8 April 2008

China Food Company Plc

("China Food" or "the Company")

Preliminary Results for the year ended 31 December 2007

China Food (AIM: CFC.L), an established manufacturer of branded consumer condiment products and animal feeds based in the Shandong province of the People's Republic of China (the "PRC"), is today pleased to announce its unaudited Preliminary Results for the year ended 31 December 2007.

Summary Financial Results

	Year ended 31.12.07	Year ended 31.12.06	Percentage Change
Revenue	**£25.3m**	£19.3m	+31.1
EBITDA	**£8.1m**	£6.5m	+24.6
Profit before taxation	**£7.5m**	£6.1m	+23.7
Profit after taxation	**£5.3m**	£4.4m	+20.2
Cash and cash equivalents	**£7.3m**	£3.7m	+98.8
Net assets	**£16.9m**	£10.5m	+60.8
Earnings per share	**14.45p**	12.88p	+12.2

Highlights:

- Successful completion of reverse takeover of the Full Fortune Group into the AIM-quoted Vestpa Plc and name changed to China Food Company Plc
- Construction of the Group's new state-of-the-art facility in Shou Guang City, Weifang, Shandong province in the PRC, remains on track for completion and commissioning in late 2008 and will significantly increase production capacity
- Group's condiment products comprising mainly soya sauce, vinegar and bean paste, and its animal feed range covering premix, concentrate and compound feedstuffs, continue to sell well
- Both business divisions continued to grow with revenues from animal feeds totalling £13.4 million and condiments £11.9 million
- Profit before tax increased by 23.7 per cent. to £7.5 million
- Earnings per share increased by 12.2 per cent. to 14.45p
- The Group's "Fushi Hao Tai Tai" trademark was named as one of China's top 50 brands with respect to soya sauce and vinegar products in recent industry awards
- Appointment of Derek Marsh as Non-executive Director

John McLean, Chairman of China Food Company Plc, today commented:

"It is pleasing to report that both of China Food's businesses continued to perform well during the year resulting in strong earnings growth of over 12 per cent. We are delighted with the progress the Company has made in the current financial year to date which is in line with management expectations and look forward to the new Shou Guang City facility coming on stream at the end of 2008 which will provide a solid platform for the continued growth of China Food."

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China Food Company Plc

Chairman's Statement

Overview

On 10 December 2007, following shareholder approval, Vestpa Plc ("Vestpa") successfully completed its reverse acquisition of Full Fortune Holdings Pte. Limited ("Full Fortune"), together with its subsidiaries (the "Full Fortune Group"), following which its core business became the manufacture and distribution of animal feed and condiments products in the Shandong province of the People's Republic of China (the "PRC"). Reflecting this change in principal activity, and successful implementation of its investing strategy, the Company aptly, renamed itself as China Food Company Plc.

The Full Fortune Group was acquired for a consideration of approximately £25.2 million, which equated to an historic price to earnings multiple of approximately 5.7 times. The consideration was satisfied through the issuance of 40,333,333 new ordinary shares in Vestpa Plc and a cash payment of £5 million. As a consequence, the vendors of the Full Fortune Group became the majority shareholders of the Company i.e. a reverse takeover. In accordance with the reverse acquisition accounting policy adopted by the Company (further details of which are set out in Note 2 below), the financial statements include the results of Full Fortune and its subsidiaries, as if it were the acquirer, for the entire twelve month period and the results of China Food, as if it were the acquired company, from 10 December 2007 to 31 December 2007.

The Group produces a range of products under Full Fortune's "Fushi" and "Fushi Hao Tai Tai" brand names from its current 28,294 square metre factory site in Weifang City with a total built-up area of approximately 17,663 square metres. The Group has land use rights covering an area of 199,657 square metres for new premises in Shou Guang City and a new manufacturing facility for the Company is currently in the course of construction. This new plant will increase production capacity for the Group's condiment products by 50 per cent. from 100,000 to 150,000 tonnes per annum and is expected to be completed and commissioned during the second half of the current financial year.

