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C.P. POKPHAND CO. LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 43)

DISCLOSEABLE AND CONNECTED TRANSACTION : RENEWAL AND EXTENSION OF GUARANTY AND INCREASE OF AMOUNT OF GUARANTY BY A WHOLLY-OWNED SUBSIDIARY

The New Guaranty

Reference is made to the Company's announcements dated 4 July 2007 and 30 October 2008 and circular dated 20 November 2008 in relation to the provision of the Guaranty by EKCM, a wholly-owned subsidiary of the Company, in favour of CCFL, guaranteeing the Existing Obligations of the ECI Metro Group up to the maximum amount of US\$30.55 million.

On 14 March 2011, EKCM has executed the Second Amendment Deed in favour of CCFL to renew the Guaranty, extend the Guaranty to cover the New Obligations and increase the amount of the Guaranty up to the maximum amount of US\$50.55 million so as to allow a greater credit facility to be obtained by the ECI Metro Group from CCFL.

Listing Rules Implications

The financial assistance provided by EKCM for the benefit of the ECI Metro Group by way of the provision of the New Guaranty constitutes a connected transaction for the Company under Rule 14A.13(3) of the Listing Rules. In view of the provision of financial assistance by EKCM to ECI Metro under the Existing Loan Agreement which was entered into within a 12-month period of the Second Amendment Deed, the transactions under the Existing Loan Agreement and the Second Amendment Deed are required to be aggregated pursuant to Rules 14.22 and 14A.25 of the Listing Rules. As certain applicable aggregate percentage ratios are more than 5% but less than 25% and the transactions under the Existing Loan Agreement and the Second Amendment Deed are not exempted under Chapter 14A of the Listing Rules, the New Guaranty, when aggregated with the Existing Loan, constitutes a discloseable and connected transaction for the Company under the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

To the best knowledge of the Directors, as no Shareholder has any interest in the Second Amendment Deed, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for approving the transaction contemplated under the Second Amendment Deed. CPI Holding, Worth Access and OSIL, each of which is wholly-owned by companies which are held as to 51.31% of their issued share capital by the Chearavanont Shareholders, and which hold on an aggregate basis approximately 71.57% of the issued share capital of the Company as at the date of this announcement, have given their written approval of the New Guaranty. Application has been made to the Stock Exchange for a waiver of the requirement of holding a general meeting to approve the Second Amendment Deed and to accept the written independent shareholders' approval pursuant to Rule 14A.43 of the Listing Rules.

A circular containing further details of the New Guaranty will be despatched to the Shareholders on or before 4 April 2011 in accordance with the Listing Rules.

Reference is made to the Company's announcements dated 4 July 2007 and 30 October 2008 and circular dated 20 November 2008 in relation to the provision of the Guaranty by EKCM, a wholly-owned subsidiary of the Company, in favour of CCFL, guaranteeing the Existing Obligations of the ECI Metro Group up to the maximum amount of US\$30.55 million.

On 14 March 2011, EKCM has executed the Second Amendment Deed in favour of CCFL to renew the Guaranty, extend the Guaranty to cover the New Obligations and increase the amount of the Guaranty up to the maximum amount of US\$50.55 million so as to allow a greater credit facility to be obtained by the ECI Metro Group from CCFL.

1. THE SECOND AMENDMENT DEED

(a) Date

14 March 2011

(b) Parties

EKCM acting as guarantor in favour of CCFL.

(c) Details of the New Guaranty

Under the New Guaranty in favour of CCFL, EKCM guaranteed the New Obligations of the ECI Metro Group up to the maximum amount of US\$50.55 million, on the basis of joint and several liability with the ECI Metro Group.

(d) Term

The New Guaranty shall expire on 17 April 2012.

INFORMATION ON THE PARTIES

The Group is principally engaged in the operation of feedmills for the production and sale of feed products. Additionally, the Group is also involved in various other relatively smaller businesses, including the production and sale of chlortetracycline products and through its jointly controlled entities, in the manufacturing and sale of motorcycles, the sale of Caterpillar machinery, and manufacturing and sale of carburetors and automobile accessories.

CCFL is principally engaged in the provision of financing in the PRC in relation to the purchase and/or rental of construction machinery and tools under the Caterpillar brand name. The Directors confirm that, to the best of their knowledge, CCFL is a third party independent of the Company and any connected person of the Company and is not itself a connected person of the Company.

