CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

MARCH 31, 2019 AND 2018

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Charoen Pokphand Enterprise (Taiwan) Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Charoen Pokphand Enterprise (Taiwan) Co., Ltd. and subsidiaries (the "Group") as at March 31, 2019 and 2018, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2019 and 2018, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

Weng Shih Jung

Weng, Shih-Jung

Yi-fan Lin

Lin, Yi-Fan

For and on behalf of PricewaterhouseCoopers, Taiwan

May 7, 2019

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2019 and 2018 are reviewed, not audited)

	ASSETS	Notes	March 31, 2019 AMOUNT	%	December 31, 2018 AMOUNT	%	March 31, 2018 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 135,268	1	$ 134,880	1	$ 250,029	2
1150	Notes receivable, net	6(3)	321,949	2	359,097	2	328,049	2
1170	Accounts receivable, net	6(3)	1,698,835	10	1,778,373	11	1,444,116	10
1180	Accounts receivable - related parties	7	-	-	370,720	3	259,913	2
1200	Other receivables		5,575	-	21,072	-	12,474	-
1210	Other receivables - related parties	7	-	-	14,155	-	12,482	-
130X	Inventories, net	6(4)	1,382,412	8	1,294,023	8	1,413,808	10
1400	Biological assets - current	6(5)	1,245,947	8	1,253,446	8	1,138,882	8
1410	Prepayments		271,633	2	603,932	4	312,108	2
1460	Non-current assets held for sale, net	6(6), 7 and 8	811,663	5	-	-	-	-
1470	Other current assets	6(1) and 8	7,450	-	7,450	-	2,900	-
11XX	**Total current assets**		5,880,732	36	5,837,148	37	5,174,761	36
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	1,903,529	12	1,782,950	11	1,810,142	13
1600	Property, plant and equipment	6(7) and 8	7,824,174	47	7,617,265	48	6,728,197	47
1755	Right-of-use assets	6(8)	352,257	2	-	-	-	-
1780	Intangible assets	6(9)	14,879	-	15,059	-	14,766	-
1830	Biological assets - non-current	6(5)	357,101	2	347,198	2	324,076	2
1840	Deferred income tax assets		57,734	-	64,611	1	72,702	1
1900	Other non-current assets		102,692	1	125,933	1	98,324	1
15XX	**Total non-current assets**		10,612,366	64	9,953,016	63	9,048,207	64
1XXX	**Total assets**		$ 16,493,098	100	$ 15,790,164	100	$ 14,222,968	100

(Continued)

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2019 and 2018 are reviewed, not audited)

			March 31, 2019		December 31, 2018		March 31, 2018	
	LIABILITIES AND EQUITY	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(10)	$ 2,842,577	17	$ 2,768,011	17	$ 2,163,000	15
2110	Short-term notes and bills payable	6(11)	790,845	5	619,270	4	409,687	3
2150	Notes payable		275,378	2	394,109	2	316,341	2
2160	Notes payable - related parties	7	67	-	-	-	-	-
2170	Accounts payable		619,589	4	739,122	5	687,726	5
2180	Accounts payable - related parties	7	3,409	-	270,562	2	69,571	1
2200	Other payables	6(12)	629,209	4	764,203	5	668,597	5
2220	Other payables - related parties	7	41,814	-	21,430	-	26,263	-
2230	Current income tax liabilities		278,636	2	207,954	1	290,230	2
2260	Liabilities related to non-current assets held for sale	6(6)	568,750	3	-	-	-	-
2300	Other current liabilities	6(13)(14)	329,967	2	599,764	4	568,986	4
21XX	**Total current liabilities**		6,380,241	39	6,384,425	40	5,200,401	37
	Non-current liabilities							
2540	Long-term borrowings	6(13)	1,989,771	12	1,959,750	13	1,389,688	10
2570	Deferred income tax liabilities		11,385	-	18,314	-	31,399	-
2600	Other non-current liabilities	6(14)(15)	476,427	3	170,990	1	195,258	1
25XX	**Total non-current liabilities**		2,477,583	15	2,149,054	14	1,616,345	11
2XXX	**Total liabilities**		8,857,824	54	8,533,479	54	6,816,746	48
	Equity attributable to owners of parent							
	Share capital							
3110	Share capital - common stock	6(16)	2,679,910	16	2,679,910	17	2,679,910	19
	Capital surplus							
3200	Capital surplus	6(17)	1,652	-	1,652	-	1,145	-
	Retained earnings	6(18)						
3310	Legal reserve		638,708	4	638,708	4	495,401	3
3350	Unappropriated retained earnings		2,583,689	16	2,341,559	15	2,595,234	18
	Other equity interest							
3400	Other equity interest		1,396,915	8	1,270,147	8	1,298,146	10
31XX	**Equity attributable to owners of the parent**		7,300,874	44	6,931,976	44	7,069,836	50
36XX	**Non-controlling interest**		334,400	2	324,709	2	336,386	2
3XXX	**Total equity**		7,635,274	46	7,256,685	46	7,406,222	52
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the reporting period	11						
3X2X	**Total liabilities and equity**		$ 16,493,098	100	$ 15,790,164	100	$ 14,222,968	100

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(UNAUDITED)

			Three months ended March 31			
			2019		2018	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	**Operating revenue**	6(19) and 7	$ 5,035,297	100	$ 4,551,249	100
5000	**Operating costs**	6(4)(24)(25) and 7	(4,312,694)	(86)	(3,854,248)	(85)
5950	**Net operating margin**		722,603	14	697,001	15
	Operating expenses	6(24)(25) and 7				
6100	Selling and marketing expenses		(233,107)	(4)	(216,358)	(5)
6200	General and administrative expenses		(132,243)	(3)	(141,654)	(3)
6450	Gain on expected credit loss impairment	12(2)	40	-	128	-
6000	**Total operating expenses**		(365,310)	(7)	(357,884)	(8)
6500	**Other income and expenses, net**	6(5)(20)	(20,163)	(1)	(12,351)	-
6900	**Operating profit**		337,130	6	326,766	7
	Non-operating income and expenses					
7010	Other income	6(21) and 7	1,477	-	697	-
7020	Other gains and losses	6(22)	6,341	-	6,157	-
7050	Finance costs	6(23)	(17,216)	-	(13,055)	-
7000	**Total non-operating income and expenses**		(9,398)	-	(6,201)	-
7900	**Profit before income tax**		327,732	6	320,565	7
7950	Income tax expense	6(26)	(63,550)	(1)	(56,103)	(1)
8000	**Profit for the period from continuing operations**		264,182	5	264,462	6
8100	(Loss) profit from discontinued operations	6(6)	(14,877)	-	5,087	-
8200	**Profit for the period**		$ 249,305	5	$ 269,549	6

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(UNAUDITED)

			Three months ended March 31			
			2019		2018	
	Items	Notes	AMOUNT	%	AMOUNT	%
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gain or loss on financial assets at fair value through other comprehensive income	6(2)	$ 108,677	2	$ 174,095	4
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)	-	-	(4,176)	-
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**		108,677	2	169,919	4
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Currency translation differences of foreign operations		20,607	1	(39,760)	(1)
8360	**Components of other comprehensive income that will be reclassified to profit or loss**		20,607	1	(39,760)	(1)
8300	**Total other comprehensive income for the period**		$ 129,284	3	$ 130,159	3
8500	**Total comprehensive income for the period**		$ 378,589	8	$ 399,708	9
	Profit, attributable to:					
8610	Owners of the parent		$ 242,130	5	$ 263,364	6
8620	Non-controlling interest		7,175	-	6,185	-
			$ 249,305	5	$ 269,549	6
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 368,898	8	$ 392,338	9
8720	Non-controlling interest		9,691	-	7,370	-
			$ 378,589	8	$ 399,708	9
	Basic earnings per share	6(27)				
9710	Basic earnings (loss) per share from continuing operations		$ 0.94		$ 0.97	
9720	Basic earnings (loss) per share from discontinued operations		(0.04)		0.01	
9750	**Total basic earnings per share**		$ 0.90		$ 0.98	
9810	Diluted earnings per share from continuing operations		$ 0.94		$ 0.97	
9820	Diluted earnings (loss) per share from discontinued operations		(0.04)		0.01	
9850	**Total diluted earnings per share**		$ 0.90		$ 0.98	

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Equity attributable to owners of the parent									
				Retained Earnings		Other equity interest					
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	UnrealiSed gain or loss on available-for-sale financial assets	Total	Non-controlling interest	Total equity
For the three-month period ended March 31, 2018											
Balance at January 1, 2018		$2,679,910	$ 1,145	$ 495,401	$ 2,335,867	($ 22,617)	$ -	$ 1,187,792	$6,677,498	$ 280,016	$6,957,514
Effect of retrospective application and restatement		-	-	-	-	-	1,187,792	(1,187,792)	-	-	-
Balance after restatement at January 1, 2018		2,679,910	1,145	495,401	2,335,867	(22,617)	1,187,792	-	6,677,498	280,016	6,957,514
Profit for the period		-	-	-	263,364	-	-	-	263,364	6,185	269,549
Other comprehensive income (loss) for the period		-	-	-	(3,997)	(41,124)	174,095	-	128,974	1,185	130,159
Total comprehensive income		-	-	-	259,367	(41,124)	174,095	-	392,338	7,370	399,708
Cash receipt from non-controlling interest of a subsidiary through capital increase in cash		-	-	-	-	-	-	-	-	49,000	49,000
Balance at March 31, 2018		$2,679,910	$ 1,145	$ 495,401	$ 2,595,234	($ 63,741)	$1,361,887	$ -	$7,069,836	$ 336,386	$7,406,222
For the three-month period ended March 31, 2019											
Balance at January 1, 2019		$2,679,910	$ 1,652	$ 638,708	$ 2,341,559	$ 27,240	$1,242,907	$ -	$6,931,976	$ 324,709	$7,256,685
Profit for the period		-	-	-	242,130	-	-	-	242,130	7,175	249,305
Other comprehensive income for the period		-	-	-	-	18,091	108,677	-	126,768	2,516	129,284
Total comprehensive income		-	-	-	242,130	18,091	108,677	-	368,898	9,691	378,589
Balance at March 31, 2019		$2,679,910	$ 1,652	$ 638,708	$ 2,583,689	$ 45,331	$1,351,584	$ -	$7,300,874	$ 334,400	$7,635,274

