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**C.P. POKPHAND CO. LTD.**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 43)

**UNAUDITED RESULTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2018**

**Summary**

The board of directors (the “Board”) of C.P. POKPHAND CO. LTD. (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 2018 in line with its current practice to publish its financial results quarterly.

The unaudited consolidated loss attributable to shareholders of the Company for the three months ended 31 March 2018 was approximately US\$3 million.

The Board is making this announcement of the Group’s unaudited consolidated results for the three months ended 31 March 2018 in line with its current practice to publish its financial results quarterly.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31 March	
	2018	2017
	<i>US\$'000</i>	<i>US\$'000</i>
	(Unaudited)	(Unaudited)
<b>REVENUE</b>	<b>1,432,543</b>	1,297,667
Cost of sales	<u>(1,281,502)</u>	<u>(1,140,779)</u>
Gross profit	<b>151,041</b>	156,888
Net changes in fair value of biological assets	<u>2,707</u>	<u>(10,072)</u>
	<b>153,748</b>	146,816
Other income, net	<b>7,876</b>	7,542
Selling and distribution costs	<b>(65,848)</b>	(56,850)
General and administrative expenses	<b>(67,883)</b>	(61,590)
Finance costs	<b>(19,517)</b>	(11,453)
Share of profits and losses of:		
Joint ventures	<b>1,249</b>	624
Associates	<u>2,831</u>	<u>2,906</u>
<b>PROFIT BEFORE TAX</b>	<b>12,456</b>	27,995
Income tax	<u>(13,110)</u>	<u>(12,288)</u>
<b>(LOSS)/PROFIT FOR THE PERIOD</b>	<b><u>(654)</u></b>	<b><u>15,707</u></b>
<i>Details of revenue:</i>		
<i>China feed business</i>	<i>802,515</i>	<i>714,276</i>
<i>China farm business</i>	<i>-</i>	<i>8,496</i>
<i>China food business</i>	<i>158,843</i>	<i>81,064</i>
<i>Vietnam feed business</i>	<i>179,781</i>	<i>213,679</i>
<i>Vietnam farm business</i>	<i>258,985</i>	<i>252,349</i>
<i>Vietnam food business</i>	<i>32,380</i>	<i>27,763</i>
<i>Others</i>	<u><i>39</i></u>	<u><i>40</i></u>
	<b><u>1,432,543</u></b>	<b><u>1,297,667</u></b>
<i>Realised changes in fair value of biological assets</i>	<i>(16,098)</i>	<i>(15,186)</i>
<i>Unrealised changes in fair value of biological assets</i>	<i>18,805</i>	<i>5,114</i>
<i>Depreciation and amortisation</i>	<i>42,653</i>	<i>35,003</i>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME** *(Continued)*

	<b>Three months ended 31 March</b>	
	<b>2018</b>	2017
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified subsequently to profit or loss:		
Surplus on revaluation of available-for-sale investments	<b>2,559</b>	-
Income tax effect	<b>(640)</b>	-
	<u><b>1,919</b></u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:		
Exchange differences related to translation of foreign operations	<b>45,753</b>	10,464
Share of other comprehensive income of:		
Joint ventures	<b>922</b>	162
Associates	<b>4,762</b>	900
	<u><b>51,437</b></u>	<u>11,526</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX</b>	<u><b>53,356</b></u>	<u>11,526</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><b>52,702</b></u>	<u>27,233</u>
<b>(Loss)/profit attributable to:</b>		
Shareholders of the Company	<b>(2,507)</b>	13,957
Non-controlling interest	<b>1,853</b>	1,750
	<u><b>(654)</b></u>	<u>15,707</u>
<b>Total comprehensive income attributable to:</b>		
Shareholders of the Company	<b>49,839</b>	24,522
Non-controlling interest	<b>2,863</b>	2,711
	<u><b>52,702</b></u>	<u>27,233</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2018 US\$'000 (Unaudited)	31 December 2017 US\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,825,172	1,754,648
Investment properties	24,778	23,897
Land lease prepayments	163,245	152,496
Non-current biological assets	67,023	65,687
Intangible assets	29,172	28,798
Investments in joint ventures	24,982	22,977
Investments in associates	133,699	126,105
Available-for-sale investments	45,884	41,751
Goodwill	38,870	37,488
Other non-current assets	44,534	43,581
Deferred tax assets	27,264	24,397
<b>Total non-current assets</b>	<b>2,424,623</b>	<b>2,321,825</b>
<b>CURRENT ASSETS</b>		
Inventories	661,813	612,670
Current biological assets	406,416	351,340
Trade and bills receivables	299,462	287,900
Prepayments, deposits and other receivables	420,127	332,320
Pledged deposits	29,189	24,762
Time deposits with maturity over three months	44,279	15,305
Cash and cash equivalents	296,431	286,807
<b>Total current assets</b>	<b>2,157,717</b>	<b>1,911,104</b>
<b>CURRENT LIABILITIES</b>		
Trade and bills payables	561,854	462,834
Other payables and accruals	465,820	452,016
Bank borrowings	829,839	697,749
Income tax payables	20,223	20,945
<b>Total current liabilities</b>	<b>1,877,736</b>	<b>1,633,544</b>
<b>NET CURRENT ASSETS</b>	<b>279,981</b>	<b>277,560</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>2,704,604</b>	<b>2,599,385</b>

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

	<b>31 March 2018</b>	31 December 2017
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	<b>864,019</b>	836,465
Corporate bond	<b>158,585</b>	152,818
Other non-current liabilities	<b>43,884</b>	25,271
Deferred tax liabilities	<b>72,698</b>	69,467
<b>Total non-current liabilities</b>	<b>1,139,186</b>	1,084,021
<b>NET ASSETS</b>	<b>1,565,418</b>	1,515,364
<b>EQUITY</b>		
<b>Equity attributable to shareholders of the Company</b>		
Issued capital	<b>253,329</b>	253,329
Reserves	<b>1,031,994</b>	961,500
Proposed final dividend	<b>-</b>	22,881
	<b>1,285,323</b>	1,237,710
Non-controlling interest	<b>280,095</b>	277,654
<b>TOTAL EQUITY</b>	<b>1,565,418</b>	1,515,364

The Group's unaudited consolidated results for the three months ended 31 March 2018 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 2017.

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

Hong Kong, 14 May 2018

*As at the date of this announcement, the Board comprises eight executive directors, namely, Mr. Dhanin Chearavanont, Mr. Adirek Sripratak, Mr. Soopakij Chearavanont, Mr. Suphachai 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. Ma Andrew Chiu Cheung, Mr. Sombat Deo-isres, Mr. Sakda Thanitcul, Mr. Vinai Vittavassarnvej and Mrs. Vatchari Vimooktayon.*