China Food operates in one of the fastest growing segments within the PRC's food industry reflecting the increasing purchasing power of Chinese consumers. Annual sales for this market segment are estimated to have grown from RMB59 billion in 2004 to RMB100 billion in 2006 (approximately £6.9 billion at the 2007 year end RMB to £ exchange rate).

The Company's primary market for its condiment products is Weifang, but it also sells to other cities within Shandong, China's second largest province, as well as to neighbouring provinces including Henan, Jiangsu, Anhui, Hebei, Tianjin, Beijing and Liaoning. Its condiments brands are believed to hold a leading market position in Weifang and a significant share of the wider Shandong marketplace.

The Company sells its condiments range via a network of approximately 200 distributors, retailers and numerous outlets of large and medium sized supermarket chains in ten provinces and municipal cities in the north-eastern region of the PRC, including Wal Mart, Carrefour, Shiji Lianhua and Jialejia.

The Group's animal feed business manufactures higher-margin Premix and Concentrate Feed, and Compound Feed, operating two fully automated production lines at a 15,000 square metre plant in Shou Guang City, Shandong. Shandong is one of the largest agricultural and livestock provinces in East China and the Company principally sells its feedstuffs to approximately 200 distributors, mostly comprising small distributorships located in neighbouring towns or villages.

2007 Performance

	Year ended 31 December 2007	Year ended 31 December 2006	Percentage Change
	£	£	
Revenue	25,268,223	19,273,479	+31.1%
Profit after tax	5,333,243	4,437,017	+20.2%
Gross profit margin	35.3%	35.1%	
Net profit margin	21.1%	23.0%	

The results for the financial year ended 31 December 2007 show turnover of £25.3 million (2006: £19.3 million) and profit after tax of £5.3 million (2006: £4.4 million). This represents annual growth of approximately 31.1 per cent. in turnover and 20.2 per cent. in profit after tax respectively.

Gross margin improved slightly from 35.1 per cent. to 35.3 per cent., while net profit margin dropped from 23.0 per cent. to 21.1 per cent.. The decline in net profit margin is largely due to higher corporate overheads in preparation for the listing.

Business Segments

	Year ended 31 December 2007			Year ended 31 December 2006		
	Animal feed	Condiments	Total	Animal feed	Condiments	Total
	£	£	£	£	£	£
Segment revenue						
Sales to external customers	13,417,031	11,851,192	25,268,223	10,581,638	8,691,841	19,273,479
Segment result	2,662,366	5,530,260	8,192,626	2,152,446	4,103,417	6,255,863

From a segmental perspective, the animal feeds business continued to account for the majority of the Group's revenue comprising 53.1 per cent. of total turnover or £13.4 million, with condiments representing the balance of £11.9 million. However, the condiments business contributed profits of £5.5 million which is approximately double the level of profits achieved by the animal feeds business.

While both business divisions are performing well, the Group's strategy is to focus primarily on the condiments business as a platform for the Group's future growth. The margins achievable from the food condiments business are both higher and more sustainable. The trademarked "Fushi Hao Tai Tai" brand, offers a greater opportunity for the Group to penetrate new markets and charge a premium price for its products. In recent industry awards, "Fushi Hao Tai Tai" was named as one of the top 50 Chinese brands with respect to soya sauce and vinegar products.

In summary, despite the increased expenses incurred in connection with the implementation of the reverse takeover, the Group performed well achieving earnings per share of 14.45 pence (2006: 12.88 pence), representing growth of approximately 12.2 per cent.

Strategy and Outlook

The Group's existing condiments manufacturing facility is currently running at near 100 per cent. of its designed production capacity. Accordingly, the Group's primary strategy is to increase the production capacity for the condiments business and raise the brand positioning of its products. To address the Group's capacity constraints, the Board intends to introduce both a new production line for pre-mix animal feed and a new state-of-the-art 50,000-tonnes capacity soya sauce factory. The pre-mix production line is expected to be operational in the second half of 2008 while completion and commissioning of the new soya sauce factory is anticipated to occur by the end of the year.

