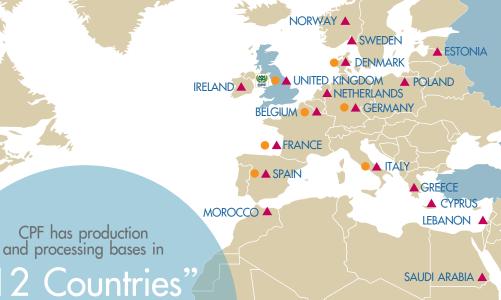


Kitchen Of World

Charoen Pokphand Foods Public Co., Ltd.



NIGERIA 🔺

SOUTH AFRICA

across the globe. From these internationally recognized and certified facilities, our products are distributed to more than 40 countries in 5 continents - serving and satisfying over 3 billion citizens of the world.

• A UNITED STATES OF AMERICA

▲ CANADA







Dedicated and committed to creating sustainable total vertically integrated food operations

FARM

FFI

Quality and food safety are CPF's primary concerns. Our facilities are designed and built to meet most stringent international standard; our production processes and operating procedures are detailed to ensure integrity of the products; our total vertically integrated operations provide full control and traceability throughout the supply chain.

RET

Meticulous care and consideration in providing safe food products to all walks and Circle of Life

Sourcing of ingredients is an important factor in production of hygienic and quality food products. This is the reason why CPF is so particular about raw material procurement.

Multitude of food product varieties to satisfy global palates



Consideration is given to differences in culture, customs and epicurean preferences when developing and creating food dishes.



Caring and sharing is CPF's road map to sustainability.

Charity begins at home. CPF's concern for the society at large evolves from improvement within and grows toward local communities and environment. Working and walking hand-in-hand will make this world a better place.











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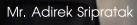
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General Information of the Company's Investments

Note: 'The Company' or 'CPF' in this annual report refer to Charoen Pokphand Foods Public Company Limited ('CPF') and its subsidiaries which CPF directly or indirectly holds more than 50% of their paid-up capital and companies that CPF has control.

Mr. Dhanin Chearavanont

Chairman of the Board of Directors



President and Chief Executive Officer

Message_to Shareholders

In 2012 the Company was faced with many challenges including fluctuating price of raw material and higher production cost. Severe drought in America and South America caused prices of corn and soybean meal, sources of protein to animal diets, to increase steeply. As a result, production cost of raising animal protein increased accordingly. To make matter worse, over supply of swine, broiler and layer made market price for these animals to be lowered than production cost. However, CPF's growth and profitability in other businesses remained favorable, particularly our ready meal business. Acquisition of CP Pokphand Co., Ltd., with operations in China and Vietnam, was also positive to CPF overall growth.

Consolidated sales in 2012 is THB 357,175 million with net profit of THB 18,790 million, equivalent to 73% and 17% growth over 2011 respectively. Sales in 2013 will continue to grow from our international operations. The Company's emphasis on investing in ready meal business will continue, especially in China, Vietnam and Thailand.

With our vision to be "Kitchen of the World", the Company is committed to our vertical integration business in agro-industry and food. We will continue to provide quality product in terms of nutrition, taste, food safety and traceability. The Company is dedicated to social responsibility, environment conservation and sustainable business growth.

At present, the Company has investments and operations in 12 countries with over 3 billion population. We export to some 40 countries including the United States, European Union and Japan. Our strategy to becoming top food company of the World is through innovation, personnel development and research and development. The Company also dedicates to providing products and services that are of high quality, creating food security, as well as operating the business with strict adherence to corporate social responsibility, environment conservation and sound corporate governance.

In addition to the above-mentioned, CPF operates on three guiding principles - benefits to the country, benefits to the society, and benefits to the Company. We are concerned for all stakeholders' interest and to growing sustainably to becoming "Kitchen of the World,"

On behalf of the board of directors, management and staff, we thank you our shareholders for the trust and support.

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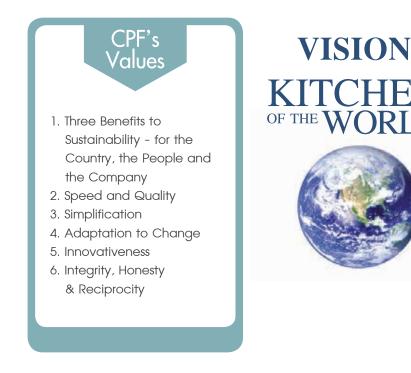
Mr. Dhanin Chearavanont Mr. Adirek Sripratak Chairman of the Board of Directors

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The Company at a Glance

Leading Agro-Industrial and Food Conglomerate

Charoen Pokphand Foods Public Company Limited is the leading agro-industrial and food conglomerate in the Asia Pacific region. The Company operates in both the livestock (swine, broilers, layers, and ducks) and aquaculture (shrimp and fish) businesses. The vertically integrated businesses incorporate the manufacturing of animal feed, animal breeding and animal farming; meat processing, the manufacturing of semi-cooked meat and fully-cooked meat; food products and ready meal products, as well as the meat and food retailer and restaurant businesses.



CPF's Mission

CPF engages in vertically integrated agro-industrial and food businesses and commits to providing products and services that are of high quality, nutritious, tasty, safe and traceable, and is dedicated to operating our business with strict adherence to corporate social responsibility and environment conservation as a means of achieving sustainable growth.

The Company has production bases in 12 countries across the globe, serving more than 3,000 million people, and exports fresh meat and processed meat under the customers' brands, as well as ready-to-eat products under the ^{CP} brand, to more than 40 countries worldwide, spanning five continents. The Company's operations can be divided into two main areas as follows:

- Thailand Operations which comprises operations in Thailand that lead to domestic sales and export;
- 2) International Operations which incorporates the investment in agro-industrial and food businesses in eleven countries including subsidiaries in China, Vietnam and Turkey; India, Malaysia and The United Kingdom; Laos, Russia, the Philippines, and Taiwan as well as an associated company in Cambodia.

In 2012, Thailand Operations accounted for 45% of the Company's total consolidated revenue, while the other 55% derived from its international Operations. In addition to its investment in subsidiaries, the Company has 25% investment of the issued shares of a company in Cambodia.



One of the world's leading listed animal feed manufacturers



One of the world's leading listed swine farming companies



One of the leading listed companies with a fully integrated shrimp business

The Company categorizes its businesses according to product types as follows:

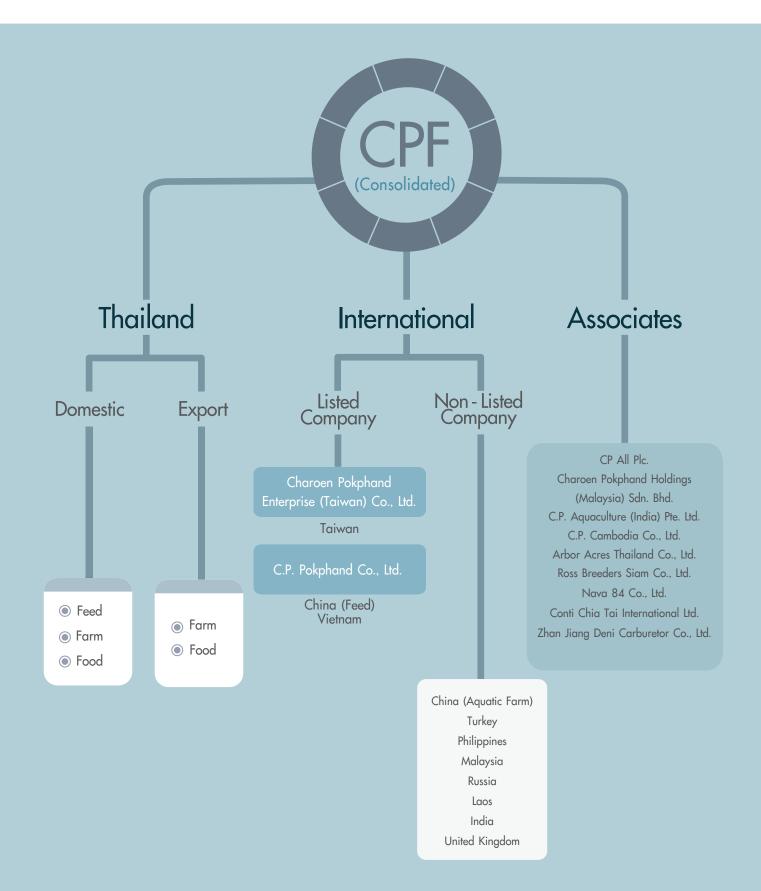
- The Feed business engages in manufacturing and selling animal feed;
- 2) The Farm business engages in animal breeding, animal farming, and basic meat processing; and
- 3) The Food business engages in manufacturing semi-cooked and fully cooked meat, as well as manufacturing food under the customers' brands, and also under the *P* brand for domestic sales and exports through the Company's trading offices and sales representatives in 17 countries around the globe.

As regards to its business strategies, the Company attaches the utmost importance to development for sustainable growth, human resource management, good corporate governance, as well as corporate social responsibility. The Company's overall business strategy consists of

- 1) Globalization,
- 2) Integrated Food Business Expansion,
- 3) Quality and Food Safety Leader,
- 4) Innovation and Efficiency,
- 5) People Development and
- 6) Social Responsibility.

The Company's consolidated sales for fiscal year ended 31 December 2012 was THB 357,175 million, with a net profit of THB 18,790 million (or equivalent to THB 2.59 per share). Presently, CPF has ordinary shares registered on the Stock Exchange of Thailand under the stock code 'CPF', and has a paid-up capital of THB 7,742,941,932 all in ordinary shares. As at 31 December 2012, the Company's market capitalization was THB 261,324 million.



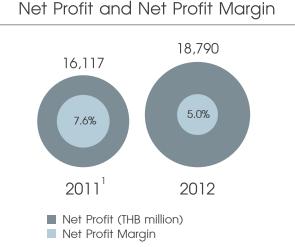


Financial Highlights

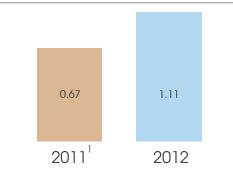


20.0%

2012

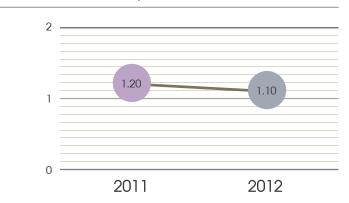


Net Debt to Equity (Times)



Note: Net Debt = Interest bearing debt - Cash and cash equivale

Dividend per Share (THB)



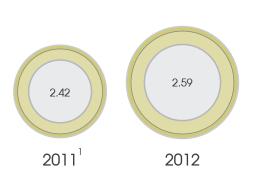
¹ From 1 January 2012, the Company early adopted the International Accounting Standards ("IAS") No. 41 Agriculture early and which has been applied retrospectively to its statements of the financial positions as of 1 January 2011 and 31 December 2011, as well as the consolidated income statement, statements of comprehensive income and the consolidated statement of cash flow for the year ended 31 December 2011. The Company has not, however, re-stated its financial statements for the year ended 31 December 2010. Consequently, it has not been shown for comparison in this Financial Highlight.



2011¹

25.6%

Return on Equity



Note: Return on Equity = Net profit / Average shareholders' equity

CPF Milestones



1978

Registered under the name `Charoen Pokphand Feedmill Company Limited' to produce and distribute animal feed in Southern Thailand

1987

Listed ordinary shares on the Stock Exchange of Thailand (SET) with the trading symbol `CPF'

1999

Acquired ordinary shares in nine agro-industrial and food companies from Charoen Pokphand Group which transformed CPF into a nationwide fully integrated, agro business in both livestock and aquaculture

Renamed as 'Charoen Pokphand Foods Public Company Limited' and announced CPF vision of becoming the 'Kitchen of the World'



1978 1998 2002 Acquired ordinary shares in Invested in the United Kingdom three agro-industrial public and now operates businesses companies in Thailand from 2004 that produce chilled food Charoen Pokphand Group products for supply in the EU Invested in Turkey ()market 1994 and currently operates businesses Converted to a Public Company Limited in the manufacturing and distribution of livestock feed, and Invested in China and currently ()a fully-integrated operates businesses in the chicken business manufacturing and distribution of animal feed as well as aquatic farming

2005

 \bigcirc



Increased shareholding in a subsidiary in India from 19.0% to 71.2%, and currently operates businesses in the manufacturing and distribution of animal feed as well as

Acquired a food kiosk business called 'Five Star'

which currently operates a chain of food kiosks

Invested in Malaysia and currently operates a fully integrated shrimp business

animal farming in India

based on a franchise system



2007 Invested in the Philippines and currently operates businesses in the manufacturing and distribution of animal feed

as well as animal farming



2010

Re-classified CPF's sector from 'Agribusiness' to 'Food and Beverage' on the Stock Exchange of Thailand (SET)

2011

Acquired 25% of issued shares in a company based in Cambodia which currently operates businesses in the manufacturing and distribution of animal feed, as well as animal farming and food processing

Started a retail business under the concept of a super convenience store called `CP Fresh Mart Plus'

 Started a fast-serve restaurant business in Thailand called 'CP Kitchen'





Started a retail business called `CP Fresh Mart' which is a retailer of fresh and cooked meat, as well as ready-to-eat products



Invested in Russia and now operates businesses in the manufacturing and distribution of livestock feed and livestock farming



 Invested in Laos and currently operates businesses in the manufacturing and distribution of livestock feed and livestock farming



Acquired 32% of issued shares in a company listed on the Taiwan Stock Exchange and now operates businesses in the manufacturing and distribution of animal feed, as well as animal farming and food processing



 Began production of ready-to-eat products under e brand and distributed domestically and internationally 2012 Acquired

Acquired 99.99% of the issued shares in a company based in Malaysia which currently operates businesses in swine farming, a swine abattoir and the retail business in Malaysia

2012

Acquired 74.18%¹ of the issued shares in a company listed on the Hong Kong Stock Exchange which currently perates businesses in the manufacturing and distribution of animal feed in China, as well as the agro-industrial and food business in Vietnam



Acquired 99.99% of the issued shares in Chester's Food Co., Ltd. that currently operates

a fast food restaurant business in Thailand



Started a food court business called `CP Food World' in Thailand



¹Calculated from total number of shares issued including options and convertible preferences shares

Kitchen of the World 19

CPF Awards and Recognitions



Diamond Awards for dedication to Thailand's trade and commerce, presented by the Ministry of Commerce

With one of the Company's strategic directions of becoming a globalized company, CPF ambitiously places an emphasis on developing production processes and business administrating to that of the global standards. This is evidenced by awards granted from the highly accepted local and international organizations. Over the last five years, the Company won many prestigious awards such as the ASEAN Business Award 2011-Growth Category, presented by the ASEAN Business Advisory Council (ASEAN-BAC); ranked in the Forbes Global 2000 list of the World's largest and most powerful listed companies (2010 - 2012); ranked in the Asia's 200 Most Admired Companies (Thailand) (2007-2010), presented by the Wall Street Journal Asia, and CNBC Asia Business Leaders Awards 2008 - Corporate Social Responsibility Category for Mr. Adirek Sripratak, President and Chief Executive Officer.

