



**Sino Agro Food**

**Interim Report First Quarter 2019**

- Revenue of USD 29.3M

- Positive EPS of USD 0.01

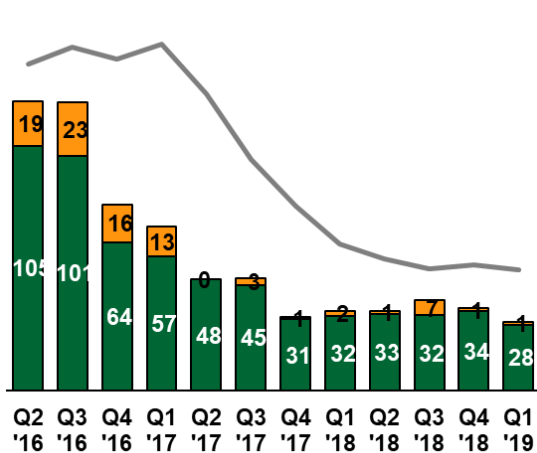
## January – March 2019

- Revenue for the period: USD 29.3M (33.7)
- Gross profit for the period: USD 5.0M (6.1)
- Net Income attributable to SIAF for the period: USD 0.6M (5.1)
- Diluted earnings per share: USD 0.01 (0.17)

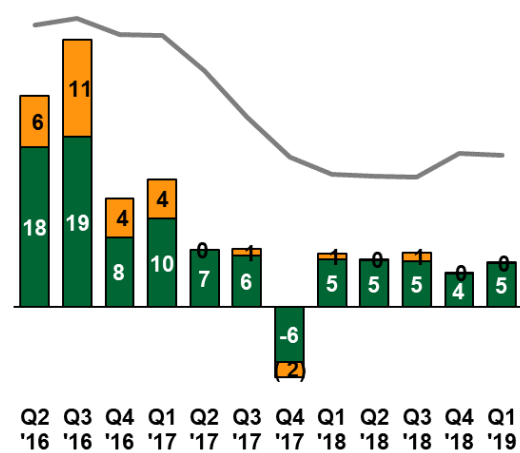
## Key figures

| (USD M, except per share data)                       | Q1 '19 | Q1 '18 | %    |
|--|--------|--------|------|
| Revenue  | 29,3   | 33,7   | -13% |
| Gross profit   | 5,0    | 6,1    | -18% |
| Gross profit margin                                  | 17,1%  | 18,0%  |      |
| Net income   | 0,8    | 5,7    | -85% |
| Net income attributable to SIAF                      | 0,6    | 5,1    | -88% |
| Earnings per share (USD) - fully diluted             | 0,01   | 0,17   | -94% |
| Book value per share (USD) - fully diluted           | 13,6   | 16,8   | -19% |
| Diluted weighted average number of shares (millions) | 46,6   | 30,7   | 52%  |

## Revenue (USD M)



## Gross profit (USD M)



## First quarter 2019 highlights

### Overview

All business segments of Sino Agro Food, Inc. (the “Company” or “SIAF”) recorded gross profits in the first quarter, totaling USD 5.0 M. Fully diluted GAAP earnings totaled USD .8M or USD .01 per share. This includes a loss of USD .4 M in “other income,” which is comprised in large part by net income from SIAF’s equity interest in Tri-Way Industries and a restructuring charge related to loans. Adding net operational income from SIAF’s interest in its unconsolidated investee of USD 2.4 M, total net income from operations was USD 3.3 M or USD .07 per share.

### Revenue

Total revenue decreased USD 4.4 M, or 13%, to USD 29.3 M for the quarter ended March 31, 2019 when compared to the corresponding 2018 quarter. Revenue from the sale of goods decreased USD 3.0M, or 9.6% from USD 31.3 M to USD 28.3. SJAP’s yearly revenue decline accounted for USD 2.5 M, as that business has been restructured to better align cost structure until (or if) market prices for domestic beef recover. Trading sector revenue declined by USD 3.6M, year over year due primarily to the Chinese Lunar New Year starting later than in 2018, disrupting logistics and transportation services, resulting in a delay in deliveries of goods. These declines were offset by a revenue increase of USD 3.2 M, or 64%, in the cattle farms sector (MEIJI). Revenue from project development declined by USD 1.5 M to USD 1.0 M due to Tri-Way’s further tightening of capital expenditure.

FY 2019 gross profits declined to USD 5.0 M, because of a smaller revenue base and cost of goods increasing 6%.

### Key Points

- Revenue in the fourth quarter of 2018 was USD 29.3 M, a decrease of 13% from Q1 of 2018.
- All business segments booked positive gross profits in Q1 2019
- Fully diluted GAAP EPS of USD .01 does not include USD .06 EPS from SIAF’s equity investee, Tri-Way Industries.
- As of May 15, 2019, there were 49,99 M common shares issued and outstanding

- Capital expenditure is being restricted to shorter-term, positive profile returns for all businesses, while the company endeavors to balance legacy debt payments with growth prospects, while simultaneously seeking third party financing for demonstrably self-sustainable projects, predominantly at Tri-Way.
- As of March 31, 2019, the Company had net working capital of USD 177.5 M, versus USD 175.3 M end of Q1 2018
- Stockholders' equity increased in by USD 3.3 M to USD 634.4 M from the end of Q1 2018 to the end of Q1 2019.

| <b>Revenue (USD M)</b>           | <b>Q1 '19</b> | <b>Q1 '18</b> | <b>%</b>    | <b>12M '18</b> | <b>12M '17</b> |
|----------------------------------|---------------|---------------|-------------|----------------|----------------|
| Integrated Cattle Farm (SJAP)    | 3,9           | 6,4           | -39%        | 19,2           | 77,2           |
| Organic Fertilizer (HSA)         | 2,5           | 2,4           | 7%          | 9,7            | 7,2            |
| Cattle Farms (MEJI)              | 8,2           | 5,0           | 63%         | 29,6           | 20,4           |
| Plantation                       | 0,9           | 1,1           | -14%        | 3,6            | 4,6            |
| Seafood & Meat Trading           | 12,8          | 16,4          | -22%        | 68,5           | 71,8           |
| <b>Sale of goods total</b>       | <b>28,3</b>   | <b>31,3</b>   | <b>-10%</b> | <b>130,5</b>   | <b>181,2</b>   |
| Aquaculture                      | 1,0           | 2,5           | -60%        | 11,1           | 17,0           |
| Cattle Farms                     | -             | -             | <i>n.a.</i> | -              | -              |
| Seafood & Meat Trading           | -             | -             | <i>n.a.</i> | -              | -              |
| <b>Project development total</b> | <b>1,0</b>    | <b>2,5</b>    | <b>-60%</b> | <b>11,1</b>    | <b>17,0</b>    |
| <b>Group total</b>               | <b>29,3</b>   | <b>33,7</b>   | <b>-13%</b> | <b>141,7</b>   | <b>198,2</b>   |

## CEO commentary

*“First quarter results were a bit softer than we expected because of the difficulties Chinese New Year presented. We believe this delayed most of the sales that were short of expectation; therefore, we anticipate a pickup in Q2 and beyond, assuming underlying market conditions remain stable. In general, we are on track with strategic plans, which I’d like to elaborate upon.*

*During and around 2017, we experienced conditions analogous in effect to the global financial crisis in 2008. As we’ve communicated in quarterly reports and press releases for some time now, two main factors contributed:*

- 1) a severe relaxation in the Chinese government’s taxes on imported beef, led to writing off SJAP’s slaughterhouse, and cutting back co-operative beef farming, and*
- 2) unanticipated difficulties to scale successful fishery operations at aquafarms one, two, and three to aquafarms four and five.*

