**Shareholders**") and potential investors of the Company.

PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that based on a preliminary review of the Group's unaudited consolidated management accounts for year ended 31 December 2022 (the "Year"), the Group is expected to record a loss in the consolidated financial results of the Company for the Year of not less than RMB350 million as compared to the loss of a consolidated financial results of the Company for the year ended 31 December 2021 of approximately RMB266.46 million, representing an increase in loss of at least approximately 31.35% as compared with the year ended 31 December 2021. The Board considers that such changes are mainly due to the following losses being recorded for the Year:

- (1) the ECL provision relating to the long outstanding accounts receivables of the Group; and
- (2) a possible further substantial impairment loss on non-current assets of the Group's cash generating units under a fair value assessment test.

The Company is still in the process of finalising the 2022 Annual Results. The information contained in this announcement is only a preliminary assessment by management of the Company based on information currently available to the Board, including the Group's unaudited consolidated management accounts for the Year, and is not based on any figures or information which have been audited or reviewed by the Company's auditors, and is therefore subject to adjustments.

EXPECTED DISCLAIMER OF OPINION

As published in the Group's consolidated financial statements for the year ended 31 December 2021 and for the period ended 30 June 2022, the Group's current liabilities exceeded its current assets by approximately RMB81,166,000 and RMB213,668,000 respectively. As disclosed in the annual results of the Group for the year ended 31 December 2021, the Group's borrowings included borrowings of approximately RMB218,567,000 owed to Vandí Investments Limited, an indirectly and wholly-owned subsidiary of CCB International (Holdings) Limited, under the 5% secured Convertible Bond in the aggregate principal amount of HK\$150 million and the 6% secured non-convertible Note in the aggregate principle amount of HK\$110 million, which matured on 31 May 2022, and other remaining borrowings whose maturity dates were within one year. The Company is still in the process of negotiating with Vandí Investments Limited for the extension of the maturity date.

In view of the Group's existing cashflow situation, the Directors have been undertaking certain measures and arrangements to improve the Group's liquidity and financial position so that the Group will have sufficient working capital to meet its financial obligations as and when they fall due. However, subject to multiple uncertainties relating to the Group's ability to continue as a going concern, it is expected that the Auditors will render a disclaimer of opinion on the consolidated financial statement of the Group for the 2022 Annual Results on such basis.

POSTPONEMENT OF THE BOARD MEETING

The Board hereby announces that the Board Meeting will be postponed to 28 April 2023 for the purpose of, among others, (i) considering and (if appropriate) approving the annual results of the Company and its subsidiaries for the year ended 31 December 2022, and (ii) approving the publication of the same on the websites of the Stock Exchange and the Company.

SUSPENSION OF TRADING

Pursuant to Rule 13.50 of the Listing Rules, the Stock Exchange will normally require suspension of trading in an issuer's securities if an issuer fails to publish periodic financial information in accordance with the Listing Rules, and the suspension will normally remain in force until the issuer publishes an announcement containing the requisite financial information.

Accordingly, trading in the shares of the Company on the Stock Exchange is currently expected to be suspended with effect from 9:00 a.m. on 3 April 2023 until the publication of the 2022 Annual Results.

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

By order of the Board
China Putian Food Holding Limited
CAI Chenyang
Chairman

Hong Kong, 29 March 2023

As at the date of this announcement, the Board comprises Mr. CAI Chenyang, Mr. CAI Haifang and Ms. MA Yilin as executive Directors, Mr. CHENG Lian and Mr. CAI Zhiwei as non-executive Directors and Mr. XUE Chaochao, Mr. KE Qingming and Mr. WANG Aiguo as independent non-executive Directors.