For 2012, awards and recognitions received for the Company and executives locally and internationally are as follows.



GAA Lifetime Achievement Award in Sustainable Production of Farmed Seafood, presented by Global Aquaculture Alliance

Awards for Corporate Excellence

- Ranked 1215th in the Forbes Global 2000 list of the World's largest and most powerful listed companies
- Ranked 1st for Thailand's Top Corporate Brand Values 2012 in Agriculture and Food Products sector, according to the research conducted by the Faculty of Commerce and Accountancy, Chulalongkorn University
- SET Company CEO of the Year, presented by Bloomberg Businessweek Thailand
- Mr. Adirek Sripratak, President and Chief Executive Officer, received the 'Diamond Awards' for his dedication to Thailand's trade and commerce, presented by the Ministry of Commerce
- Dr. Chingchai Lohawatanakul, Chairman of the Executive Committee, received the 'GAA Lifetime Achievement Award in Sustainable Production of Farmed Seafood', presented by Global Aquaculture Alliance
- Awarded with 'Outstanding' Investor Relations for the Agro and Food Industry Group - SET Awards, presented by the Stock Exchange of Thailand (SET)

- Awarded with 'Excellence' Investor Relations for the Agriculture and Food Industry Group-SAA Awards, presented by the Securities Analysts Association for three consecutive years (2010-2012)
- Certified with 'Thailand Trust Mark', presented by the Department of International Trade Promotion, Ministry of Commerce, as a reliable manufacturer and exporter with continued commitment to conformity with internationally accepted production and quality standards

Awards for Corporate Social Responsibility

- Fifty-eight National Awards of Excellence received in Safety, Occupational Health, and Workplace Environment, presented by the Department of Labor Protection and Welfare for twelve consecutive years (2001-2012)
- Two Thailand Energy Awards received, presented by the Ministry of Energy for five consecutive years (2008-2012)
- Twenty-nine CSR-DIW (Corporate Social Responsibility, Department of Industrial Works) Certificates and Plaques received, presented by the Ministry of Industry for four consecutive years (2009 - 2012)
- Thirty-eight Zero Accident Awards received from Zero Accident Campaign, presented by the Department of Labour Protection and Welfare for five consecutive years (2008 - 2012)
- CSRI Recognition Most Improved CSR, presented by Corporate Social Responsibility Institute (CSRI)



CSRI Recognition-Most Improved CSR, presented by Corporate Social Responsibility Institute (CSRI)

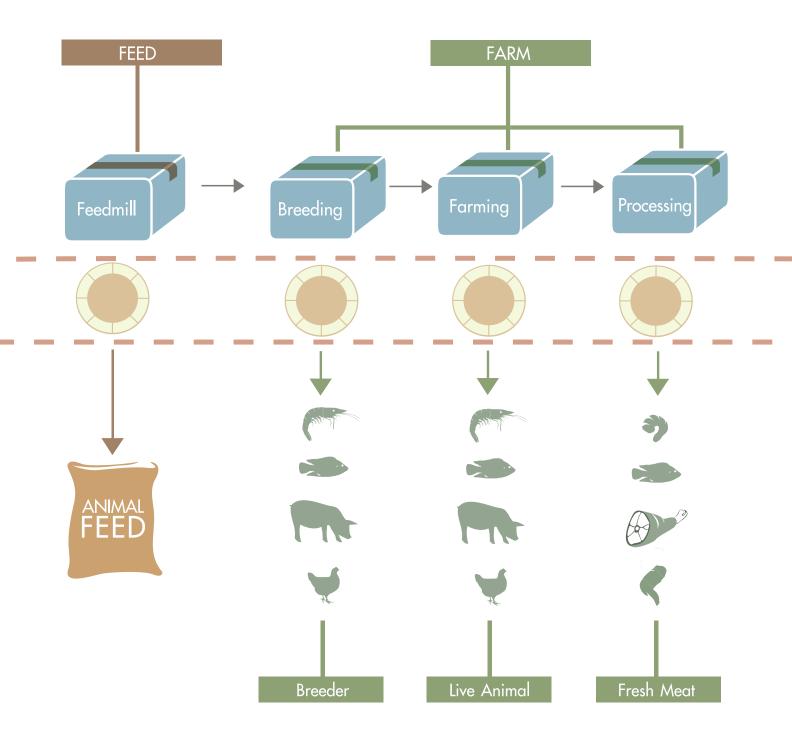
Awards for Human Resources Management

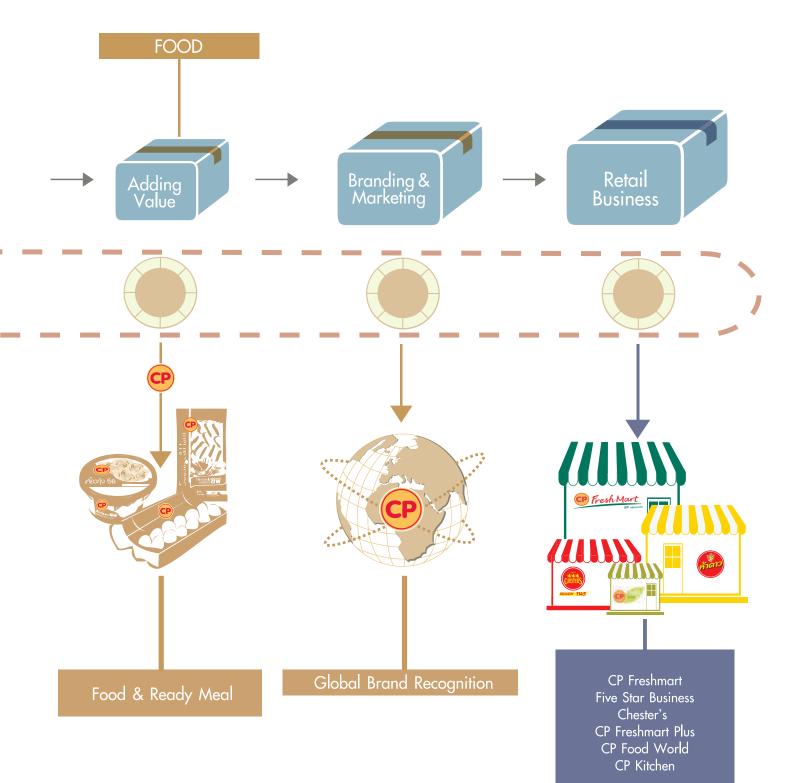
 Mr. Sumeth Vongbunyong, Senior Vice President, received 'Thailand Top 100 HR Award-HR Professional', presented by Human Resources Institute, Thammasat University

Awards for International Operations

- C.P. Vietnam Corporation received 'Vietnamese High Quality Products Certificate 2012' for its fresh meat, frozen food, dried food, ready meal and animal feed', presented by the Vietnamese High Quality Products Business Association in conjunction with Sai Gon Tiep Thi Newspaper for four consecutive years (2009-2012)
- Feed and breeding business units of C.P. Vietnam Corporation received 'Vietnam Livestock Industry Award 2012 - Industry Achievement Award', presented by Ministry of Agriculture and Rural Development, Vietnam

Operations in Brief





Operations in Brief



The Company is an agro-industrial and food conglomerate which operates in both the livestock (swine, broiler chicken, layer chicken, and duck) and aquaculture (shrimp and fish) businesses. The business is divided into two main operations, as follows:

- 1) Thailand Operations, which involves operations for both domestic sales and export and
- 2) International Operations, which incorporates the investment in eleven countries including subsidiaries in China, Vietnam and Turkey; India, Malaysia and the United Kingdom; Laos, Russia, Philippines, and Taiwan as well as an associated company in Cambodia.

Thailand Operations

In 2012, the income generated from the Thailand Operations accounted for 45% of consolidated sales. The Company categorized its businesses according to the product types as follows:

- 1) The Feed business,
- 2) The Farm business and
- 3) The Food business.

FEED

CPF is a pioneer and leader in the production and sale of animal feed in Thailand. The major products include swine feed, chicken feed, duck feed, shrimp feed and fish feed. The Company produces various form of feed, such as concentrate, powder and pellet, with feed-mill plants located in every region throughout Thailand. The Company sells to small independent farmers and large farms, both directly and via appointed agents or distributors across the country.

The Company's feed formulas are produced with adherence to the nutrition requirements specified for each animal type and its stage of growth. All production processes are computer controlled to ensure the uniformity of quality and compliance with exacting standards. As a result, the Company is able to produce feed of a high quality and a low feed conversion ratio to help farmers reduce their farming costs. These feeds are distributed under Company-owned brands such as CP, Hyprovite, Hi-Gro and Star Feed; Novo, Safe Feed and Erawan;, Hogtonal, C.F. and Anvipro; Marine, Hi-Grade, Turbo and Hilac, Blanca, Stargate, Safe Fo and Safe Fish.

The Company has set up a central purchasing unit which is responsible for the procurement of major ingredients used in the production of feed. The main ingredients for feed production are agricultural products such as corn, soybean meal, fishmeal, wheat flour, etc. The Company's procurement policy does not encourage the monopolized purchasing of raw materials from any particular traders. Additionally, the purchases must be conducted with strict adherence to the related standards regarding the source and quality of raw materials, the Company's corporate social responsibility policy, environmental policy and costs that are competitive in the industry. The central purchasing unit acts as a center for information collection both locally and internationally. The Company's procurement policy also accords priority to domestic raw material producers, particularly those situated in close proximity to our feed-mill plants. This is to support local farmers, as well as to minimize transport costs. Only when domestic supply is insufficient, or is of inferior quality, would the Company resort to the importation of raw materials. In 2012, the total cost of raw material that CPF and its domestic subsidiaries purchased for animal feed production accounted for 21% of the

total cost of sales, and the cost of imported ingredients accounted for 38% of the total raw material cost spent on animal feed production.

The Company places significant importance on innovations for technology improvement, with the aim of developing quality and efficiency in the production processes to obtain safe products of good quality while maintaining its cost competitiveness in the industry. In-process-control at every stage of the production, as well as raw material control, are implemented in order to ensure quality. Our feed-mill plants are equipped with a laboratory and facilities for the quality control of raw materials prior to them entering the manufacturing process. Furthermore, the Company has a team of technical experts that assists the customers and guides them toward successful farming by providing technical knowledge regarding animal nutrition, which can be adapted for each location. This knowledge is provided through seminars and academic service centers. Our technical experts are available for consultation and to give advice on animal husbandry. Useful information on animal husbandry is disseminated regularly through printed materials and electronic media, via the internet. In 2012, the income generated by the feed business from the Thailand Operations comprised 16% of consolidated sales.



FARM

CPF operates major livestock farming in Thailand, with swine, broiler, layer, duck, shrimp and fish as the main products. Company-owned animal farms and breeding farms are located in numerous provinces throughout Thailand. The products under livestock farming business include animal breeds, live animals, products from live animals and basic processed meat, all of which can be categorized into two major groups:

1. Animal Breeds

The Company is a leader in the research and development of natural genetic selection, with the aim of obtaining quality breeds that are healthy, sturdy and suitable for farming conditions in each country. The Company produces parent stock of the animals as well as piglets, broiler chicks, layer chicks, layers, table ducklings, egg-laying ducklings, shrimp fry and fish fry. Some of the animal breeds are imported from abroad. Then the Company breeds and raises the animals for its own use as well as for sales to independent livestock farmers and agents/distributors in Thailand.



2. Live Animals, Products from Live Animals and Basic Processed Meat

Products in this category consist of live swine, live chicken, live ducks, chicken eggs, duck eggs, live shrimp, live fish and basic processed meat. These products are distributed to end consumers by Company-owned food processing plants and other processing plants in Thailand, and they are sold to wholesalers, retailers and agents/distributors throughout the country. Outputs from farming then undergo various basic meat-processing, such as cutting and trimming, depending on market requirements. Subsequently, the products are processed as either fresh, chilled, or frozen, and then sold under ep brands to wholesalers and retailers, both domestically and internationally.

In order to promote animal welfare, the Company attaches the utmost importance to research and development in the fields of natural genetic selection, farming technology and techniques that are suitable for local growing conditions. In conjunction with a modern farming system, numerous standards are also implemented, including various internationally recognized standards, an environment management standard, the Animal Welfare Standard, and the Good Manufacturing Practices standard of the Ministry of Agriculture and Cooperatives.

The Company also employs the best practice on Biosecurity as a standard operating procedure for effective disease prevention. A closed and evaporative cooling system with computer-controlled feeding has been implemented in all of our livestock farms. The ventilation and lighting of housing units are properly adjusted to provide appropriate conditions for each type of animal, and the closed system is bio-secure to prevent the possible entry of potential carriers. All of these are computer-controlled throughout the farming process in order to maintain suitable growing conditions. The Company also controls the animal population in each unit to retain proper density. There are also preventive and handling measures for animal injury and diseases. Our on-site veterinarians conduct health checks on the animals both during the farming period and prior to transportation. Animal transportation is performed in a manner that minimizes discomfort, by using specialized vehicles.

Our aquaculture business employs probiotic farming technology, where the utilization of chemicals is minimized. The Company has also implemented a closed re-circulating water system for shrimp farming in order to save water, prevent possible epidemics, and operate in a more environmentally friendly way.

The Company has committed itself to sustainable development by implementing equipment and technology for animal husbandry that promotes animal welfare and well-being. In addition, the Company has incorporated the 'Five Freedoms of Animals' into its farming system. The 'Five Freedoms' consist of freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury or disease; freedom to express normal behavior and freedom from fear and distress. More importantly, CPF is the first company outside the European Union to be certified under the Assured Chicken Production (also known as Red Tractor Assurance), which is a poultry welfare standard from the United Kingdom and the most stringent manufacturing standard for the poultry business to date.