*We reevaluated all our businesses, prioritizing to accommodate these conditions that diminished and threatened cash flow. We decided to “rightsize” all operations by curtailing capital expenditure that would not show short-term return, perhaps sacrificing upside potential in some cases, with the aim of establishing derisked businesses that would sustain profits and support modest growth by reinvesting any available, discretionary cash flow on a standalone basis, after paying down what we’ve called “legacy debt,” commensurate with a projected level of “non-discretionary” cash flow. Efforts have resulted in lease arrangements and JV agreements to provide incremental cash flow at both the HU plantation and HSA relieving the need for SIAF provided capital funding, or working capital. Largely, this restructuring has been accomplished, with a caveat or two. This has led to some businesses becoming much smaller and with low or no short-term growth – like SJAP – and others with reasonable size and reasonable growth prospects intact, like MEIJI.*

*A second caveat is maintaining a level and pace of debt repayment that can be supported by existing cash flow, which is a baseline scenario projection, not taking into account any of several plans to generate incremental discretionary funds. Therefore, we have been in ongoing discussions to, in essence, refinance certain legacy debts. As agreements are reached, they are reported in the quarterly SEC filings which shareholders are encouraged to read.*

*Here’s the good news. Our reevaluation clearly showed we are best served to concentrate our growth efforts where the Company’s crown jewels lay; namely, Tri-Way, its APRAS technology and infrastructure – and where the crown jewels’ cousin lays; namely, Capital Award’s business to engineer and build aquafarms, using the crown jewels. In the case of Tri-Way’s businesses, the relatively new trading business shows a path to solid growth, constrained by working capital. And in the case of fish and prawn sales, revitalization of aquafarms four and five is underway. We’ve had good results in trial runs of Pacific White prawns and will employ the new methods at ODRAS farms within the mega farm, the scale*

of which is dependent again on the magnitude of working capital available. In the case of Capital Award, there are no capital constraints. Because Tri-Way's best use of funds is for expansion working capital, they will have limited need to build new facilities in the near-term. Therefore, we are in discussions to contract the engineering and/or building of APRAS aquafarms in both India and Malaysia. Any signed contract, should one occur, would result in revenue incremental to baseline plans.

We are endeavoring to align the pace of debt repayment in line with baseline cash flow to satisfy creditor terms and provide internally generated working capital for the Company. Flexibility and overall results would be greatly enhanced, if and when any of the above efforts bear fruit.

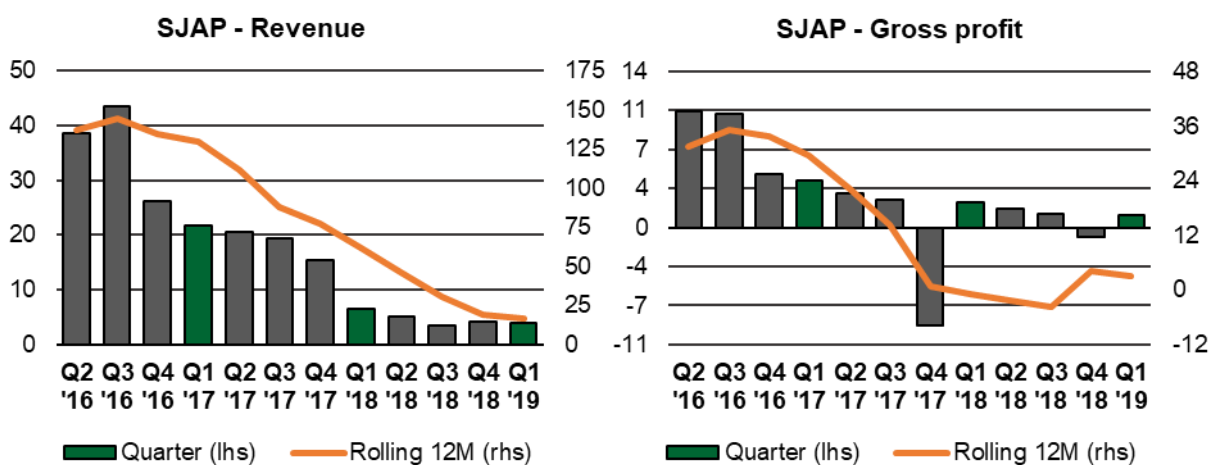
In addition, if and when one or more of our efforts to obtain outside project based funding materializes, we would expect to generate "discretionary" cash flow sufficient to obtain considerably more favorable debt to cash flow ratios. As the global financial crisis made refinancing and new financing more difficult, we have discovered an analogous situation, post our downsizing. We believe this situation has been alleviated by our current plan, results, and trajectory, and remain cautiously sanguine with respect to significant upside potential related to successful debt or equity financing(s)."

| <b>Gross profit (USD M)</b>      | <b>Q1 '19</b> | <b>Q1 '18</b> | <b>%</b>    | <b>12M '18</b> | <b>12M '17</b> |
|----------------------------------|---------------|---------------|-------------|----------------|----------------|
| Integrated Cattle Farm (SJAP)    | 1,1           | 2,3           | -51%        | 4,3            | 0,9            |
| Organic Fertilizer (HSA)         | 0,9           | 0,8           | 19%         | 2,8            | 2,2            |
| Cattle Farms (MEIJ)              | 1,3           | 0,5           | 185%        | 4,8            | 3,8            |
| Plantation                       | 0,2           | 0,2           | 25%         | 0,5            | 1,4            |
| Seafood & Meat Trading           | 1,4           | 1,8           | -19%        | 7,2            | 8,0            |
| <b>Sale of goods total</b>       | <b>5,0</b>    | <b>5,4</b>    | <b>-8%</b>  | <b>19,6</b>    | <b>16,2</b>    |
| Aquaculture                      | 0,1           | 0,7           | -93%        | 2,1            | 3,4            |
| Cattle Farms                     | -             | -             | n.a.        | -              | 0,0            |
| Seafood & Meat Trading           | -             | -             | n.a.        | -              | 0,0            |
| <b>Project development total</b> | <b>0,1</b>    | <b>0,7</b>    | <b>-93%</b> | <b>2,1</b>     | <b>3,4</b>     |
| <b>Group total</b>               | <b>5,0</b>    | <b>6,1</b>    | <b>-18%</b> | <b>21,7</b>    | <b>19,6</b>    |

## Integrated Cattle Farm (SJAP)

The Company is deemphasizing its Integrated Cattle Farm business segment (SJAP) until (or if) macroeconomics improve for the beef industry in China, with the goal of maintaining self-sufficiency at smaller size, but without any capital requirements. Overall, despite continued depressed market conditions, and reflecting stricter cost controls, SJAP demonstrated financial self-sufficiency.

Within this parameter, SJAP is performing to goal, with gross profits of USD 1.1 M in Q1 2019, versus USD 2.3 M in Q1 2018.



## Cattle Operation

| Sales volume per product (SJAP live beef cattle)  | Q1 '19       | Q1 '18     | 12M '18      | 12M '17      |
|---|--------------|------------|--------------|--------------|
| <b>Beef cattle (#)</b>                            | <b>1 092</b> | <b>829</b> | <b>3 886</b> | <b>3 775</b> |
| - o/w sold externally as live cattle              | 1 092        | 829        | 3 886        | 3 132        |
| - o/w sold internally for valued added processing | 0            | 0          | 0            | 643          |
| ASP per head (USD)                                | 1 626        | 2 491      | 1 710        | 2 417        |
| Gross profit margin                               | 12%          | 17%        | -15%         | 7%           |

Q1 live cattle revenue increased by 14% to USD 1.8M (2.1), with live cattle sales amounting to 1 092 head in Q1 2019 versus 892 in Q1 2018. Gross profit decreased by 43% to USD 0.2M (0.4) equivalent to a margin of 11.6% (17.4%).

