C.P. POKPHAND CO. LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 43)

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2007

UNAUDITED CONSOLIDATED RESULTS

The board of directors (the "Board") of C.P. Pokphand Co. Ltd. (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June, 2007 as follows:

Condensed Consolidated Income Statement

		Six months ended 30th June,	
		2007	2006
		(Unaudited)	(Unaudited)
	Notes	***US$'000***	*US$'000*
Revenue	2	**957,946**	789,299
Cost of sales		**(861,985)**	(725,097)
Gross profit		**95,961**	64,202
Selling and distribution costs		**(36,600)**	(34,472)
General and administrative expenses		**(55,957)**	(49,674)
Other income	3	**7,387**	963
Other losses	4	**–**	(2,938)
Finance costs		**(18,396)**	(17,492)
Share of profits and losses of:			
Jointly controlled entities		**(977)**	(3,175)
An associate		**983**	553
Loss before tax	5	**(7,599)**	(42,033)
Tax	6	**(2,769)**	(2,455)
Loss for the period		**(10,368)**	(44,488)
Attributable to:			
Equity holders of the Company		**(8,254)**	(41,090)
Minority interests		**(2,114)**	(3,398)
		(10,368)	(44,488)
		US cent	*US cents*
Loss per share attributable to equity holders of the Company:	7		
Basic		**(0.286)**	(1.422)
Diluted		**N/A**	N/A
Dividend per share		**–**	–

Condensed Consolidated Balance Sheet

	Notes	30th June, 2007 (Unaudited) US$'000	31st December, 2006 (Audited) US$'000
Non-current assets			
Property, plant and equipment		**442,879**	447,733
Investment properties		**4,245**	4,129
Land lease prepayments		**49,244**	48,731
Non-current livestock		**14,367**	12,009
Interests in jointly controlled entities		**66,459**	83,047
Interests in an associate		**27,488**	26,801
Available-for-sale investments		**1,480**	1,480
Goodwill		**2,928**	2,515
Deferred tax assets		**2,011**	2,011
Total non-current assets		**611,101**	628,456
Current assets			
Current livestock		**22,659**	17,755
Inventories		**192,660**	177,033
Accounts receivable, other receivables and deposits	8	**79,850**	59,279
Bills receivable		**4,212**	4,675
Tax recoverable		**47**	47
Due from minority shareholders		**1,525**	5,620
Due from related companies		**12,595**	13,610
Pledged deposits		**5,296**	10,199
Cash and cash equivalents		**64,877**	55,107
Total current assets		**383,721**	343,325

Condensed Consolidated Balance Sheet *(Continued)*

	Notes	**30th June, 2007 (Unaudited)** ***US$'000***	31st December, 2006 (Audited) *US$'000*
Current liabilities			
Accounts payable, other payables and accrued expenses	9	**264,365**	251,596
Bills payable		**6,933**	10,577
Tax payable		**6,165**	4,908
Provisions for staff bonuses and welfare benefits		**8,290**	7,739
Due to related companies		**78,021**	22,182
Due to minority shareholders		**15,445**	10,203
Interest-bearing bank and other loans		**396,241**	435,450
Total current liabilities		**775,460**	742,655
Net current liabilities		**(391,739)**	(399,330)
Total assets less current liabilities		**219,362**	229,126
Non-current liabilities			
Interest-bearing bank and other loans		**(131,189)**	(127,616)
Net assets		**88,173**	101,510
Equity			
Equity attributable to equity holders of the Company			
Issued capital		**28,898**	28,898
Share premium account		**73,897**	73,897
Reserves		**(55,428)**	(48,843)
		47,367	53,952
Minority interests		**40,806**	47,558
Total equity		**88,173**	101,510

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" promulgated by the International Accounting Standards Board and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st December, 2006.

The accounting policies adopted are consistent with those followed in the Group's annual financial statements for the year ended 31st December, 2006. As described in the annual financial statements for the year ended 31st December, 2006, the following new standards, amendments to standards and interpretations are mandatory for financial year beginning on 1st January, 2007:

- IAS 1 Amendment — Capital Disclosures; effective for annual periods beginning on or after 1st January, 2007
- IFRS 7 — Financial Instruments: Disclosures; effective for annual periods beginning on or after 1st January, 2007
- IFRIC-Int 7 — Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies; effective for annual periods beginning on or after 1st March, 2006
- IFRIC-Int 8 — Scope of IFRS 2; effective for annual periods beginning on or after 1st May, 2006
- IFRIC-Int 9 — Reassessment of Embedded Derivatives; effective for annual periods beginning on or after 1st June, 2006
- IFRIC-Int 10 — Interim Financial Reporting and Impairment; effective for annual periods beginning on or after 1st November, 2006

Management has assessed the impact of these new standards, amendments to standards and interpretations where the adoption of these new standards, amendments to standards and interpretations did not result in material impact on the financial statements of the Group and no substantial changes to the Group's accounting policies.

