

*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.*



## **CHIA TAI ENTERPRISES INTERNATIONAL LIMITED**

**正大企業國際有限公司**

*(incorporated in Bermuda with limited liability)*

*(stock code: 3839)*

### **UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2016**

#### **Summary**

The board of directors (the “Board”) of Chia Tai Enterprises International Limited (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 2016 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 2016 was approximately US\$2 million.

The Board is making this announcement of the Group’s unaudited consolidated results for the three months ended 31 March 2016 in-line with its current practice to publish its financial results quarterly.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Three months ended 31 March</b>	
	<b>2016</b>	<b>2015</b>
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REVENUE</b>	<b>19,251</b>	25,716
Cost of sales	<u><b>(12,466)</b></u>	<u>(16,999)</u>
Gross profit	<b>6,785</b>	8,717
Other income, net	<b>289</b>	109
Selling and distribution costs	<b>(1,300)</b>	(1,377)
General and administrative expenses	<b>(4,147)</b>	(4,178)
Finance costs	<b>(162)</b>	(270)
Share of profits and losses of:		
Joint venture	<b>980</b>	540
Associate	<u><b>927</b></u>	<u>1,288</u>
<b>PROFIT BEFORE TAX</b>	<b>3,372</b>	4,829
Income tax	<u><b>(564)</b></u>	<u>(1,267)</u>
<b>PROFIT FOR THE PERIOD</b>	<u><b>2,808</b></u>	<u>3,562</u>
 <b>OTHER COMPREHENSIVE INCOME</b>		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	<b>437</b>	75
Share of other comprehensive income of:		
Joint venture	<b>491</b>	81
Associate	<u><b>127</b></u>	<u>26</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><b>1,055</b></u>	<u>182</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><b>3,863</b></u>	<u>3,744</u>
 <b>Profit attributable to:</b>		
Shareholders of the Company	<b>2,249</b>	2,530
Non-controlling interests	<u><b>559</b></u>	<u>1,032</u>
	<u><b>2,808</b></u>	<u>3,562</u>
 <b>Total comprehensive income attributable to:</b>		
Shareholders of the Company	<b>3,163</b>	2,696
Non-controlling interests	<u><b>700</b></u>	<u>1,048</u>
	<u><b>3,863</b></u>	<u>3,744</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2016 <i>US\$'000</i> (Unaudited)	31 December 2015 <i>US\$'000</i> (Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	48,175	48,555
Land lease prepayments	3,238	2,918
Investments in joint venture	69,914	68,443
Investments in associate	17,509	16,455
Other non-current assets	5,335	5,094
<b>Total non-current assets</b>	<b>144,171</b>	<b>141,465</b>
<b>CURRENT ASSETS</b>		
Inventories	19,671	15,638
Trade and bills receivables	11,113	15,781
Prepayments, deposits and other receivables	8,758	8,036
Cash and cash equivalents	18,450	18,052
<b>Total current assets</b>	<b>57,992</b>	<b>57,507</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	2,894	3,084
Other payables and accruals	4,921	6,169
Bank borrowings	16,689	15,523
Income tax payables	102	103
<b>Total current liabilities</b>	<b>24,606</b>	<b>24,879</b>
<b>NET CURRENT ASSETS</b>	<b>33,386</b>	<b>32,628</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>177,557</b>	<b>174,093</b>

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

	<b>31 March</b>	31 December
	<b>2016</b>	2015
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	<b>581</b>	1,155
Other non-current liabilities	<b>2,498</b>	2,521
Deferred tax liabilities	<b>2,497</b>	2,299
<b>Total non-current liabilities</b>	<b>5,576</b>	5,975
<b>NET ASSETS</b>	<b>171,981</b>	168,118
<b>EQUITY</b>		
<b>Equity attributable to shareholders of the Company</b>		
Issued capital	<b>25,333</b>	25,333
Reserves	<b>126,644</b>	123,481
	<b>151,977</b>	148,814
<b>Non-controlling interests</b>	<b>20,004</b>	19,304
<b>TOTAL EQUITY</b>	<b>171,981</b>	168,118

The Group's unaudited consolidated results for the three months ended 31 March 2016 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 2015.

## RESULTS HIGHLIGHT

Revenue of the Group was approximately US\$19.3 million, representing a 25.1% decrease compared to the same period last year. The drop was mainly due to a decrease in chlortetracycline sales to a large customer of the biochemical division of the Group from approximately US\$6.2 million in the first quarter of 2015 to approximately US\$1.4 million in the first quarter of 2016. The Group continues to step up its effort to expand into new markets, such as Southeast Asia and Australia, and diversify its customer base.

Despite a 25.1% drop in revenue compared to the same period last year, profit attributable to shareholders of the Company for the three months ended 31 March 2016 decreased by 11.1% to approximately US\$2.2 million, due to a reduction in expenses. Overall, the Group remains cautious about its performance for the remainder of 2016.

By Order of the Board  
**Thanakorn Seriburi**  
*Director*

Hong Kong, 10 May 2016

*As at the date of this announcement, the chairman and non-executive director is Mr. Soopakij Chearavanont; the executive directors are Mr. Thirayut Phityaisarakul, Mr. Thanakorn Seriburi, Mr. Nopadol Chiaravanont and Mr. Yao Minpu; the non-executive director is Mr. Yoichi Ikezoe; and the independent non-executive directors are Mr. Surasak Rounroengrom, Mr. Cheng Yuk Wo and Mr. Ko Ming Tung, Edward.*