## Fertilizer and feed

| SJAP fertilizer and animal feed         | Q1 '19       | Q1 '18        | 12M '18       | 12M '17       |
|---|--------------|---------------|---------------|---------------|
| <b>Organic fertilizer (MT)</b>          | <b>2 571</b> | <b>3 300</b>  | <b>23 204</b> | <b>15 705</b> |
| ASP / MT (USD)                          | 190          | 181           | 131           | 156           |
| Gross profit margin                     | 34%          | 34%           | n.a.          | -10%          |
| <b>Bulk livestock feed (MT)</b>         | <b>1 150</b> | <b>3 775</b>  | <b>8 619</b>  | <b>25 355</b> |
| ASP / MT (USD)                          | 180          | 167           | 177           | 176           |
| Gross profit margin                     | 55%          | 54%           | n.a.          | -33%          |
| <b>Concentrated livestock feed (MT)</b> | <b>3 155</b> | <b>6 594</b>  | <b>18 064</b> | <b>27 630</b> |
| ASP / MT (USD)                          | 447          | 437           | 445           | 437           |
| Gross profit margin                     | 44%          | 44%           | n.a.          | -25%          |
| <b>Total feed volume (MT)</b>           | <b>4 305</b> | <b>10 369</b> | <b>41 268</b> | <b>43 335</b> |

Q1 fertilizer and feed revenue decreased by 51% to USD 2.1M (4.3). Gross profit decreased by 53% to USD 0.9M (1.9) equivalent to a margin of 43% (44%).

| (USD M)                     | Q1 '19       | Q1 '18       | %           | 12M '18      | 12M '17      | %           |
|-----------------------------|--------------|--------------|-------------|--------------|--------------|-------------|
| Live cattle                 | 1,8          | 2,1          | -14%        | 9,1          | 20,1         | -54%        |
| Bulk livestock feed         | 0,2          | 0,7          | -71%        | 4,5          | 6,7          | -33%        |
| Concentrated livestock feed | 1,4          | 3,0          | -53%        | 12,1         | 16,0         | -25%        |
| Fertilizer                  | 0,5          | 0,6          | -24%        | 2,2          | 2,7          | -18%        |
| <b>Revenue</b>              | <b>3,9</b>   | <b>6,4</b>   | <b>-39%</b> | <b>27,9</b>  | <b>45,5</b>  | <b>-39%</b> |
| Live cattle                 | 0,2          | 0,4          | -43%        | 0,7          | 3,1          | -77%        |
| Bulk livestock feed         | 0,1          | 0,4          | -70%        | 2,4          | 3,8          | -36%        |
| Concentrated livestock feed | 0,6          | 1,3          | -53%        | 5,3          | 7,1          | -26%        |
| Fertilizer                  | 0,2          | 0,2          | -24%        | 0,5          | 0,9          | -46%        |
| <b>Gross profit</b>         | <b>1,1</b>   | <b>2,3</b>   | <b>-51%</b> | <b>9,0</b>   | <b>14,9</b>  | <b>-40%</b> |
| Live cattle                 | 11,6%        | 17,4%        |             | 7,7%         | 15,2%        |             |
| Bulk livestock feed         | 55,4%        | 53,8%        |             | 54,6%        | 57,1%        |             |
| Concentrated livestock feed | 43,8%        | 43,9%        |             | 43,9%        | 44,4%        |             |
| Fertilizer                  | 34,3%        | 34,2%        |             | 22,9%        | 34,7%        |             |
| <b>Gross profit margin</b>  | <b>28,5%</b> | <b>35,4%</b> |             | <b>32,1%</b> | <b>32,8%</b> |             |



## Organic Fertilizer (HSA)

| (USD M)                    | Q1 '19       | Q1 '18       | %          | 12M '18      | 12M '17      | %           |
|----------------------------|--------------|--------------|------------|--------------|--------------|-------------|
| Organic fertilizer         | 0,9          | 1,0          | -13%       | 3,4          | 3,7          | -7%         |
| Organic mixed fertilizer   | 1,6          | 1,3          | 22%        | 3,7          | 16,9         | -78%        |
| <b>Revenue</b>             | <b>2,5</b>   | <b>2,4</b>   | <b>7%</b>  | <b>7,2</b>   | <b>20,6</b>  | <b>-65%</b> |
| Organic fertilizer         | 0,2          | 0,2          | 12%        | 0,6          | 0,8          | -25%        |
| Organic mixed fertilizer   | 0,7          | 0,6          | 22%        | 1,6          | 7,4          | -78%        |
| <b>Gross profit</b>        | <b>0,9</b>   | <b>0,8</b>   | <b>19%</b> | <b>2,2</b>   | <b>8,2</b>   | <b>-73%</b> |
| Organic fertilizer         | 21,8%        | 16,9%        |            | 16,5%        | 20,6%        |             |
| Organic mixed fertilizer   | 42,9%        | 43,0%        |            | 43,2%        | 43,7%        |             |
| <b>Gross profit margin</b> | <b>35,5%</b> | <b>31,8%</b> |            | <b>30,4%</b> | <b>39,6%</b> |             |

Revenue at HSA increased by USD 0.17M, or 7%, from USD 2.37M in Q1 2018 to USD 2.53M in Q1 2019. Gross profits increased by USD 0.15M or 19% from USD 0.75M in Q1 2018 to USD 0.90 Q1 2019. Gross margins were 35%.

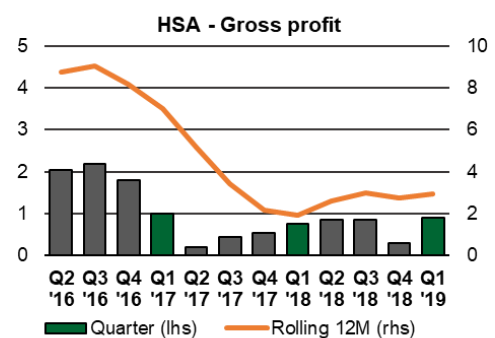
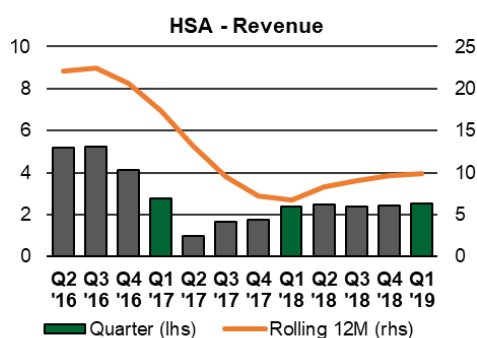
In October 2018, HSA leased 10 acres of land situated at the front entrance of its property for annual rental of USD 80,000 for 24 months.

During the first quarter, HSA reached an agreement to establish a joint venture (“JV”) with an organic chicken and egg farmer. HSA will provide its acreage and production facilities while the partner will provide capital funding and manage its chicken and egg operations. HSA will receive 40% of net profits. The JV partners are currently preparing relevant paperwork, including environmental reports, to obtain necessary permits.

This arrangement provides a good example of the Company seeking incremental revenue while limiting or without committing funding capital or working capital expense.

There are no capital projects expected in 2019 for HSA. The Company expects modest organic growth.

| HSA fertilizer                       | Q1 '19       | Q1 '18       | 12M '18       | 12M '17       |
|--------------------------------------|--------------|--------------|---------------|---------------|
| <b>Organic fertilizer (MT)</b>       | <b>3 518</b> | <b>4 162</b> | <b>15 105</b> | <b>15 334</b> |
| ASP / MT (USD)                       | 250          | 244          | 237           | 241           |
| Gross profit margin                  | 22%          | 17%          | 18%           | 180%          |
| <b>Organic mixed fertilizer (MT)</b> | <b>4 056</b> | <b>3 100</b> | <b>14 638</b> | <b>9 042</b>  |
| ASP / MT (USD)                       | 406          | 435          | 416           | 412           |
| - Gross profit margin                | 43%          | 43%          | 35%           | 43%           |
| <b>Total fertilizer volume (MT)</b>  | <b>7 574</b> | <b>7 262</b> | <b>29 743</b> | <b>24 376</b> |



