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POU SHENG INTERNATIONAL (HOLDINGS) LIMITED
寶勝國際（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3813)

UNAUDITED RESULTS
FOR THE THREE MONTHS ENDED MARCH 31, 2019

SUMMARY

The Board announces the unaudited consolidated results of the Group for the three months ended March 31, 2019. This announcement is made in line with the Company's current practice to publish its financial results quarterly and pursuant to paragraph 13.09(2) of the Listing Rules and Part XIVA of the SFO.

The unaudited consolidated profit attributable to owners of the Company for the three months ended March 31, 2019 was approximately RMB191.9 million.

The board of directors (the "Directors") of Pou Sheng International (Holdings) Limited (the "Company" and the "Board", respectively) is making this announcement of the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended March 31, 2019 in line with its current practice to publish the Group's financial results quarterly and pursuant to paragraph 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Part XIVA of the Securities and Futures Ordinance (Cap.571) (the "SFO").

CONSOLIDATED INCOME STATEMENT

For the three months ended March 31, 2019

	For the three months ended March 31,	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue	6,597,007	5,502,931
Cost of sales	<u>(4,362,643)</u>	<u>(3,644,267)</u>
Gross profit	2,234,364	1,858,664
Other operating income and gains (losses)	74,531	92,130
Selling and distribution expenses	(1,722,194)	(1,493,756)
Administrative expenses	<u>(230,959)</u>	<u>(204,813)</u>
Operating profit	355,742	252,225
Finance costs	(58,133)	(34,567)
Finance income	1,163	2,091
Finance cost – net	(56,970)	(32,476)
Share of results of joint ventures	<u>2,674</u>	<u>(2,140)</u>
Profit before taxation	301,446	217,609
Income tax expense	<u>(96,335)</u>	<u>(73,223)</u>
Profit for the period	<u><u>205,111</u></u>	<u><u>144,386</u></u>
Attributable to:		
Owners of the Company	191,870	141,208
Non-controlling interests	<u>13,241</u>	<u>3,178</u>
	<u><u>205,111</u></u>	<u><u>144,386</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2019

	For the three months ended March 31,	
	2019	2018
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period	205,111	144,386
Other comprehensive income		
<i>An item that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	<u>1,366</u>	<u>490</u>
Total comprehensive income for the period	<u>206,477</u>	<u>144,876</u>
Attributable to:		
Owners of the Company	<u>193,216</u>	141,698
Non-controlling interests	<u>13,261</u>	<u>3,178</u>
	<u>206,477</u>	<u>144,876</u>

The Group's unaudited consolidated results for the three months ended March 31, 2019 have been prepared in accordance with the accounting policies adopted by the Group as disclosed in the last annual report for the year ended December 31, 2018.

In the current period, the Group has applied a number of new standards and amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, which are effective for the Group's financial year beginning on January 1, 2019. Except as described below, the adoption of these new standards and amendments to HKFRSs has had no material effect on the results or financial positions of the Group.

Financial impact of initial application of HKFRS 16 "Leases"

The Group selected the modified retrospective approach for the application of HKFRS 16 as lessee. The application of this new standard would result in changes in measurement, presentation and disclosure as indicated in the last annual report for the year ended December 31, 2018. In respect of the consolidated income statement for the three months ended March 31, 2019 as disclosed, the operating profit increased by RMB3.5 million and the profit for the period decreased by RMB12.3 million which was mainly derived from the imputed interest of RMB19.9 million due to the application of this new standard.

MANAGEMENT DISCUSSION AND ANALYSIS

Results summary

For the three months ended March 31, 2019, the Group recorded revenue of approximately RMB6,597.0 million, representing an increase of 19.9% compared with the same period last year while net profit attributable to owners of the Company increased by 35.9% to approximately RMB191.9 million compared with approximately RMB141.2 million recorded in the same period in 2018.

Financial highlights

	For the three months ended March 31,		YoY % change
	2019 RMB million	2018 RMB million	
Revenue	6,597.0	5,502.9	19.9%
Operating profit	355.7	252.2	41.0%
Profit for the period	205.1	144.4	42.1%
Profit attributable to owners of the Company	191.9	141.2	35.9%
Operating profit margin	5.4%	4.6%	Increase 0.8% point
Net profit margin	3.1%	2.6%	0.5% point

By Order of the Board
Wu, Pan-Tsu
Chairman

Hong Kong, May 14, 2019

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Wu, Pan-Tsu (Chairman) and Mr. Lee, Shao-Wu (Chief Executive Officer)

Non-executive Directors:

Ms. Tsai Patty, Pei Chun and Mr. Li I-nan

Independent Non-executive Directors:

Mr. Chen, Huan-Chung, Mr. Hsieh, Wuei-Jung and Mr. Feng Lei Ming

Website: www.pousheng.com