

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**C.P. POKPHAND CO. LTD.**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 43)

**UNAUDITED RESULTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2017**

**Summary**

The board of directors (the “Board”) of C.P. POKPHAND CO. LTD. (the “Company”) is making this announcement of the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2017 in line with its current practice to publish its financial results quarterly.

The unaudited consolidated profit attributable to shareholders of the Company for the three months ended 31 March 2017 was approximately US\$14 million.

The Board is making this announcement of the Group’s unaudited consolidated results for the three months ended 31 March 2017 in line with its current practice to publish its financial results quarterly.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31 March	
	2017	2016
	<i>US\$'000</i>	<i>US\$'000</i>
	(Unaudited)	(Unaudited)
<b>REVENUE</b>	<b>1,297,667</b>	1,117,298
Cost of sales	<u>(1,140,779)</u>	<u>(904,109)</u>
Gross profit	<b>156,888</b>	213,189
Net changes in fair value of biological assets	<u>(10,072)</u>	<u>17,948</u>
	<b>146,816</b>	231,137
Other income, net	<b>7,542</b>	4,506
Selling and distribution costs	<b>(56,850)</b>	(57,532)
General and administrative expenses	<b>(61,590)</b>	(60,159)
Finance costs	<b>(11,453)</b>	(10,041)
Share of profits and losses of:		
Joint ventures	<b>624</b>	1,017
Associates	<u><b>2,906</b></u>	<u>2,356</u>
<b>PROFIT BEFORE TAX</b>	<b>27,995</b>	111,284
Income tax	<u>(12,288)</u>	<u>(28,092)</u>
<b>PROFIT FOR THE PERIOD</b>	<u><b>15,707</b></u>	<u>83,192</u>
<i>Details of revenue:</i>		
<i>China feed business</i>	<i>714,276</i>	<i>585,545</i>
<i>China farm business</i>	<i>8,496</i>	<i>-</i>
<i>China food business</i>	<i>81,064</i>	<i>8,651</i>
<i>Vietnam feed business</i>	<i>213,679</i>	<i>188,951</i>
<i>Vietnam farm business</i>	<i>252,349</i>	<i>303,093</i>
<i>Vietnam food business</i>	<i>27,763</i>	<i>31,026</i>
<i>Others</i>	<u><i>40</i></u>	<u><i>32</i></u>
	<u><b>1,297,667</b></u>	<u>1,117,298</u>
<i>Realised changes in fair value of biological assets</i>	<i>15,186</i>	<i>46,525</i>
<i>Unrealised changes in fair value of biological assets</i>	<i>5,114</i>	<i>64,473</i>
<i>Depreciation and amortisation</i>	<i>35,003</i>	<i>29,545</i>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME** *(Continued)*

	<b>Three months ended 31 March</b>	
	<b>2017</b>	2016
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	<b>10,464</b>	11,875
Share of other comprehensive income of:		
Joint ventures	<b>162</b>	135
Associates	<b>900</b>	378
	<hr/>	<hr/>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>11,526</b>	12,388
	<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>27,233</b>	95,580
	<hr/> <hr/>	<hr/> <hr/>
<b>Profit attributable to:</b>		
Shareholders of the Company	<b>13,957</b>	63,755
Non-controlling interest	<b>1,750</b>	19,437
	<hr/>	<hr/>
	<b>15,707</b>	83,192
	<hr/> <hr/>	<hr/> <hr/>
<b>Total comprehensive income attributable to:</b>		
Shareholders of the Company	<b>24,522</b>	74,596
Non-controlling interest	<b>2,711</b>	20,984
	<hr/>	<hr/>
	<b>27,233</b>	95,580
	<hr/> <hr/>	<hr/> <hr/>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2017 <i>US\$'000</i> (Unaudited)	31 December 2016 <i>US\$'000</i> (Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,523,930	1,399,227
Investment properties	13,627	13,513
Land lease prepayments	133,868	128,407
Non-current biological assets	62,173	57,216
Intangible assets	29,086	29,464
Investments in joint ventures	20,075	19,289
Investments in associates	109,230	105,279
Available-for-sale investments	7,953	11,730
Goodwill	38,299	35,121
Other non-current assets	42,648	124,692
Deferred tax assets	3,880	3,907
<b>Total non-current assets</b>	<b>1,984,769</b>	<b>1,927,845</b>
<b>CURRENT ASSETS</b>		
Inventories	578,357	533,371
Current biological assets	331,718	326,582
Trade and bills receivables	207,123	202,902
Prepayments, deposits and other receivables	211,771	181,704
Pledged deposits	19,482	41,005
Time deposits with maturity over three months	78,901	151,112
Cash and cash equivalents	336,084	268,904
<b>Total current assets</b>	<b>1,763,436</b>	<b>1,705,580</b>
<b>CURRENT LIABILITIES</b>		
Trade and bills payables	273,495	340,609
Other payables and accruals	367,549	346,408
Bank borrowings	511,288	376,093
Income tax payables	17,781	18,326
<b>Total current liabilities</b>	<b>1,170,113</b>	<b>1,081,436</b>
<b>NET CURRENT ASSETS</b>	<b>593,323</b>	<b>624,144</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>2,578,092</b>	<b>2,551,989</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** *(Continued)*

	<b>31 March</b>	31 December
	<b>2017</b>	2016
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	<b>899,515</b>	904,133
Corporate bond	<b>144,013</b>	143,386
Other non-current liabilities	<b>25,589</b>	24,096
Deferred tax liabilities	<b>64,203</b>	61,626
<b>Total non-current liabilities</b>	<b>1,133,320</b>	1,133,241
<b>NET ASSETS</b>	<b>1,444,772</b>	1,418,748
<b>EQUITY</b>		
<b>Equity attributable to shareholders of the Company</b>		
Issued capital	<b>253,329</b>	253,329
Reserves	<b>842,459</b>	817,937
Proposed dividend	<b>52,300</b>	52,300
	<b>1,148,088</b>	1,123,566
Non-controlling interest	<b>296,684</b>	295,182
<b>TOTAL EQUITY</b>	<b>1,444,772</b>	1,418,748

The Group's unaudited consolidated results for the three months ended 31 March 2017 have been prepared in accordance with the accounting policies adopted by the Group as disclosed in the audited financial statements for the financial year ended 31 December 2016.

By Order of the Board  
**Arunee Watcharananan**  
*Director*

Hong Kong, 11 May 2017

*As at the date of this announcement, the Board comprises eight executive directors, namely, Mr. Dhanin Chearavanont, Mr. Adirek Sripratak, Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Bai Shanlin, Mr. Sooksunt Jiumjaiswanglerg, Mrs. Arunee Watcharananan and Mr. Yu Jianping; two non-executive directors, namely, Mr. Meth Jiaravanont and Mr. Yoichi Ikezoe; and five independent non-executive directors, namely, Mr. Ma Andrew Chiu Cheung, Mr. Sombat Deo-isres, Mr. Sakda Thanitcul, Mr. Vinai Vittavassarnvej and Mrs. Vatchari Vimooktayon.*