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C.P. POKPHAND CO. LTD.

*(Incorporated in Bermuda with limited liability)
(Stock Code: 43)*

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
CHIA TAI ENTERPRISES INTERNATIONAL LIMITED
ON THE MAIN BOARD OF THE STOCK EXCHANGE**

**BOARD APPROVAL AND RECOMMENDATION OF CONDITIONAL
SPECIAL DIVIDEND BY WAY OF
DISTRIBUTION IN SPECIE**

Reference is made to the announcements of the Company dated 30 June 2014, 17 October 2014 and 31 October 2014 in relation to the Proposed Spin-off and separate listing of CTEI on the Main Board of the Stock Exchange.

The meeting of the Board was held on 12 November 2014 at which the Special Dividend was approved and recommended, subject to the satisfaction of the Conditions. The amount of the Special Dividend to be distributed by the Group will be equal to the amount of the net asset value (excluding non-controlling interests) of the CTEI Group as at the date of despatch of the share certificates of CTEI Shares to the Qualifying Shareholders. If the Conditions are satisfied, the Special Dividend will be made and will be satisfied by the Distribution, pursuant to which each Qualifying Shareholder will be entitled to one CTEI Share for every 100 Ordinary Shares held on the Distribution Record Date, and for every 100 Ordinary Shares into which their respective holdings of Preference Shares as at the Distribution Record Date may be converted in accordance with the Bye-Laws and on an as converted basis. If any of the Conditions is not satisfied, the Special Dividend will not be made and the Proposed Spin-off and Listing will not take place, in which case an announcement will be made by the Company.

The Company will convene the SGM at Suites 6411-6416, 64th Floor, Two International Finance Centre, 8 Finance Street, Hong Kong on Monday, 1 December 2014 at 9:30 a.m., and will for such purpose despatch to Shareholders the notice of the SGM and the circular giving further information on the proposed Distribution and the proposed adoption of the CTEI Share Option Scheme on 14 November 2014. Ordinary resolutions will be proposed at the SGM for the purposes of considering and, if thought fit, approving the proposed Distribution and the proposed adoption of the CTEI Share Option Scheme.

As at the date of this announcement, the listing application is being reviewed by the Stock Exchange and is subject to final approval by the Stock Exchange. The Proposed Spin-off and Listing are subject to, among others, the final decisions of the Board and of the board of directors of CTEI, the approval from the Ordinary Shareholders for the Distribution and Listing Approval being obtained. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance that the Proposed Spin-off and

Listing will take place or, if they do, when they will take place. If the Proposed Spin-off and Listing do not proceed for any reason, the Special Dividend will not take effect, and the proposed Distribution will not be made. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

The Company will issue further announcement(s) on the details of the Distribution, including but not limited to, the dates of closure of the register of members of the Company for determining the Shareholders' entitlements to the Distribution, the Distribution Record Date, the total number of CTEI Shares to be distributed to Qualifying Shareholders pursuant to the Distribution and the number of Overseas Shareholders and the jurisdictions involved (if any) as of the Distribution Record Date.

INTRODUCTION

Reference is made to the announcements of the Company dated 30 June 2014, 17 October 2014 and 31 October 2014 in relation to the Proposed Spin-off and separate listing of CTEI on the Main Board of the Stock Exchange (the "**Spin-off Announcements**"). Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meanings as defined in the Spin-off Announcements.

BOARD APPROVAL AND RECOMMENDATION OF CONDITIONAL SPECIAL DIVIDEND

The meeting of the Board was held on 12 November 2014 at which a conditional special interim dividend, to be satisfied by way of a distribution in specie of the Company's holding in the entire issued share capital of CTEI to Qualifying Shareholders in proportion to their respective shareholdings in the Company on the Distribution Record Date (or, in respect of Qualifying Shareholders who are Preference Shareholders as at the Distribution Record Date, in proportion to the number of Ordinary Shares into which their respective holdings of Preference Shares as at the Distribution Record Date may be converted in accordance with the Bye-laws and on an as converted basis), was approved and recommended (the "**Special Dividend**"). The Special Dividend is to be satisfied by way of the Distribution which will be subject to the final decisions of the Board and of the CTEI Board, the approval from the Ordinary Shareholders at the SGM and the Listing Approval being obtained (the "**Conditions**"). The amount of the Special Dividend to be distributed by the Group will be equal to the amount of the net asset value (excluding non-controlling interests) of the CTEI Group as at the date of despatch of the share certificates of CTEI Shares to the Qualifying Shareholders.

If the Conditions are satisfied, the Special Dividend will be made and will be satisfied by the Distribution, pursuant to which each Qualifying Shareholder will be entitled to one CTEI Share for every 100 Ordinary Shares held on the Distribution Record Date, and for every 100 Ordinary Shares into which their respective holdings of Preference Shares as at the Distribution Record Date may be converted in accordance with the Bye-Laws and on an as converted basis. Fractional entitlements will be disregarded. The Company will publish a separate announcement on information about the special arrangements to facilitate the disposal of any CTEI Shares which the Qualifying Shareholders may receive in odd lots.