The following new standards, amendments to standards and interpretations have been issued but are not effective for 2007 and have not been early adopted:

- IAS 23 (Revised) — Borrowing Costs; effective for annual periods beginning on or after 1st January, 2009
- IFRS 8 — Operating Segments; effective for annual periods beginning on or after 1st January, 2009
- IFRIC-Int 11 — Group and Treasury Share Transactions; effective for annual periods beginning on or after 1st March, 2007
- IFRIC-Int 12 — Service Concession Arrangements; effective for annual periods beginning on or after 1st January, 2008

The Group is in the process of making an assessment of the impact of the above standards, interpretations and amendments. So far, it has concluded that the adoption of these new standards, amendments to standards and interpretations is unlikely to have a significant impact on the Group's results of operations and financial position.

2. Revenue

Revenue, which is also the Group's turnover, represents rental income and the net invoiced value of sales after allowances for goods returned and trade discounts and after elimination of intra-group transactions.

Segmental information

Business segments

	Feedmill and poultry operations and trading of agricultural products *US$'000*	Manufacture and sale of motorcycles and accessories for automotives *US$'000*	Investment and property holding *US$'000*	Total *US$'000*
For the six months ended 30th June, 2007 (Unaudited)				
Segment revenue:				
Total sales	**1,054,524**	**–**	**256**	**1,054,780**
Intrasegment sales	**(96,583)**	**–**	**(251)**	**(96,834)**
Sales to external customers	**957,941**	**–**	**5**	**957,946**
Segment results	**8,283**	**(1,752)**	**(3,127)**	**3,404**
Other income	**5,005**	**–**	**3**	**5,008**
Interest income				**2,379**
Finance costs				**(18,396)**
Share of profits and losses of jointly controlled entities	**(4,466)**	**3,489**	**–**	**(977)**
Share of profit of an associate	**983**	**–**	**–**	**983**
Loss before tax				**(7,599)**
Tax				**(2,769)**
Loss for the period				**(10,368)**

2. Revenue *(Continued)*

Segmental information *(Continued)*

	Feedmill and poultry operations and trading of agricultural products *US$'000*	Manufacture and sale of motorcycles and accessories for automotives *US$'000*	Investment and property holding *US$'000*	Total *US$'000*
For the six months ended 30th June, 2006 (Unaudited)				
Segment revenue:				
Total sales	866,205	–	34	866,239
Intrasegment sales	(76,908)	–	(32)	(76,940)
Sales to external customers	789,297	–	2	789,299
Segment results	(14,267)	(1,560)	(4,117)	(19,944)
Other income	361	–	167	528
Other losses	(2,938)	–	–	(2,938)
Interest income				435
Finance costs				(17,492)
Share of profits and losses of jointly controlled entities	(5,431)	2,256	–	(3,175)
Share of profit of an associate	553	–	–	553
Loss before tax				(42,033)
Tax				(2,455)
Loss for the period				(44,488)

3. Other income

	Six months ended 30th June, 2007 (Unaudited) *US$'000*	2006 (Unaudited) *US$'000*
Gain on deregistration of a subsidiary	**–**	167
Unrealised gain on revaluation of livestock	**3,235**	–
Compensation of office decoration	**3**	–
Interest income	**2,379**	435
Tax refund in respect of reinvestment of distributed earnings from the ventures established in the People's Republic of China ("PRC")	**1,770**	361
	7,387	963

4. Other losses

	Six months ended 30th June, 2007 (Unaudited) *US$'000*	2006 (Unaudited) *US$'000*
Unrealised loss on revaluation of livestock	**–**	227
Impairment of items of property, plant and equipment	**–**	2,711
	–	2,938

5. Loss before tax

	Six months ended 30th June, 2007 (Unaudited) *US$'000*	2006 (Unaudited) *US$'000*
The Group's loss before tax is arrived at after charging/(crediting):		
Foreign exchange gains, net	**(4,019)**	(1,211)
Depreciation	**24,228**	25,009
Amortisation of land lease prepayments	**663**	1,041
Staff costs	**67,293**	57,934
Loss on disposal of property, plant and equipment, net	**112**	156

6. **Tax**

	Six months ended 30th June,	
	2007	2006
	(Unaudited)	(Unaudited)
	US$'000	*US$'000*
The Group:		
Provision for taxation in respect of profit for the period:		
the PRC:		
Mainland China	**2,769**	2,455

No provision for Hong Kong profits tax has been made as the Group earned no assessable income in Hong Kong during the period (2006: nil).