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	For the three-month period ended March 31 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from continuing operations before tax		$ 327,732	$ 320,565
(Loss) profit from discontinued operations before tax		(14,486)	7,400
Profit before tax		313,246	327,965
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on expected credit profit impairment	12(2)	(40)	(128)
Depreciation	6(7)(24)	149,837	131,083
Depreciation of right-of-use	6(8)(24)	8,951	-
Amortisation	6(24)	1,085	894
Interest income	6(21)	(5,275)	(2,702)
Interest expense	6(23)	17,489	13,055
Provision for (reversal of) loss on inventory market price decline	6(4)	13,200	1,304
Change in fair value less cost to sell of biological assets	6(5)(20)	20,163	12,351
(Gain) loss on disposal of property, plant and equipment	6(22)	(463)	4,174
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		35,309	50,049
Accounts receivable		73,808	169,156
Accounts receivable - related parties		(26,325)	(65,318)
Other receivables		10,760	(941)
Other receivables - related parties		(7,881)	(5,799)
Inventories		(263,636)	(196,455)
Biological assets		(24,041)	(82,275)
Prepayments		304,236	120,316
Changes in operating liabilities			
Notes payable		(118,731)	(153,301)
Notes payable - related parties		67	-
Accounts payable		(68,521)	51,647
Accounts payable - related parties		41,054	(28,857)
Other payables		(109,315)	27,184
Other payables - related parties		20,384	(1,947)
Accrued pension liabilities		(4,839)	(2,451)
Cash inflow generated from operations		380,522	369,004
Cash paid for income tax		(589)	(2,409)
Net cash flows from operating activities		379,933	366,595

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	For the three-month period ended March 31 2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in other current assets		$ -	($ 900)
Acquisition of property, plant and equipment	6(29)	(326,251)	(413,835)
Proceeds from disposal of property, plant and equipment		930	1,439
Acquisition of intangible assets	6(9)	-	(254)
(Increase)decrease in other non-current assets		10,560	19,282
Cash receipt of interest		5,275	2,702
Net cash flows used in investing activities		(309,486)	(391,566)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term borrowings		97,550	(98,383)
Increase (decrease) in short-term notes and bills payable		171,575	(89,802)
Proceeds from long-term borrowings		920,000	500,000
Payment of long-term borrowings		(1,173,312)	(320,000)
Payment of lease liability	6(8)	(24,863)	-
Cash payment for interest		(18,390)	(12,964)
Cash receipt from non-controlling interest of a subsidiary through capital increase/establishment		-	49,000
Net cash flows (used in) from financing activities		(27,440)	27,851
Effects of changes in foreign exchange rate		4,272	162
Non-current assets held for sale - cash	6(6)	(46,891)	-
Net increase in cash and cash equivalents		388	3,042
Cash and cash equivalents at beginning of period	6(1)	134,880	246,987
Cash and cash equivalents at end of period	6(1)	$ 135,268	$ 250,029

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(UNAUDITED)

1. HISTORY AND ORGANISATION

Charoen Pokphand Enterprise (Taiwan) Co., Ltd. (the "Company") was incorporated on August 22, 1977 as a company limited by shares under the Statute for Investment by Overseas Chinese and the provisions of the Company Act of the Republic of China. The main activities of the Company and its subsidiaries (collectively referred herein as the "Group") are the manufacture and sale of animal feeds, livestock, chicken and processed meat products. The Company's common stock has been traded on the Taiwan Stock Exchange since July 27, 1987. Charoen Pokphand Foods Public Company Limited ("CPF"), which is incorporated in Thailand, indirectly holds 39% equity interest in the Company.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on May 6, 2019.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC effective from 2019 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9, 'Prepayment features with negative compensation'	January 1, 2019
IFRS 16, 'Leases'	January 1, 2019
Amendments to IAS 19, 'Plan amendment, curtailment or settlement'	January 1, 2019
Amendments to IAS 28, 'Long-term interests in associates and joint	January 1, 2019
IFRIC 23, 'Uncertainty over income tax treatments'	January 1, 2019
Annual improvements to IFRSs 2015-2017 cycle	January 1, 2019

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 16, 'Leases'

A. IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognise a 'right-of-use asset' and a lease liability (except for those leases with terms of 12 months or less and leases of low-value assets). The accounting stays the same for lessors, which is to classify their leases as either finance leases or operating leases and account for those two types of leases differently. IFRS 16 only requires enhanced disclosures to be provided by lessors.

B. The Group has elected to apply IFRS 16 by not restating the comparative information (referred herein as the 'modified retrospective approach') when applying "IFRSs" effective in 2019 as endorsed by the FSC. Accordingly, the Group increased 'right-of-use asset' by $359,985, increased 'lease liability' by $345,919 and decreased prepayments by $14,174, property, plant and equipment by $12,533 and lease payable by $12,641 with respect to the lease contracts of lessees on January 1, 2019.

C. The Group has used the following practical expedients permitted by the standard at the date of initial application of IFRS 16:

(a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics.

(b) The exclusion of initial direct costs for the measurement of 'right-of-use asset'.

(c) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

D. The Group calculated the present value of lease liabilities by using weighted average incremental borrowing interest rate of 1.44%.

E. The Group recognised lease liabilities which had previously been classified as 'operating leases' under the principles of IAS 17, 'Leases'. The reconciliation between operating lease commitments under IAS 17 measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and lease liabilities recognised as of January 1, 2019 is as follows:

Operating lease commitments disclosed by applying IAS 17 as at December 31, 2018	$	406,811
Add: Lease payable recognised under finance lease by applying IAS 17 as at December 31, 2018		12,641
Less: Short-term leases exemption	(	29,765)
Add: Lease contracts previously identified as service agreements		4,029
Total lease contracts amount recognised as lease liabilities by applying IFRS 16 on January 1, 2019	$	393,716
Incremental borrowing interest rate at the date of initial application		1.44%
Lease liabilities recognised as at January 1, 2019 by applying IFRS 16	$	345,919

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
Amendments to IAS 1 and IAS 8, 'Disclosure Initiative-Definition of Material'	January 1, 2020
Amendments to IFRS 3, 'Definition of a business'	January 1, 2020
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by IASB
IFRS 17, 'Insurance contracts'	January 1, 2021

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2018, except for the compliance statement, basis of preparation, and basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standards 34, 'Interim Financial Reporting' as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2018.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through other comprehensive income.

(b) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

(c) Biological assets measured at fair value less costs to sell.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of consolidated financial statements are consistent with those of the year ended December 31, 2018.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	March 31, 2019	December 31, 2018	March 31, 2018	Note
The Company	Plenty Type Limited (Cayman Islands)	Management of producing and non-producing business investments	100.00	100.00	100.00	
The Company	Charoen Pokphand (Taiwan) Co.,	Management of importing and exporting business	90.00	90.00	90.00	
The Company	Arbor Acres (Taiwan) Co., Ltd.	Husbandry, management of chickens to produce eggs and meat	50.00	50.00	50.00	Note 1
The Company	Rui Mu Foods Co., Ltd.	Management of layers and related business	52.00	52.00	52.00	
The Company	Rui Fu Foods Co., Ltd.	Management of layers and related business	51.00	51.00	51.00	
Plenty Type Limited (Cayman Islands)	Chia Tai Lianyungang Co., Ltd.	Management of producing and non-producing business	99.99	99.99	99.99	
Chia Tai Lianyungang Co., Ltd.	Lianyungang Chia Tai Agro-industry	Feeds producing, poultry raising, processing and sales	70.00	70.00	70.00	

Note 1: The Company's direct or indirect shareholding ratio does not exceed 50%. However, the Company controls more than half of the directors. Thus, the subsidiary is included in the consolidation.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(5) Leasing arrangements (lessee) - right-of-use assets/ lease liabilities

Effective 2019

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are fixed payments, less any lease incentives receivable.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset’s useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(6) Leased assets / leases (lessee)

Effective 2018

A. Based on the terms of a lease contract, a lease is classified as a finance lease if the Group assumes substantially all the risks and rewards incidental to ownership of the leased asset.

(a) A finance lease is recognised as an asset and a liability at the lease’s commencement at the lower of the fair value of the leased asset or the present value of the minimum lease payments.

(b) The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(c) Property, plant and equipment held under finance leases are depreciated over their estimated useful lives. If there is no reasonable certainty that the Group will obtain ownership at the end of the lease, the asset shall be depreciated over the shorter of the lease term and its useful life.

B. Payments made under an operating lease (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the lease term.

(7) Income tax

A. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There have been no significant changes as of March 31, 2019. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2018.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2019	December 31, 2018	March 31, 2018
Cash on hand and revolving funds	$ 7,095	$ 9,478	$ 4,990
Checking accounts	3,026	3,031	7,323
Demand deposits	172,038	122,371	237,716
Total	182,159	134,880	250,029
Less: Non-current assets held for sale	(46,891)	-	-
	$ 135,268	$ 134,880	$ 250,029

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. On March 31, 2019, the Group has restricted cash and cash equivalents pledged as collaterals totalling $7,450, and classified as other financial assets and shown as ‘other current assets’. Please refer to Note 8 for details.

(2) Financial assets at fair value through other comprehensive income

Items	March 31, 2019	December 31, 2018	March 31, 2018
Non-current items:			
Equity instruments			
Listed stocks	$ 511,099	$ 507,724	$ 482,014
Valuation adjustment	1,392,430	1,275,226	1,328,128
	$ 1,903,529	$ 1,782,950	$ 1,810,142

A. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three-month period ended March 31,	
	2019	2018
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 108,677	$ 174,095

B. The subsidiary, Plenty Type Limited (Cayman Islands), holds the CPF's shares, which is traded on the Thailand Stock Exchange, and is classified as non-current financial assets at fair value through other comprehensive income.