To take full advantage of the new factory and the Group's range of premium products, the Group has begun a process of brand repositioning. This process includes increasing prices, re-designing product packaging and a revised advertising and marketing strategy. The Group also intends to strengthen its sales and marketing team as it begins to more aggressively target regional expansion.

While construction and commissioning of our new factory in Shou Guang City will continue throughout the remainder of 2008, we expect the condiments business to maintain its current operating level during the period as we implement our strategy to improve the brand positioning of our products and further develop our range of premium items. Our aim is to maximise revenue and profit generation from our existing production facilities and prepare the market for the premium products that we will be in a position to launch when our new soya sauce factory becomes fully operational.

New Shou Guang City complex

Our new complex in Shou Guang City spans an initial area of 199,657 square metres with rights over an adjoining area of 67,009 square metres for potential future expansion (266,666 square metres in aggregate, which, to put this into perspective, is equivalent to the average size of 25 football fields) and is expected to be completed in late 2008. The complex will house, *inter alia*, our new corporate headquarters, 89,000 square metres of production facilities and 17,000 square metres of warehousing. As at 31 December 2007, the Group had already invested RMB199 million (approximately £13.7 million at the 2007 year end RMB to £ exchange rate) in the project. The capital investment required is being funded through a combination of the proceeds from the listing, internal Group resources and bank facilities.

As part of the Shou Guang City complex, we are building our new 50,000-tonnes soya sauce factory which is scheduled to be operational by the end of this year. This facility will produce mid to high grade soya sauce targeted at the increasingly affluent and more discerning population in China. This market segment is less sensitive to the widespread inflation that China is currently facing and we foresee this business making a significant contribution towards next year's results.

Corporate Developments

Following completion of the reverse takeover on 10 December 2007, the board of directors was reconstituted. In addition to the appointment of an international set of executive directors associated with Full Fortune comprising, Raphael Tham (CEO), Feng

Bo (COO) and Frank Chau (CFO), we also invited Derek Marsh, to join the Board as a non-executive director. Derek has extensive experience in Asia and in particular in both the commercial and political sectors in China. James Cane and Thomas Vaughan stepped down from the board and I take this opportunity to thank each of them for their support and dedication in assisting Vestpa in successfully implementing its investment strategy.

To complement and support the new Board, we have also introduced a new team of professional advisers. In particular, with the appointment of our new auditors, Grant Thornton UK LLP and our internal auditors, BDO Raffles Consultants Pte. Limited, the Board is committed to maintaining a high standard of corporate governance, financial controls and reporting systems.

Outlook

We are delighted with the progress that the Company has made in the current financial year to date which is in line with management expectations and look forward to the new Shou Guang City facility coming on stream at the end of 2008 which will provide a solid platform for the continued prosperous growth of China Food.

John McLean
Chairman

8 April 2008

China Food Company Plc
Unaudited Consolidated Income Statement
For the year ended 31 December 2007

	Year ended 31 December 2007	Year ended 31 December 2006
	£	£
Revenue	25,268,223	19,273,479
Cost of sales	(16,356,400)	(12,502,090)
Gross profit	8,911,823	6,771,389
Other operating income	77,083	3,724
Selling and marketing costs	(476,839)	(296,795)
Administrative costs	(820,470)	(257,329)
Operating result	7,691,597	6,220,989
Finance costs	(245,808)	(165,198)
Finance income	74,496	21,503
Profit before tax	7,520,285	6,077,294
Taxation	(2,187,042)	(1,640,277)
Profit for the year	5,333,243	4,437,017
Earnings per share		
Basic and fully diluted (pence)	14.45	12.88

There are no discontinued operations.

