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

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 43)

**UNAUDITED RESULTS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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 nine months ended 30 September 2018 in line with its current practice to publish its financial results quarterly.

The unaudited consolidated profit attributable to shareholders of the Company for the nine months ended 30 September 2018 was approximately US\$211 million.

The Board is making this announcement of the Group’s unaudited consolidated results for the nine months ended 30 September 2018 in line with its current practice to publish its financial results quarterly.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Nine months ended 30 September	
	2018	2017
	<i>US\$'000</i>	<i>US\$'000</i>
	(Unaudited)	(Unaudited)
<b>REVENUE</b>	<b>4,972,846</b>	4,113,575
Cost of sales	<u>(4,217,558)</u>	<u>(3,652,660)</u>
Gross profit	<b>755,288</b>	460,915
Net changes in fair value of biological assets	<u>94,409</u>	<u>2,298</u>
	<b>849,697</b>	463,213
Other income, net	<b>24,085</b>	24,276
Selling and distribution costs	<b>(210,321)</b>	(188,726)
General and administrative expenses	<b>(227,397)</b>	(196,325)
Finance costs	<b>(60,668)</b>	(39,928)
Share of profits and losses of:		
Joint ventures	<b>2,881</b>	3,263
Associates	<u>13,112</u>	<u>10,156</u>
<b>PROFIT BEFORE TAX</b>	<b>391,389</b>	75,929
Income tax	<u>(92,483)</u>	<u>(35,038)</u>
<b>PROFIT FOR THE PERIOD</b>	<b><u>298,906</u></b>	<b><u>40,891</u></b>
<i>Details of revenue:</i>		
<i>China feed business</i>	<i>2,563,766</i>	<i>2,381,772</i>
<i>China farm business</i>	<i>345</i>	<i>32,314</i>
<i>China food business</i>	<i>517,362</i>	<i>256,636</i>
<i>Vietnam feed business</i>	<i>610,362</i>	<i>637,959</i>
<i>Vietnam farm business</i>	<i>1,160,154</i>	<i>706,181</i>
<i>Vietnam food business</i>	<i>120,741</i>	<i>98,596</i>
<i>Others</i>	<u><i>116</i></u>	<u><i>117</i></u>
	<b><u>4,972,846</u></b>	<b><u>4,113,575</u></b>
<i>Realised changes in fair value of biological assets</i>	<i>(59,633)</i>	<i>(52,416)</i>
<i>Unrealised changes in fair value of biological assets</i>	<i>154,042</i>	<i>54,714</i>
<i>Depreciation and amortisation</i>	<i>126,160</i>	<i>108,857</i>

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

	<b>Nine months ended 30 September</b>	
	<b>2018</b>	<b>2017</b>
	<b>US\$'000</b>	<b>US\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified subsequently to profit or loss:		
Equity investments at fair value through other comprehensive income (non-recycling)	<b>(13,386)</b>	-
Income tax effect	<b>3,348</b>	-
	<b>(10,038)</b>	-
Items that may be reclassified subsequently to profit or loss, including the reclassification adjustments:		
Surplus on revaluation of available-for-sale investment (recycling)	-	21,430
Income tax effect	-	(5,358)
Exchange differences related to translation of foreign operations	<b>(89,583)</b>	53,088
Release of reserves upon step acquisition of a subsidiary	<b>(1,309)</b>	-
Share of other comprehensive income of:		
Joint ventures	<b>(1,061)</b>	834
Associates	<b>(7,136)</b>	4,822
	<b>(99,089)</b>	74,816
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX</b>	<b>(109,127)</b>	74,816
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>189,779</b>	115,707

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

	<b>Nine months ended 30 September</b>	
	<b>2018</b>	<b>2017</b>
	<b>US\$'000</b>	<b>US\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Profit attributable to:</b>		
Shareholders of the Company	<b>210,957</b>	39,227
Non-controlling interest	<b>87,949</b>	1,664
	<b>298,906</b>	<b>40,891</b>
<b>Total comprehensive income attributable to:</b>		
Shareholders of the Company	<b>114,929</b>	109,968
Non-controlling interest	<b>74,850</b>	5,739
	<b>189,779</b>	<b>115,707</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 September 2018 US\$'000 (Unaudited)	31 December 2017 US\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,734,348	1,754,648
Investment properties	22,637	23,897
Land lease prepayments	165,817	152,496
Non-current biological assets	68,575	65,687
Intangible assets	25,396	28,798
Investments in joint ventures	16,158	22,977
Investments in associates	128,061	126,105
Other financial assets	11,443	-
Available-for-sale investments	-	41,751
Goodwill	35,511	37,488
Other non-current assets	33,892	43,581
Deferred tax assets	11,550	24,397
<b>Total non-current assets</b>	<b>2,253,388</b>	<b>2,321,825</b>
<b>CURRENT ASSETS</b>		
Inventories	585,109	612,670
Current biological assets	462,170	351,340
Trade and bills receivables	336,937	287,900
Prepayments, deposits and other receivables	325,866	332,320
Pledged deposits	33,801	24,762
Time deposits with maturity over three months	58,982	15,305
Cash and cash equivalents	374,886	286,807
<b>Total current assets</b>	<b>2,177,751</b>	<b>1,911,104</b>
<b>CURRENT LIABILITIES</b>		
Trade and bills payables	500,387	462,834
Other payables and accruals	417,130	452,016
Dividend payables	55,213	-
Bank borrowings	688,096	697,749
Income tax payables	19,298	20,945
<b>Total current liabilities</b>	<b>1,680,124</b>	<b>1,633,544</b>
<b>NET CURRENT ASSETS</b>	<b>497,627</b>	<b>277,560</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>2,751,015</b>	<b>2,599,385</b>

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

	<b>30 September</b>	31 December
	<b>2018</b>	2017
	<i>US\$'000</i>	<i>US\$'000</i>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	<b>888,622</b>	836,465
Corporate bond	<b>145,124</b>	152,818
Other non-current liabilities	<b>48,639</b>	25,271
Deferred tax liabilities	<b>76,368</b>	69,467
<b>Total non-current liabilities</b>	<b>1,158,753</b>	1,084,021
<b>NET ASSETS</b>	<b>1,592,262</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>1,018,990</b>	961,500
Dividend	<b>-</b>	22,881
	<b>1,272,319</b>	1,237,710
<b>Non-controlling interest</b>	<b>319,943</b>	277,654
<b>TOTAL EQUITY</b>	<b>1,592,262</b>	1,515,364

The Group's unaudited consolidated results for the nine months ended 30 September 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. Changes in accounting policy were set out in note 2 of the unaudited interim financial report for the period ended 30 June 2018.

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

Hong Kong, 14 November 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 Vittavasarnvej and Mrs. Vatchari Vimooktayon.*