## Cattle Farms (MEIJI)

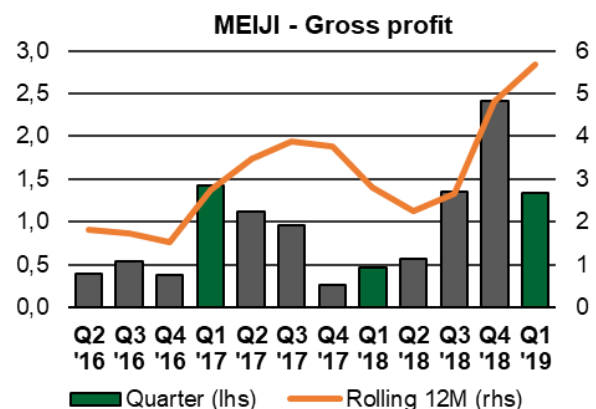
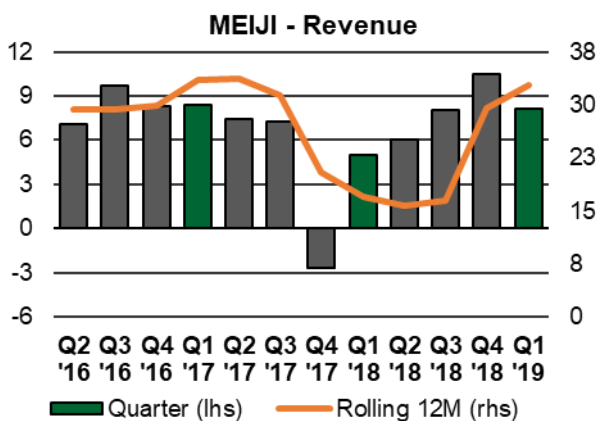
| (USD M)                    | Q1 '19       | Q1 '18      | %           | 12M '18      | 12M '17     |
|----------------------------|--------------|-------------|-------------|--------------|-------------|
| Sale of live cattle        | 8,2          | 5,0         | 63%         | 20,4         | 29,8        |
| <b>Revenue</b>             | <b>8,2</b>   | <b>5,0</b>  | <b>63%</b>  | <b>20,4</b>  | <b>29,8</b> |
| Sale of live cattle        | 1,34         | 0,47        | 185%        | 3,8          | 1,5         |
| <b>Gross profit</b>        | <b>1,34</b>  | <b>0,47</b> | <b>185%</b> | <b>3,8</b>   | <b>1,5</b>  |
| Sale of live cattle        | 16,4%        | 9,4%        |             | 18,5%        | 5,2%        |
| <b>Gross profit margin</b> | <b>16,4%</b> | <b>9,4%</b> |             | <b>18,5%</b> | <b>5,2%</b> |

Revenue for Q1 2019 totaled USD 8.2 M, an increase of USD 3.2 M, or 64% over Q1 2018 (USD 5.0). Gross profit for the 2019 first quarter was USD 1.3 M, an increase of 185%.

Locally bred Asian Yellow Cattle have command steadily increasing prices, approximately double the live weight price of cattle at SJAP. Gross margins increased from 7% in Q1 2018 to 16% in Q1 2019 for the sale of live Asian Yellow cattle.

Longer term plans call for merging MEIJA and HSA operations, with MEIJI cattle farms providing breeding stations supplying yearlings for HSA to grow into full grown cattle, unless alternatives to achieve improved returns emerge. These two business sectors can be synergistic and project reasonable growth potential; therefore, combining may increase their value.

| Sales volume per product (MEIJI) | Q1 '19       | Q1 '18       | 12M '18      | 12M '17      |
|----------------------------------|--------------|--------------|--------------|--------------|
| <b>Head of beef cattle (#)</b>   | <b>2 235</b> | <b>1 587</b> | <b>7 945</b> | <b>9 772</b> |
| ASP per head (USD)               | 3 651        | 3 149        | 3 720        | 2 088        |
| - Gross profit margin            | 16,4%        | 9,4%         | 16,2%        | 18,5%        |

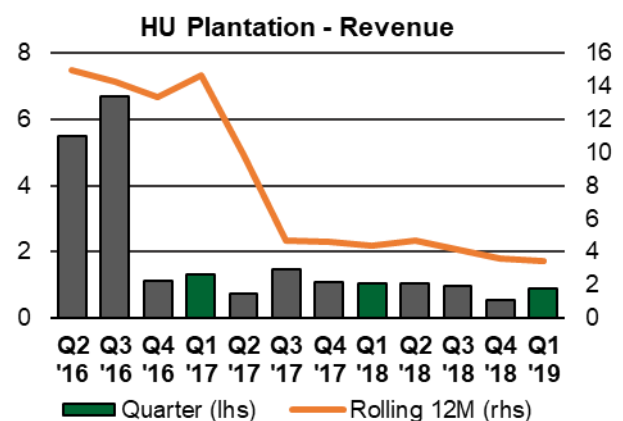
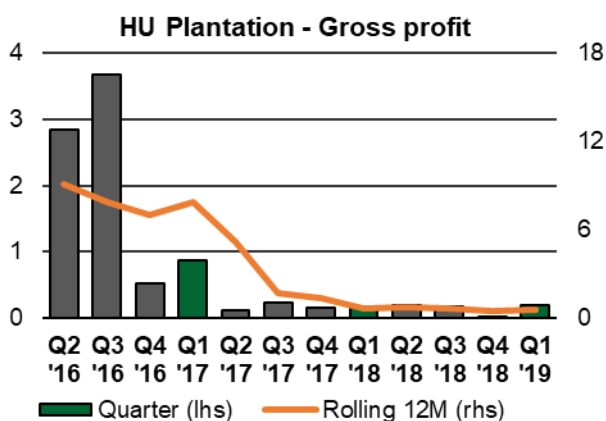


## HU Plantation (JHST)

| (USD M)                    | Q1 '19       | Q1 '18       | %           | 12M '18      | 12M '17      | %          |
|----------------------------|--------------|--------------|-------------|--------------|--------------|------------|
| Vegetable products         | 0,9          | 1,1          | -14%        | 3,4          | 3,5          | -1%        |
| <b>Revenue</b>             | <b>0,9</b>   | <b>1,1</b>   | <b>-14%</b> | <b>3,4</b>   | <b>3,5</b>   | <b>-1%</b> |
| Vegetable products         | 0,2          | 0,2          | 25%         | 1,3          | 1,2          | 12%        |
| <b>Gross profit</b>        | <b>0,2</b>   | <b>0,2</b>   | <b>25%</b>  | <b>1,3</b>   | <b>1,2</b>   | <b>12%</b> |
| Vegetable products         | 21,4%        | 14,8%        |             | 38,8%        | 34,2%        |            |
| <b>Gross profit margin</b> | <b>21,4%</b> | <b>14,8%</b> |             | <b>38,8%</b> | <b>34,2%</b> |            |

Revenue at JHST decreased by USD 0.14M, or 17% from USD 1.0M in Q1 2018 to USD 0.9M in Q1 2019. Gross profits totaled USD 0.2M in Q1 2019, a bit better than in Q1 2018.

Typhoon Mangkut's flooding spoiled part of the cash vegetable crops (about 100 acres), which severely impacted income in Q4 2018. The plantation is slowly recovering from the damages, managing a small positive gross profit baseline performance from which we expect improvement in the seasonally better third and fourth quarters, assuming continued restoration of a healthier underlying growing environment.