REASONS FOR AND BENEFITS OF THE NEW GUARANTY

ECI Metro is a jointly-controlled entity of the Company in which EKCM, a wholly-owned subsidiary of the Company, has a 50% indirect equity interest. ECI Metro is the sole agent of the Caterpillar brand of construction machinery and tools in the western region of the PRC and is principally engaged in the sales, leasing and repair services of Caterpillar construction machinery in the PRC. The ECI Metro Group has borrowed and continues to borrow from CCFL to fund its purchase of Caterpillar brand construction machinery and tools, and CCFL has agreed to increase such loans against, amongst other things, the guarantee to be provided by EKCM as provided in the New Guaranty.

Given that (i) the New Guaranty will provide support to ECI Metro for securing greater credit line offered by CCFL for its increasing scale of operation and therefore strengthen its revenue stream and profitability and will in turn benefit the Group; (ii) EKCM is guaranteeing up to the maximum amount of US\$50.55 million of the total maximum liability of US\$101.1 million of the ECI Metro Group, which is reflective of the equal shareholding held by each of the two shareholders in ECI Metro; (iii) ECI Metro is concurrently guaranteeing up to the total maximum liability of US\$101.1 million of its subsidiaries; and (iv) the other shareholder of ECI Metro, Metro Tractor, will provide guarantee with the same amount and term as that under the New Guaranty, the Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the independent financial adviser) consider that the provision of the New Guaranty is in the interests of the Company and the Shareholders as a whole and that the terms of the New Guaranty are fair and reasonable.

LISTING RULES IMPLICATIONS

Mr. Chatchaval Jiaravanon (who, until he resigned as a Director of the Company effective on 1 June 2010, was an executive Director of the Company within the preceding 12 months) is the son-in-law of Mr. Thongsai Burapachaisri, who holds an approximately 92.4% equity interest in Metro Tractor, which in turn holds a 50% equity interest in ECI Metro (with the other 50% interest indirectly held by EKCM). Pursuant to Chapter 14A of the Listing Rules, Mr. Thongsai Burapachaisri is a connected person of the Company.

ECI Metro is a jointly-controlled entity of the Group in which a wholly-owned subsidiary of the Group, and Mr. Thongsai Burapachaisri, through Metro Tractor, are shareholders and where Mr. Thongsai Burapachaisri, a connected person at the Company's level, is entitled to exercise 10% or more of the voting power at any general meeting of ECI Metro. The financial assistance provided by EKCM for the benefit of the ECI Metro Group by way of the provision of the New Guaranty therefore constitutes a connected transaction for the Company under Rule 14A.13(3) of the Listing Rules.

In view of the provision of financial assistance by EKCM to ECI Metro under the Existing Loan Agreement which was entered into within a 12-month period of the Second Amendment Deed, the transactions under the Existing Loan Agreement and the Second Amendment Deed are required to be aggregated pursuant to Rules 14.22 and 14A.25 of the Listing Rules. As certain applicable aggregate percentage ratios are more than 5% but less than 25% and the transactions under the Existing Loan Agreement and the Second Amendment Deed are not exempted under Chapter 14A of the Listing Rules, the New Guaranty, when aggregated with the Existing Loan, constitutes a discloseable and connected transaction under the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

To the best knowledge of the Directors, as no Shareholder has any interest in the Second Amendment Deed, none of the Shareholders is required to abstain from voting if the Company were to convene a general meeting for approving the transaction contemplated under the Second Amendment Deed. CPI Holding, Worth Access and OSIL, each of which is wholly-owned by companies which are held as to 51.31% of their issued share capital by the Chearavanont Shareholders, and which hold on an aggregate basis approximately 71.57% of the issued share capital of the Company as at the date of this announcement, have given their written approval of the New Guaranty. CPI Holding, Worth Access and OSIL hold 1,004,014,695 Shares, 481,250,000 Shares and 9,242,272,089 Shares respectively. Application has been made to the Stock Exchange for a waiver of the requirement of holding a general meeting to approve the Second Amendment Deed and to accept the written independent shareholders' approval pursuant to Rule 14A.43 of the Listing Rules.