(3) Notes and accounts receivable

	March 31, 2019	December 31, 2018	March 31, 2018
Notes receivable	$ 323,788	$ 359,097	$ 328,049
Less: Non-current assets held for sale	(1,839)	-	-
	$ 321,949	$ 359,097	$ 328,049
Accounts receivable	$ 1,706,934	$ 1,780,742	$ 1,446,721
Less: Allowance for uncollectible accounts	(2,329)	(2,369)	(2,605)
	$ 1,704,605	$ 1,778,373	$ 1,444,116
Less: Non-current assets held for sale	(5,770)	-	-
	$ 1,698,835	$ 1,778,373	$ 1,444,116

A. The ageing analysis of accounts receivable is as follows:

	March 31, 2019	December 31, 2018	March 31, 2018
Current	$ 1,629,019	$ 1,711,849	$ 1,402,305
Up to 180 days	75,085	66,149	40,345
181 to 365 days	2,282	2,181	2,324
Over one year	548	563	1,747
	1,706,934	1,780,742	1,446,721
Less: Non-current assets held for sale	(5,770)	-	-
	$ 1,701,164	$ 1,780,742	$ 1,446,721

The above ageing analysis was based on past due date.

B. As of March 31, 2019 and 2018, all the Group's notes receivable were not past due.

C. The credit quality of accounts receivable was in the following category based on the Group's Credit Quality Control Policy:

	March 31, 2019	December 31, 2018	March 31, 2018
With guarantee	$ 131,178	$ 135,655	$ 143,791
Without guarantee	1,575,756	1,645,087	1,302,930
	$ 1,706,934	$ 1,780,742	$ 1,446,721
Less: Non-current assets held for sale	(5,770)	-	-
	$ 1,701,164	$ 1,780,742	$ 1,446,721

The Group holds commercial papers, real estate and deposits collateral as security for accounts receivable.

D. As at March 31, 2019, December 31, 2018 and March 31, 2018, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were $323,788, $359,097 and $328,049, respectively, while the amount that best represents the Group's accounts receivable were $1,704,605, $1,778,373 and $1,444,116, respectively.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

	March 31, 2019		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 827,718	$ -	$ 827,718
Packing supplies	25,456	(450)	25,006
Work in progress	32,912	-	32,912
Finished goods	642,340	(27,800)	614,540
General merchandise	38,832	(49)	38,783
Inventory in transit	5,500	-	5,500
	1,572,758	(28,299)	1,544,459
Less: Non-current assets held for sale	(162,047)	-	(162,047)
	$ 1,410,711	($ 28,299)	$ 1,382,412

	December 31, 2018		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 698,931	$ -	$ 698,931
Packing supplies	24,779	(250)	24,529
Work in progress	26,648	-	26,648
Finished goods	511,324	(14,800)	496,524
General merchandise	33,176	(49)	33,127
Inventory in transit	14,264	-	14,264
	$ 1,309,122	($ 15,099)	$ 1,294,023

	March 31, 2018		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 813,176	$ -	$ 813,176
Packing supplies	27,396	-	27,396
Work in progress	26,026	-	26,026
Finished goods	516,847	(8,770)	508,077
General merchandise	31,917	(195)	31,722
Inventory in transit	7,411	-	7,411
	$ 1,422,773	($ 8,965)	$ 1,413,808

The cost of inventories recognised as expense for the period:

	For the three-month period March 31, 2019	2018
Cost of goods sold	$ 4,587,791	$ 4,224,393
Loss on decline in market value	13,200	1,304
Others	443	(1,063)
Less: Operating costs from discontinued operations	(288,740)	(370,386)
	$ 4,312,694	$ 3,854,248

Others were mainly from gains and loss on physical inventory count and income from disposal of leftover and scraps.

(5) Biological assets

A. Biological assets

	March 31, 2019	December 31, 2018	March 31, 2018
Biological assets - current:			
Consumable biological assets	$ 976,262	$ 992,020	$ 936,020
Consumable biological assets - changes in fair value less costs to sell	16,372	36,535	16,932
Bearer biological assets	462,256	391,483	300,052
Bearer biological assets - accumulated depreciation	(207,469)	(166,592)	(114,122)
	$ 1,247,421	$ 1,253,446	$ 1,138,882
Less: Non-current assets held for sale	(1,474)	-	-
	$ 1,245,947	$ 1,253,446	$ 1,138,882
Biological assets - non-current:			
Bearer biological assets	$ 431,624	$ 418,758	$ 384,531
Bearer biological assets - accumulated depreciation	(74,523)	(71,560)	(60,455)
	$ 357,101	$ 347,198	$ 324,076

Consumable biological assets are those that are to be harvested as agricultural products or sold as biological assets. Bearer biological assets are those other than consumable biological assets.

B. Movements of biological assets were as follows:

	2019	2018
At January 1	$ 1,600,644	$ 1,393,034
Purchases	235,492	287,541
Costs and expenses input	1,574,023	1,374,980
Sales	(747,251)	(620,519)
Change in fair value less cost to sell	(20,163)	(12,351)
Transfer to inventories	(1,035,886)	(953,668)
Others	(2,337)	(6,059)
At March 31	1,604,522	1,462,958
Less: Non-current assets held for sale	(1,474)	-
	$ 1,603,048	$ 1,462,958

C. Biological assets are comprised of broiler chicken, breeder chicken, fattening swine, and breeder swine, etc. Biological assets, other than fattening swine which are measured at fair value less costs to sell at each reporting date, are measured at cost less accumulated depreciation and impairment losses. The fair value of fattening swine is measured using quoted market prices as references.

The market prices or fair values at the present condition of breeders are unavailable due to short production cycle; the market prices or fair values at present condition of broiler chickens are difficult to obtain. The valuation based on a discounted cash flow method is considered unreliable given the uncertainty with respect to external factors such as climate, weather, diseases etc. Therefore, breeders and broiler chicken are measured using the cost approach. Cost of biological assets includes all costs incurred during the growth cycle such as cost of new-born animals, feed costs, and other farm costs.

Bearer biological assets are depreciated using the straight-line method through the productive period of each biological asset. The productive period of breeder swine is approximately 24 ~ 36 months; the productive period of breeder chickens is approximately 30 weeks ~ 1 year. For the three-month period ended March 31, 2019 and 2018, depreciation expense of biological assets amounted to $81,353 and $53,770, respectively.

D. Estimates of physical quantities of biological assets were as follows:

	March 31, 2019	December 31, 2018	March 31, 2018
Livestock production:			
Estimates of physical quantities (Units: heads)	5,594,952	5,516,040	4,444,433
Aquatic production:			
Estimates of physical quantities (Units: KG)	-	318,313	339,619
Estimates of physical quantities (Units: heads)	15,600,000	-	73,400,000

E. Financial risk management policies

The Group is exposed to commodity risks arising from changes in market prices of the chickens and swine. The Group does not anticipate that the prices of the agricultural products will decline significantly in the foreseeable future and there is no available derivative or other contracts. The Group reviews the risk of a decline in the price of the agriculture products regularly, and considers to take the financial risk.

(6) Non-current assets held for sale and discontinued operations

A. The assets and liabilities related to Lianyungang Chia Tai Agro-industry Development Co., Ltd. have been reclassified as held for sale and presented as discontinued operations for meeting the definition of discontinued operations following the approval of Chia Tai Lianyungang Co., Ltd.'s Board of Directors on February 18, 2019 to sell all shares held in Lianyungang Chia Tai Agro-industry Development Co., Ltd. to the related party, Chia Tai (China) Investment Co., Ltd.

B. The cash flow information of the discontinued operations is as follows:

	For the three-month period ended March 31,	
	2019	2018
Operating cash flows	$ 25,726	$ 17,752
Investing cash flows	910	(12,611)
Financing cash flows	483	-
Total cash flows	$ 27,119	$ 5,141

C. Assets of disposal group classified as held for sale:

	March 31, 2019
Cash and cash equivalents	$ 46,891
Notes receivable	1,839
Accounts receivable	5,770
Accounts receivable - related parties	397,045
Other receivables	4,737
Other receivables - related parties	22,036
Inventories	162,047
Biological assets	1,474
Prepayments	28,602
Property, plant and equipment	121,714
Deferred income tax assets	7,521
Other non-current assets	11,987
	$ 811,663

D. Liabilities of disposal group classified as held for sale:

	March 31, 2019
Short-term borrowings	$ 22,984
Accounts payable	51,012
Accounts payable to related parties	308,207
Other payables	186,547
	$ 568,750

E. Analysis of the result of discontinued operations, and the result recognised on the remeasurement of disposal group, is as follows:

	For the three-month period ended March 31,	
	2019	2018
Operating revenue	$ 293,554	$ 405,991
Operating costs	(288,740)	(370,385)
Operating expenses	(24,391)	(31,049)
Total non-operating income and expenses	5,092	2,843
(Loss) profit before tax of discontinued operations	(14,485)	7,400
Income tax expenses	(392)	(2,313)
(Loss) profit after tax of discontinued operations	($ 14,877)	$ 5,087
Attributable to:		
Discontinued operations of parent company	($ 10,414)	$ 3,561
Non-controlling interest	(4,463)	1,526
(Loss) profit after tax of discontinued operations	($ 14,877)	$ 5,087

No impairment loss occurred as the remeasurement of the disposal group held for sale at the lower of its carrying amount or fair value less costs to sell.

F. Profit from continuing and discontinued operations attributable to owners of the parent: Please refer to Note 6(27) Earnings per share for the details.