## SIAF Corporate (Import / Export)

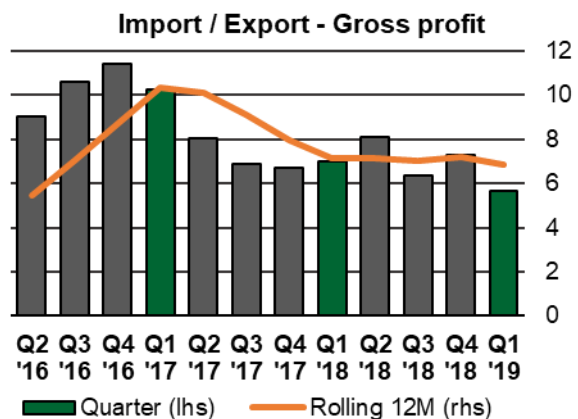
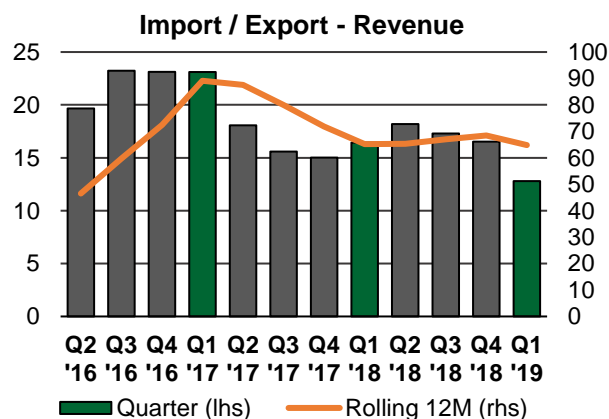
| (USD M)                    | Q1 '19       | Q1 '18       | %           | 12M '18      | 12M '17      | %          |
|----------------------------|--------------|--------------|-------------|--------------|--------------|------------|
| Seafood                    | 3,8          | 8,8          | -57%        | 30,4         | 28,8         | 5%         |
| Beef & mutton              | 9,0          | 7,6          | 18%         | 41,4         | 43,6         | -5%        |
| <b>Revenue</b>             | <b>12,8</b>  | <b>16,4</b>  | <b>-22%</b> | <b>71,8</b>  | <b>72,4</b>  | <b>-1%</b> |
| Seafood                    | 0,4          | 0,9          | -53%        | 3,4          | 3,6          | -7%        |
| Beef & mutton              | 1,0          | 0,8          | 18%         | 4,6          | 5,1          | -9%        |
| <b>Gross profit</b>        | <b>1,4</b>   | <b>1,8</b>   | <b>-19%</b> | <b>8,0</b>   | <b>8,7</b>   | <b>-9%</b> |
| Seafood                    | 11,1%        | 10,2%        |             | 11,1%        | 12,6%        |            |
| Beef & mutton              | 11,1%        | 11,1%        |             | 11,1%        | 11,7%        |            |
| <b>Gross profit margin</b> | <b>11,1%</b> | <b>10,6%</b> |             | <b>11,1%</b> | <b>12,0%</b> |            |

Revenue from Seafood and Meat trading decreased USD 3.6M, or 22% from USD 16.4M in Q1 2018 to USD 12.8M in Q1 2019. Gross profits decreased by USD 0.4M, or 22% from USD 1.8M in Q1 2018 to USD 1.4M in Q1 2019. Overall gross margins were 11%.

Revenue and gross profits were adversely affected by the later Chinese New Year, which disrupted supply deliveries for a longer period of time than usual. This logistical factor also impacted Tri-Way sales adversely.

Growth potential for the trading division is currently constrained by working capital availability.

| Traded volume per product (SIAF) | Q1 '19     | Q1 '18     | 12M '18      | 12M '17      |
|----------------------------------|------------|------------|--------------|--------------|
| <b>Mixed seafood (MT)</b>        | <b>131</b> | <b>503</b> | <b>1 927</b> | <b>1 583</b> |
| ASP / kg (USD)                   | 29         | 18         | 18           | 19           |
| Gross profit margin              | 11%        | 10%        | 17%          | 5%           |
| <b>Beef &amp; lamb (MT)</b>      | <b>489</b> | <b>313</b> | <b>1 706</b> | <b>2 885</b> |
| ASP / kg (USD)                   | 18         | 24         | 19           | 14           |
| Gross profit margin              | 11%        | 11%        | 10%          | 11%          |
| <b>Total volume traded</b>       | <b>620</b> | <b>816</b> | <b>3 633</b> | <b>4 468</b> |



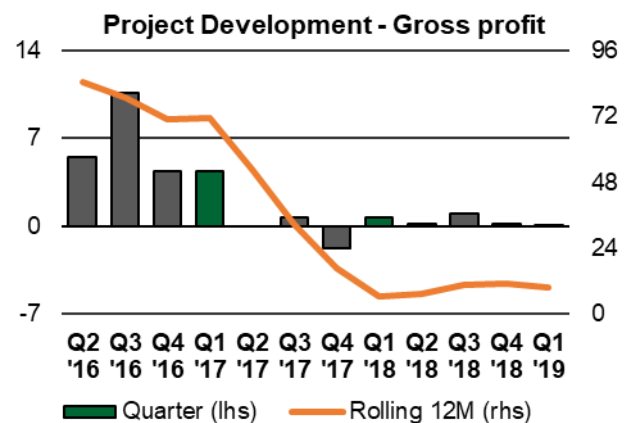
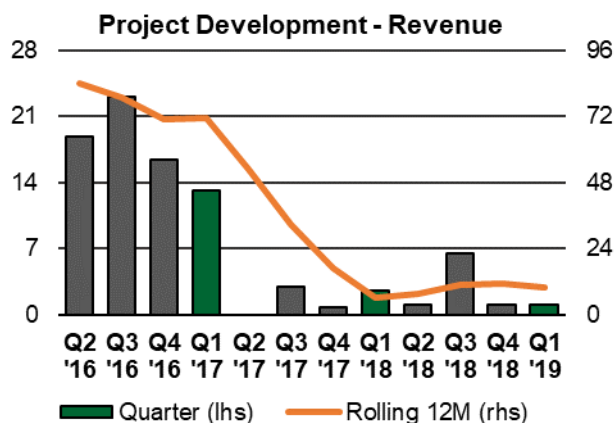
## Aquaculture Project Development

| (USD M)             | Q1 '19 | Q1 '18 | %    | 12M '18 | 12M '17 | %    |
|---------------------|--------|--------|------|---------|---------|------|
| Revenue             | 1,0    | 2,5    | -60% | 3,5     | 13,2    | -73% |
| Gross profit        | 0,1    | 0,7    | -93% | 0,9     | 4,4     | -80% |
| Gross profit margin | 5,2%   | 27,8%  |      | 24,6%   | 33,4%   |      |

Revenue from project development totaled USD 1.0 M in Q1 2019, a decrease of 60% from Q1 2018.

Under current conditions, working capital at T-W is better deployed to generate continuing and constant revenue from sale of goods. This superior use of funds will increase if the positive results from efficiency trials translate to higher sales volume and/or margin improvement in the second half of 2019.

The Company's wholly owned subsidiary, Capital Award, is engaged in discussions to initiate two foreign-based aquaculture projects. The Company hopes to report progress in the later part of 2019, if and when any material contract develops.



## Key figures

| USD M (except for share data)                        | Q1 2019 | Q1 2018 | %    | 12M 2018 | 12M 2017 | %     |
|--|---------|---------|------|----------|----------|-------|
| <b><u>Earnings</u></b>                               |         |         |      |          |          |       |
| Revenue  | 29,3    | 33,7    | -13% | 141,7    | 198,2    | -29%  |
| Gross profit   | 5,0     | 6,1     | -18% | 21,7     | 19,6     | 10%   |
| EBITDA   | 4,4     | 5,6     | -23% | 21,4     | 10,4     | 106%  |
| Net income attributable to SIAF                      | 0,6     | 5,1     | -88% | 17,3     | 27,5     | -37%  |
| <b><u>Share data</u></b>                             |         |         |      |          |          |       |
| Earnings per share (USD) – basic                     | 0,01    | 0,17    | -94% | 0,5      | -0,5     | -187% |
| Earnings per share (USD) – fully diluted             | 0,01    | 0,17    | -94% | 0,5      | -0,5     | -187% |
| Weighted average number of shares (million)          | 46,6    | 30,7    | 52%  | 37,3     | 24,7     | 51%   |
| Diluted weighted average number of shares (millions) | 46,6    | 30,7    | 52%  | 37,3     | 24,7     | 51%   |
| <b><u>Cash flow</u></b>                              |         |         |      |          |          |       |
| Net cash provided by operating activities            | 4,5     | 6,5     | -30% | 47,0     | -44      | -207% |
| Net cash used in investing activities                | -3,2    | -5,5    | -42% | -13,8    | -32,8    | -58%  |
| Net cash provided by (used in) financing activities  | -2,9    | -5,5    | -47% | -13,9    | 7,0      | -300% |
| <b><u>Financial position*</u></b>                    |         |         |      |          |          |       |
| Total assets   | 799,1   | 808,5   | -1%  |          |          |       |
| Total liabilities                                    | 81,2    | 80,3    | 1%   |          |          |       |
| Total stockholder's equity                           | 717,9   | 728,3   | -1%  |          |          |       |
| Net debt   | 10,0    | 11,5    | -13% |          |          |       |
| Capital employed                                     | 727,9   | 739,7   | -2%  |          |          |       |
| <b><u>Ratios</u></b>                                 |         |         |      |          |          |       |
| Gross margin (%)                                     | 17,1%   | 18,0%   |      | 15,3%    | 9,9%     |       |
| EBITDA margin (%)                                    | 14,9%   | 16,7%   |      | 15,1%    | 5,2%     |       |
| Return on capital employed (%)                       | 0,5%    | 3,5%    |      | 2,3%     | 2,0%     |       |
| Total equity ratio (%)                               | 89,8%   | 90,1%   |      |          |          |       |