China Food Company Plc
Unaudited Consolidated Balance Sheet
As at 31 December 2007

	As at 31 December 2007 £	As at 31 December 2006 £
ASSETS		
Non-current assets		
Property, plant and equipment	11,176,170	4,092,597
Land use rights lease prepayments	6,393,551	5,987,714
Total non-current assets	17,569,721	10,080,311
Current assets		
Inventories	576,319	287,720
Land use rights lease prepayments	113,811	107,374
Trade and other receivables	578,338	401,007
Convertible loan receivables	-	166,217
Restricted cash	-	1,155,541
Cash and cash equivalents	7,269,551	3,656,601
Total current assets	8,538,019	5,774,460
Total assets	26,107,740	15,854,771
LIABILITIES		
Current liabilities		
Trade and other payables	3,978,481	1,357,766
Bank loans	1,339,372	1,742,504
Earnest money from a potential investor	-	1,155,541
Current portion of shareholders' loans	546,868	468,690
Current tax payable	737,807	585,407
Total current liabilities	6,602,528	5,309,908
Net current assets	1,935,491	464,552
Total assets less current liabilities	19,505,212	10,544,863
Non-current liabilities		
Shareholder's loan	2,550,464	-
	2,550,464	-
Net assets	16,954,748	10,544,863
EQUITY		
Share capital	2,656,000	3,425
Share premium account	25,677,529	-
PRC statutory reserve	1,806,903	1,219,197
Reverse acquisition reserve	(23,991,766)	-
Shares to be issued reserve	50,000	-
Foreign exchange translation reserve	334,688	(453,024)
Merger reserve	2,216,046	2,216,046
Retained profits	8,205,348	7,559,219
	16,954,748	10,544,863

China Food Company Plc
Unaudited Consolidated Cash Flow Statement
For the year ended 31 December 2007

	Year ended 31 December 2007 £	Year ended 31 December 2006 £
Cash flows from operating activities		
Profit before tax	7,520,285	6,077,294
Adjustments for:		
Depreciation	227,280	234,623
Amortisation	108,244	28,060
Loss on disposal of fixed assets	6,595	1,187
Reversal of impairment loss	(1,284)	(3,511)
Interest expenses	245,808	164,149
Other income	(151,579)	(21,503)
Operating profit before changes in working capital	7,955,349	6,480,299
Changes in working capital		
Inventories	(288,599)	35,336
Trade and other receivables	512,056	600,301
Trade and other payables	1,948,410	141,534
Cash generated from operating activities	10,127,216	7,257,470
Interest received	93,774	17,972
Income taxes paid	(2,034,642)	(1,311,211)
Net cash from operating activities	8,186,348	5,964,231
Cash flows from investing activities		
Decrease in merger reserve	-	(68,088)
Acquisition of business	(1,129,737)	-
Net cash and cash equivalents acquired with business	2,914,029	-
Purchase of property, plant and equipment	(6,752,193)	(991,128)
Convertible loan receivable	167,113	(166,217)
Proceeds from sale of plant and equipment	3,414	10,213
Payment for acquisition of land use rights	(169,411)	(4,766,185)
Proceeds from sale of business license	65,663	-
Net cash used in investing activities	(4,901,122)	(5,981,405)
Cash flows from financing activities		
New bank loan raised	39,398	(170,221)
Repayment of bank loan	(517,425)	-
Issue of shares of Full Fortune	2,492,494	3,424
Net proceeds from shareholders' loans	2,474,629	481,899
Interest paid	(153,377)	(138,489)
Dividend paid	(4,103,945)	-
Net cash generated from financing activities	231,774	176,613
Net increase in cash and cash equivalents	3,517,000	159,439
Effect of foreign exchange rate changes	95,950	(301,954)
Cash and cash equivalents at beginning of period	3,656,601	3,799,116
Cash and cash equivalents at end of period	7,269,551	3,656,601

China Food Company Plc
Notes to the Preliminary Announcement
For the year ended 31 December 2007

1. Publication of non-statutory accounts

The unaudited financial information set out in this preliminary announcement does not constitute statutory accounts as defined in section 240 of the Companies Act 1985.