7. **Loss per share attributable to equity holders of the Company**

Loss per share is calculated based on the net loss from ordinary activities attributable to equity holders of the Company of US$8,254,000 (2006: net loss of US$41,090,000) and the weighted average of 2,889,730,786 shares (2006: 2,889,730,786 shares) of the Company in issue during the period.

A diluted loss per share amount for the period has not been disclosed as no diluting events existed during the period.

8. **Accounts receivable, other receivables and deposits**

The Group normally grants a credit policy of up to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Accounts receivable, other receivables and deposits are non-interest bearing. An aged analysis of the accounts receivable, based on the invoice date, together with other receivables and deposits is as follows:

	30th June, 2007	31st December, 2006
	(Unaudited)	(Audited)
	US$'000	*US$'000*
Less than 90 days	**27,677**	23,333
91 to 180 days	**1,654**	1,022
181 to 360 days	**367**	350
Over 360 days	**1,644**	1,425
	31,342	26,130
Other receivables and deposits	**51,039**	34,365
	82,381	60,495
Less: Impairment of accounts and other receivables	**(2,531)**	(1,216)
	79,850	59,279

9. Accounts payable, other payables and accrued expenses

An aged analysis of the accounts payable, based on the date of receipt of the respective goods, together with other payables and accrued expenses of the Group is as follows:

	30th June, 2007 (Unaudited)	31st December, 2006 (Audited)
	US$'000	*US$'000*
Less than 90 days	**122,635**	98,640
91 to 180 days	**9,532**	7,845
181 to 360 days	**7,213**	5,126
Over 360 days	**3,432**	3,126
	142,812	114,737
Other payables and accrued expenses	**121,553**	136,859
	264,365	251,596

Accounts payable are non-interest bearing and are normally settled on 60-day terms. Other payables and accrued expenses are non-interest bearing and have an average term of one month.

10. Comparative figures

Certain comparative figures have been reclassified to conform with the current period's presentation.

INTERIM DIVIDEND

The Board does not recommend an interim dividend for the six months ended 30th June, 2007 (2006: nil).

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As of 30th June, 2007, the Group recorded improved operational performance, with a loss attributable to equity holders narrowed to US$8.3 million. Compared with the same period last year, the consolidated turnover increased by 21.4% to US$957.9 million, gross profit soared 49.5% to US$96.0 million, while overall gross profit margin increased 1.9% to 10.0%.

Agri-business

The Group's agribusiness is classified into four main business lines – feed, food integration, breeding and rearing, and biochemical. Compared with the first half year of last year, all of the four business lines recorded gains in their turnover and overall gross profit this year. Among them, the breeding and rearing sector and the food integration sector posted more favorable increments.

With the periodic threat of animal diseases in recent years, China's husbandry industry has been under immense pressure and in the first half of 2007 the market experienced an all-time low livestock stock level. Due to this supply shortage in addition to the restricted time frame of the livestock growing cycle, overall food prices in China showed significant increases, with pork prices rising the most followed by poultry. This, in turn, corresponded to increases in the selling prices of the Group's products. As a result, profit margin of the Group's breeding and rearing business and food integration business skyrocketed in the first half of 2007; overall profitability, however, was strained by the rising cost of energy and raw materials.

In an effort to combat the rising material and energy costs, the Group has been leveraging a centralized purchasing unit to minimize the impact of these costs, as well as constantly finding innovative ways to boost efficiency with technological advancements.

Feed

Feed accounted for 55.0% (2006: 57.0%) of the consolidated turnover of the Group. The consolidated turnover of the feed business increased 17.2% to US$527.0 million during the first half year of 2007. Owing to the rising raw material cost, gross profit was offset by 2.8% to US$55.3 million while gross profit margin was reduced by 2.1% to 10.5%.

The Group's major feed products include poultry, swine, aqua and cattle feed. Poultry and swine feed accounted for the majority, approximately 50.4% and 28.6% of the total, respectively. Aqua feed sales have also increased to 7.3% of the Group's total feed sales.