(7) Property, plant and equipment

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
At January 1, 2019									
Cost	$ 2,131,816	$ 96,928	$ 3,276,514	$ 3,806,059	$ 273,253	$ 965,801	$ 792,432	$ 593,269	$ 11,936,072
Accumulated depreciation and impairment	-	(34,726)	(1,242,450)	(2,137,433)	(166,031)	(444,698)	(306,002)	-	(4,331,340)
	$ 2,131,816	$ 62,202	$ 2,034,064	$ 1,668,626	$ 107,222	$ 521,103	$ 486,430	$ 593,269	$ 7,604,732
2019									
Opening net book amount as at January 1	$ 2,131,816	$ 62,202	$ 2,034,064	$ 1,668,626	$ 107,222	$ 521,103	$ 486,430	$ 593,269	$ 7,604,732
Additions	36,917	-	189,535	19,874	4,733	420	25,833	210,169	487,481
Disposals	-	-	-	-	(467)	-		-	(467)
Reclassifications	54,570	6,919	109,608	34,446	-	3,947	36,308	(245,798)	-
Depreciation	-	(2,115)	(41,291)	(57,218)	(9,380)	(22,790)	(17,043)	-	(149,837)
Net exchange differences	-	-	1,132	2,507	125	-	200	15	3,979
Closing net book amount as at March 31	$ 2,223,303	$ 67,006	$ 2,293,048	$ 1,668,235	$ 102,233	$ 502,680	$ 531,728	$ 557,655	$ 7,945,888
At March 31, 2019									
Cost	$ 2,223,303	$ 103,847	$ 3,565,556	$ 3,877,892	$ 275,359	$ 970,168	$ 853,199	$ 557,655	$ 12,426,979
Accumulated depreciation and impairment	-	(36,841)	(1,272,508)	(2,209,657)	(173,126)	(467,488)	(321,471)	-	(4,481,091)
	2,223,303	67,006	2,293,048	1,668,235	102,233	502,680	531,728	557,655	7,945,888
Less: Non-current assets held for sales	-	-	(34,008)	(74,497)	(3,661)	-	(7,302)	(2,246)	(121,714)
	$ 2,223,303	$ 67,006	$ 2,259,040	$ 1,593,738	$ 98,572	$ 502,680	$ 524,426	$ 555,409	$ 7,824,174

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
At January 1, 2018									
Cost	$ 1,718,826	$ 70,105	$ 2,567,038	$ 3,541,712	$ 252,921	$ 947,342	$ 656,167	$ 732,387	$ 10,486,498
Accumulated depreciation and impairment	-	(30,580)	(1,155,135)	(2,027,022)	(145,645)	(357,779)	(255,175)	-	(3,971,336)
	$ 1,718,826	$ 39,525	$ 1,411,903	$ 1,514,690	$ 107,276	$ 589,563	$ 400,992	$ 732,387	$ 6,515,162
2018									
Opening net book amount as at January 1	$ 1,718,826	$ 39,525	$ 1,411,903	$ 1,514,690	$ 107,276	$ 589,563	$ 400,992	$ 732,387	$ 6,515,162
Additions	7,713	1,029	30,195	22,137	5,385	2,686	25,269	253,477	347,891
Disposals	-	-	(4,758)	-	(850)	-	(5)	-	(5,613)
Reclassifications	108,324	1,345	231,533	59,967	11,421	4,697	36,281	(453,568)	-
Depreciation	-	(1,151)	(32,700)	(50,101)	(9,750)	(22,983)	(14,398)	-	(131,083)
Net exchange differences	-	-	604	1,142	52	-	42	-	1,840
Closing net book amount as at March 31	$ 1,834,863	$ 40,748	$ 1,636,777	$ 1,547,835	$ 113,534	$ 573,963	$ 448,181	$ 532,296	$ 6,728,197
At March 31, 2018									
Cost	$ 1,834,863	$ 72,479	$ 2,801,301	$ 3,596,207	$ 267,320	$ 954,093	$ 716,973	$ 532,296	$ 10,775,532
Accumulated depreciation and impairment	-	(31,731)	(1,164,524)	(2,048,372)	(153,786)	(380,130)	(268,792)	-	(4,047,335)
	$ 1,834,863	$ 40,748	$ 1,636,777	$ 1,547,835	$ 113,534	$ 573,963	$ 448,181	$ 532,296	$ 6,728,197

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	For the three-month period ended March 31,	
	2019	2018
Amount capitalised	$ 1,607	$ 1,192
Interest rate range	1.12%~1.63%	1.10%~1.63%

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

C. As of March 31, 2019, December 31, 2018 and March 31, 2018, the Group held 184 parcels, 179 parcels and 101 parcels of agricultural land, respectively. The carrying amounts of land registered under the title of others amounted to $927,742, $876,746 and $613,793, respectively. These parcels of land are registered under the title of individuals, however, the Company has agreements with those individuals to pledge these agricultural land to the Company.

(8) Leasing arrangements - lessee

Effective 2019

A. The Group leases various assets including land, buildings, business vehicles, and other equipment. Rental contracts are typically made for periods of 1 to 22 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	March 31, 2019	For the three-month period ended March 31, 2019
	Carrying amount	Depreciation charge
Land	$ 333,232	$ 6,395
Buildings	5,496	668
Transportation equipment (Business vehicles)	4,793	687
Other equipment	8,736	1,201
	$ 352,257	$ 8,951

C. For the three-month period ended March 31, 2019, the additions to right-of-use assets were $1,222.

D. The Group has no significant profit or loss in relation to lease contracts for the three-month period ended March 31, 2019.

E. For the three-month period ended March 31, 2019, the Group's total cash outflow for leases was $24,863.

(9) Intangible assets

	Software	Goodwill	Total
At January 1, 2019			
Cost	$ 10,568	$ 13,430	$ 23,998
Accumulated amortisation and impairment	(8,939)	-	(8,939)
	$ 1,629	$ 13,430	$ 15,059
2019			
At January 1	$ 1,629	$ 13,430	$ 15,059
Amortisation	(269)	-	(269)
Net exchange differences	-	89	89
March 31	$ 1,360	$ 13,519	$ 14,879
At March 31, 2019			
Cost	$ 10,568	$ 13,519	$ 24,087
Accumulated amortisation and impairment	(9,208)	-	(9,208)
	$ 1,360	$ 13,519	$ 14,879

	Software	Goodwill	Total
At January 1, 2018			
Cost	$ 9,814	$ 13,061	$ 22,875
Accumulated amortisation and impairment	(7,767)	-	(7,767)
	$ 2,047	$ 13,061	$ 15,108
2018			
At January 1	$ 2,047	$ 13,061	$ 15,108
Additions	254	-	254
Amortisation	(285)	-	(285)
Net exchange differences	-	(311)	(311)
March 31	$ 2,016	$ 12,750	$ 14,766
At March 31, 2018			
Cost	$ 10,068	$ 12,750	22,818
Accumulated amortisation and impairment	(8,052)	-	(8,052)
	$ 2,016	$ 12,750	$ 14,766

(10) Short-term borrowings

Type of borrowings	March 31, 2019	Interest rate range	Collateral
Unsecured borrowings	$ 2,745,543	1.04%~1.75%	None
Letters of credit	97,034	3.20%~3.67%	None
Secured borrowings	22,984	4.79%	Land use right and building
	2,865,561		
Less: Liabilities included in disposal groups classified as held for sale	(22,984)		
	$ 2,842,577		

Type of borrowings	December 31, 2018	Interest rate range	Collateral
Unsecured borrowings	$ 2,604,350	1.04%~1.75%	None
Letters of credit	141,433	3.28%~4.12%	None
Secured borrowings	22,228	4.79%	Land use right
	$ 2,768,011		

Type of borrowings	March 31, 2018	Interest rate range	Collateral
Unsecured borrowings	$ 2,163,000	1.00%~1.80%	None

(11) Short-term notes and bills payable

	March 31, 2019	December 31, 2017	March 31, 2018
Commercial paper payable	$ 792,000	$ 620,000	$ 410,000
Less: Unamortised discounts	(1,155)	(730)	(313)
	$ 790,845	$ 619,270	$ 409,687
Interest rates range	0.63%~0.93%	0.64%~0.94%	0.64%~0.97%

The short-term notes and bills payable were guaranteed by certain financial institutions.

(12) Other payables

	March 31, 2019	December 31, 2017	March 31, 2018
Accrued salary	$ 202,219	$ 344,043	$ 188,684
Payables for machinery and equipment	223,393	62,163	24,208
Contract libilities	123,515	100,652	226,081
Others	266,629	257,345	229,624
	815,756	764,203	668,597
Less: Liabilities included in disposal group classified as held for sale	(186,547)	-	-
	$ 629,209	$ 764,203	$ 668,597

(13) Long-term borrowings

Type of borrowings	Borrowing period	Interest rate range	March 31, 2019
Secured loans	2016.8.2~2022.12.15	1.42%~1.63%	$ 799,688
Unsecured credit loans	2017.9.6~2022.10.27	1.25%~1.50%	1,500,000
			2,299,688
Less: Current portion (shown as ‘other current liabilities)			(309,917)
			$ 1,989,771

Type of borrowings	Borrowing period	Interest rate range	December 31, 2018
Secured loans	2016.8.2~2022.12.15	1.42%~1.63%	$ 853,000
Unsecured credit loans	2017.9.6~2022.10.27	1.03%~1.50%	1,700,000
			2,553,000
Less: Current portion (shown as ‘Other current liabilities’)			(593,250)
			$ 1,959,750

Type of borrowings	Borrowing period	Interest rate range	March 31, 2019
Secured loans	2016.5.28~2022.12.15	1.42%~1.69%	$ 983,000
Unsecured credit loans	2017.8.1~2022.10.27	1.03%~1.42%	970,000
			1,953,000
Less: Current portion (shown as ‘Other current liabilities’)			(563,312)
			$ 1,389,688

Information about collateral that were pledged for long-term borrowings is provided in Note 8.

(14) Finance lease liabilities

Effective 2018

A. The Group signed finance lease contracts to lease transportation equipment from Pro Leasing & Rental Co., Ltd., Avis Car Rental Co., Ltd., Ho-Hsin Truck Leasing Co., Ltd. and Carplus Auto Leasing Co., Ltd. The lease terms cover the majority of the total estimated economic lives of the leased assets.