As at the date of this announcement, CTEI had 11,952,000 CTEI Shares in issue. Based on the issued share capital of the Company as at the date of this announcement and assuming this will remain unchanged on the Distribution Record Date, it is expected that immediately following the

obtaining of the Listing Approval and prior to the Distribution, CTEI will issue up to 241,377,149 new CTEI Shares by way of the Capitalisation Issue, following which the total number of CTEI Shares in issue will be increased to up to 253,329,149 CTEI Shares. The Capitalisation Issue is subject to the approval by the Company in its capacity as the sole shareholder of CTEI and the Listing Approval being obtained, but is not subject to the approval by the Shareholders.

If, based on the register of members of the Company as at the close of business on the Distribution Record Date, there are Shareholders with registered addresses outside of Hong Kong, the Directors will make enquiries regarding the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory body or stock exchange in that jurisdiction in respect of the Distribution. If the Directors, having made relevant enquiries, consider that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant jurisdiction or any requirement of the relevant regulatory body or stock exchange in that jurisdiction, to exclude such Overseas Shareholders from the entitlement to receive CTEI Shares under the Distribution, the Overseas Shareholders (if any) will be entitled to the Distribution but will not receive CTEI Shares. Instead, as soon as reasonably practicable after dealings in CTEI Shares commence on the Stock Exchange, the Company will sell, at the then prevailing market price, the CTEI Shares to which such Overseas Shareholders would otherwise be entitled pursuant to the Distribution on their behalf. The Overseas Shareholders will receive a cash amount equal to the net proceeds from the sale if such proceeds are equal to or more than HK\$100. If the net proceeds are less than HK\$100, the Company will retain such amount in its account. The net proceeds from such sale will be paid to the relevant Overseas Shareholders in Hong Kong dollars. Cheques for such net proceeds are expected to be despatched within three weeks following the commencement of dealings in CTEI Shares on the Main Board.

If any of the Conditions is not satisfied, the Special Dividend will not be made and the Proposed Spin-off and Listing will not take place, in which case an announcement will be made by the Company.

ORDINARY SHAREHOLDERS' APPROVAL FOR THE PROPOSED DISTRIBUTION AND PROPOSED ADOPTION OF THE CTEI SHARE OPTION SCHEME

According to the Bye-Laws, the proposed Distribution shall be subject to the approval by the Ordinary Shareholders. In addition, the Company shall seek Ordinary Shareholders' approval for the proposed adoption of the CTEI Share Option Scheme. For the background of such approval requirements, please refer to the announcement issued by the Company on 31 October 2014.

The Company will convene the SGM at Suites 6411-6416, 64th Floor, Two International Finance Centre, 8 Finance Street, Hong Kong on Monday, 1 December 2014 at 9:30 a.m., and will for such purpose despatch to Shareholders the notice of the SGM and the circular giving further information on the proposed Distribution and the proposed adoption of the CTEI Share Option Scheme on 14 November 2014. Ordinary resolutions will be proposed at the SGM for the purposes of considering and, if thought fit, approving the proposed Distribution and the proposed adoption of the CTEI Share Option Scheme.

The Company will issue further announcement(s) on the details of the Distribution, including but not limited to, the dates of closure of the register of members of the Company for determining the Shareholders' entitlements to the Distribution, the Distribution Record Date, the total number of CTEI Shares to be distributed to Qualifying Shareholders pursuant to the Distribution and the number of Overseas Shareholders and the jurisdictions involved (if any) as of the Distribution Record Date.

GENERAL

As at the date of this announcement, the listing application is being reviewed by the Stock Exchange and is subject to final approval by the Stock Exchange. The Proposed Spin-off and Listing are subject to the final decisions of the Board and of the board of directors of CTEI, the approval from the Ordinary Shareholders for the Distribution and the Listing Approval being obtained. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance that the Proposed Spin-off and Listing will take place or, if they do, when they will take place. If the Proposed Spin-off and Listing do not proceed for any reason, the Special Dividend will not take effect, and the proposed Distribution will not be made. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

By Order of the Board
Arunee Watcharananan
Director

Hong Kong, 12 November 2014

As at the date of this announcement, the Board comprises nine executive directors, namely, Mr. Dhanin Chearavanont, Mr. Adirek Sripratak, Mr. Thanakorn Seriburi, Mr. Soopakij Chearavanont, Mr. Bai Shanlin, Mr. Sooksunt Jiumjaiswanglerg, Mr. Anan Athigapanich, Mr. Suphachai Chearavanont and Mrs. Arunee Watcharananan; one non-executive director, namely, Mr. Meth Jiaravanont; and five independent non-executive directors, namely, Mr. Ma Chiu Cheung, Andrew, Mr. Sombat Deo-isres, Mr. Sakda Thanitcul, Mr. Vinai Vittavasgarnvej and Mrs. Vatchari Vimooktayon.