The consolidated balance sheet at 31 December 2007, and the consolidated income statement, consolidated cash flow statement and associated notes for the period then ended have been extracted from the Group's financial statements for the year ended 31 December 2007. Those financial statements have not yet been delivered to the Registrar of Companies, nor have the auditors reported on them.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") and under the historical cost convention, except that they have been modified to include the revaluation of certain financial assets and liabilities.

Reverse acquisition accounting

In December 2007, the company successfully completed the acquisition of Full Fortune and its subsidiaries by an issuance of 40,333,333 new ordinary shares of the company and cash consideration of £5,000,000.

Due to the relative values of the companies, the former Full Fortune shareholders became majority shareholders with 60.74 per cent. of the enlarged ordinary share capital in China Food, and the executive management of the Full Fortune Group became that of China Food. Accordingly, the acquisition constitutes a reverse takeover under the AIM Rules for Companies.

In determining the appropriate accounting treatment for the reverse takeover, the Directors have considered the Application Supplement to IFRS 3, *Business Combinations.* However, they have concluded that this transaction falls outside of the scope of IFRS 3, since China Food, whose activities prior to the acquisition were limited to the management of cash resources and the maintenance of its listing, did not constitute a business. It has therefore been determined that the transaction should be accounted for in a manner that is similar to the reverse accounting as described in IFRS 3, but without recognising goodwill.

In accordance with IAS 8 *Accounting Policies, changes in Accounting Estimates and Errors*, in developing an appropriate accounting policy the Directors have considered the pronouncements of other standard-setting bodies and specifically looked to US Generally Accepted Accounting Principles ("US GAAP") for guidance (Interpretation 141 17-3,4). Under US GAAP such a transaction is treated as an equity issuance by the operating entity (in this case Full Fortune). As a result, the cost of the combination is deemed to equal the net monetary assets of the acquiree (China Food) plus transaction costs.

As a consequence of applying the reverse acquisition accounting policy described, the current period figures shown consist of the results of Full Fortune and its subsidiaries for the entire twelve month period and incorporate those of China Food from 10 December 2007 to 31 December 2007. The comparative information presented comprises the consolidated results and balance sheet of the Full Fortune Group for the year ended 31 December 2006.

Notional consideration for the reverse acquisition of China Food, reflecting the fair value of the net assets acquired and the transaction costs (in accordance with the US GAAP pooling of interest-type accounting treatment), is set out in the following table:

	Acquisition amounts £
Trade and other receivables	695,961
Bank	2,914,029
Trade and other payables	(579,874)
Net assets	3,030,116
Acquisition costs	1,129,737
Total cost of acquisition	**4,159,853**

The net cash flows in the period arising on the acquisition were:	
Acquisition costs	(1,129,737)
Net cash acquired	2,914,029
Net cash inflow	**1,784,292**

3. Income tax

The major components of the income tax expense are as follows:

	Year ended 31 December 2007 £	**Year ended 31 December 2006 £**
Current income tax		
Provision for PRC Enterprise Income Tax	2,187,042	1,640,277
Income tax expense recognised in the income statement	2,187,042	1,640,277

Full Fortune is subject to a Singapore Income Tax rate of 18%. As Full Fortune has no trading income, the expenses incurred cannot be carried forward as tax losses.

Fu-Rich is subject to a PRC Enterprise Income Tax rate of 33%.

Fuss Feed is regarded as a high new technology enterprise with overseas investment and is subject to a reduced PRC Enterprise Income Tax rate of 15%.

With effect from 1 January 2008, both Fu-Rich and Fuss Feed are subject to a unified PRC Enterprise Income Tax rate of 25%.

Fuss Biotech is not subject to a PRC Enterprise Income Tax as it has not yet commenced trading for the year ended 31 December 2007.