The Company has implemented strict procedures and standards for animal welfare from the farming period, through the transport phase, and to the processing step. In addition, the Company does not use hormones, which are prohibited substances according to the Agricultural Standards Act and the Food and Drug Administration, or antibiotics to stimulate growth in its farming processes.

In addition to its Company-owned farms, the Company also promotes broiler and swine farming by providing animal breeds, feed, drugs and technical knowledge to independent farmers who have passed the screening processes. The farmers are compensated for production outputs that meet the standards set by the Company. The Company's strategies emphasize the research and development of animal breeds and the implementation of farm management technology for a standard farming system. The aim is to improve the farming system in order to meet the market's requirements and local environmental conditions, and consequently to achieve higher quality and efficiency in production, as well as to raise work standards to an international



level. An information technology system is employed for quality management, which enables the traceability of information during every process. As a result, the enhancement of efficiency for the whole production chain is achievable. In addition, the Company regards post-sales services highly, as evidenced by a high number of representative offices throughout Thailand, which act as academic service centers that provide technical knowledge about farming, farm management, marketing and sales to independent farmers.

The revenue generated by the farming business from the Thailand Operations in 2012 accounted for 17% of consolidated sales.

FOOD

The Company adds value to its basic processed meat by additional processing in order to produce cooked, semi-cooked and ready-to-eat food products. The products are then packed, chilled or frozen, and distributed either under private brands, or the Company-owned P brand via retailers and wholesalers, fast food operators and modern trade outlets such as convenience stores, supermarkets and superstores. The Company also has representative offices set up in 17 countries, and its products are exported through importers in their respective countries. Currently, the Company exports to over 40 countries in five continents, with the European Union, the United Kingdom, Japan, the United States, and other Asian countries as major export markets.

The Company has a research and development team for the food product line which specializes in developing food products that meet consumer demand and changing lifestyles. The Company places the utmost



importance on product quality in terms of nutrition, taste, and most importantly, safety for the consumer. Some of the cooked products that are available domestically and internationally include frozen karaage chicken, seaweed roll chicken, grilled teriyaki chicken, green curry chicken with rice, savoury soya duck with egg noodles, roast duck, meatballs, sausage, kurobuta pork, shrimp wonton and spaghetti with carbonara sauce. The Company produces and brands its products under ^(P), Kitchen Joy, Five Stars, BK, and BKP, as well as using private brands.

Management towards Product Sustainability

As a fully-integrated agro-industrial and food conglomerate that produces to serve 'from feed to fork', the Company strictly enforces quality control practices throughout the whole production chain, from its feed-mill plants to its food processing plants. Of equal significance, the Company is also well aware of its social responsibilities to both the consumers and the Company's clients in producing and selling food products that are hygienic and safe for consumption. These management approaches ensure product sustainability, and can be categorized into three components:

1. Quality: The Company attaches the utmost importance to product quality. The products must be safe, nutritious, hygienic, and manufactured according to production processes that meet established standards, ranging from the raw materials for animal feed that are required to pass quality control and are traceable from the sources to in-process controls for every step of every production line. The Company is committed to improving production processes to meet efficiency levels recommended by international standards. Furthermore, various internationally-recognized management systems have been employed, such as ISO 9002, Good Manufacturing Practices (GMP), Good Agricultural Practice (Global GAP), British Retail Consortium (BRC), and Assured Chicken Production (ACP).



- 2. Consumer Health and Safety: Currently, consumers are demonstrating an increasing demand for reassurance regarding the safety of food products. As a result, the Company is dedicated to the development of its products in order to meet the consumers' requirements. Modern technology has been implemented in all production processes so as to increase the efficiency of the evaluation and diagnosis of possible health risks that each food product bears. This analysis is conducted at every step, ranging from the raw materials, the production process, and the transportation, until the product is in the hands of the final consumer. Moreover, a control system has been implemented to eliminate or minimize the causes of hazards. The standard systems that are employed are the Hazard Analysis and Critical Control Point (HACCP), and the Occupational Safety & Health Administration Management System (OSHAS).
- 3. Environment: In addition to the product quality aspects of nutritional value, taste and safety; CPF also emphasizes minimizing the environmental impacts of its production processes. In its search for ways to reduce environmental impact, the Company endeavors to reduce its energy and resource consumption, and re-use as much as possible. The Company implemented the environment management standard (ISO 14001) to its production process. In addition, information about the carbon footprint are included on product labels, in order to provide the consumers with greenhouse gas emission details for each product, so as to facilitate the decision making process at the point of purchase, as well as to increase the competitive capability of Thai industry in the international arena. At the end of 2012, the Company was able to add the carbon footprint information to the labels of 93 products.

The revenue generated by the food business from the Thailand Operations in 2012 accounted for 12% of consolidated sales.

Food Retail Outlets

The Company is investing in order to expand distribution channels through its own outlets and retail shops, selling chilled and frozen ready-to-eat products under the products under the brand as well as cutlets or basic processed meat, according to customers' requirements. The Company operates six types of outlets as follows.

 Five Star Business operates as a franchise business. There are seven types of Five Star kiosk, namely the roasted-chicken kiosk, the fried-chicken kiosk and the Hainan chicken rice kiosk; the noodle soup with shrimp wonton kiosk, the ready-meal kiosk, the sausage kiosk and the steamed duck with soy sauce kiosk. As of 31 December 2012, there were 4,752 Five Star kiosks across the country, consisting of 2,253 roasted-chicken kiosks, 1,504 fried-chicken kiosks and 717 Hainan chicken rice kiosks; 172 noodle soup with shrimp wonton kiosks, 74 ready-meal kiosks, 28 sausage kiosks and 4 steamed duck with soy sauce kiosks.

- Chester's Grill is a fast-food restaurant business. As of 31 December 2012, Chester's Grill had 176 branches, 68 of which were Company-operated, while 108 were franchisee-operated. In 2013, Chester's Grill will be rebranded as 'Chester's'.
- 3. CP Kitchen is a fast-serve restaurant, operated under the concept of a 'fresh, full and fair price'. The first branch of CP Kitchen was opened in 2011, and as of 31 December 2012, there were 7 branches of CP Kitchen.





- 4. CP Fresh Mart engages in the retail business, selling fresh food, cooked food and ready-to-eat products under the CP and CP Fresh Mart brands. CPF is committed to making CP Fresh Mart a center of fresh, clean, safe and quality foods. CP Fresh Mart has two key operations, namely its retail store, and its community refrigerator. As of 31 December 2012, CP Fresh Mart operated 623 retail stores: 270 in Bangkok and its vicinity, and 353 in provincial areas, as well as 9,100 community refrigerators.
- 5. CP Fresh Mart Plus is a new-format retail business known as a 'super convenience store'. CP Fresh Mart Plus provides a retail space for selling food and consumer products, and is equipped with dine-in areas, which emphasize a new convenient lifestyle for consumers. The first CP Food Market store was opened in 2011, and as of 31 December 2012, there were 4 CP Fresh Mart Plus in operation.

6. CP Food World: CPF opened the first 'CP Food World', its food court business, in late 2012 at Siriraj Hospital. This food court provides consumers with diverse food shops, both Company-owned and private. The Company also plans to expand the business into business areas, office buildings and educational institutes. As of 31 December 2012, there was 1 branch of CP Food World in operation.



International Operations

As of 31 December 2012, CPF has operated its various business operations through subsidiaries abroad, as follows:

 Taiwan - A fully integrated livestock business is operated by Charoen Pokphand Enterprise (Taiwan) Co., Ltd. which is a company listed in the Stock Exchange of Taiwan under the Stock Code '1215' (see more details at www.cptwn.com.tw). CPE's business involves in the manufacturing and distribution of livestock feed, with swine feed and chicken feed as the major products. The Company also operates in the animal farming business, including basic meet processing and food processing for domestic distribution, with broilers and swine as the main animals.

2. China

(2.1) A livestock business is operated by C.P. Pokphand Co., Ltd. (CPP), which is a company listed in the Stock Exchange of Hong Kong under the Stock Code '00043' (see more details at www.cpp.hk). CPP's business involves in the manufacturing and distribution of animal feed, with swine feed and chicken feed as the major products.



- (2.2) An aquatic business is operated by 1) C.P. Pokphand Co., Ltd. and 2) C.P. Aquaculture (Beihai) Co., Ltd., which operate their businesses in the manufacturing and distribution of animal feed, with shrimp feed and fish feed as their major products, 3) C.P. Aquaculture (Hainan) Co., Ltd., and 4) C.P. Aquaculture (Dongfang) Co., Ltd. operate an animal farming business for domestic distribution, with shrimp as the main product.
- 3. Vietnam CPF's business in Vietnam is operated by the C.P. Vietnam Corporation (CPV), which operates the following businesses:
 - (3.1) A fully-integrated livestock business, which comprises the manufacturing and distribution of animal feed, with swine feed and chicken feed as the major products. CPV also operates an animal farming business, which incorporates basic meat processing and engaging in the food business for domestic distribution. The main animals involved are swine, broilers and layer chickens.
 - (3.2) A fully-integrated aquatic business, which comprises the manufacturing and distribution of animal feed, with shrimp feed and fish feed as its major products. CPV also operates an animal farming business, incorporating basic meat processing as well as engaging in the food business, the products of which are intended for domestic distribution and export. Its main products are shrimp and fish.



- 4. Turkey A fully-integrated chicken business is operated by C.P. Standart Gida Sanayi ve Ticaret A.S. which operates a business in the manufacturing and distribution of its major product, which is chicken feed. CPS also operates an animal farming business which includes basic meat processing, as well as engaging in the food business, where its products are intended for domestic distribution and export. The main animals are broilers and layer chickens.
- 5. The Philippines CPF's business in the Philippines is operated by Charoen Pokphand Foods Philippines Corporation, which operates the following businesses:
 - (5.1) A livestock business, which comprises the manufacturing and distribution of animal feed, with chicken feed and swine feed as its two major products, as well as an animal farming business, the products of which are intended for domestic distribution. The main animals involved are swine and broilers.
 - (5.2) An aquatic business comprises the manufacturing and distribution of animal feed, as well as an animal farming business, with products intended for domestic distribution. Its main products are shrimp and fish.

6. Malaysia

- (6.1) A livestock business is operated by 1) Chau Yang Farming Sdn. Bhd., which operates a swine farming operation, 2) Tip Top Meat Sdn. Bhd. operates a swine abattoir, and 3) AA Meat Shop Sdn. Bhd. operates a retail business.
- (6.2) An aquatic business is operated by Star Feedmills (M) Sdn. Bhd. and Asia Aquaculture (M) Sdn. Bhd. They operate their businesses in the manufacturing and distribution of animal feed, with shrimp feed and fish feed as their major products. They also involve in both shrimp farming and shrimp processing businesses, where the output is intended for domestic distribution and export.



- 7. Russia The livestock business is operated by
 - Charoen Pokphand Foods (Overseas), LLC., which operates in both the manufacturing and distribution of animal feed, with swine feed and cow feed as its major products. It also engages in animal farming, with swine as the main animal involved.
 - 2) CPF AGRO LLC. operates an animal farming business, with swine as the main animal involved.
- 8. Laos A fully-integrated livestock business is operated by C.P. Laos Co., Ltd. ("CPL"), operating in the manufacturing and distribution of animal feed. Its major products are chicken feed and swine feed. CPL also operates an animal farming business, which includes basic meat processing and a food business, with products intended for domestic distribution. The main animals in this business are swine, broilers and layer chickens.
- 9. India CPF's business in India is operated by Charoen Pokphand (India) Private Limited, as follows:
 - (9.1) A livestock business which comprises businesses in both the manufacturing and distribution of animal feed, with chicken feed as the major product, as well as an animal farming and a food business whose products are intended for domestic distribution. In the food business, broilers are the main animal involved. In late 2012, the Company launched the Five Stars business, which is a food kiosk business operated under a franchise system.
 - (9.2) An aquatic business also operates in the manufacturing and distribution of animal feed, with shrimp feed as its major product.
- 10. United Kingdom A trading business and a business operating in the manufacture of chilled food are both operated by CP Foods (UK) Limited. The Company's business mainly involves the importation of meat products and frozen food which are to be distributed throughout the European Union. The Company also produces chilled food products and distributes them in the European Union.

Management's Discussion and Analysis

Highlights of the Consolidated Financial Statements and Key Financial Ratios

(a) Consolidated statements of financial position of CPF and its subsidiaries as of 1 January 2011, 31 December 2011 and 2012

		As of						
	1 January 2	1 January 2011 ¹		31 December 2011 ¹		2012		
	THB, million	%	THB, million	%	THB, million	%		
Cash and cash equivalents	7,761	6	24,341	15	12,258	4		
Accounts receivable - trade and others	15,385	12	15,692	10	23,279	7		
Inventories	21,903	17	21,233	13	48,334	16		
Current biological assets	10,216	8	12,514	8	19,300	6		
Other current assets	1,962	2	2,721	2	6,030	2		
Total current assets	57,227	45	76 <i>,</i> 501	48	109,201	35		
Long-term investments	17,051	13	26,108	16	38,031	12		
Investment properties	893	1	823	1	1,484	-		
Property, plant and equipment	47,142	37	52,025	32	90,812	29		
Non-current biological assets	1,851	2	2,120	1	5,200	2		
Goodwill	442	-	418	-	54,792	18		
Other non-current assets	2,769	2	2,511	2	11,024	4		
Total non-current assets	70,148	55	84,005	52	201,343	65		
Total assets	127,375	100	160,506	100	310,544	100		
Overdrafts and short-term borrowings from financial institutions	10,051	8	22,897	14	47,660	15		
Bills of exchange	-	-	-	-	4,951	2		
Accounts payable - trade and others	9,707	8	11,733	7	20,620	7		
Current portion of long-term debts	8,088	6	5,687	4	9,306	3		
Other current liabilities	4,981	4	5,754	4	12,681	4		
Total current liabilities	32,827	26	46,071	29	95 <i>,</i> 218	31		
Long-term debts	28,510	22	40,866	25	84,066	27		
Other non-current liabilities	7,076	6	6,493	4	10,479	3		
Total non-current liabilities	35,586	28	47,359	29	94,545	30		
Total liabilities	68,413	54	93,430	58	189,763	61		
Total equity	58,962	46	67,076	42	120,781	39		

¹ From 1 January 2012, the Company early adopted the International Accounting Standards ("IAS") No. 41 *Agriculture* (see more details in No.3 Changes in accounting policies of the Notes to financial statements), and which has been applied retrospectively to its statements of financial positions as of 1 January 2011 and 31 December 2011, as well as the consolidated statements of income, statements of comprehensive income and the consolidated statement of cash flow for the year ended 31 December 2011. The Company has not, however, restated its financial statements for the year ended 31 December 2010. Consequently, it has not been shown for comparison in this Management's Discussion and Analysis.