B. The Group signed finance lease contracts to lease other equipment from Taiwan Warehouse Solution Corp., Tay Warehouse Equipment Co., Ltd., Yiyi Warehouse Equipment Co., Ltd., Power Handling Co., Ltd., Taiwan Shih Ban Industrial Co., Ltd., and Tedson Machine Co., Ltd.. The lease terms cover the majority of the total estimated economic lives of the leased assets.

C. Future minimum lease payments and their present values as at December 31, 2018 and March 31, 2018 are as follows:

	December 31, 2018		
	Total finance lease liabilities	Future finance charges	Present value of finance lease liabilities
Current (shown as 'Other current liabilities')			
Not later than one year	$ 6,653	($ 139)	$ 6,514
Non-current (shown as 'Other non-current liabilities')			
Later than one year but not later than five years	6,209	(82)	6,127
	$ 12,862	($ 221)	$ 12,641

	March 31, 2018		
	Total finance lease liabilities	Future finance charges	Present value of finance lease liabilities
Current (shown as "Other current liabilities")			
Not later than one year	$ 5,840	($ 166)	$ 5,674
Non-current (shown as "Other non-current liabilities")			
Later than one year but not later than five years	8,948	(114)	8,834
	$ 14,788	($ 280)	$ 14,508

(15) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have defined benefit pension plans in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit plans, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to specific percentage of the employees' monthly salaries and wages to the retirement fund deposited with the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balances are insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

(b) For the aforementioned pension plan, the Group recognised pension costs of $1,142 and $1,571 for the three-month period ended March 31, 2019 and 2018, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ended December 31, 2019 have no material differences from actual contributions for the year ended December 31, 2018.

B. Defined contribution plans

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established defined contribution pension plans (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of retirement employment. The pension costs for the aforementioned defined contribution pension plans of the Group for the three-month period ended March 31, 2019 and 2018 were $10,763 and $10,090, respectively.

(b) The Company's Mainland China subsidiary, Lianyungang Chia Tai Agro-industry Development Co., Ltd., has a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the three-month period ended March 31, 2019 and 2018 were both 20%. Other than the monthly contributions, the Group has no further obligations. The pension costs for the aforementioned defined contribution pension plans of the Group for the three-month period ended March 31, 2019 and 2018 were $1,557 and $1,386, respectively.

(16) Share capital - common stocks

As of March 31, 2019, the Company's authorised capital was $3,579,000, consisting of 357,900 thousand shares of common stock, and the paid-in capital was $2,679,910, consisting of 267,991 thousand shares of common stock with a par value of $10 (in dollars) per share. All proceeds from shares issuance have been collected. For the three-month period ended March 31, 2019 and 2018, there were no changes in the number of the Company's ordinary shares outstanding.

(17) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(18) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. A special reserve is set aside or reversed in accordance with related laws or Competent Authority. The remainder, if any, along with the accumulated unappropriated earnings in prior years, shall be distributed as shareholders' bonus as resolved by the shareholders. Cash dividends to shareholders shall account for at least 10% of the total dividends to shareholders. If cash dividend is lower than $0.1 (in dollars) per share, dividends are distributed using share dividends.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The appropriation of earnings for 2017 have been resolved at the shareholders' meetings on June 13, 2018 as follows:

	2017	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 143,307	
Cash dividends	803,973	$ 3

E. Events after the balance sheet date:

The appropriation of earnings for the year of 2018 proposed by the Board of Directors on May 6, 2019 is as follows. The dividends payable was not reflected in the consolidated financial statements of the Group.

	2018	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 95,073	
Cash dividends	803,973	$ 3

The appropriation proposal of 2018 earnings has not yet been resolved at the shareholders' meeting.

F. For the information relating to employees' compensation and directors' and supervisors' remuneration, please refer to Note 6(25).

(19) Operating revenue

	For the three-month period ended March 31,	
	2019	2018
Revenue from contracts with customers	$ 5,328,851	$ 4,957,240
Less: Operating revenue from discontinued operations	(293,554)	(405,991)
	$ 5,035,297	$ 4,551,249

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

For the three-month period ended March 31, 2019	Domestic	Asia	Total
Total segment revenue	$ 5,134,350	$ 293,554	$ 5,427,904
Inter-segment revenue	(99,053)	-	(99,053)
Revenue from external customer contracts	$ 5,035,297	$ 293,554	$ 5,328,851
Timing of revenue recognition			
At a point in time	$ 5,035,297	$ 293,554	$ 5,328,851
Less: Operating revenue from discontinued operations	-	(293,554)	(293,554)
	$ 5,035,297	$ -	$ 5,035,297

For the three-month period ended March 31, 2018	Domestic	Asia	Total
Total segment revenue	$ 4,609,010	$ 405,991	$ 5,015,001
Inter-segment revenue	(57,761)	-	(57,761)
Revenue from external customer contracts	$ 4,551,249	$ 405,991	$ 4,957,240
Timing of revenue recognition			
At a point in time	$ 4,551,249	$ 405,991	$ 4,957,240
Less: Operating revenue from discontinued operations	-	(405,991)	(405,991)
	$ 4,551,249	$ -	$ 4,551,249

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	March 31, 2019	December 31, 2018	March 31, 2018
Contract liabilities:			
Contract liabilities - advance receipts	$ 123,515	$ 100,652	$ 226,081
Less: Transferred liabilities directly related to non-current assets held for sale	(123,515)	-	-
	$ -	$ 100,652	$ 226,081

C. Information on revenue categorised by nature is provided in Note 14(2).

(20) Other income and expenses, net

Other income and expenses, net are gains (losses) on change in fair value less costs to sell of biological assets.

	For the three-month period ended March 31,	
	2019	2018
Other income and expenses, net	($ 20,163)	($ 12,351)

(21) Other income

	For the three-month period ended March 31,	
	2019	2018
Interest income:		
Interest income from bank deposits	$ 5,275	$ 2,703
Rental income	1,374	625
	6,649	3,328
Less: Other income from discontinued operations	(5,172)	(2,631)
	$ 1,477	$ 697

(22) Other gains and losses

	For the three-month period ended March 31,	
	2019	2018
Gains (losses) on disposal of property, plant and equipment	$ 463	($ 4,174)
Foreign exchange gains	2,642	7,067
Other gains and losses	3,429	3,476
	6,534	6,369
Less: Other gains and losses from discontinued operations	(193)	(212)
	$ 6,341	$ 6,157

(23) Finance costs

	For the three-month period ended March 31, 2019	2018
Interest expense	$ 17,489	$ 13,055
Less: Finance costs from discontinued operations	(273)	-
	$ 17,216	$ 13,055

(24) Expenses by nature (Including discontinued operations)

	For the three-month period ended March 31, 2019		
	Operating cost	Operating expenses	Total
Employee benefit expense	$ 307,550	$ 165,007	$ 472,557
Depreciation on property, plant and equipment	140,167	9,670	149,837
Depreciations on right-of-use assets	7,477	1,474	8,951
Amortisation	725	359	1,084
	$ 455,919	$ 176,510	$ 632,429

	For the three-month period ended March 31, 2018		
	Operating cost	Operating expenses	Total
Employee benefit expense	$ 266,470	$ 171,939	$ 438,409
Depreciation on property, plant and equipment	120,286	10,797	131,083
Amortisation	540	354	894
	$ 387,296	$ 183,090	$ 570,386

(25) Employee benefit expense (Including discontinued operations)

	For the three-month period ended March 31, 2019		
	Operating cost	Operating expenses	Total
Wages and salaries	$ 260,371	$ 145,389	$ 405,760
Labor and health insurance	25,320	10,750	36,070
Pension costs	7,972	5,490	13,462
Other personnel expenses	13,887	3,378	17,265
	$ 307,550	$ 165,007	$ 472,557

	For the three-month period ended March 31, 2018		
	Operating cost	Operating expenses	Total
Wages and salaries	$ 224,187	$ 151,951	$ 376,138
Labor and health insurance	22,618	10,406	33,024
Pension costs	7,695	5,352	13,047
Other personnel expenses	11,970	4,230	16,200
	$ 266,470	$ 171,939	$ 438,409

Other personnel expenses include meal allowance, training expenses and employee benefits.

A. According to the Articles of Incorporation of the Company, an amount equal to at least 1% of the Company's distributable profit of the current year should be appropriated as employees' compensation expense. If the Company has an accumulated deficit, earnings should be reserved to cover the accumulated losses in advance.

B. For the three-month period ended March 31, 2019 and 2018, employees' compensation was accrued at $3,294 and $3,157, respectively. The aforementioned amounts were recognised in wages and salaries expense.

For the three-month period ended March 31, 2019, the employees' compensation was estimated and accrued based on 1% (as prescribed by the Company's Articles of Incorporation) of distributable profit of current year as of the end of reporting period.

For 2018, the difference of $258 between employees' compensation of $12,410 resolved by the Board of Directors and the amount of $12,152 recognised in the 2018 financial statements, mainly resulting from a variance in estimation, will be adjusted in profit or loss for 2019. The employees' compensation in 2018 has not yet been distributed, so the adjustment of the variance was not reflected in the consolidated financial statements of the Group.

C. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month period ended March 31,	
	2019	2018
Current tax:		
Current tax on profits for the period	$ 71,272	$ 69,481
Tax on undistributed surplus earnings	-	-
Prior year income tax (over) underestimation	-	-
Total current tax	71,272	69,481
Deferred tax:		
Origination and reversal of temporary differences	(7,330)	(2,267)
Impact of change in tax rate	-	(8,798)
Total deferred tax	(7,330)	(11,065)
Income tax expense	63,942	58,416
Less: Income tax expenses from discontinued operations	(392)	(2,313)
	$ 63,550	$ 56,103

(b) The income tax relating to components of other comprehensive income is as follows:

	For the three-month period ended March 31,	
	2019	2018
Remeasurement of defined benefit obligations	$ -	$ 4,176

B. The income tax returns through 2017 of the Company and its subsidiaries - Charoen Pokphand (Taiwan) Co., Ltd., Arbor Acres (Taiwan) Co., Ltd., Rui Mu Foods Co., Ltd. and Rui Fu Foods Co., Ltd. have been assessed and approved by the Tax Authority.