\*Closing balance for relevant period

## Consolidated income statement

| (USD M)  | Q1 2019      | Q1 2018      | 12M 2018      | 12M 2017      |
|--|--------------|--------------|---------------|---------------|
| Sale of goods  | 28,3         | 31,3         | 130,5         | 181,2         |
| Consulting and service income from development contracts   | 1,0          | 2,5          | 11,1          | 17,0          |
| <b>Total revenue</b>   | <b>29,3</b>  | <b>33,7</b>  | <b>141,7</b>  | <b>198,2</b>  |
| Sale of goods  | -23,3        | -25,9        | -111,0        | -165,0        |
| Consulting and service income from development contracts   | -0,9         | -1,8         | -9,1          | -13,6         |
| <b>Cost of goods sold and services</b>   | <b>-24,2</b> | <b>-27,6</b> | <b>-120,0</b> | <b>-178,5</b> |
| Sale of goods  | 5,0          | 5,4          | 19,6          | 16,2          |
| Consulting and service income from development contracts   | 0,1          | 0,7          | 2,1           | 3,4           |
| <b>Total gross profit</b>  | <b>5,0</b>   | <b>6,1</b>   | <b>21,7</b>   | <b>19,6</b>   |
| General and administrative expenses  | -3,8         | -3,7         | -15,6         | -19,8         |
| <b>Net income from operations</b>  | <b>1,3</b>   | <b>2,4</b>   | <b>6,1</b>    | <b>-0,2</b>   |
| Government grant   | -            | -            | 0,6           | 2,5           |
| Other income   | -0,4         | 0,0          | 0,1           | 0,1           |
| Non-operating expenses   | -            | -0,0         | -4,6          | -             |
| Interest expense   | -            | -0,5         | -0,6          | -4,0          |
| <b>Net income (expenses) before income taxes</b>   | <b>0,8</b>   | <b>1,9</b>   | <b>1,6</b>    | <b>-1,5</b>   |
| Share of income from unconsolidated equity investee  | -            | 3,8          | 14,3          | 12,0          |
| <b>Net income</b>  | <b>0,8</b>   | <b>5,7</b>   | <b>15,8</b>   | <b>10,5</b>   |
| Less: Net (income) loss attributable to the NCI  | -0,2         | -0,7         | 1,5           | 17,0          |
| <b>Net income attributable to SIAF</b>   | <b>0,6</b>   | <b>5,1</b>   | <b>17,3</b>   | <b>27,5</b>   |
| Foreign currency translation gain (loss)   | -            | 21,9         | -14,6         | 12,8          |
| Less: other comprehensive income attributable to the NCI   | -            | -11,3        | 1,8           | -5,6          |
| <b>Comprehensive income attributable to SIAF</b>   | <b>0,6</b>   | <b>15,7</b>  | <b>4,6</b>    | <b>-5,9</b>   |
| <b>Earnings per share attributable to SIAF:<br/>from continuing and discontinued operations:</b> |              |              |               |               |
| Basic (USD per share)  | 0,01         | 0,17         | 0,46          | -0,53         |
| Diluted (USD per share)  | 0,01         | 0,17         | 0,46          | -0,53         |
| <b>Weighted average number of shares outstanding:</b>  |              |              |               |               |
| Basic (in million shares)  | 46,6         | 30,7         | 37,3          | 24,7          |
| Diluted (in million shares)  | 46,6         | 30,7         | 37,3          | 24,7          |

## Consolidated balance sheet

| (USD M)   | 31-mar<br>2019 | 31-dec<br>2018 |
|---|----------------|----------------|
| Cash and cash equivalents   | 0,3            | 5,0            |
| Inventories   | 56,4           | 54,6           |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 0,3            | 0,3            |
| Deposits and prepayments  | 53,3           | 52,2           |
| Accounts receivable net of allowance for doubtful accounts                  | 100,9          | 101,7          |
| Other receivables   | 31,1           | 28,3           |
| <b>Total current assets</b>   | <b>242,3</b>   | <b>242,0</b>   |
| Plant and equipment net of accumulated depreciation                         | 235,5          | 230,6          |
| Construction in progress  | 13,2           | 12,5           |
| Land use rights net of accumulated amortization                             | 54,3           | 53,8           |
| <b>Total plant and equipment</b>  | <b>302,9</b>   | <b>297,0</b>   |
| Goodwill  | 0,7            | 0,7            |
| Investment in unconsolidated equity investee                                | 209,4          | 207,1          |
| Proprietary technologies net of accumulated amortization                    | 8,8            | 8,9            |
| Temporary deposits paid to entities for investments in SFJV companies       | 34,9           | 34,9           |
| <b>Total other assets</b>   | <b>253,9</b>   | <b>251,6</b>   |
| <b>TOTAL ASSETS</b>   | <b>799,1</b>   | <b>790,6</b>   |
| Accounts payable and accrued expenses                                       | 10,4           | 8,3            |
| Billings in excess of costs and estimated earnings on uncompleted contracts | 5,4            | 5,3            |
| Due to a director   | 0,3            | 2,0            |
| Other payables  | 47,0           | 42,5           |
| Borrowings - Short term bank debts  | 4,7            | 4,6            |
| Negotiable promissory note  |                |                |
| Convertible note payable  |                | 3,9            |
| <b>Current liabilities</b>  | <b>67,8</b>    | <b>66,7</b>    |
| Other payables  | 7,8            | 7,8            |
| Borrowings - Long term debts  | 5,6            | 5,5            |
| <b>Non-current liabilities</b>  | <b>13,4</b>    | <b>13,3</b>    |
| <b>TOTAL LIABILITIES</b>  | <b>81,2</b>    | <b>80,0</b>    |
| Additional paid - in capital  | 181,5          | 181,5          |
| Retained earnings   | 459,4          | 458,8          |
| Accumulated other comprehensive income                                      | -5,3           | -10,4          |
| Treasury stock  | -1,3           | -1,3           |
| <b>Total SIAF stockholders' equity</b>                                      | <b>634,4</b>   | <b>628,7</b>   |
| Non - controlling interest  | 83,5           | 81,9           |
| <b>TOTAL STOCKHOLDER'S EQUITY</b>   | <b>717,9</b>   | <b>710,6</b>   |
| <b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>                           | <b>799,1</b>   | <b>790,6</b>   |



