

*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)

## **PROPOSED SPIN-OFF AND SEPARATE LISTING OF CHIA TAI INVESTMENT CO., LTD.**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Law of Hong Kong) and PN 15 of the Listing Rules.

The Company was informed that an application was made for a listing of the shares of CTI on the Shanghai Stock Exchange, and on 27 May 2021, CTI received a notice of acceptance of such application from the CSRC. CTI is a 35%-owned associated company of the Company.

### **THE PROPOSED SPIN-OFF**

C.P. Pokphand Co. Ltd. (the “Company”, and together with its subsidiaries, the “Group”) was informed that an application was made for a listing of the shares of Chia Tai Investment Co., Ltd. (“CTI”, together with its subsidiaries, the “CTI Group”), a 35%-owned associated company of the Company, on the Shanghai Stock Exchange (the “Proposed Spin-off”), and on 27 May 2021, CTI received a notice of acceptance of such application from the China Securities Regulatory Commission (the “CSRC”). The Proposed Spin-off is subject to Practice Note 15 (“PN 15”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) and the Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off. The CTI Group is principally engaged in the production and sale of animal feed and breeding, farming and sale of swine and sale of pork in the People’s Republic of China (the “PRC”).

The Proposed Spin-off involves a listing of the shares of CTI on the Shanghai Stock Exchange by way of an offering of its new shares to investors (the “Share Offer”). The exact size of the Share Offer has not yet been determined but it is expected that the Company’s interest in CTI will not be reduced to below 30% upon completion of the Proposed Spin-off.

### **WAIVER OF ASSURED ENTITLEMENT**

The Stock Exchange has granted the Company a waiver from strict compliance with the applicable requirements in relation to the assured entitlement under paragraph 3(f) of PN 15 (the “Waiver”) on the condition that the Company would disclose in this announcement for the Proposed Spin-off the reasons for not providing assured entitlement to its shareholders, the legal restrictions under the PRC laws and regulations in providing assured entitlement and confirmation of the board of directors of the Company (the “Board”) that the Proposed Spin-off and the Waiver are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Under paragraph 3(f) of PN 15, the Company is required to have due regard to the interests of its existing shareholders by providing them with an assured entitlement to shares in CTI under the Share Offer, either by way of a distribution in specie of existing shares in CTI or by way of preferred application in any offering of existing or new shares in CTI. After due and careful consideration of the Proposed Spin-off, the Board has resolved not to provide assured entitlement to the shareholders of the Company on the following grounds:

- (a) the Company is not in a position to set aside any shares in CTI for assured entitlement, as the Company is not in control of CTI; and
- (b) DeHeng Law Offices, which acts as the PRC counsel to CTI, has also advised that only the following categories of foreign investors (the “PRC Qualified Investors”) may open securities account and invest in shares listed on the stock exchanges in the PRC:
  - (i) residents of Hong Kong, Taiwan and Macau working and residing in the PRC;
  - (ii) foreign citizens working in the PRC whose securities regulator in his/her home country (region) has entered into regulatory cooperation mechanisms with the CSRC;
  - (iii) foreign citizens having a permanent residency in the PRC;
  - (iv) foreign strategic investors approved by the Ministry of Commerce of the PRC;
  - (v) Qualified Foreign Institutional Investor (QFII);
  - (vi) RMB Qualified Foreign Institutional Investor (RQFII);
  - (vii) foreign natural person investors qualified as incentive targets under the Measures for the Administration of Equity Incentives of Listed Companies (only applicable to equity incentives granted by listed companies to their foreign employees); and
  - (viii) foreign investors who held a pre-IPO company’s shares before its initial public offering.

Save for the PRC Qualified Investors, any other foreign investor who does not meet the qualifications above may not hold A-shares of a company listed on a PRC stock exchange.

Having considered that the Company is not in control of CTI and would not be able to set aside any shares for the assured entitlement and that the Company would need to comply with the requirements under the laws of the PRC, the Board is of the view that the Proposed Spin-off and the Waiver are fair and reasonable and in the interests of the Company and its shareholders as a whole.

**The Proposed Spin-off is subject to, among other things, the approvals from the relevant authorities in respect of the listing of and permission of to deal in the securities of CTI, final decision of the board of directors of CTI, market conditions and other factors. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place or so as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 27 May 2021

*As at the date of this announcement, the Board comprises eight executive directors, namely, Mr. Soopakij Chearavanont, Mr. Adirek Sripratak, Mr. Suphachai Chearavanont, Mr. Narong 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. Vinai Vittavasgarnvej, Mrs. Vatchari Vimooktayon, Mr. Cheng Yuk Wo, Professor Dr. Pongsak Angkasith and General Udomdej Sitabutr.*