C. Under the amendments to the Income Tax Act, which was promulgated by the President of the Republic of China on February 7, 2018, the Company’s applicable income tax rate was raised from 17% to 20% effective from January 1, 2018. The Group has assessed the impact of the change in income tax rate.

D. Under the amendments to the Income Tax Act, which was promulgated by the President of the Republic of China on February 7, 2018, the Company’s undistributed retained earnings applicable income tax rate was decreased from 10% to 5% effective from January 1, 2018.

(27) Earnings per share

	For the three-month period ended March 31, 2019		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit from continuing operations attributable to ordinary shareholders	$ 252,544	267,991	$ 0.94
Loss from discontinued operations	(10,414)		(0.04)
Profit attributable to ordinary shareholders	$ 242,130		$ 0.90
Diluted earnings per share			
Profit from continuing operations attributable to ordinary shareholders	$ 252,544	267,991	
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	298	
Profit from continuing operations attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	252,544	268,289	$ 0.94
Loss from discontinued operations	(10,414)		(0.04)
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 242,130	268,289	$ 0.90

	For the three-month period ended March 31, 2018		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit from continuing operations attributable to ordinary shareholders	$ 259,803	267,991	$ 0.97
Profit from discontinued operations	3,561		0.01
Profit attributable to ordinary shareholders	$ 263,364		$ 0.98
Diluted earnings per share			
Profit from continuing operations attributable to ordinary shareholders	$ 259,803	267,991	
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	303	
Profit from continuing operations attributable to ordinary shareholders assumed conversion of all dilutive potential ordinary shares	259,803	268,294	$ 0.97
Profit from discontinued operations	3,561		0.01
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 263,364	268,294	$ 0.98

(28) Operating leases

The Group leases certain main operating locations and farms from years 2009 to 2041. The Group recognised rental expense of $39,619 and $8,787 in profit or loss for the three-month period ended March 31, 2019 and 2018, respectively.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	December 31, 2018	March 31, 2018
Not later than one year	$ 38,557	$ 39,597
Later than one year but not later than five years	131,034	135,934
Over five years	237,220	250,656
	$ 406,811	$ 426,187
Issued post-dated checks	$ 13,521	$ 15,074

(29) Supplemental cash flow information

Investing activities with partial cash payment are as follows:

	For the three-month period ended March 31,	
	2019	2018
Acquisition of property, plant and equipment	$ 487,481	$ 347,891
Add: Opening balance of payable on equipment	62,163	97,662
Opening balance of financial lease liabilities	-	6,997
Less: Ending balance of payable on equipment	(223,393)	(24,208)
Ending balance of financial lease liabilities	-	(14,507)
Cash paid during the period	$ 326,251	$ 413,835

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

CPF (incorporated in Thailand) indirectly held 39% of the Company's equity shares, the remainder were held by the general public. CPG is the major shareholder of CPF.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Group
Charoen Pokphand Foods Public Co., Ltd. (CPF)	Ultimate parent company
Charoen Pokphand Group Co., Ltd. (CPG)	Other related parties
C.P. Merchandising Company Limited	"
C.P. Land Public Company Limited	"
Chia Tai Feedmill Pte. Ltd.	"
Leadership Development Charoen Pokphand Group Co., Ltd.	"
Ta Chung Investment Co., Ltd.	"
Chung Ta Investment Co., Ltd.	"
Perfect Companion (Taiwan) Co., Ltd.	"
C.P. Aquaculture (Dongfang) Co., Ltd.	"
Chia Tai (China) Investment Co., Ltd.	"
Chia Tai (China) Agro-industrial Ltd.	"
Chia Tai Aquaculture (Nantong) Co., Ltd	"
C.P. Food (Xuzhou) Co., Ltd.	"
Chia Tai Food (Suqian) Co., Ltd.	"
Chia Tai Animal Husbandry Investment (Beijing) Co., Ltd.	"
C.P. Trading (China) Co., Ltd.	"
Chia Tai Electronic Commerce (Zhejiang) Co., Ltd.	"
C.P. Premix (Tianjin) Co., Ltd.	"
C.P. Premix (Nantong) Co., Ltd.	"
C.P. Premix (Guanghan) Co., Ltd.	"
Chia Tai Union Animal Pharmacy Co., Ltd.	"
Ming Shan Chia Tai Tea Co., Ltd.	"
Jiangsu C.T. & Suken Swine Co., Ltd.	"
Jiansu Huai Yin Chia Tai Co., Ltd.	"
Wuhan Chia Tai Aquaculture Co.,Ltd.	"
Henan C.T. Poultry Co., Ltd.	"
Pizhou Chia Tai Food Co., Ltd.	"
Qingdao Chia Tai Agricultural Development Co., Ltd.	"
Nantong Chia Tai Co.,Ltd.	"
Nantong Chia Tai Livestock & Poulty Co., Ltd.	"
Nantong Chia Tai Agriculture Development Co., Ltd	"
Nantong Chia Tai Feedmill Co., Ltd.	"

Names of related parties	Relationship with the Group
Xuzhou Chia Tai Feed Co., Ltd.	Other related parties
Taizhou Chia Tai Feed Co., Ltd.	"
Huaian C.P. Livestock Co., Ltd.	"
Xiamen Chia Tai Agriculture Co., Ltd.	"
Chuzhou Chia Tai Co., Ltd.	"
Ningbo Chia Tai Agriculture Co., Ltd.	"
Fuzhou Da Fu Co., Ltd.	"
Guangdong Chia Tai Biotechnology Co., Ltd.	"
Guangdong Zhanjiang Chia Tai Aquaculture Co., Ltd.	"
Zhumadian Huazhong Chia Tai Co., Ltd.	"
Hung Peng-Da	"

(3) Significant related party transactions and balances

A. Operating revenue

	For the three-month period ended March 31,	
	2019	2018
Sales of goods:		
Other related parties	$ 146,544	$ 248,234
Less: Operating revenue from discontinued operations	(146,544)	(248,234)
	$ -	$ -

Goods are sold based on the price lists in force and terms that would be available to third parties.

B. Purchases

	For the three-month period ended March 31,	
	2019	2018
Purchase of goods:		
Ultimate parent company	$ 3,046	$ 9,009
Other related parties	102,678	102,124
Less: Purchase from discontinued operations	(97,705)	(98,709)
	$ 8,019	$ 12,424

Goods are purchased from related parties on normal commercial terms and conditions.

C. Receivables from related parties

	March 31, 2019		December 31, 2018		March 31, 2018	
Accounts receivable:						
Other related parties	$	397,045	$	370,720	$	259,913
Other receivables:						
Other related parties		22,036		14,155		12,482
		419,081		384,875		272,395
Less: Non-current assets held for sale	(	419,081)		-		-
	$	-	$	384,875	$	272,395

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest. There are no allowances for uncollectible accounts held against receivables from related parties.

D. Payables to related parties

	March 31, 2019		December 31, 2018		March 31, 2018	
payable:						
Other related parties	$	311,683	$	270,562	$	69,571
Less: Liabilities directly related to non-current assets held for sale	(	308,207)		-		-
	$	3,476	$	270,562	$	69,571

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Rental income (shown as 'Other income')

	For the three-month period ended March 31,			
	2019		2018	
Rental income:				
Other related parties	$	245	$	245

The rental receivables are collected annually or monthly based on the contracts.

F. Technical service agreement

(a) The Company signed a technical service agreement with CPG since 1996. CPG helps the Company to manufacture feeds, raise animals and to process meat products, and the Company pays compensation of THB12 million (net value) for the services annually. The commitment would not be terminated except when any of the two parties would agree to end the agreement. For the three-month period ended March 31, 2019 and 2018, the Company recognised technical service expenses amounting to $3,347 and $3,212, respectively. As of March 31, 2019, December 31, 2018 and March 31, 2018, the outstanding balance was approximately $110, $156 and $0, respectively.

(b) The Company signed a technical service agreement with CPG at the end of 2015. CPG helps the Company to raise animals and provides consulting services of related technical skills, and the Company pays compensation of $700 for the services monthly. The contract is effective for 5 years. For the three-month period ended March 31, 2019 and 2018, the Company recognised technical service expense amounting to $2,100 for both years. As of March 31, 2019, December 31, 2018 and March 31, 2018, the outstanding balance was $4,200, $2,100 and $2,100, respectively.

G. Trademark licensing agreement

The Company signed a trademark license agreement with CPG at the end of 2015. The contract authorises the Company to use 'CP' as trademark in the designated area (Republic of China). Royalties are paid monthly based on 1.5% of the net amount of sales. The contract is effective for 5 years. For the three-month period ended March 31, 2019 and 2018, the Company recognised royalties amounting to $18,330 and $24,163, respectively. As of March 31, 2019, December 31, 2018 and March 31, 2018, the outstanding balance was approximately $37,504, $19,174 and $24,163, respectively.

H. Property transactions:

On June 26, 2018, the Board of Directors during its meeting resolved to acquire the land and the building located at No. 3781 and No. 227 Changduanshu, Houbi Dist., Tainan City 731, Taiwan (R.O.C.) from other related party and used as an egg washing facility (included in construction in progress). The total contract price is $30,130 and Rui Mu Foods Co., Ltd. has paid $25,000 for the contract.