As more and more breeders gradually reentered the rearing business, overall market demand on feed soared during the first half of 2007. Average market selling price of complete poultry feed went up 6.5% and sales volume of the Group's poultry feed rose 19.5% to 1.2 million tons. Likewise, the average price of corn, the main raw material in our production for feed, also went up to RMB1.55 per kg, an increase of 18.5% compared with the same period last year.

As for swine feed business, sales recorded a slight drop of 3.5% as compared with the same period last year despite an increase of 10.3% in the average market selling price of complete swine feed. The aftermath of swine diseases caused swine breeders to be more cautious and keep their rearing low despite heftier market price increase in swine finished products compared to poultry products. Swine rearing is seen as higher risk than poultry rearing factoring in the much longer swine rearing cycle of five to eight months.

In the first half of year 2007, the Group has already invested approximately RMB27 million in the development of the aqua feed business in view of the continual expansion in this sector.

Food Integration

The food integration business, the Group's second largest business, accounted for approximately 26.1% (2006: 27.9%), or approximately US$250.0 million, of the Group's consolidated turnover in the first half of 2007. Both gross profit and gross profit margin increased significantly from the same period last year, with the gross profit rising 8.6 times to US$15.4 million and gross profit margin edging up to 6.2%. The increase in general food prices in China has escalated into a rapid price increase in the poultry meat products. According to National Bureau of Statistics of China, poultry meat prices rocketed 20.7% as compared with the same period last year. As a result, sales of both the Group's raw and cooked foods recorded a double-digit growth despite a fall in the Group's domestic sales volume from 90,000 tons to 81,000 tons. Export sales, on the other hand, recorded stable growth with sales volume increased 1.0% to 20,000 tons over the same period last year.

In light of the rising demand in China for poultry meat along with a higher consumer awareness of food safety and a change in their consumption patterns, the Group continues to uphold great emphasis on food safety and quality control in addition to new product development. Catering to the different needs of the consumer, the Group has launched approximately 60 new food products under "Chia Tai Food" during the first half of 2007. Many of these products are sold widely in the supermarkets and hypercenters in China.

Breeding and Rearing

Breeding and rearing accounted for approximately 6.2% (2006: 3.9%) of the Group's consolidated turnover with sales of the Group's breeding and rearing business doubling to US$59.4 million. Gross profit turned around from a loss to a profit of US$10.1 million. This turnaround came not only due to an upward trend in the market or the Group's continuous support to farmers by means of giving out technical support, but also the additional effort from the Chinese government in its policies favorable to farmers during a time more and more farmers regained their confidence in the breeding and rearing industry for their livelihood.

During the past year, animal diseases such as bird flu and swine high fever illness intermittently broke out in China; as a result, farmers kept low inventories of broilers, swine, commercial day-old-chicks and piglets as a way to mitigate their risks. On top of these inventory shortages was the restricted time frame of the growing cycle. All of these factors fueled the increase in food prices in China. The Group's breeding and rearing business benefited from this improving sales environment.

As for the layers breeding and rearing business, it is on track with the Group's development. Average market selling price of eggs surged by 30.9% to an average of RMB7.5 per kg. This in turn doubled the sales of the Group's layers segment of the breeding and rearing business to US$4.9 million, among which, sales volume of eggs grew 8.5% to 2,000 tons.

Biochemical

In the first half of year 2007, consolidated turnover of the biochemical business accounted for 4.2% of the Group's consolidated turnover (2006: 4.9%). Its consolidated turnover reached US$39.8 million, improved slightly by 2.3% from that of last year. However, the gross profit margin recorded a small drop of 0.8% to 20.4%.

The Group's biochemical products mainly include Chlortetracycline ("CTC") and L-Lysine monohydrochloride ("L-Lysine"). During the period under review, the increase in the average market price of CTC was not enough to offset its diminishing sales. Turnover of CTC dropped slightly to US$31 million. As for L-Lysine, the market was considered stable with a selling price that increased from between RMB1,500 to RMB4,000 per ton compared with last year.

Industrial Business

The Group's industrial business is the sale of motorcycles, automotive accessories and carburetors, and the distribution of the full range of Caterpillar products. During the first half of year 2007, net profit contributed to the Group's industrial business segment rose to US$1.7 million.

Effective from 1st April, 2006, the Chinese government reduced the excise tax for low-exhaust motorcycles, 250cc or lower, from 10% to 3%, benefiting the Group's jointly controlled entity Luoyang Northern Ek Chor Motorcycle Company Limited ("Northern Ek Chor") as it produces low-exhaust motorcycles. During the period under review, Northern Ek Chor's "Dayang" brand motorcycles were highly promoted, resulting in a 15.1% increase in its turnover to RMB650 million, and 19.5% in its sales volume to 250,000 vehicles.