(b) Consolidated statements of income of CPF and its subsidiaries

for the years ended 31 December 2011 and 2012

	2011 ²		2012	
	THB, million	%	THB, million	%
Revenue from sale of goods	206,099	98	357,175	95
Gains on changes in fair value of investment in associates	_	_	8,673	2
Gains on sale of investments	1,358	1	6,009	2
Others	1,556	1	2,996]
Total revenues	209,013	100	374,853	100
Cost of sale of goods	172,487	83	315,838	84
Gains on changes in fair value of biological assets	(87)	-	(229)	-
Selling and administrative expenses	18,909	9	33,260	9
Finance costs	2,432	1	6,377	2
Others	_	_	52	-
Total expenses	193,741	93	355,298	95
Share of profit of associates and jointly-controlled entities	3,863	2	4,139	1
Profit before income tax expense	19,135	9	23,694	6
Income tax expense	2,898	1	2,675	1
Profit for the year	16,237	8	21,019	5
Non-controlling interests	(120)	-	(2,229)	-
Profit for the year attributable to equity holders of the Company	16,117	8	18,790	5

(c) Consolidated statements of comprehensive income for the years ended 31 December 2011 and 2012

(Unit : THB, million)	2011 ²	2012
Profit for the year	16,237	21,019
Other comprehensive income for the year, net of income tax expense (income)	(243)	5,339
Total comprehensive income for the year	15,994	26,358
Non-controlling interests	(185)	(2,439)
Total comprehensive income for the year attributable to equity holders of the Company	15,809	23,919

² Please see details in footnote No.1 on page 34

(d) Consolidated statements of cash flows for the years ended 31 December 2011 and 2012

(Unit : THB, million)	2011 ²	2012
Net cash provided by operating activities	17,558	529
Net cash used in investing activities	(14,048)	(59,494)
Net cash provided by financing activities	13,022	46,449
Net increase (decrease) in cash and cash equivalents	16,532	(12,516)
Cash and cash equivalents at beginning of the year	7,755	23,993
Effect of exchange rate changes on balances held in foreign currencies	(294)	773
Cash and cash equivalents at end of year	23,993	12,250

(e) Key financial ratios of the consolidated financial statements of CPF and its subsidiaries

	2011	2012
Liquidity ratios		
Current ratio ³ (times)	1.66	1.15
Quick ratio ⁴ (times)	0.87	0.37
Cash flow liquidity ratio 5 (times)	0.45	0.01
Accounts receivable turnover ⁶ (times)	12.94	17.93
Collection period ⁷ (Days)	28	20
Inventory turnover ratio ⁸ (times)	25.08	33.14
Inventory turnover ⁹ (Days)	14	11
Accounts payable turnover ¹⁰ (times)	16.09	19.52
Payable period ¹¹ (Days)	22	18
Cash cycle ¹² (Days)	20	13
Profitability ratios		
Gross profit margin ¹³ (%)	16.31	11.57
Operating profit margin ¹⁴ (%)	10.46	8.42
Net profit margin ¹⁵ (%)	7.57	4.96
Return on equity ¹⁶ (%)	25.57	20.00
Operating efficiency ratios		
Return on fixed assets ¹⁷ (%)	41.90	35.43
Asset turnover ¹⁸ (times)	1.48	1.61
Leverage ratios		
Debt to equity ¹⁹ (times)	1.39	1.57
Interest coverage ²⁰ (times)	7.25	0.19
Debt service coverage ²¹ (times)	0.53	0.01
Dividend payout ²² (%)	69.78	105.79 ²³

Management's Discussion and Analysis

This management's discussion and analysis is based on the consolidated financial statements of CPF and its subsidiaries, which are together referred to as the 'Company' for the year ended 31 December 2012. It includes the financial statements of CPF and its subsidiaries, as stated in No.1 General Information of the Notes to the financial statements.

In 2012, the following significant events affected the preparation and presentation of the consolidated financial statements for the year ended 31 December 2012, and the consolidated financial statements used for comparison are as follows:

(1) Changes in accounting policy

From 1 January 2012, the Company has early adopted the International Accounting Standards ('IAS') No. 41 *Agriculture* (see more details in No.3 Changes in accounting policies of the Notes to the financial statements for the year ended 31 December 2012), and this has been applied retrospectively to its statements of financial position, as well as the consolidated income statement, statements of comprehensive income and the consolidated statement of cash flow for the year ended 31 December 2011.

(2) Business Combinations by share acquisition

In 2012, the Company acquired three companies, namely (1) C.P. Pokphand Company Limited ('CPP') (2) Makin Jernih Sdn. Bhd. ('MJSB'), and (3) Chester Foods Company Limited ('Chester'), by acquiring shares equal to 76.13%, 99.99% and 99.99%, respectively. As a result, these three companies became new subsidiaries of the Company, and are included in the consolidated financial statements for the year ended 31 December 2012. The Company has applied Thai Financial Reporting Standards ('TFRS') No. 3 (revised 2009) *Business Combinations* to recognize the business combination transactions, and they are disclosed in the notes to the financial statements for the year ended 31 December 2012 No 5. Business Combinations – buy shares.

- ⁷ Collection period = Average accounts receivable / Total revenues*360
- ⁸ Inventory turnover ratio = Cost of sale of goods / Average finished goods
- $^{\circ}$ Inventory turnover = 360 / Inventory turnover ratio
- ¹⁰ Accounts payable turnover = Cost of sale of goods / Average accounts payable
- ¹¹ Payable period = 360 / Accounts payable turnover
- ¹² Cash cycle = Average collection period + Inventory turnover Payable period
- ¹³ Gross profit margin = Gross profit / Net sales
- ¹⁴ Operating profit margin = Profit before finance costs and income tax expense / Net sales
- ¹⁵ Net profit margin = Net profit / Total revenues
- ¹⁶ Return on equity = Net profit / Average shareholders' equity
- ¹⁷ Return on fixed assets = (Net profit + Depreciation) / Average fixed assets
- ¹⁸ Asset turnover = Total revenues / Average total assets
- ¹⁹ Debt to equity = Total liabilities / Total shareholders' equity
- ²⁰ Interest coverage = Net cash provided by operating activities / Interest expenses
- ²¹ Debt service coverage = Net cash provided by operating activities / (Debt payment + Investment expenses + Purchase of assets + Dividend paid)
- ²² Dividend payout = Dividend paid / Net profit of the Company's separate financial statements
- ²³ The Board of Directors shall propose the annual dividend payment for the year 2012 to the Annual General Shareholder's Meeting No. 1/2013 for further approval.

² Please see details in footnote No.1 on page 34

³ Current ratio = Total current assets / Total current liabilities

⁴ Quick ratio = (Cash and cash equivalents + Short-term investment + Accounts receivable - trade and others) / Total current liabilities

⁵ Cash flow liquidity ratio = Net cash provided by operating activities / Average current liabilities

⁶ Accounts receivable turnover = Net sales / Average accounts receivable - trade and others

The following summarizes the recognized amounts of assets acquired and liabilities assumed on the acquisition date:

Unit:	THB,	million
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	CPP	MJSB	Chester
Loans to related companies	4,493	-	-
Current assets	34,240	128	136
Property, plant and equipment	19,095	543	77
Non-current assets	15,070	188	494
Borrowings from related companies	(395)	-	-
Borrowings from financial institutions	(15,892)	(55)	-
Current and non-current liabilities	(16,665)	(180)	(264)
Net assets	39,946	624	443
Less Non-controlling interests	(12,449)	-	-
The Company's previously held equity interest	(12,184)	-	_
Goodwill	55,936	43	7
Consideration transferred	71,249	667	450

1. Operating Results

(1) The overview of the operating results

In 2012, the Company had faced with many challenges, including the over-supply of meat in both the domestic market, and in many other countries, as well as the fluctuation of raw material prices, and higher production costs. Severe drought in America in the third quarter of 2012 caused the price of maize and soybean meal, which are the major raw material for feed production to increase steeply. As a result, the production cost of raising animal protein increased accordingly, when compared to 2011.

In addition, the over-supply of meat especially in Thailand, as a result of capacity expansion in the meat industry, led to the average market price for meat being lower than costs of production. Furthermore, the world economy is still subject to fluctuations, and the future is not very bright, especially in the European Union countries. As a result, exporters are having difficulty matching the cost to the selling price. Moreover, in the fourth quarter 2012, the Thai shrimp industry was adversely affected by the outbreak of a new disease, which resulted in a dramatic fall in the supply of shrimp to the market. Currently, however, the government and private sector are conducting research as to the causes of the disease, so as to prevent an escalation of the outbreak.

The Company's total sales in 2012 was THB 357,175 million increased by 73% from THB 206,099 million in 2011. The increase of sales was from operational sales growth in Thailand of 3%, as well as international sales growth of 281%. Sales from international operations increased primarily as a result of sales from a new subsidiary, which has been consolidated since the first quarter of 2012, representing a 275% of the international sales growth. The Company's net profit in 2012 of THB 18,790 million was up 17% from THB 16,117 million in 2011, mainly as a result of gains on changes in fair value of investments in CP Vietnam Corporation ('CPV') of THB 8,673 million. Recognition of such gain complied with TFRS No. 3 (revised 2009) *Business Combinations* (see more details in No. 5.1.2 of the Notes to the financial statements for the year ended 31 December 2012).

(2) Results of each business line

	2010	2010		2011		2012	
	THB, million	%	THB, million	%	THB, million	ຣັອຍຄ	
. Thailand Operations							
1.1 Domestic							
Feed	47,631	25	51,704	25	56,471	16	
Farm	53,629	29	58,349	28	54,817	15	
Food	11,747	6	15,505	8	17,274	5	
1.2 Export							
Feed	316	-	1,462	1	344	-	
Farm	5,465	3	6,107	3	7,552	2	
Food	20,604	11	21,022	10	22,966	7	
otal sales from Thailand operations	139,392	74	154,149	75	159,424	45	
. International Operations							
Feed	26,160	14	25,994	13	144,650	40	
Farm	21,428	11	23,371	11	49,858	14	
Food	2,069]	2,585]	3,243	1	
otal sales from international operations	49,657	26	51,950	25	197,751	55	
otal revenue from sales	189,049	100	206,099	100	357,175	100	

Results of each business operation and business line

(1) Thailand operations

Sales from Thailand operations totaled THB 159,424 million in 2012, an increase of 3% from THB 154,149 million in 2011. Details of the operating results for each business line are as follows:

Domestic sales

Domestic sales increased by 2% to THB 128,562 million in 2012, from THB 125,558 million in 2011. This was due to an increase in the sales from animal feed and food products.

Export sales

Export sales increased by 8% to THB 30,862 million in 2012 from THB 28,591 million in 2011, due to an increase in the sales of farm and food products.

In 2012, the gross profit margin for Thailand operations was 11%, decreased from 19% in 2011. This was due to a combination of lower meat prices and higher raw material costs for animal feed production.

(2) International operations

Sales from international operations totaled THB 197,751 million in 2012, which represented an increase of 281% from THB 51,950 million in 2011. This was primarily due to the sales contributed by the new subsidiary, which has been consolidated since quarter of 2012, and which amounted to THB 143,027 million. As a result, sales from international operations increased to 55% of total consolidated sales.

In 2012, the gross profit margin of international operations increased to 12% from 9% in 2011. This was mainly due to the consolidation of the new subsidiary's operating results, as well as the improvement of operating performance of subsidiaries in Turkey and Taiwan.

2. Changes in other Comprehensive Income

For the year ended 31 December 2012, the Company recorded changes in other components of net equity after tax presented in the Company's comprehensive income statements. As a result, the Company's other comprehensive income increased by THB 5,339 million. This was mainly due to an increase in revaluation differences on assets equivalent to THB 5,638 million, fair value changes on investments of THB 894 million, and a decrease in foreign exchange differences arising on the currency translation of THB 1,263 million.

3. Financial position

(1) Assets

As of 31 December 2012, the Company's total assets amounted to THB 310,544 million, and this figure included THB 109,201 million in current assets, THB 90,812 million in property, plant and equipment, and THB 110,531 million in long-term investments and others.

Total assets as of 31 December 2012 increased by 93% from the previous year, mainly due to the acquisition of the new subsidiaries as mentioned above in `(2) Business Combinations by share acquisition' on page 37.

(2) Liquidity

In 2012, the Company had net cash provided by operating activities equivalent to THB 529 million, whereas net cash used in investment activities was THB 59,494 million. Net cash provided by financing was THB 46,449 million, as a result of cash receipts from debentures, bill of exchange, short-term and long-term loans from financial institutions, the sale of treasury shares and others of THB 72,401 million, as well as cash payments made on short-term loans, debentures, long-term loans, interest expenses, dividend and others amounting to THB 25,952 million. The Company's cash and cash equivalents (net of bank overdrafts) as of 31 December 2012 was THB 12,250 million.

As of 31 December 2012, the Company's current ratio was 1.15 times, decreased from 1.66 times at the end of previous year. The cash cycle was 13 days - a decrease from 20 days last year, as a result of a shorter collection period from 28 days in 2011 to 20 days in 2012. As of 31 December 2012, the Company was obliged to make payments on long-term loans and debentures amounting to THB 9,301 million in 2013, THB 9,695 million in 2014, and THB 9,692 million in 2015 and THB 64,670 million from 2016 to 2041.