(4) Key management compensation

	For the three-month period ended March 31,	
	2019	2018
Salaries and other short-term employee benefits	$ 42,485	$ 98,770
Post-employment benefits	389	379
Total	$ 42,874	$ 99,149

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

	Book value			
Pledged assets	March 31, 2019	December 31, 2018	March 31, 2018	Purpose
Time deposits - shown as 'Other current assets'	$ 7,450	$ 7,450	$ 2,900	Guarantee deposit
Land use right (shown as 'Non-current assets classified as held for sale')	3,665	3,611	-	Credit line of short-term borrowing
Land	102,473	103,557	103,557	Long-term borrowings
Buildings and structures	216,277	201,598	199,484	Long-term borrowings
	$ 329,865	$ 316,216	$ 305,941	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Other than those stated in Note 6(28), the significant commitments and contingent liabilities of the Group were as follows:

(1) As of March 31, 2019, December 31, 2018 and March 31, 2018, the Group had opened unused letters of credit for purchases of raw materials and machinery of approximately $761,680, $510,882 and $233,828, respectively.

(2) As of March 31, 2019, December 31, 2018 and March 31, 2018, the Group had several outstanding construction contracts and equipment purchase agreements. The balance outstanding was approximately $182,010, $385,915 and $334,839, respectively, and will be paid based on percentage of completion.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

(1) Please refer to Note 6(18) E for detailed information.

(2) On May 6, 2019, the Board of Directors of Arbor Acres (Taiwan) Co., Ltd. resolved to sell the construction land and agricultural land located in Zhendong section of Pingzhen Dist., Taoyuan City 324, Taiwan (R.O.C.) to a non-related party. With a total contract price of $681,889 and $112,231, respectively.

12. OTHERS

(1) Capital risk management

There were no significant changes in the reporting period, please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2018.

(2) Financial risk of financial instruments

A. Financial instruments by category

	March 31, 2019		December 31, 2018		March 31, 2018	
Financial assets						
Financial assets measured at fair value through other comprehensive income						
Designation of equity instrument	$	1,903,529	$	1,782,950	$	1,810,142
Financial assets at amortised cost						
Cash and cash equivalents		135,268		134,880		250,029
Notes receivable		321,949		359,097		328,049
Accounts receivable (including related parties)		1,698,835		2,149,093		1,704,029
Other accounts receivable (including related parties)		5,575		35,227		24,956
Refundable Deposits		37,049		47,039		27,858
Other financial assets		7,450		7,450		2,900
	$	4,109,655	$	4,515,736	$	4,147,963

	March 31, 2019		December 31, 2018		March 31, 2018	
Financial liabilities						
Financial liabilities at amortised cost						
Short-term borrowings	$	2,842,577	$	2,768,011	$	2,163,000
Short-term notes and bills payable		790,845		619,270		409,687
Notes payable (including related parties)		275,445		394,109		316,341
Accounts payable (including related parties)		622,998		1,009,684		757,297
Other accounts payable (inlcuding related parties)		671,023		785,633		694,860
Long-term borrowings (including current portion)		2,299,688		2,553,000		1,953,000
Other financial liabilities		336,452		12,641		14,508
	$	7,839,028	$	8,142,348	$	6,308,693

B. Financial risk management policies

There were no significant changes in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2018.

C. Financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, HKD and CNY. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency.

iii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: CNY and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2019			
	Foreign currency amount (in thousands)		Exchange rate	Book value (NTD)
(Foreign currency : functional currency)				
Financial assets				
Monetary items				
USD:HKD	USD	616	7.80	$ 18,886
CNY:HKD	CNY	3,213	1.17	14,770
Non-monetary items				
THB:HKD	THB	1,958,400	0.25	$ 1,903,529
Financial liabilities				
Monetary items				
USD:NTD	USD	5,471	30.87	$ 168,888

	December 31, 2018				
	Foreign currency amount (in thousands)		Exchange rate	Book value (NTD)	
(Foreign currency : functional currency)					
Financial assets					
Monetary items					
USD:HKD	USD	639	7.80	$	19,457
CNY:HKD	CNY	3,198	1.14		14,215
Non-monetary items					
THB:HKD	THB	1,889,280	0.24	$	1,782,950
Financial liabilities					
Monetary items					
USD:NTD	USD	6,299	30.77	$	193,790

	March 31, 2018				
	Foreign currency amount (in thousands)		Exchange rate	Book value (NTD)	
(Foreign currency : functional currency)					
Financial assets					
Monetary items					
USD:HKD	USD	1,413	7.80	$	40,863
CNY:HKD	CNY	12,395	1.25		57,466
Non-monetary item					
THB:HKD	THB	1,939,200	0.25	$	1,810,142
Financial liabilities					
Monetary item					
USD:NTD	USD	1,825	29.16	$	53,211

Note: The functional currency of certain subsidiaries belonging to the Group is HKD. Thus, this information has to be considered when reporting.

v. Total exchange gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three-month period ended March 31, 2019 and 2018 amounted to $2,642 and $7,067, respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	For the three-month period ended March 31, 2019		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency : functional currency)			
Financial assets			
Monetary items			
USD：HKD	1%	$ 189	$ -
CNY：HKD	1%	148	-
Non-monetary item			
THB：HKD	1%	$ -	$ 19,035
Financial liabilities			
Monetary item			
USD：NTD	1%	($ 1,689)	$ -

	For the three-month period ended March 31, 2018		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency : functional currency)			
Financial assets			
Monetary items			
USD：HKD	1%	$ 409	$ -
CNY：HKD	1%	575	-
Non-monetary item			
THB：HKD	1%	$ -	$ 18,101
Financial liabilities			
Monetary item			
USD：NTD	1%	($ 532)	$ -

Price risk

i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet as financial assets at fair value through other comprehensive income. Please refer to Note 6(2).

ii. For the Group’s strategies for biological assets price risk, please refer to Note 6(5).

iii. The Group’s investment in equity securities comprise foreign listed stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other equity for the three-month period ended March 31, 2019 and 2018 would have increased/decreased by $19,035 and $18,101, respectively, as a result of gains/losses on equity securities classified as equity investment at fair value through other comprehensive income and available-for-sale equity investment.

Interest rate risk

i. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three-month period ended March 31, 2019 and 2018, the Group's borrowings at variable rate were denominated in NTD.

ii. The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios run only for liabilities that represent the major interest-bearing positions.

iii. For the three-month period ended March 31, 2019 and 2018, if interest rates on NTD-denominated borrowings at that date had been 1% higher/lower with all other variables held constant, post-tax profit for the three-month period ended March 31, 2019 and 2018, would have been $4,599 and $3,906 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is the contract cash flows when counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. Based on the Group's historical experience, if the contract payments were past due over 17 days, there has been a significant increase in credit risk on that instrument since initial recognition. As a result, the Group should strengthen controls and make follow-up procedures.

iv. The Group pays attention on specific customers whose payments were past due to confirm the debts and recognises the allowance for bad debts when there is a concern about default based on the assessment of customers' credit risk.

v. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach using loss rate methodology to estimate expected credit loss impairment under the provision matrix basis.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On March 31, 2019, December 31, 2018 and March 31, 2018, the Group's written-off financial assets that are still under recourse procedures amounted to $194, $2,173 and $1,007, respectively.

vii. (i) The expected loss rate for well-reputed customers is 0.03%. On March 31, 2019, December 31, 2018 and March 31, 2108, the total book value of accounts receivable and loss allowance amounted to $735, 687 and $0, $712,662 and $0, $246,978 and $0, respectively.

(ii) The Group used the forecastability of the global economy to adjust historical and timely information to assess the default possibility of accounts receivable in accordance with customers' credit. On March 31, 2019, December 31, 2018 and March 31, 2018, the expected loss rate is as follows:

	Group A	Group B	Total
March 31, 2019			
Expected loss rate	0~100%	0.003%~10%	
Total book value	$ 23,372	$ 947,874	$ 971,246
Loss allowance	2,289	40	2,329

	Group A	Group B	Total
December 31, 2018			
Expected loss rate	0~100%	0.003%~10%	
Total book value	$ 28,974	$ 1,039,106	$ 1,068,080
Loss allowance	2,329	40	2,369

	Group A	Group B	Total
March 31, 2018			
Expected loss rate	0~100%	0.003%~10%	
Total book value	$ 37,609	$ 1,162,134	$ 1,199,743
Loss allowance	2,566	39	2,605

Note: Customers are categorised into Group A and B based on their credit rating. The expected loss rate is assessed on an individual basis under each group.

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	For the three-month period ended March 31,	
	2019	2018
	Notes and accounts receivable (including related parties)	Notes and accounts receivable (including related parties)
At January 1	$ 2,369	$ 2,733
Reversal of impairment loss	(40)	(128)
At March 31	$ 2,329	$ 2,605

The impairment loss arising from customers' contracts for the three-month period ended March 31, 2019 and 2018 amounted to $40 and $128, respectively.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's financial ratio targets, covenant compliance and applicable external regulatory or legal requirements.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities

March 31, 2019	Less than 1 year	Between 1 and 5 years	Over 5 years
Short-term borrowings	$ 2,842,577	$ -	$ -
Short-term notes and bills payable	792,000	-	-
Notes payable (including related parties)	275,445	-	-
Accounts payable (including related parties)	622,998	-	-
Other payables (including related parties)	671,023	-	-
Lease liability	22,504	137,625	209,542
Long-term borrowings (including current portion)	339,634	2,017,771	-

Non-derivative financial liabilities

December 31, 2018	Less than 1 year	Between 1 and 5 years	Over 5 years
Short-term borrowings	$ 2,768,011	$ -	$ -
Short-term notes and bills payable	619,270	-	-
Notes payable (including related parties)	394,109	-	-
Accounts payable (including related parties)	1,009,684	-	-
Other payables (including related parties)	785,633	-	-
Long-term borrowings (including current portion)	622,849	1,992,634	-
Other financial liabilities	6,653	6,209	-

Non-derivative financial liabilities

March 31, 2018	Less than 1 year	Between 1 and 5 years	Over 5 years
Short-term borrowings	$ 2,163,000	$ -	$ -
Short-term notes and bills payable	410,000	-	-
Notes payable	316,341	-	-
Accounts payable (including related parties)	757,296	-	-
Other payables (including related parties)	694,862	-	-
Long-term borrowings (including current portion)	588,207	1,419,018	-
Other financial liabilities	5,840	8,948	-

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

A. Details of the fair value of the Group’s financial assets and financial liabilities not measured at fair value are provided in Note 12(2) A.

B. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group’s investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in biological assets is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

C. The related information of financial and non-financial instruments measured at fair value by level based on the nature, characteristics and risks of the assets and liabilities is as follows:

March 31, 2019	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Biological assets	$ -	$ 692,741	$ -	$ 692,741
Financial assets at fair value through other comprehensive income:				
Equity securities	$ 1,903,529	$ -	$ -	$ 1,903,529

December 31, 2018	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Biological assets	$ -	$ 730,384	$ -	$ 730,384
Financial assets at fair value through other comprehensive income:				
Equity securities	$ 1,782,950	$ -	$ -	$ 1,782,950

March 31, 2018	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Biological assets	$ -	$ 690,965	$ -	$ 690,965
Financial assets at fair value through other comprehensive income:				
Equity securities	$ 1,810,142	$ -	$ -	$ 1,810,142

D. The methods and assumptions of the Group used to measure fair value are as follows:

(a) The instruments the Group used quoted market prices as their fair values (that is, Level 1) are listed stocks, whose quoted market prices are based on the closing prices which are classified as available-for-sale financial assets.

(b) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group’s credit quality.

(c) Details of methods for measuring biological assets are provided in Note 6(5).

E. For the three-month period ended March 31, 2019 and 2018, there was no transfer between Level 1 and Level 2.

F. For the three-month period ended March 31, 2019 and 2018, there was no transfer into or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others during the three-month period ended March 31, 2019: None.

C. Holding of marketable securities at March 31, 2019 (not including subsidiaries, associates and joint ventures):

	Marketable securities		Relationship with	General ledger	As of March 31, 2019			
Securities held by	Types	Name	the securities issuer	account	Number of shares	Book value	Ownership	Fair value (Note 1)
Plenty Type Limited (Cayman Islands)	Common share	CHAROEN POKPHAND (USA), INC.	None	Financial assets at fair value through profit or loss	4,501,000	$ -	0.02%	$ -
Plenty Type Limited (Cayman Islands)	Common share	CHAROEN POKPHAND FOODS PUBLIC COMPANY LIMITED	(Note 2)	Financial assets at fair value through other comprehensive income	76,800,000	1,903,529	0.89%	1,903,529

Note 1: The numbers filled in for market value are as follows:

(1) Where there is a quoted market price, the fair value is based on the closing price at the balance sheet date, the fair value of open-end funds is based on the net asset value at the balance sheet date.

(2) Where there is no quoted market price, this column is filled in with the book value per share for stocks or left blank for other instruments.

Note 2: Investee company accounted for as financial assets at fair value through other comprehensive income by Plenty Type Limited (Cayman Islands).

D. Acquisition or sale of the same security with the accumulated cost exceeding NT$300,000 or 20% of the Company's paid-in capital during the three-month period ended March 31, 2019: None.

E. Acquisition of real estate reaching NT$300,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2019: None.

F. Disposal of real estate reaching NT$300,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2019: None.

G. Purchases or sales of goods from or to related parties reaching NT$100,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2019: None.

H. Receivables from related parties reaching NT$100,000 or 20% of paid-in capital or more as at March 31, 2019: None.

					Overdue receivables		Amount collected	
Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2019 （Note 1）	Turnover rate	Amount	Action taken	subsequent to the balance sheet date	Allowance for doubtful accounts
Lianyungang Chia Tai Agro-industry Development Co., Ltd.	Chia Tai Food (Suqian) Co., Ltd.	Other related parties	$181,917 (CNY 39,575 thousand)	0.58	$ -	-	$ -	$ -
Lianyungang Chia Tai Agro-industry Development Co., Ltd.	Chia Tai Animal Husbandry Investment (Beijing) Co., Ltd.	Other related parties	$143,461 (CNY 31,209 thousand)	0.00	-	-	-	-

I. Trading in derivative instruments undertaken during the three-month period ended March 31, 2019: None

J. Significant inter-company transactions during the three-month period ended March 31, 2019:

The inter-company transactions below 1% of consolidated assets or revenue are not disclosed.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)

				Initial investment amount		Shares held as of March 31, 2019					
Investor	Investee	Location	Main business activities	Balance as of March 31, 2019	Balance as of December 31, 2018	Number of shares	Ownership (%)	Book value	Net profit of the investee	Investment income recognised by the Company	Footnote
The Company	Plenty Type Limited (Cayman Islands)	Cayman Islands	Management of producing and non-producing business investments	$ 720,448	$ 720,448	96,370,079	100	$ 2,120,676	($ 11,682)	($ 11,682)	Subsidiary (Note 1)
The Company	Charoen Pokphand (Taiwan) Co., Ltd.	Taiwan	Management of importing and exporting businesses	20,086	20,086	2,443,716	90	35,799	1,892	1,703	Subsidiary
The Company	Arbor Acres (Taiwan) Co., Ltd.	Taiwan	Husbandry management of chickens to produce eggs and meat	60,131	60,131	1,600,000	50	66,974	4,829	2,414	Subsidiary
The Company	Rui Mu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	78,000	78,000	7,800,000	52	98,579	12,364	6,429	Subsidiary
The Company	Rui Fu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	102,000	102,000	10,200,000	51	103,642	6,327	3,227	Subsidiary
Plenty Type Limited (Cayman Islands)	Chia Tai Lianyungang Co., Ltd.	Hong Kong	Management of producing and non-producing business investments	HKD 19,910	HKD 19,910	999,999	99.99	196,718	(10,659)	-	Indirectly owned subsidiary (Note 2)

Note 1: Including recognition of current profit of its investees.

Note 2: Current period income has been recognised by subsidiaries and indirectly owned subsidiaries.

(3) Information on investments in Mainland China

A. Basic information:

Investee in Mainland China	Main business activities	Paid-in Capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2019	Amount remitted from /remitted back to Taiwan during the period: Remitted to Mainland China	Amount remitted from /remitted back to Taiwan during the period: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2019	Net income of the investee	Ownership held by the Company (direct or indirect)	Investment income recognised by the company (Note 2)	Book value of investment as of March 31, 2019	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2019	Footnote
Lianyungang Chia Tai Agro-industry Development Co., Ltd.	Feeds producing, poultry raising, processing and sales.	USD 5,400 (in thousand)	2	USD 4,276 (in thousand)	$ -	$ -	USD 4,276 (in thousand)	($ 14,877)	70.00	($ 10,414)	$ 170,040	$ -	Note 4

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2019 (Note 4)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)(Note 5)	Ceiling on investments in Mainland China imposed by the Investment Commission of the MOEA
The Company	USD 4,276 (in thousand)	USD 13,517 (in thousand)	$ 4,380,524

Note 1: Investment methods are classified into the following three categories:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company (Chia Tai Lianyungang Co., Ltd.) in the third area, which then invested in the investee in Mainland China.

(3) Others.

Note 2: Based on the financial statements reviewed by independent accountants in the R.O.C.

Note 3: The table is expressed in New Taiwan dollars.

Note 4: The paid-in capital was US$5,400 thousand, which was translated into New Taiwan Dollars based on the historical exchange rates and the accumulated amount of remittance from Taiwan to Mainland China as of January 1 and March 31, 2019 were both US$4,276 thousand. The amounts in the table are translated into New Taiwan Dollars at the spot exchange rates prevailing at March 31, 2019.

Note 5: The amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) is US$13,517 thousand. The amount in the table is translated into New Taiwan Dollars at the spot exchange rates prevailing at March 31, 2019.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China area: None.

14. OPERATING SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decision.

The Group's Chief Operating Decision-Maker considers the business from a product type perspective. The main activities of the Group are feeds business, meat processing business, food processing business, management of importing and exporting animal medicine and husbandry business. The reportable segments are as follows:

A. Feeds business: Manufacture and sale of animal feeds and wholesale of commodity;

B. Meat processing business;

C. Food processing business; and

D. Husbandry business: Husbandry management of chickens to produce eggs and meat.

There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information in this period.

(2) Segment information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	For the three-month period ended March 31, 2019					
	Feeds	Meat processing	Food processing	Husbandry	Others	Total
Revenues from third parties (Note 1)	$ 3,252,939	$ 1,050,110	$ 702,811	$ 302,935	$ 20,056	$ 5,328,851
Revenues from the Group	67,069	21,674	338	2,461	7,511	99,053
Total segment revenue	$ 3,320,008	$ 1,071,784	$ 703,149	$ 305,396	$ 27,567	$ 5,427,904
Segment income (loss) (Note 2)	$ 257,581	$ 21,679	$ 49,837	$ 29,427	($ 30,430)	$ 328,094

	For the three-month period ended March 31, 2018					
	Feeds	Meat processing	Food processing	Husbandry	Others	Total
Revenues from third parties (Note 1)	$ 2,976,001	$ 1,076,960	$ 698,584	$ 192,197	$ 13,498	$ 4,957,240
Revenues from the Group	42,967	4,304	298	2,869	7,323	57,761
Total segment revenue	$ 3,018,968	$ 1,081,264	$ 698,882	$ 195,066	$ 20,821	$ 5,015,001
Segment income (loss) (Note 2)	$ 290,291	$ 53,108	$ 19,694	$ 11,115	($ 40,255)	$ 333,953

Note 1：Including operating revenue from discontinued operations.

Note 2：Including profit (loss) from discontinued operations.

(3) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The operating revenue from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

A reconciliation of reportable segment income to the income before tax from continuing operations for the three-month period ended March 31, 2019 and 2018 is provided as follows:

	For the three-month period March 31,	
	2019	2018
Reportable segment income	$ 358,524	$ 374,208
Other segment loss	(30,430)	(40,255)
Total segment	328,094	333,953
Interest expense	(17,489)	(13,055)
Foreign exchange gains, net	2,642	7,067
Income before tax from discontinued segment	14,485	(7,400)
Income before tax from continuing segment	$ 327,732	$ 320,565