4. Earnings per share and dividends

	Year ended 31 December 2007 pence	Year ended 31 December 2006 Pence
Basic and fully diluted earnings per ordinary share	14.45	12.88

The weighted average number of ordinary shares in issue has been subject to a number of changes during the period; on 9 December 2007 the share capital of China Food was subject to a 1:40 share consolidation and in addition 16,666,667 subscription shares and 40,333,333 ordinary shares were issued as part of the reverse acquisition by Full Fortune and an issuance of 149,991 ordinary shares was made to Strand Partners Securities Limited ("Strand Partners") as partial settlement of their advisory fees.

On 5 November 2007, Full Fortune issued 1,712 new ordinary shares and the total number of shares in issue therefore increased from 10,000 to 11,712. The weighted average number of shares also reflects the changes in Full Fortune's issued share capital in accordance with IFRS 3.

As reverse acquisition accounting has been adopted as the basis of consolidation, earnings per share has been calculated on a weighted average number of shares of 36,913,304 (2006: 34,437,614); i.e. 34,437,614 for the period 1 January 2007 to 5 November 2007, 40,333,333 for the period 6 November 2007 to 9 December 2007 and 66,399,991 for the period 10 December 2007 to 31 December 2007, and on attributable earnings of £5,333,243 (2006: £4,437,017).

The Dilutive effect of the warrant granted to Strand Partners to subscribe for 1,328,000 shares at a price of 50 pence per share has no impact on the calculation of earnings per share. There were no potential dilutive share arrangements in place in 2006.

Prior to the completion of the reverse takeover, the Full Fortune Group paid dividends of £4,103,945 to its equity shareholders. Dividend per share for the Full Fortune Group was £410.39.

No dividend is proposed for the year ended 31 December 2007.

5. Share capital

Following the reverse acquisition of China Food the share capital reported as at 31 December 2007 represents that of China Food:

	No. of shares	£
Authorised		
As at 1 February 2007 – Ordinary shares of 0.1p each	500,000,000	500,000
Increase in authorised share capital effected on 9 December 2007	3,500,000,000	3,500,000
	4,000,000,000	4,000,000
1 to 40 consolidation effected on 9 December 2007	100,000,000	4,000,000
As at 31 December 2007 - Ordinary shares of 4p each	100,000,000	4,000,000

Issued, called up and fully paid

As at 1 February 2007 – Ordinary shares of 0.1p each	2	0
Shares issued on 17 April 2007	50,000,000	50,000

Shares issued on 12 June 2007	320,000,000	320,000
Shares subscribed on 5 December 2007	38	0
	370,000,040	370,000
1 to 40 consolidation effected on 9 December 2007	9,250,001	370,000
Subscription of shares of 4p each on 9 December 2007	16,666,666	666,667
Shares issued in respect of the acquisition of Full Fortune	40,333,333	1,613,333
Shares issued for partial settlement of advisory fees payable to Strand Partners	149,991	6,000
	66,399,991	2,656,000

The share capital reported for the Group as at 31 December 2006 represents that of Full Fortune:

	No. of shares	£
Issued, called up and fully paid		
As at 31 December 2006	10,000	3,425

On 30 January 2006, in accordance with the Singapore Companies (Amendment) Act 2005, the concepts of 'par value' and 'authorized capital' were abolished and on that date, the shares of Full Fortune ceased to have a par value.

On 5 November 2007, Full Fortune issued 1,712 new ordinary shares. As at 31 December 2007, Full Fortune had 11,712 ordinary shares in issue with a total share capital of SGD7,526,474.

6. Availability of Report & Accounts

The Report & Accounts will be posted to all shareholders of the company shortly and will also be available to download from the Company's website at www.chinafoodcompany.com.

The annual report will also be made available for inspection at the Company's registered office during normal business hours on any weekday. China Food Company Plc is registered in England and Wales with registered number 06077223. The registered office is at 17 Hanover Square, London W1S 1HU.

7. Annual General Meeting

The Company's next Annual General Meeting will be held at 11.00 a.m. on 21 May 2008.

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