## Consolidated statement of cash flows

| <b>(USD M)</b>  | <b>Q1 2019</b> | <b>Q1 2018</b> | <b>12M 2018</b> | <b>12M 2017</b> |
|---|----------------|----------------|-----------------|-----------------|
| Net income for the period   | 0,8            | 5,7            | 15,8            | -30,1           |
| <b>Adjustments to reconcile net income from operations to net cash from operations:</b> |                |                |                 |                 |
| Share of income from unconsolidated equity investee                                     | -2,4           | -3,8           | -14,3           | -12,0           |
| Depreciation  | 2,5            | 2,7            | 13,1            | 8,4             |
| Amortization  | 0,6            | 0,6            | 2,3             | 2,2             |
| Common stock issued for services  | 0,4            | 0,2            | 2,3             | 1,8             |
| Loss on restructuring   | 2,4            | -              | -               | 6,2             |
| <b>Cash flow from operating activities before change in wc</b>                          | <b>4,4</b>     | <b>5,4</b>     | <b>19,2</b>     | <b>2,6</b>      |
| Change in inventories   | -1,8           | -5,7           | -2,0            | 5,4             |
| of billings on uncompleted contacts   | -              | 1,0            | 1,0             | -               |
| Change in deposits and prepaid expenses   | -1,4           | 0,5            | 15,4            | -15,3           |
| Change in due to a director   | -1,8           | 0,3            | 1,9             | -2,1            |
| Change in accounts payable and accrued expenses   | 2,1            | 1,2            | 5,2             | 2,6             |
| Change in other payables  | -1,8           | 1,0            | 6,6             | 19,0            |
| Change in accounts receivable   | 0,7            | -3,6           | -18,7           | 9,1             |
| Change in tax payable   | -              | 0,0            | -               | -0,0            |
| Change in billings in excess of   | 0,1            | -              | -0,4            | -               |
| Costs and estimated earnings on uncompleted contracts                                   | -              | -0,1           | -               | 3,1             |
| Change in amount due from unconsolidated equity investee                                | 0,0            | 1,0            | -0,5            | -38,3           |
| Change in other receivables   | -2,8           | -6,6           | -7,6            | 35,9            |
| <b>Change in working capital</b>  | <b>-6,7</b>    | <b>-11,0</b>   | <b>1,0</b>      | <b>19,0</b>     |
| <b>Cash flow from operating activities</b>  | <b>-2,4</b>    | <b>-5,6</b>    | <b>20,2</b>     | <b>21,5</b>     |
| Purchases of property and equipment   | -3,2           | -2,4           | -7,1            | -22,8           |
| Payment for construction in progress  | -              | -3,1           | -6,8            | -10,8           |
| Receipt from government grant   | -              | -              | -               | -               |
| <b>Net cash used in investing activities</b>  | <b>-3,2</b>    | <b>-5,5</b>    | <b>-13,8</b>    | <b>-32,7</b>    |
| Effects on exchange rate changes on cash  | 0,9            | 11,1           | -1,9            | -0,3            |
| <b>Increase in cash and cash equivalents</b>  | <b>-4,6</b>    | <b>0,1</b>     | <b>4,4</b>      | <b>-2,0</b>     |
| Cash and cash equivalents, beginning of period  | 5,0            | 0,6            | 0,6             | 2,6             |
| Cash and cash equivalents, end of period  | 0,3            | 0,6            | 5,0             | 0,6             |

## 5-year summary

| USD million (except for share data)                  | 2018  | 2017  | 2016  | 2015  | 2014  |
|--|-------|-------|-------|-------|-------|
| <b><u>Earnings</u></b>                               |       |       |       |       |       |
| Revenue  | 141,7 | 198,2 | 342,9 | 429,1 | 404,3 |
| Gross profit   | 21,7  | 19,6  | 83,9  | 111,2 | 129,3 |
| EBITDA   | 16,6  | 5,7   | 102,6 | 97,3  | 119,6 |
| Net income attributable to SIAF                      | 17,3  | 27,5  | 115,0 | 65,3  | 92,1  |
| <b><u>Share data</u></b>                             |       |       |       |       |       |
| Earnings per share (USD) – basic                     | 0,46  | -0,53 | 5,46  | 3,63  | 5,81  |
| Earnings per share (USD) – fully diluted             | 0,46  | -0,53 | 5,00  | 3,59  | 5,56  |
| Weighted average number of shares (million)          | 37,3  | 24,7  | 21,0  | 18,0  | 15,8  |
| Diluted weighted average number of shares (millions) | 37,3  | 24,7  | 23,2  | 18,3  | 16,6  |
| <b><u>Cash flow</u></b>                              |       |       |       |       |       |
| Net cash provided by operating activities            | 20,2  | -10,7 | 92,5  | 44,6  | 22,0  |
| Net cash used in investing activities                | -13,8 | -32,7 | -59,2 | -13,8 | -31,5 |
| Net cash provided by (used in) financing activities  | -0,1  | 5,5   | -7,7  | -0,1  | 9,9   |
| <b><u>Financial position*</u></b>                    |       |       |       |       |       |
| Total assets   | 790,6 | 774,9 | 765,7 | 639,5 | 532,7 |
| Total liabilities                                    | 80,0  | 77,4  | 61,7  | 70,6  | 70,5  |
| Total shareholders equity                            | 710,6 | 697,6 | 703,9 | 568,9 | 462,2 |
| Net debt (cash)                                      | 5,2   | 11,1  | 28,5  | 39,0  | 24,2  |
| Capital employed                                     | 715,8 | 708,7 | 732,4 | 607,9 | 486,4 |
| <b><u>Ratios</u></b>                                 |       |       |       |       |       |
| Gross margin (%)                                     | 15,3% | 9,9%  | 24,5% | 25,9% | 32,0% |
| EBITDA margin (%)                                    | 11,7% | 2,9%  | 29,9% | 22,7% | 29,6% |
| Return on capital employed (%)                       | 3,1%  | 2,7%  | 13,5% | 12,2% | 23,7% |
| Total equity ratio (%)                               | 89,9% | 90,0% | 91,9% | 89,0% | 86,8% |

\*Closing balance for relevant period

## Reconciliation of non-U.S. GAAP measures to U.S. GAAP

In this report we sometimes refer to non-U.S. GAAP measures that we and securities analysts use in measuring Sino Agro Food's performance. We believe that these measures assist investors and management in analyzing trends in the Company's business for the reasons given below. Investors should not consider these non-U.S. GAAP measures as substitutes, but rather as additions, to financial reporting measures prepared in accordance with U.S. GAAP. It should be noted that these measures, as defined, may not be comparable to similarly titled measures used by other companies.

### Use of non-U.S. GAAP financial information

Sino Agro Food's ("SIAF") financial information includes information prepared in conformity with U.S. Generally Accepted Accounting Principles (US GAAP) as well as non-U.S. GAAP information. It is management's intent to provide non-U.S. GAAP financial information to enhance understanding of our consolidated financial information as prepared in accordance with U.S. GAAP. This non-U.S. GAAP information should be considered by the reader in addition to, but not instead of, the financial reporting measures prepared in accordance with U.S. GAAP. The non-U.S. GAAP financial information presented may be determined or calculated differently by other companies.

### Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is a non-U.S. GAAP measurement. Management uses EBITDA because it believes that such measurements are widely accepted financial indicators used by investors and analysts to analyze and compare companies on the basis of operating performance and that these measurements may be used by investors to make informed investment decisions.

| (USD M)                               | Q1 2019    | Q1 2018    | 12M 2018    | 12M 2017    |
|---------------------------------------|------------|------------|-------------|-------------|
| Net income from operations            | 1,3        | 2,4        | 6,1         | -0,2        |
| Depreciation and Amortization         | 3,1        | 3,2        | 15,4        | 10,5        |
| <b>EBITDA (Non-U.S. GAAP Measure)</b> | <b>4,4</b> | <b>5,6</b> | <b>21,4</b> | <b>10,4</b> |

### Return on Capital Employed ("ROCE")

SIAF believes Return on Capital Employed (ROCE) is a good indicator of long-term company and management performance, both absolute and relative to SIAF's primary peer group. ROCE is a measure of the profitability of SIAF's capital employed in its business compared with that of its peers. SIAF calculates ROCE as a ratio, the numerator of which is Net income plus Interest expense, and the denominator of which is average Total stockholder's equity plus total interest bearing liabilities.

| (USD M)  | Q1 2019     | Q1 2018     | 12M 2018    | 12M 2017    |
|--|-------------|-------------|-------------|-------------|
| <b>Numerator</b>                                 |             |             |             |             |
| Net income                                       | 0,8         | 5,7         | 15,8        | 10,5        |
| Interest Expense                                 | 0,0         | 0,5         | 0,6         | 4,0         |
| <b>ROCE Earnings (Non-U.S. GAAP Measure)</b>     | <b>0,8</b>  | <b>6,2</b>  | <b>16,4</b> | <b>14,5</b> |
| <b>Denominator</b>                               |             |             |             |             |
| <b>Capital employed* (Non-U.S. GAAP Measure)</b> | <b>728</b>  | <b>709</b>  | <b>728</b>  | <b>709</b>  |
| <b>ROCE (Non-U.S. GAAP Measure)</b>              | <b>0,5%</b> | <b>3,5%</b> | <b>2,3%</b> | <b>2,0%</b> |

\*Closing balance of Total stockholder's equity and Net Debt

**Net Debt**

Management uses Net Debt, along with other factors, to evaluate SIAF's financial condition. Management believe that Net Debt is an appropriate supplemental measure of financial condition and may be useful to investors because it provides a more complete understanding of our financial condition before the impact of our decisions regarding the appropriate use of cash and liquid investments.