Details of the outstanding CPF debentures of THB 58,460 million as of 31 december 2012 are as follows:

	Amount (THB, million)	Issued Date	Maturity Date	Maturity Term (Years)	Coupon Rate per Annum (%)
1. Debenture of CPF #1/2008 Series 2	3,000	15 Aug 2008	15 Aug 2013	5	5.70
2. Debenture of CPF #1/2009 Series 1	2,200	25 Nov 2009	25 Nov 2013	4	3.90
3. Debenture of CPF #1/2009 Series 2	3,200	25 Nov 2009	25 Nov 2014	5	4.30
4. Debenture of CPF #1/2009 Series 3	3,000	25 Nov 2009	25 Nov 2015	6	4.80
5. Debenture of CPF #2/2009	1,000	22 Dec 2009	30 May 2015	5 years 5 months 8 days	4.40
6. Debenture of CPF #1/2010	1,000	11 Feb 2010	30 May 2015	5 years 3 months 19 days	4.20
7. Debenture of CPF #2/2010 Series 1	3,000	3 Nov 2010	3 Nov 2014	4	Year 1-3 = 3.00% Year 4 = 4.00%
8. Debenture of CPF #2/2010 Series 2	5,000	3 Nov 2010	3 Nov 2017	7	Year 1-3 = 3.00% Year 4-5 = 4.00% Year 6-7 = 5.00%
9. Debenture of CPF #1/2011 Series 1	3,000	19 Aug 2011	19 Aug 2018	7	4.65
10. Debenture of CPF #1/2011 Series 2	3,000	19 Aug 2011	19 Aug 2021	10	4.87
11. Debenture of CPF #1/2011 Series 3*	4,000	19 Aug 2011	19 Aug 2041	30	5.42
12. Debenture of CPF #2/2011*	6,000	21 Dec 2011	21 Dec 2041	30	5.42
13. Debenture of CPF #1/2012	6,060	15 Mar 2012	15 Mar 2016	4	4.17
14. Debenture of CPF #2/2012 Series 1	6,000	3 Aug 2012	3 Aug 2019	7	Year 1-4 = 4.35% Year 5-7 = 5.00%
15. Debenture of CPF #2/2012 Series 2	4,000	3 Aug 2012	3 Aug 2022	10	Year 1-4 = 4.40% Year 5-9 = 5.00% Year 10 = 6.00%
16. Debenture of CPF #2/2012 Series 3*	5,000	3 Aug 2012	3 Aug 2032	20	5.30

* Debenture with holder's early redemption right at the end of year 15

(3) Source of funds

The Debt to Equity ratio as of 31 December 2012 was 1.57 times, and the Net Debt²⁴ to Equity ratio was 1.41 times (lower than the indicated 2.00 times Net Debt to Equity ratio which the Company has to maintain under the specified terms in the Terms and Condition of debenture issuers and debenture holders for all outstanding debentures).

Total liabilities amounted to THB 189,763 million, an increase of 103% from 31 December 2011, due to an increase of interest bearing debt equal to THB 76,753 million, as well as non-interest bearing debt of THB 19,580 million. This was mainly due to the liabilities of new subsidiaries, as previously mentioned in `(2) Business Combinations by share acquisition' on page 37, and financing for the purchase of CPP's shares.

The Company's total liabilities of THB 189,763 million, comprised of non-interest bearing debt and interest bearing debt, amounted to THB 146,203 million and THB 43,560 million, respectively. Interest bearing debt, comprising short-term and long-term debt, amounted to THB 62,137 million and THB 84,066 million, respectively.

As of 31 December 2012, shareholders' equity was THB 120,781 million, which represented an increase of 80% year-on-year. The increase in shareholders' equity came mostly from the increase of paid-up share capital and premiums on ordinary shares arising from an increase in capital for financing the purchase of CPP's shares, an increase in retained earnings due to an increase in operating profits after the payment of interim dividends for 2012, as well as the increase in non-controlling interests and revaluation differences on assets.

(4) Investment in 2013-2015

The Company's capital expenditure for 2013-2015 is approximately THB 50,000 million. Investment in Thailand will mainly be for creating value added to its current businesses, while investment internationally will focus on business expansion in both existing and new markets. Investment plans may change according to changes in the business environment.

(5) Dividend payment

In accordance with the Company's dividend policy, the sum for dividend payments for each year's operating results will be approximately 50% of net profit after tax and legal reserve requirements (based on the separate financial statements of the Company). On 22 February 2013, the Company's Board of Directors passed a resolution approving a dividend payment to shareholders of THB 1.10 per share in total. The Company paid the first dividend payment to shareholders, as an interim dividend of THB 0.60 per share on 7 September 2012. Therefore, the second dividend payment, which will be paid as an annual dividend payment for 2012, will be THB 0.50 per share. The Board of Directors will propose the annual dividend payment to the Annual General Shareholders' Meeting No. 1/2013, to be held on 24 April 2013 for further approval.

(6) Factors affecting the Company's performance in the future

In addition to the risks described under the 'Risk factors', the Company has assessed the information available at present, and the factors that may affect the achievement of the Company's goals and performance in 2013 are as follows: 1) The continuation of the disease outbreak in shrimp that occurred in the fourth quarter of 2012; 2) An increase of raw material prices in excess of the Company's estimates, and 3) An over-supply of meat in the domestic market which may result in a lower selling price for meat than that which the Company estimates.

²⁴ Net debt = Total liabilities - Cash and cash equivalents + Guarantee to any persons or juristic persons excluded
 (1) guaranteed by CPF to its subsidiaries and guaranteed by CPF's subsidiaries to CPF and (2) deferred tax liabilities

Report of the Board of Directors' Responsibility for Financial Statements

The Board of Directors is responsible for the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries as well as the financial information stated in the Company's Annual Report. These financial statements are prepared in accordance with Thai Accounting Standards and Thai Financial Reporting Standards promulgated by the Federation of Accounting Professions and including to generally accepted accounting principles in Thailand. Appropriate accounting policies are chosen and consistently applied, estimates and underlying assumptions are prudently made, and significant information is adequately disclosed in the Notes to the financial statements to ensures that the financial statements are reliable and of benefit to shareholders and investors.

The Board of Directors has established and maintained an internal control system in order to provide a reasonable assurance that accounting records are accurate, complete and adequate for the protection of assets of the Company, prevention of frauds and materially irregular transactions.

The Audit Committee, whose members are independent directors, was designated by the Board to review the quality of the financial reporting and the effectiveness of internal control system and report the review results to the Board.

In this regard, the Board has the opinion that the overall internal control system of the Company is satisfactorily effective and can provide reasonable assurance of the reliability of the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2012.

1/2/

Mr. Dhanin Chearavanont Chairman

Mr. Adirek Sripratak

President and Chief Executive Officer

The Auditors' Remunerations

CPF's auditors for the year 2012 were Mrs. Munchupa Singsuksawat C.P.A. (Thailand) Registration No. 6112, Mr. Veerachai Ratanajaratkul C.P.A.(Thailand) Registration No. 4323 and Mr. Vairoj Jindamaneepitak C.P.A. (Thailand) Registration No.3565, of KPMG Phoomchai Audit Limited.

The remunerations that CPF and its subsidiaries paid to KPMG Phoomchai Audit Limited in 2012¹, were as follows:

Unit: THB

	CPF	Subsidiaries
1. The audit fees on company's accounts	3,710,000	11,189,000
2. Other audit fees on special projects	630,000	1,180,000

¹ The above fee excluded out-of-pocket expenses to be reimbursed by the Auditor.

Industry **Overview**

Agricultural Economic Situation in 2012 and Trends for 2013

Source: Article briefly summarized from the Bureau of Agricultural Economic Research, Office of Agricultural Economics

Agricultural Economic Situation in 2012

The agricultural economy in 2012 expanded by 4.0% compared to the preceding year as a result of the return of agricultural production to normal, following the devastating floods in late 2011.

Crop Sector

In 2012, the crop sector expanded by 5.5%, compared to 2011, despite agriculture-related disasters such as drought, delayed rain and floods in certain parts of the country. It appears that these disasters did not have a severely negative impact on the agricultural sector.

However, the production of corn and soybean decreased due to farmers switching production of corn to other crops with higher return, while a shortage of good quality seed and high production costs deterred some farmers from growing soybean.

The prices of corn and soybean increased in 2012 as a result of the higher demand for corn as a raw material in the production of livestock feed, which caused the price of corn to rocket. Furthermore, drought in the United States wreaked havoc on several kinds of agricultural produce, particularly the supply of corn and soybean, and this was a major factor that contributed to rising prices for grains in the global market and also in Thailand.

Livestock Sector

The livestock sector in 2012 grew by 3.2% when compared to the previous year. In particular, the production of broilers, eggs and swine increased as a direct result of an expansion in productive capacity. The production of eggs increased due to an expansion in capacity that occurred as a result of the free import of layer breeds in 2010, coupled with the fact that farmers managed their farms more effectively and efficiently.

The production of swine also increased following a favourable price for swine in the previous year, which provided a stimulus that resulted in an expansion in production. Another positive factor was that there was a lower risk from the Porcine Reproductive and Respiratory Syndrome (PRRS).

On the other hand, the prices of major livestock products, including broilers, eggs and swine, decreased compared to the previous year owing to an increased supply of livestock and an expansion in capacity.

Fishery Sector

Production in the fishery sector fell in 2012 by 2.7% compared to 2011. The reduction of seawater shrimp from January to September 2012 fell by 24.1% compared to the same period in the previous year. This was because shrimp farmers lacked the incentive to expand their production in the face of lower shrimp prices caused by a decrease in orders received from their major customer, the United States, which was facing an economic crisis. In addition, farmers in some areas, such as Eastern Thailand were facing an increased incidence of Early Mortality Syndrome (EMS), which had an adverse effect on their levels of production.

Furthermore, farm gate prices for Vannamei shrimps, in the range of 70 shrimps per kilogram, decreased by 3.0% for the period of January to October 2012 compare with the same period in the previous year, as a result of lower export demand. However, at the end of the year the price increased due to a government project called 'Shrimp Cluster' that stabilized the Vannamei shrimp price. The project was intended to recompense farmers who were members of the cluster.

The export value of shrimp and its products slumped for the period of January to October 2012, mainly because of declining orders from major importers, such as the United States, the European Union and Japan.

Agricultural Economic Trend for 2013

It is predicted that the agricultural economy in 2013 will grow by 3.5 - 4.5%, with a greater degree of stability in the incidence of natural disasters, the global economic situation, the exchange rate and oil prices. However, close monitoring and assessment of the global situation is required in order to be well prepared to respond appropriately for such eventualities in a timely way.

Crop Sector

The crop sector is estimated to grow by 4.0 - 5.0% with appropriate weather conditions, and prices are likely to be similar to those in 2012. In addition, fluctuations in the global climate might adversely affect the main cultivation areas, resulting in a global rise in crop and food prices.

Livestock Sector

It is estimated that this sector will expand by 1.8 - 2.8% as a result of a combination of factors, such as capacity expansion, good farming management, farm standards development, and the continuous control and monitoring of epidemics. However, livestock production will still be at risk due to such things as unstable weather conditions, natural disasters, epidemics, and rising production costs, although domestic consumption and export demand can be expected to continue rising. Domestic demand should increase slightly, while overseas markets, especially Japan and the European Union, which are the major customers for chicken, are likely to increase their demand for imports of such produce.

Considering the average price of livestock products in 2013, chicken and swine prices are forecast to rise as a result of higher costs and a likely growth in demand, both domestically and internationally. Egg prices are likely to remain unchanged because farmers have changed their production strategy, by early retiring old chickens and reducing egg production in order to respond to changes in demand. In addition, an increase of raw material prices for animal feed production may be a factor that causes an increase in livestock prices in 2013.

Fishery Sector

In 2013, the fishery sector is expected to shrink by -0.2% to expand by 0.8%, with a risk of epidemics that needs to be closely monitored. Moreover, fluctuating weather conditions will result in an accelerated decrease in production of fishery.

With regard to pricing, it is predicted that the farm gate price of fishery will increase in the face of continuing domestic and overseas demand. The level of trade is expected to grow as demand in both domestic and overseas markets is expected to rise, despite the fact that major customers, such as the United States, the European Union and Japan continue to face economic difficulties. The domestic market is more likely to expand, as customers in urban areas tend to consume more frozen shrimp.

Farm Gate Price of Major Agricultural Products

				erini irib/kgi
Products	2	2011		
Froquets	Jan-Dec	Jan-Nov	Jan-Nov	% Change
Corn: max moisture 14%	7.61	7.58	9.37	23.61
Mixed soybean	15.30	15.30	15.69	2.54
Broilers	46.81	47.01	41.89	(10.89)
Swine: weight 100 kg. or more	65.54	65.84	56.86	(13.64)
Eggs: mixed weighted	3.01	3.01	2.57	(14.62)
Vannamei Shrimp: 70 pieces per kg.	128.83	128.64	125.91	(2.12)

Agricultural Economic Situation, in Countries Where the Company has Operations, in 2012 and the Trends for 2013

Taiwan

The problem of public debt in Europe, compounded with economic slowdown in the United States and China, affected the growth rate of the economy in Taiwan and in particular its exports, which represent 65% of Gross Domestic Product ('GDP'). Taiwan's economic growth in the first three quarters was 0.4%, -0.18% and 1.02% respectively, and it was predicted that the economic growth rate in 2012 would be 1.05% (Source: Directorate-General of Budget, Accounting and Statistic; Executive, Yuan, R.O.C. (Taiwan))

The consequences of changes in global weather patterns led to drought conditions in the United States, which pushed up the price of corn and soybean tremendously in the second half of 2012. Nonetheless, the average price for both corn and soybean for the entire year was almost the same as in 2011.

As a result of the free import of meat, it was predicted that Taiwan would import chicken meat equivalent to approximately 120,000 tons in 2012; a 9.5% increase on the previous year.

			Unit: TWD/kg.
Products	2011	2012	% Change
Broilers: size 1.75-1.95 kg. ¹	44.60	43.16	(3.23)
Swine: weight 100 kg. ²	71.50	63.52	(11.16)

Prices of Agricultural Products

Source: ¹ Poultry Association of the Republic of China

National Animal Industry Foundation

Unit: THB/ka.

China

In 2012, the growth rate of the economy in China slowed down. In the first half of 2012, China's GDP growth slowed to 7.8%, from 9.6% in the same period a year earlier, according to the National Bureau of Statistics of China. This slowed growth was not only caused by global economic instability, but also by weakened demand from domestic consumption and fixed asset investment. The International Monetary Fund ('IMF') forecasted China's 2012 GDP growth at 7.8%, compared to 9.2% in 2011.

However, the agriculture sector remains a key priority for the Chinese government, as it underpins the livelihood of its population and the long-term economic development of the country. An increase in production output is a pressing objective of the farming industry, and the pace of commercialization in both farming and feed milling is expected to accelerate over time.

