中粮
COFCO

中糧肉食控股有限公司
COFCO Meat Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 01610)

POSITIVE PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2016

This announcement is made by COFCO Meat Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders (the "**Shareholders**") and potential investors of the Company, based on its preliminary assessment of the unaudited management accounts of the Group for the twelve months ended 31 December 2016 (the "**Year 2016**") and the information currently available to the Board, it is expected that the profit attributable to owners of the Company after biological fair value adjustments for the Year 2016 of the Group will be no less than RMB850 million, representing a year-on-year growth of no less than 460% (unaudited).

The Board considers that, the expected improvement in the performance of the Group is mainly attributable to the following reasons:

(1) It is expected that the profit for the Year 2016 attributable to owners of the Company before biological fair value adjustments will be no less than RMB850 million (unaudited). Benefited from the year-on-year increase of biological assets stock of the Group at the end of the Year 2016 and supported by fair price, it is expected that the profit attributable to owners of the Company after biological fair value adjustments for the Year 2016 will be no less than the figure before adjustments;

(2) The hog production operations of the Group has been benefited from the increase of hog prices, due to the decrease in sow stock in China which was at significantly low level at the end of the Year 2016;

(3) The Group focuses on optimizing the operations and improving the operating efficiency, the operating efficiency of each business segment has been enhanced. The Group successfully reduced the hog production costs thanked the increased production efficiency, and optimized the sales channels mix of fresh pork, processed meat products and international trading business; and

(4) The sales volumes of the Group's major products, such as fresh pork and processed meat products, recorded a year-on-year growth, through market expansion of the businesses.

As the Company is still in the process of preparing and finalising the consolidated accounts for the Year 2016 of the Group which will be audited by the independent auditor of the Company, the information contained in this announcement is only prepared based on the information currently available to the Board, and a preliminary assessment of the consolidated management accounts for the Year 2016 of the Group instead of any statistics which have been audited or reviewed by the auditor of the Company. Shareholders and potential investors are advised to read the Company's annual results announcement for the Year 2016 which is expected to be published in late March 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
COFCO Meat Holdings Limited
Zhang Nan
Joint Company Secretary

Hong Kong, 16 January 2017

As at the date of this announcement, the chairman of the Board and non-executive director is Mr. Ma Jianping, the executive director is Mr. Xu Jianong, the non-executive directors are Ms. Yang Hong, Mr. Xu Yang, Mr. WOLHARDT Julian Juul, Dr. Cui Guiyong, Dr. Wu Hai and Mr. Zhou Qi, the independent non-executive directors are Dr. Chen Huanchun, Mr. Fu Tingmei, Mr. Li Michael Hankin and Mr. Wu Chi Keung.