Net Debt include the aggregate interest bearing debt obligations in SIAF's consolidated balance sheet, less the balance sheet line item Cash and cash equivalents.

|   | <b>31-mar</b> | <b>31-dec</b> |  |  |
|---|---------------|---------------|--|--|
| <b>(USD M)</b>                          | <b>2019</b>   | <b>2018</b>   |  |  |
| Borrowings - Short term bank debts      | 4,7           | 4,6           |  |  |
| Negotiable promissory note              | 0,0           | 0,0           |  |  |
| Borrowings - Long term debts            | 5,6           | 5,5           |  |  |
| Convertible notes payables              | 0,0           | 0,0           |  |  |
| Cash and cash equivalents               | -0,3          | -5,0          |  |  |
| <b>Net Debt (Non-U.S. GAAP Measure)</b> | <b>10,0</b>   | <b>5,2</b>    |  |  |

## **This is Sino Agro Food**

SIAF is a specialized investment company focused on protein food. The Company produces, distributes, markets, and sells sustainable seafood and beef to the rapidly growing middle class in China. Activities also include production of organic fertilizer and produce. SIAF is a global leader in developing land based recirculating aquaculture systems (“RAS”), and with its partners is the world’s largest producer of sustainable RAS prawns.

Founded in 2006 and headquartered in Guangzhou, the Company had over 325 employees and revenue of USD 141.7 million in 2018. Operations are located in Guangdong, Qinghai, and Hunan provinces, and in Shanghai. Sino Agro Food is a public company listed on OTCQX U.S. Premier in the United States and on the Oslo Børs’ Merkur Market in Norway.

### **Integrated Cattle (SJAP)**

Integrated Cattle Farm refers to the operation of SJAP in manufacturing and sales of Organic Fertilizer, bulk livestock feed, concentrated livestock feed, and the sales of live cattle inclusive

### **Organic Fertilizer (HSA)**

Hunan Shenghua A Power Agriculture Co. Ltd. (“HSA”) manufactures and sells organic fertilizer.

### **Cattle Farms (MEIJI)**

Cattle Farm refers to the operations of Cattle Farm (1) under Jiangmen City Hang Mei Cattle Farm Development Co. Ltd (“JHMC”). Cattle are sold live to third party livestock wholesalers who in turn resell them mainly in Guangzhou and Beijing livestock wholesale markets. The financial statements of JHMC are consolidated into MEIJI

as one entity along with MEIJI’s operation in the consulting and service for development of other Cattle Farms (i.e., Cattle Farm 2) or related projects.

### **HU Plantation (JHST)**

Plantation refers to the operations of Jiangmen City Heng Sheng Tai Agriculture Development Co. Ltd. (“JHST”) The HU Plantation business grows, harvests and sells dragon fruit flowers (dried and fresh) and immortal vegetables to wholesale and retail markets JHST’s financial statements are consolidated into the financial statements of Macau EIJI Company Ltd. (“MEIJI”) as one entity.

### **SIAF Corporate / Seafood & Meat Trading**

SIAF Corporate / Seafood & Meat Trading refers to the business operations of Sino Agro Food, Inc., including import / export business and consulting and service operations provided to projects that are not included in the above categories, and are not limited to corporate affairs.

### **Aquaculture Project Development**

Aquaculture Project Development refers to the operations of Capital Award Inc. (CA) covering its engineering, technology and consulting service management of fishery operations. CA sells Engineering and Technology Services via Consulting and Service Contracts for the development, construction, and supply of plant and equipment, and management of fishery (and prawn or shrimp) farms and related business operations, including the Zhongshan New Prawn Project (“ZSNP”).

## **Definitions and SEC filings**

Please refer to our Form 10-K for definitions of terms used in this report. Filings with the SEC of Sino Agro Food's annual report to stockholders, annual report on Form 10-K, quarterly reports on Form 10-Q, proxy statements, management certifications, press releases, current reports on Form 8-K and other documents are available at the SEC's website [www.sec.gov](http://www.sec.gov) and at Sino Agro Food's corporate website.

## **Accounting policies**

Sino Agro Food prepares its financial statements in accordance with the Generally Accepted Accounting Principles (US-GAAP) as adopted by the Financial Accounting Standards Board.

## **Safe Harbor Statement**

This report contains statements that are not historical facts but rather forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those that address activities, events or developments that Sino Agro Food, Inc. or its management believes or anticipates may occur in the future. All forward-looking statements, including without limitation, management's examination of historical operating trends and data, as well as estimates of future sales, operating margin, cash flow, effective tax rate or other future operating performance or financial results, are based upon our current expectations, various assumptions and data available from third parties. Our expectations and assumptions are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that such forward-looking statements will materialize or prove to be correct as forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors which may cause actual future results, performance or achievements to differ materially from the future results, performance or achievements expressed in or implied by such forward-looking statements. Because these forward-looking statements involve risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statements for a variety of reasons, including without limitation, changes in global light vehicle production; fluctuation in vehicle production schedules for which the Company is a supplier, changes in general industry and market conditions, changes in and the successful execution of our capacity alignment, restructuring and cost reduction initiatives discussed herein and the market reaction thereto; loss of business from increased competition; higher raw material, fuel and energy costs; changes in consumer and customer preferences for end products; customer losses; changes in regulatory conditions; customer bankruptcies or divestiture of customer brands; unfavorable fluctuations in currencies or interest rates among the various jurisdictions in which we operate; component shortages; market acceptance of our new products; costs or difficulties related to the integration of any new or acquired businesses and technologies; continued uncertainty in pricing negotiations with customers, our ability to be awarded new business; product liability, warranty and recall claims and other litigation and customer reactions thereto; higher expenses for our pension and other postretirement benefits; work stoppages or other labor issues; possible adverse results of pending or future litigation or infringement claims; negative impacts of antitrust investigations or other governmental investigations and associated litigation (including securities litigation) relating to the conduct of our business; tax assessments by governmental authorities and changes in our effective tax rate; dependence on key personnel; legislative or regulatory changes limiting our business; political conditions; dependence on and relationships with customers and suppliers; and other risks and uncertainties identified under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Reports and Quarterly Reports on Forms 10-K and 10-Q and any amendments thereto. The Company undertakes no obligation to update publicly or revise any forward-looking statements in light of new information or future events. For any forward-looking statements contained in this or any other document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we assume no obligation to update any such statement.



## **Additional information**

### **Financial information**

Additional financial information and notes to the financial statements is available in the Company's 10-K report, available on the Company's website.

### **Press and analyst conference**

Sino Agro will provide a written Q & A. on June 3<sup>rd</sup> 2019. Please submit questions by email to [info@sinoagrofood.com](mailto:info@sinoagrofood.com). These will be organized, answered, and posted, with an accompanying press release. The annual and quarterly reports are published on [sinoagrofood.com](http://sinoagrofood.com).

### **The Company**

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