Vietnam

In 2012, the growth rate of the economy in Vietnam also slowed down. The growth rate of GDP was 5.1%; a reduction from a figure of 5.9% in 2011. According to the latest forecast by the IMF, the GDP in 2013 is predicted to increase by 5.9%, while this year's inflation rate, which was forecasted to be 8.1%, is expected to fall to 6.2% in 2013. This can be explained by the government's policy of reducing interest rates from 14% to 9% on

Prices of Agricultural Products

7 June 2012 to stimulate the economy and alleviate the burden on investors. Measures such as loan limitations and high interest rates for loans led to lower inflation, hence produced greater stability in the exchange rate of the Dong against the US dollar in 2012.

Livestock Sector - The overall market situation in 2012 was highly competitive in the poultry and swine markets, as a consequence of higher poultry and swine prices in the previous year, and this led to an emergence of new farmers in the market.

It was predicted that the price of both poultry and swine can be expected to increase in 2013, due to a moderate expansion in production by farmers who suffered a loss last year. Furthermore, the government has imposed tougher measures on the importation of frozen products.

Fishery Sector - It was predicted that shrimp farming in 2012 would expand satisfactorily, but the industry was affected adversely by epidemics. The production of shrimp was 200,000 tons, excluding naturally-caught shrimp, which was 16% lower than the previous year. Vietnam's export volume of shrimp in 2012 was estimated to be 220,000 tons, at a value of USD 2.1 billion, which would be lower than 2011, when the volume of shrimp export was 245,123 tons, and valued at USD 2.396 billion. The export volume and its value decreased by 11.4% and 8.9% respectively.

Products	2011	2012	% Change
Broilers ¹ (VND/kg.)	31,544.00	25,926.00	(21.67)
Eggs ¹ (VND/kg.)	1,486.00	1,327.00	(11.98)
Swine ¹ (VND/head)	,	42,925.00	(19.76)
Black tiger shrimps: size 30 pieces/kg. ² (VND/kg.)		138,231.00	(24.80)
Vannamei shrimps: size 50 pieces/kg. ² (VND/kg.)		101,100.00	(13.88)

Source: ¹ Data on livestock sector - evialisvietnam.com

² Data on fishery sector - Vietnam Association of Seafood Exporters and Products (VASEP)

Turkey

Turkey's economy has continually expanded with an increase in GDP of 3.2% in 2012, and a predicted growth rate of 4.0% in 2013. The euro debt crisis had only a minor impact on Turkey's economy. This was due to the country's strong banking and financial services sector, following the structural reforms it implemented during its own financial crisis in 2001, and the stability of the government in power.

The total production of chicken meat in 2012 was estimated to be about 1,726,375 tons, up by 6.5% on 2011, with the number of chicken slaughted of 964 million, which was an increase of 7.0%. (Source: TUIK, TMO, CBRT, Food and Agriculture Organization of the United Nations (FAO) and Ministry of Agriculture and Rural Affairs)

Prices of Agricultural Products

Products	2011	2012	% Change
Corn (USD/ton)	381.00	338.00	(11.29)
Soybean (USD/ton)	632.00	652.00	3.16
Broilers (USD/kg.)	1.25	1.37	9.60

Source: Turkstat, The summary of agricultural statistics publication

The Philippines

It was predicted that the economic expansion rate for the Philippines in 2012 would be about 6.0%, with an annual inflation rate of 3.1%. The unemployment rate as of July 2012 was 7.0%. (Source: National Statistics Office, Philippines)

The overall agricultural sector of the Philippines at the end of September 2012 expanded by 1.93% compared to the corresponding period in the previous year. The details of this are as follows: Crop Sector - At the end of the third quarter in 2012, the production of rice and corn had increased by 6.9% and 7.5% respectively, and the average farm gate price was 4.8% lower.

Livestock Sector - There was a slight growth of 0.86% compared to the previous year, as the production of poultry increased by 4.6%. The average farm gate price was 0.2% higher compared to the previous year.

Fishery Sector - The production in the fishery sector was 2.6% lower than the previous year, resulting in a higher farm gate price of 5.8%.

(Source: Department of Agriculture, Philippines)

			UIIII. FHF/KY.
Products	2011	2012	% Change
Corn: max moisture 14%	14.42	15.00	4.02
Broilers	74.94	77.00	2.75
Swine: weight over 100 kg.	103.95	102.00	(1.87)
Black tiger shrimps: 30 pieces/kg.	350.00	280.00	(20.00)
Vannamei shrimps: 61-70 pieces/kg.	235.00	220.00	6.38

Prices of Agricultural Products

Source: Marketing Department, CPF Philippines

I Init: DUD/ka

Malaysia

In 2012, the growth of Malaysia's GDP was 4.6%, with an inflation rate of 2.7%. It was predicted that GDP would increase by 5.1%, and that the inflation rate would be 3.0% in 2013. (Source: Department of Statistics Malaysia)

In the government's announcement of its economic development policy through the Economic Transformation Program and 12 Nation Key Economic Areas in 2011, the agricultural sector was identified as one of the 12 national economic targets to be developed. Policies were specified for the development of each product group in each sector as follows:

Food Sector - The policy was aimed at strengthening the export business in food products, focusing on small-sized businesses. Livestock Sector - The government focused on biotechnology farming, with a promotion to attract foreign investment in this business. Priority was given to environmentally friendly, large livestock farming.

Fishery Sector - Top-priority support was given to this sector through the promotion of premium shrimp and fish products for export, and by focusing on major breeds such as vannamei shrimp, tilapia, sea bass and grouper.

(Source: Performance Management & Delivery Unit (Pemandu))

Prices of Agricultural Products

Products	2011	2012	% Change
Vannanei shrimp: 70 pieces/kg. (MYR/kg.)	12.00	15.00	25.00

Source: Department of Statistics Malaysia

Russia

The GDP of Russia in 2012 was expected to increase by 5.0%, while it was anticipated that the inflation rate would decline to 5.9%. (Source: IMF)

The agricultural economic situation in 2012-2013 was predicted to expand, due to a favourable prices' trend of wheat and barley. The price of meat was expected to be sustained on a high end, due to an increase in consumption demand in the domestic market. Furthermore, strict measures to control meat imports had the effect of pushing up the domestic demand for meat consumption, and contributing to a seemingly continuous increase in meat prices.

Crop Sector - In 2012, the total production of grains was 72.3 million tons (according to data obtained on 1 November 2012), a decrease of 24% compared to 2011. The major grains were wheat, barley, corn, rye and oats. Livestock Sector - In 2012, the combined volume for all categories of meat was 6.15 million tons. The production of broilers increased to 2.75 million tons from 2.57 million tons in 2011, an increase of 7.0% over the year.

With regards to 2013, domestic production is expected to continue rising as a result of government's national project to support local farmers via the reduction of imports. The production of broilers in 2013 is expected to reach 2.85 million tons, an increase of 3.6%, while the production of swine is expected to increase to 18.260 million heads from 17.996 million heads in 2012, an increase of 1.5% in output.

(Source: Russia's State Statistical Service and USDA Foreign Agricultural Service)

Prices of Agricultural Products

Products	20	2011		
Products	Jan-Dec	Jan-Nov	Jan-Nov	% Change
Soybean meal: protein 47% ¹	23.10	23.20	25.20	9.09
Wheat: max moisture 14% ¹	6.52	6.56	8.30	27.30
Barley: max moisture 14% ¹	7.35	7.49	7.11	(3.27)
Live Swine ²	76.60	76.15	83.00	8.36

Source: ¹ http://www.agro-bursha.ru

² Ministry of Agriculture, Russia

India

In 2012, the growth of India's economy slowed down slightly compared to the previous year. GDP expanded by 5.7% with an inflation rate of 9.4%. It has been estimated that the GDP in 2013 will increase by 6.6%, as a result of government stimulus and increasing foreign investments. *(Source: Export Import Bank of India)*

In 2012, the production of grains, such as rice, wheat, sugarcane and corn, was higher than the previous year as there were no severe natural disasters; however, the price also increased after the government policy of guaranteeing the minimum price. The production of livestock was higher than the previous year due to capacity expansion which resulted from continuously rising prices throughout 2011 and 2012. An increase in the production of livestock caused prices to decline in late 2012, along with a disappearance of independent farmers from the market. It has been predicted that the volume of livestock should not increase significantly in 2013, and that prices may pick up.

In 2012, the production of shrimp totaled 216,500 tons, a 58% increase on the previous year, and shrimp export volume was 189,125 tons, at a value of about USD 1.741 billion, representing an increase of 25% and 38% respectively compared to the previous year.

Prices of Agricultural Products

Products	2011	2012	% Change
Corn: max moisture 14% (INR/kg.)	12.40	13.60	9.68
Mixed soybean (INR/kg.)	20.30	30.80	51.72
Broilers (INR/kg.)	51.70	54.20	48.36
Day old chick (INR/head)	17.70	13.00	(26.55)
Black tiger shrimp: 30 pieces/kg. (INR/kg.)	340.00	276.00	(18.82)
Vannamei shrimp: 30 pieces/kg. (INR/kg.)	327.00	285.00	(12.84)

Source: Export Import Bank of India

Markets Ove	rview		GOLD 1	EUR-USD		JPY &
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Agricultural Commodity Prices

Agricultura				. chande	Contract	Time(ET)
		Price	Change	% Change	Mar 13	23:07:42
Grains	Units	733.75	+6.25	+0.86%	Mar 13	23:07:29
Commodity	USd/bu.	799.00	+7.75	+0.98%	Mar 13	23.06.26
CBOT Com	USd/bu.	361.00	+5.50	+1.55%	Mar 13	22:05:01
CBOT Wheat	USd/bu.	361.00	+0.03	+0.16%	Mar 13	23.08.29 23.08.29
CBOT With	USD/cwt	and the second se	17 25	+0.86%	Mar 13	23:06:29
CBOT Oats	USd/bu.	1.441.2	-	+0.15%	Mar 13	23.02.10
CBOT Rough Rice	USD/st	417.50	-	-	1ar 13	
Coubean	USd/lb.	52.13	-	-	-	/
CBOT Soybean Meal	USano	599.00				-1.00
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CPF is equipped to cope with constant changes in competitive business landscape domestically and globally through sound planning, control and management.

Thorough understanding and prudent analyses from all angles

Risk Factors

The global economic uncertainty, which both directly and indirectly resulted from the EU sovereign debt problems, China's economic slowdown as well as integration of ASEAN Economic Community (AEC) which affect both the World's and Thailand's economy, may affect the achievement of the Company's goals and performance. Therefore, the Company has undertaken close monitoring and assessment of the long-term and short-term effects resulting from those risks in order to develop an effective risk management roadmap.

By adopting the COSO ERM Framework for risk management, the Company has set up a Risk Management Sub-Committee to monitor all risk factors and to know how to keep such risks within 'risk appetite' level. It has also required all departments to act as risk owners in supervising and managing the risks that fall within the scope of their responsibilities. Below are the key risks in 2012 that require effective risk management so that they are prevented from adversely affecting the Company.

1. Strategic Risks

1.1 Consumers' Behavioral Changes

Presently consumers have been more focuses on the products and services that are convenient, health conscious, hygiene, safe as well as environmental friendly. These changes may have an impact on the expected growth of the Company, one of the main food producers domestically and internationally. Therefore, the Company has to consistently adapt its products and services development to meet with the changing requirements of consumers over time.

Risk Mitigation Approach

The Company has undertaken studies of, and monitored trends in changing consumer behaviors, including consumer satisfaction levels in domestic and international markets, as well as emphasized on research and development of products and services. This has enabled the Company to adapt its products and services development planning as well as marketing management to satisfy changing consumers' needs more appropriately and readily.

1.2 Unpredictable Weather

The unpredictable World weather and ecological changes have caused floods and drought to occur more frequently and have more severe affects than in the past. These natural disasters adversely impact agricultural sector, including reduced crop outputs used as raw material, damaged livestock farms and production, higher transportation costs as well as overall costs of living and product prices, As a producer of agricultural and food products, the Company cannot avoid or eliminate those risks arising from unpredictable weather and environmental conditions.

Risk Mitigation Approach

The following mitigating measures have been implemented to offset the risk from natural disasters:

- Conducting area surveys to ensure safe locations for factories and farms;
- Designing modern farms to reduce the impact of changing weather conditions;
- Setting up a Crisis Management Team to handle crisis response;
- Specifying emergency plans for different disasters to minimize damage to the Company and its employees;
- Close and continuous monitoring of global weather reports and forecasts, so as to provide information and data that can be used to make more reliable projections for agricultural output.

In addition, the Company has recognized the need to closely monitoring of risks arising from unpredictable weather. In so doing, the Company is better placed to response promptly to such situations and minimize the extent of any potential damages.

1.3 Overseas Investment and Operations

The Company has continuously expanded its business operations into many countries around the World. In 2012, revenues arising from the international operations accounted for 55% of total consolidated revenue. (Details of international investments are shown under No. 13 Investments in subsidiaries in the Notes to the Financial Statements for the year ended 31 December 2012).

International expansion has created opportunities for the Company to penetrate into new markets, and to broaden and diversify its potential business base. However, the performance of its international operations may be affected by changes in the business environment in each country, including changes in laws and regulations, political factors, economic conditions, minimum wage levels, international trade policy, local community, foreign exchange rate as well as other uncontrollable factors. All such changes will have a potential impact on the performance and profitability of the Company's international operations.

Risk Mitigation Approach

To cope with the risk associated with international investment, the Company has an investment policy, performing feasibility studies before undertaking all new investment and appointing representatives of the Chief Executive Officer and Finance Executive to closely monitor operations in each country. In addition, the company places great importance on risk monitoring process to ensure all risk factors are well managed within appropriate approaches. Furthermore, the Company has a special unit to monitor changes in relevant laws and international trade regulations. In this way, up-to-date information can be communicated to the management in each country. The Company also sets up meetings of the international operation management team in Thailand to review performance and up-date plans and objectives, at least every six months.

2. Operational Risks

2.1 Product Quality and Safety

Consumer confidence in the Company's product quality is partly based on its reputation as a leading producer of fresh, clean and safe meat and food products. This reputation also contributes to the Company's achievement as one of the World's leading producers of meat and food. The causes of risk to food safety, in the form of decomposed or contaminated products, can occur at any stage of production, transportation and storage, prior to the products reaching the consumer. In full recognition of this fact, the Company commits itself to ensuring that work processes always result in the delivery of a fresh, clean and safe product.

Risk Mitigation Approach

The Company pays full attention to its production processes to ensure that they meet international standards. This necessitates both full traceability and strict quality assurance at all stages of production and distribution. This covers all processes ranging from raw material selection and inspection, through to production, packaging design, as well as product packaging and transportation processes, then subsequently to the distributors' storage process before products reach the final consumer. The Company has random checked compliance of the system regularly. In addition, the Company has set up complaint-response centers and undertaken fast product recalls in crucial cases to ensure consumer safety.