A circular containing further details of the New Guaranty will be despatched to the Shareholders on or before 4 April 2011 in accordance with the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Board”	the board of Directors
“CCFL”	卡特彼勒（中國）融資租賃有限公司（Caterpillar (China) Financial Leasing Co., Ltd.），a company incorporated in the PRC and a party independent of the Company and its connected persons
“Chearavanont Shareholders”	four members of the Chearavanont family, namely, Mr. Jaran Chiaravanont, Mr. Montri Jiaravanont, Mr. Sumet Jiaravanon and Mr. Dhanin Chearavanont, who, on an aggregate basis, are directly and indirectly interested in approximately 71.58% of the issued share capital of the Company
“Company”	C.P. Pokphand Co. Ltd., a company incorporated in Bermuda whose Shares are listed and traded on the Main Board of the Stock Exchange under stock code 43
“CPI Holding”	CPI Holding Co., Ltd., a company incorporated in the British Virgin Islands and wholly-owned by a company which is held as to 51.31% of its issued share capital by the Chearavanont Shareholders
“Directors”	the directors of the Company
“ECI Metro”	ECI Metro Investment Co. Ltd., a company incorporated in the British Virgin Islands, in which the Company holds a 50% indirect equity interest
“ECI Metro Group”	ECI Metro and its wholly-owned subsidiaries
“EKCM”	Ek Chor China Motorcycle Co. Ltd., a company incorporated in Bermuda and a wholly-owned subsidiary of the Company
“Existing Loan”	the loan in the principal amount of up to US\$29 million (or its equivalent in Renminbi) lent or procured to be lent by EKCM to ECI Metro under the Existing Loan Agreement

“Existing Loan Agreement”	the loan agreement dated 19 April 2010 entered into between EKCM and ECI Metro in respect of the provision of the Existing Loan, the principal terms of which are set out in the Company’s announcement and circular dated 19 April 2010 and 31 May 2010, respectively
“Existing Obligations”	all present and future indebtedness of the ECI Metro Group advanced by CCFL on or before 1 July 2009
“Group”	the Company and its subsidiaries
“Guaranty”	the guaranty (as amended by an amendment agreement entered into on 30 October 2008 between EKCM and CCFL) dated as of 4 July 2007 executed by EKCM in favour of CCFL, guaranteeing the Existing Obligations of the ECI Metro Group up to the maximum amount of US\$30.55 million
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Metro Tractor”	Metro Tractor Co., Ltd., a company incorporated in Thailand which holds a 50% equity interest in ECI Metro
“New Guaranty”	the Guaranty as amended by the Second Amendment Deed, guaranteeing the New Obligations of the ECI Metro Group up to the maximum amount of US\$50.55 million
“New Obligations”	all present and future indebtedness of the ECI Metro Group to CCFL (including the Existing Obligations)
“OSIL”	Orient Success International Limited, a company incorporated in the British Virgin Islands and wholly-owned by a company which is indirectly held as to 51.31% of its issued share capital by the Chearavanont Shareholders

“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
“Second Amendment Deed”	the second amendment deed to the Guaranty entered into on 14 March 2011 executed by EKCM in favour of CCFL
“Share(s)”	ordinary shares of US\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of United States
“Worth Access”	Worth Access Trading Limited, a company incorporated in the British Virgin Islands and wholly-owned by a company which is indirectly held as to 51.31% of its issued share capital by the Chearavanont Shareholders

By Order of the Board
Robert Ping-Hsien Ho
Director

Hong Kong, 14 March 2011

As at the date of this announcement, the Board comprises eight executive Directors, namely, Mr. Dhanin Chearavanont, Mr. Thanakorn Seriburi, Mr. Soopakij Chearavanont, Mr. Anan Athigapanich, Mr. Damrongdej Chalongphuntarat, Mr. Bai Shanlin, Mr. Suphachai Chearavanont and Mr. Robert Ping-Hsien Ho, two non-executive Directors, namely Mr. Meth Jiaravanont and Mr. Patrick Thomas Siewert (Mr. Poon Yee Man Alwin as alternate Director), and three independent non-executive Directors, namely, Mr. Ma Chiu Cheung, Andrew, Mr. Sombat Deo-isres and Mr. Sakda Thanitcul.