The Group's another jointly controlled entity ECI Metro Investment Co., Ltd. ("ECI Metro") is the sole agent of Caterpillar construction machinery products in western China. Stimulated by the infrastructure development projects there, ECI Metro recorded continuous growth in sales and profit.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30th June, 2007, the Group had total assets of US$994.8 million (31st December, 2006: US$971.8 million). Total debt and debt to equity ratio (debt to equity ratio is calculated by dividing the total borrowings by the equity including minority interests) were US$527.4 million and 598.2% respectively, as compared to US$563.1 million and 554.7% as at 31st December, 2006.

Most of the borrowings by the Group are in U.S. dollars and RMB, and the interest rates ranged from 4.9% to 13.8% per annum for the period.

The Group had not engaged in any derivatives for hedging against both the interest and exchange rate.

All sales in PRC are denominated in RMB, and export sales are denominated in foreign currencies. Foreign currencies are required for purchase of imported raw materials, parts and components, and the Group keeps necessary foreign currencies to meet its operational needs. The directors consider the appreciation of RMB in the period has had insignificant impact on the Group's business.

Capital Structure

The Group finances its working capital requirements through a combination of funds generated from operations and short term and long term bank loans. The Group had cash and cash equivalents of US$64.9 million as at 30th June, 2007 (31st December, 2006: US$55.1 million), an increase of US$9.8 million.

Charges on Group Assets

As at 30th June, 2007, out of the total borrowings of US$527.4 million (31st December, 2006: US$563.1 million) obtained by the Group, only US$193.7 million (31st December, 2006: US$195.0 million) were secured and accounted for 36.7% (31st December, 2006: 34.6%) of the total. Certain of the Group's property, plant and equipment and land lease prepayments located in PRC and Hong Kong with net book value of US$243.8 million (31st December, 2006: US$205.6 million) have been pledged as security for various short and long term bank loans.

Contingent Liabilities

As at 30th June, 2007, the guarantees provided by the Group were US$9.2 million (31st December, 2006: US$9.4 million).

Employee and Remuneration Policies

As at 30th June, 2007, the Group employed around 43,000 staff (including 15,000 staff from the jointly controlled entities and associates) in PRC and Hong Kong. The Group remunerates its employees based on their performance, experience and prevailing market rate while performance bonuses are granted on a discretionary basis. Other employee benefits include insurance and medical coverage, subsidized training programmes, as well as a share option scheme.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance that properly protect and promote the interests of all the shareholders and enhance corporate value and accountability.

The Company has complied with all the code provisions prescribed in the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the six months ended 30th June, 2007, save for a deviation from code provision A.4.2.

This provision stipulates that every director, including one appointed for a specific term, should be subject to retirement by rotation at least once every three years. The Company was incorporated in Bermuda under the C.P. Pokphand Company Act, 1988 (the "Private Act"). Pursuant to paragraph 3(e) of the Private Act, the executive chairman of the Company shall not be subject to retirement by rotation at each annual general meeting. In order to achieve the intended effect of this code provision, Mr. Dhanin Chearavanont, the Executive Chairman, intends to voluntarily retire by rotation in such manner and at such frequency as provided for other directors under the Bye-Laws of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Having made specific enquiry of all directors, the directors have complied with the required standard as set out in the Model Code throughout the six months ended 30th June, 2007.

AUDIT COMMITTEE

The Audit Committee comprises the three independent non-executive directors of the Company. The establishment of the Audit Committee serves to enhance corporate governance practice. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. The Audit Committee has reviewed the Group's unaudited financial results for the six months ended 30th June, 2007.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the period under review.

By Order of the Board
Robert Ping-Hsien Ho
Director

Hong Kong, 25th September, 2007

As at the date of this announcement, the Board comprises twelve executive directors, namely, Mr. Sumet Jiaravanon, Mr. Dhanin Chearavanont, Mr. Thanakorn Seriburi, Mr. Meth Jiaravanont, Mr. Anan Athigapanich, Mr. Damrongdej Chalongphuntarat, Mr. Robert Ping-Hsien Ho, Mr. Bai Shanlin, Mr. Soopakij Chearavanont, Mr. Nopadol Chiaravanont, Mr. Benjamin Jiaravanon and Mr. Narong Chearavanont, and three independent non-executive directors, namely Mr. Kowit Wattana, Mr. Sombat Deo-isres and Mr. Ma Chiu Cheung, Andrew.