2.2 Disease Outbreaks

Although some animal diseases cannot spread to human beings, disease outbreaks can cause panic and affect people's confidence in meat consumption, resulting in reduced volumes of meat consumption which may directly affect the Company's business. As the country's leading producer and distributer of meat and processed food in domestic and international markets, animal-disease outbreak in either Thailand or other countries is a major risk for the Company.

Risk Mitigation Approach

The Company maintains a high alert status for animaldisease outbreaks in Thailand and other countries through its close monitoring and supervision measures. The Company commits to ongoing investment in upgrading farm-technology, farm management, sanitation and constant animal care. Both its own farms and contracted farms are managed to ensure strict compliance with the standards set by the government's regulators. To ensure that our contracted farmers comply with the farm management and disease control standards of the Company and the government's regulators, CPF also dispatches animal husbandry experts on regular visits to supervise and consult with them. In preventing the spread of diseases, the Company has set up early warning systems, and undertakes assessments to detect risk factors with the potential to cause disease outbreaks. In addition, employees' knowledge and understanding of disease outbreaks are constantly being updated through ongoing personnel development programs.

2.3 Efficiency of Supply Chain Management

In realizing its profit target and enhancing its business value, the Company relies on not only sales increase, but also on cost management and productivity improvement. Inefficient business operation can arise from inaccurate sales forecasting and mismatch production planning, as well as in the processes of purchasing, warehouse management and final product delivery to customers. Such inefficient operation may result in higher production costs and adversely affect product quality and the Company's competitiveness.

Risk Mitigation Approach

Recognizing the significance of value chain management, the Company has continuously improved its entire operational processes as well as uses modern technology for more effective analysis, planning and decision making so as to ensure that work processes are efficiently performed.

2.4 Volatility of Commodity Prices

 Price Volatility of Raw Materials Used in Feed Production

Price volatility of major ingredients in the production of animal feed, such as corn, soybean meal and fish meal, has the potential to affect the Company's production costs. Such volatility can be caused by a range of domestic and international factors, for example changing weather conditions, the use of raw materials in the production of alternative energies as well as speculation in futures trading.

These factors are largely beyond the Company's control and, therefore, pose a risk which can affect the Company operating performance.

Risk Mitigation Approach

The Company manages risk through the central purchasing of the raw materials used in feed production, by searching for quality suppliers and sufficient sources of quantity both domestically and internationally to meet production demand. It also keeps a close watch on relevant information and any changes and trends of raw materials supply. The Company also uses financial derivatives to minimize the impact of fluctuations in the price of raw materials.

In addition, the Company's research department is actively engaged in identifying substitute raw materials, of equal or superior quality, for use in production to reduce reliance on any one raw material.

Volatility of Price on Live Animals and Processed Meat

The Company's farm products include live animals and processed meat. The price of products depends on the demand and supply at any particular time, which reflects consumers' consumption demand and their purchasing power, as well as market supply. The volatility of the price of live animals and processed meat have an impact on the Company's profitability levels.

Risk Mitigation Approach

The Company has a specialist unit to closely monitor all relevant information and situations that may affect the price of live animals and processed meat and decreasing sales ratio of high price volatility products, so as to help mitigate the risk of price volatility of these products. Moreover, the Company aims to sell more value-added products and food products through promoting its brand, as well as using its own distribution channels such as Five Star Business, CP Fresh Mart and CP Fresh Mart Plus.

3. Financial / Financial Reporting Risk

3.1 Foreign Exchange Fluctuation

The Company has transactions in foreign currencies from both import and export of goods.

In 2012, the export value of CPF and its subsidiaries in Thailand was THB 30,862 million, or 9% of total sales revenue. Imported raw materials, used in animal feed production, amounted to THB 24,875 million or 8% of total cost of goods sold. In addition, the Company also imports equipment and machinery and invests internationally. Consequently, the Company's financial performance may be adversely impacted by fluctuations in foreign exchange over time.

Risk Mitigation Approach

CPF and its international subsidiaries engage in local and foreign currency transactions; however, revenues and expenses are naturally hedged in appropriate proportions. Additionally, the Company uses financial derivatives to fully hedge foreign currency exposure and to mitigate the fluctuating exchange rate within a 'risk appetite' level. Although these forward contracts do not guarantee that the locked-in rates are the most competitive, as market exchange rates are constantly fluctuating, and may rise or fall against the forward currency rate over time, they enable the Company to achieve a greater degree of certainty over its local currencies' cost and revenue levels, and to set the selling price more effectively. The Company also has policies to trade in vary currencies, so as to minimize the risk of over-exposure in any one currency.

3.2 Interest Rate Volatility

The volatility of interest rates may also affect the Company's operations and cash flow over time. As at 31 December 2012, the Company's floating-interest loans accounted for 20% of its total borrowing.

Risk Mitigation Approach

The Company's risk management measures consist of close monitoring of interest rate movements; use fixed interest rate loans to allow the Company to accurately predict its cash flows related to future payments; the use of financial derivatives such as interest rate swaps for significant items of floating rate loans. These measures optimize the Company's borrowing costs.

4. Compliance Risks

With operations and production bases in both Thailand and oversea, the Company is regulated under various laws such as consumer protection, food and work safety, and information system. In addition, the Company deals with both tariff and non-tariff trade barriers, with the latter being a common feature of international trade involving developed and developing countries as a way of protecting local industries. Such trade barriers clearly have the potential to impact adversely upon the Company's exports and operations.

Risk Mitigation Approach

Through its specialist department and personnel in relation to each specific subject, the Company continuously studies and closely monitors all regulatory changes, as well as international trade regulations, legal trends and each country's trade-barrier measures. The precise, up-to-date information obtained is used as a basis for strategic planning and communicated to the Company's personnel. The Company also ensures strict legal and regulatory compliance through close supervision.

5. Corporate Image

The Company's corporate image is crucial for its stakeholders' confidence, as this contributes to the Company's success - the Company's stakeholders include shareholders, investors, suppliers and customers. Damage to the Company's image may diminish the stakeholders' confidence and trust in the Company.

Risk Mitigation Approach

The Company values corporate governance, accurate and sufficient disclosure of information as well as corporate social responsibility. In addition, the Company specified guidelines regarding the personnel who are authorized to disclose information to the public.

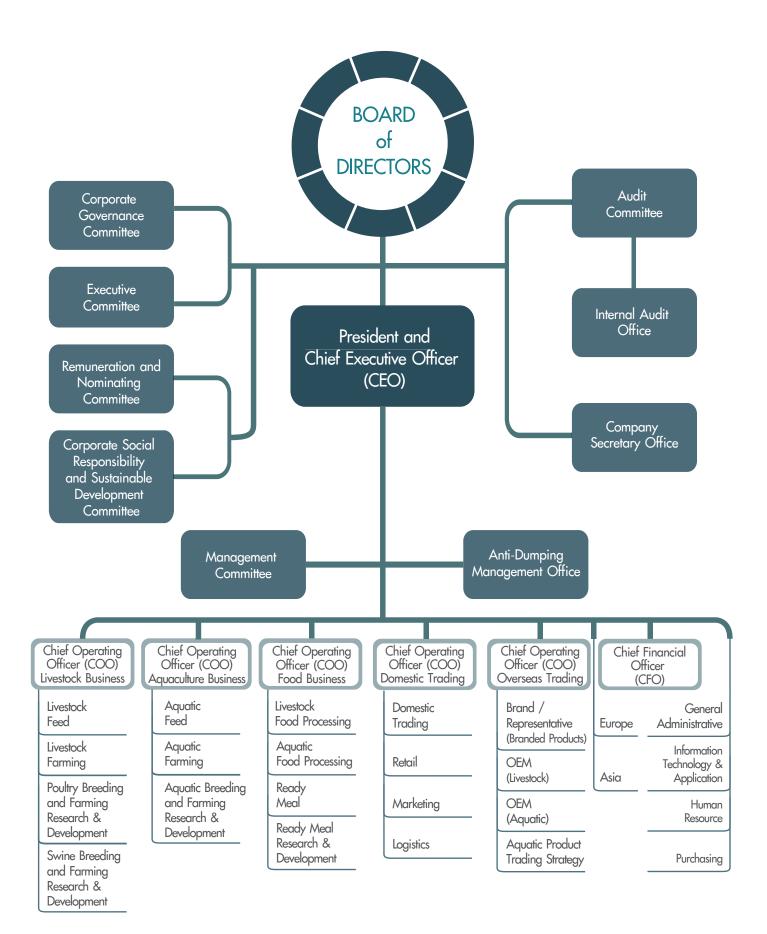
When investing in CPF securities and/or having a vested interest in the Company, stakeholders and investors should consider risk factors that may put the Company in extraordinary situations and affect its normal operation and/or financial performance. Such risks may hinder the Company's efforts to fulfill its objectives and targets.

In addition to the above risks, there may be other risks which are not known to the Company at this time, or which the Company views as insignificant in relation to its operations.

World-Class management prowess

Our seasoned staff and management who are proficient and knowledgeable in their respective fields place CPF among world-class companies.

Management Structure As of 1 March 2013



1. Board of Directors and Executive

1.1 Board of Directors

As of 1 March 2013, CPF's Board of Directors consisted of the following 15 directors:

	Name		Position
1.	Mr. Dhanin	Chearavanont	Chairman ⁽¹⁾
2.	Pol. Gen. Pow	Sarasin	Vice Chairman ⁽²⁾
3.	Mr. Prasert	Poongkumarn	Vice Chairman
4.	Mr. Min	Tieanworn	Vice Chairman
5.	Mr. Chingchai	Lohawatanakul	Vice Chairman ⁽¹⁾
6.	Mr. Adirek	Sripratak	Vice Chairman ⁽¹⁾
7.	Mr. Arsa	Sarasin	Director ⁽²⁾
8.	Professor Dr. Athasit	Vejjajiva	Director ⁽²⁾
9.	Emeritus Professor Supapun	Ruttanaporn	Director ⁽²⁾
10.	Dr. Chaiyawat	Wibulswasdi	Director ⁽²⁾
11.	Mr. Phongthep	Chiaravanont	Director ⁽¹⁾
12.	Dr. Veeravat	Kanchanadul	Director ⁽¹⁾
13.	Mr. Pong	Visedpaitoon	Director ⁽¹⁾
14.	Mr. Sunthorn	Arunanondchai	Director ⁽¹⁾
15.	Mrs. Arunee	Watcharananan	Director ⁽¹⁾

Ms. Patchara Chartbunchachai is the Company Secretary.

⁽¹⁾ Authorized directors whereby any two of the authorized directors shall sign on behalf of the Company with the Company's seal affixed.

⁽²⁾ Independent Director

Composition of the Board of Directors

The Company's Board of Directors must consist of at least five directors and at least half of the directors must be resident in Thailand.

As of 1 March 2013, the Company's Board of Directors comprised five independent directors (equal to 1/3 of the total number of directors), five executive directors and five non-executive directors. The Board of Directors appoints the Chairman and Vice Chairman. The Chairman conducts Board of Directors' meetings, except in cases where the Chairman may lack sufficient independence, or where there is an agenda with which the Chairman has a conflict of interest. In such cases, an independent director shall preside as the Chairman of the meeting.

Every board member of the Company currently has residence status in Thailand. They are experienced and understand the various obstacles that can arise in the course of the Company's business operations. They undertake their roles effectively and can create competitive advantage for the Company as well as provide beneficial insights into the Company's business operations as well as on matters such as risk management. Furthermore, every board member is fully qualified, which means that they all possess the qualifications that are stipulated by law, i.e. as laid down in the Public Company Limited Act and Securities Act.

Every Independent Director is qualified in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 4/2552 Re: Application for and Approval of Offer for Sales of Newly Issued Shares (No. 2). In other words, the Independent Directors do not hold more than 1% of the voting shares of the Company, its subsidiaries, or any juristic person having a conflict of interest with the Company. Independent directors do not have any involvement with the Company in terms of employment, management and/or as a provider of professional services. They do not have any business relationship with the Company, nor do they represent any specific shareholder group. Furthermore, they do not operate any business which is of the same nature as that of the Company, or a business that is in competition with the Company. Consequently, this promotes independent judgment and ensures that the interests of all shareholders are equally protected.

Appointment and Nomination

Directors of the Company usually serve a three-year term, except when there is the need to replace a director who leaves before the full term has been completed. At every annual general shareholder's meeting, at least one-third of the directors shall retire from office. However, if the number of directors retiring is not one third of the total number of directors, then the number nearest to that figure will be required to retire from office and directors who have served the longest shall retire. Directors who retire by rotation may be re-appointed, if so approved by the shareholders. In appointing a new director, the Board shall nominate candidates with the qualifications, knowledge and expertise suitable for a given position.

If there is a vacancy for a Director and/or Independent Director, for reasons other than retirement by rotation, and where the remaining term is in excess of two months, at the next meeting the Board of Directors is required to elect a replacement Director. Additionally, the person elected must also be fully qualified in accordance with Company Law. Any resolution for the election of a director to a vacant position must be passed by at least three-quarters of the remaining number of directors. The newly-appointed director shall assume the position for the period that would have been served by the director they are replacing.

In assuming the position of Director and/or Independent Director, each director will receive all important information about the Company, along with the Articles of Association of the Company related to the roles and responsibilities of the Board of Directors, as well as advice concerning the laws, rules, regulations and conditions relating to being a Director of a listed company on the Stock Exchange of Thailand. The person will also receive an orientation of the Company's business.

Shareholders have the Right to Vote for the Appointment of Directors according to the Following Criteria:

- The number of votes each shareholder has is commensurate with the size of their shareholding i.e. one vote per share.
- Each shareholder must exercise all the votes that he or she has when appointing one individual or several individuals to be director(s), but shall not split his/her votes among different individuals or groups.

- 3. Those individuals receiving the highest number of votes shall be elected to serve as directors depending on the number of vacancies available at the time. In the event of more than one person receiving the same number of votes for the last vacant position, the chairman of the meeting shall have a second and casting vote.
- 4. At shareholder's meetings, any director can be dismissed from the Board of Directors before his/her term is up, if there is a resolution of no less than three-quarters of the number of shareholders in attendance and who have the right to vote. Moreover, the shareholders who vote must collectively hold no less than half the total number of shares owned by the voting shareholders present at the meeting.

Roles and Responsibilities of the Board of Directors

The Board of Directors have been entrusted by shareholders to manage the Company's business honestly and fairly, as indicated in the Objects of the Company and in compliance with the Articles of Association of the Company, as well as all resolutions made at shareholders' meetings and according to relevant regulations. The Board of Directors may assign one or several directors, or any other person, to perform any act on its behalf provided that a clear indication of roles and responsibilities is given to the assigned person.

The Board of Directors regulates the policy, sets direction for the Company and oversees the duties performed by management so as to ensure that it is in line with Company policy. The Board of Directors delegates authority and responsibility for day-to-day management to the President and senior management of the Company, and appoints various committees to assist with specific operations. The duties of the Chairman of the Board and the President do not overlap. The President is responsible for delegating duties and responsibilities to the Executives in order to manage the Company's operations.

In addition, the Board of Directors appoints the Company Secretary to counsel and assist the Board of Directors to ensure its compliance with legal rules and regulations, as well as corporate governance. The Company Secretary is also required to coordinate and take appropriate care of the Company's shareholders on an equal basis. The Roles and Responsibilities of the Board of Directors can be summarized as follows:

- To perform their duties in accordance with the Law, the Company's Objects and Articles of Association, as well as resolutions of shareholders' meetings, with due accountability, care and integrity.
- (2) To determine the general policy for business operations and the more specific policies relating to finance, fund raising, fund management and risk management for the Company, as well as the supervision of management in the performance of its duties in an efficient and effective manner, and in accordance with said policies.
- (3) To consider and approve the Company's objectives, its strategy and business plans, as well as to monitor that operational results are in line with approved plans.
- (4) To consider and approve important matters which are required, by relevant laws or the Company's rules and procedures, to be approved by the Board of Directors or the Company's Shareholders Meeting.
- (5) To set up the internal control system for business operations, financial reports and compliance with the Law and Company procedures. The Internal Audit Office is required to undertake inspection and supervision to ensure adherence to the internal control system, and report to the Audit Committee. The Board of Directors will undertake an annual assessment of the adequacy and appropriateness of the internal control system and publish its findings and views in the Annual Report.
- (6) To assess the degree of the Company's compliance with corporate governance policy and to revise said policy on an annual basis, at least.
- (7) To appoint the President, and then supervise and monitor the performance of the President in accordance with the Company's corporate governance policy, and within the framework of duties authorized by the Board of Directors. To make an annual evaluation of the President's performance, in order to provide a benchmark for the determination of the President's remuneration.
- (8) To appoint the Company Secretary who is to be responsible for all matters required by law.

- (9) To appoint the Audit Committee, the Executive Committee and other sub-committees (such as the Remuneration and Nominating Committee) in order to assist the Board of Directors in the supervision of the Company's business undertakings to ensure the Company's objectives are achieved. The majority of the sub-committees consist of independent directors and the Chairman of sub-committees is independent director.
- (10) Set up a plan for director and management development, as well as a succession plan.

The Board of Directors Meeting, convened on 27 August 2008, passed a resolution to appoint Ms. Patchara Chartbunchachai to be the Company Secretary, and responsible for:

- Preparing and maintaining the profile of directors
- Providing the notice for and minutes of meetings
- Publishing the Company's Annual Report
- Providing the notice and minutes of shareholders meetings
- Maintaining the directors' and executive shareholding report, and performing other duties as required by the Capital Market Supervisory Board.

1.2 Audit Committee

CPF's Audit Committee and its chairman were appointed by the Board of Directors. The current Audit Committee term is for a period of three years which expires on 23 December 2014. As of 1 March 2013, the members of the Audit Committee are the following five independent directors:

	Name		Position
1.	Pol. Gen. Pow	Sarasin	Chairman of the Audit Committee
2.	Mr. Arsa	Sarasin	Member of the Audit Committee
3.	Professor Dr. Athasit	Vejjajiva	Member of the Audit Committee
4.	Emeritus Professor Supapun	Ruttanaporn	Member of the Audit Committee
5.	Dr. Chaiyawat	Wibulswasdi	Member of the Audit Committee

Mr. Chalermchon Koonthonwan is the Secretary of the Audit Committee.

Emeritus Professor Supapun Ruttanaporn and Dr. Chaiyawat Wibulswasdi, two members of the Audit Committee, have excellent knowledge, understanding and experience in matters of accounting and finance, as well as changing financial regulations which require changes in the nature of the financial report. The Audit Committee can seek advice from an independent specialist if necessary. The terms of service of the Audit Committee members is for a period of three years, as this ensures a greater degree of continuity in the work undertaken by the Audit Committee. Moreover, any retiring member of the committee can be re-appointed for another term of membership. If any committee member wishes to resign before the expiration of his/her period of service, s/he is required to provide one month's notice of such resignation in writing. New committee members who replace resigning committee members assume the remaining period of service of the member who resigns. The Audit Committee has to conduct meetings at least four times in any one-year period. At each Audit Committee meeting, the Audit Committee is empowered to invite the President, Chief Operating Officer, Chief Financial Officer, executives, auditor and Head of the Internal Audit Office to attend, for clarification purposes. The Audit Committee also meets the Company's External Auditor at least once a year without management in attendance.

Roles and Responsibilities of the Audit Committee

The Board of Directors has revised the roles and responsibilities of the Audit Committee in order to comply with the Notification of the Stock Exchange of Thailand Re: Qualification and Scopes of Duties of the Audit Committee 2008 dated 9 June 2008, as follows:

- To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient;
- (3) To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange and the laws relating to the Company's business;
- (4) To determine the independence of the Internal Audit Office, as well as to approve the appointment, transfer and dismissal of the Internal Audit Office Head;
- (5) To consider, select and nominate an independent person to serve as the Company's external auditor, as well as to propose that person's remuneration and to attend the meeting with the external auditor without management in attendance at least once a year;
- (6) To review related parties transactions and any transactions that may involve a potential conflict of interest, to ensure that they are in compliance with the law and the regulations of the Stock Exchange, as well as being reasonable and of maximum benefit to the Company;

- (7) To prepare the report of the Audit Committee which is signed by the Chairman of the Audit Committee and published in the Company's Annual Report, which must contain at least the following information:
 - A commentary on the accuracy, completeness and creditability of the Company's financial report;
 - A commentary on the adequacy of the Company's internal control system;
 - A commentary on compliance with the law on securities and exchange, as per the regulations of the Stock Exchange or the laws relating to the Company's business;
 - A commentary on the suitability of the external auditor;
 - A commentary on transactions that may involve a potential conflict of interest;
 - The number of audit committee meetings and attendance at such meetings by each committee member;
 - A commentary or overview of the Audit Committee on the performance of its duties in accordance with the Audit Committee charter, and
 - Details of any transactions which, the Audit Committee considers should be known to shareholders and general investors, if so doing is within the scope of their duties and responsibilities, as assigned by the Company's Board of Directors.
- (8) To perform any other assignment which is required by the Company's Board of Directors and approved by the Audit Committee.

In the performance of its duties according to the roles and responsibilities above, the Audit Committee must be directly responsible to the Company's Board of Directors, with the Board of Directors being responsible to third parties for the actions of the Company.

1.3 The Remuneration and Nominating Committee

CPF's Remuneration and Nominating Committee was appointed by the Board of Directors. The current Remuneration and Nominating Committee term is for a period of three years, which expires on 31 March 2015. Its main duties are to select qualified individuals with the relevant knowledge, ability and experience to assume positions on the Board of Directors and to establish a remuneration framework to be submitted to the Board of Directors for consideration.

As of 1 March 2013, the Remuneration and Nominating Committee comprises three members: two members are independent directors, and the third is a non-executive director, as follows:

	Name		Position
1.	Pol. Gen. Pow	Sarasin	Chairman of the Remuneration and Nominating Committee
2.	Mr. Arsa	Sarasin	Member of the Remuneration and Nominating Committee
3.	Mr. Prasert	Poongkumarn	Member of the Remuneration and Nominating Committee

The Board of Directors appoints the Chairman of the Remuneration and Nominating Committee, where the Remuneration and Nominating Committee term is for a period of three years, so as to ensure a degree of continuity in its work. The period of service can be changed subject to approval from the Board of Directors. Furthermore, a retiring committee member may be re-appointed for another term, if this is approved by the Board of Directors. If any committee member wishes to resign before the expiration of his/ her term of service, s/he should provide one month's written notice.

Meeting of the Remuneration and Nominating Committee are to be held at least once a year. Additional meetings may be arranged as required and approved by its Chairman. At each Committee meeting, the Committee is empowered to invite other personnel, such as external consultants, to attend the meeting as necessary.

Roles and Responsibilities of the Remuneration and Nominating Committee

 Should a Directorship vacancy arise, the Committee is to propose individuals who are suitably qualified to fill such a vacancy to the Board of Directors for consideration.

- (2) Review the structure, size, and composition of the Board of Directors, and suggest any appropriate changes, if any.
- (3) Assess the performance of the Board of Directors annually and report this to the Board of Directors.
- (4) Establish and subsequently review a suitable remuneration policy, along with guidelines for compensation of the Board of Directors, according to their responsibilities and commensurate with the industry average remuneration level. The benefit that the Company can expect from each Director is also a factor when considering his/her level of remuneration. The level deemed suitable should be in accordance with the policy established by the Board of Directors, and take into consideration his/her performance in relation to the Company's operating performance. Any proposed change in the remuneration, from that which has been approved by the shareholders must be put to the Board of Directors for its consideration and the subsequent approval of shareholders.
- (5) Others matters relating to its duties, as required by the Board of Directors.

1.4 The Corporate Governance Committee

CPF's Corporate Governance Committee was appointed by the Board of Directors on 16 January 2013. The Corporate Governance Committee term is for a period of three years effective from 16 January 2013 onwards.

As of 1 March 2013, the Corporate Governance Committee comprises three members: two members are independent directors, and the third is a non-executive director, as follows

	Name		Position
1.	Mr. Arsa	Sarasin	Chairman of the Corporate Governance Committee
2.	Dr. Veeravat	Kanchanadul	Member of the Corporate Governance Committee
3.	Dr. Chaiyawat	Wibulswasdi	Member of the Corporate Governance Committee

The Company Secretary serves as Ex Officio Secretary of the Corporate Governance Committee.

Roles and Responsibilities of the Corporate Governance Committee

- (1) Establish the scope and corporate governance policy, and propose this to the Board of Directors for the approval.
- (2) Propose the practicing guideline of corporate governance to the Board of Directors, as well as, give the suggestion to the Board of Directors in relation to corporate governance matter.
- (3) Review, together with director and management, the compliance with corporate governance policy.
- (4) Review the practicing guideline of corporate governance by comparing with international practice, and propose this to the Board of Directors for enhancing the effectiveness and efficiency continually.
- (5) Report the assessment regarding the compliance with corporate governance policy to the Board of Directors at least once a year.

1.5 The Corporate Social Responsibility and Sustainable Development Committee

CPF's Corporate Social Responsibility and Sustainable Development Committee was appointed by the Board of Directors on 9 November 2012. The Social Responsibility and Sustainable Development Committee term is for a period of three years effective from 16 November 2012 onwards.

As of 1 March 2013, the Social Responsibility and Sustainable Development Committee comprises three members: one member is an independent director, and another two members are executive director, as follows:

	Name		Position
1.	Pol. Gen. Pow	Sarasin	Chairman of Advisory
2.	Dr. Chaiyawat	Wibulswasdi	Chairman of the Corporate Social Responsibility and Sustainable Development Committee
3.	Mr. Adirek	Sripratak	Member of the Corporate Social Responsibility and Sustainable Development Committee
4.	Mrs. Arunee	Watcharananan	Member of the Corporate Social Responsibility and Sustainable Development Committee

Mr. Wuthichai Sithipreedanant is the Secretary of the Corporate Social Responsibility and Sustainable Development Committee.

Roles and Responsibilities of the Corporate Social Responsibility and Sustainable Development Committee

- (1) Establish the policy and direction of social responsibility and sustainable development, and propose this to the Board of Directors for the approval.
- (2) Provide support on the activities in social responsibility and sustainable development by participating in the meeting to give the guideline for conducting and monitoring the works in accordance with the specified time frame.
- (3) Consider and assess the result of performance regarding social responsibility and sustainable development, as well as, give the suggestion for the development and report to the Board of Directors at least once a year.
- (4) Approve the report on social responsibility and sustainable development for public disclosure.
- (5) Appoint the social responsibility and sustainable development sub committee as appropriate.

Directors' Attendance at Meetings (2012)

Name		Number of Attendances			
		Board of Directors	Audit Committee	Remuneration and Nominating Committee	Corporate Responsibility and Sustainable Development Committee
1. Mr. Dhanin	Chearavanont	7/12	٠	٠	٠
2. Pol. Gen. Pow	Sarasin	12/12	11/11	1/1	٠
3. Mr. Prasert	Poongkumarn	10/12	٠	1/1	٠
4. Mr. Min	Tieanworn	12/12	٠	٠	٠
5. Mr. Chingchai	Lohawatanakul	11/12	٠	٠	٠
6. Mr. Adirek	Sripratak	11/12	٠	٠	1/1
7. Mr. Arsa	Sarasin	11/12	10/11	1/1	٠
8. Professor Dr. Athasit	Vejjajiva	12/12	11/11	٠	٠
9. Emeritus Professor Supapun	Ruttanaporn	10/12	9/11	٠	٠
10. Dr. Chaiyawat		11/12	10/11	٠	1/1
11. Mr. Phongthep	Chiaravanont	12/12	٠	٠	٠
12. Dr. Veeravat	Kanchanadul	12/12	٠	٠	٠
13. Mr. Pong	Visedpaitoon	10/12	٠	٠	٠
14. Mr. Sunthorn	Arunanondchai	9/12	٠	٠	٠
15. Mrs. Arunee	Watcharananan	12/12	٠	٠	1/1

Orientation of a New Director

When taking up a directorship position, the director will receive all relevant information about the Company and its business, along with its Articles of Association which relates to the roles and responsibilities of the Board. Furthermore, the new director will be given guidance regarding their responsibilities in accordance with the law and the regulations pertaining to being the director of a listed company including an orientation of the Company's business. If a newly appointed director has not attended any director programs, the Company shall arrange for the individual to attend the program of the Thai Institute of Directors Association to familiarize said individual with the following:

- (1) The Role of Director and its Legal Responsibilities
- (2) The Directors' Guidelines in relation to its role according to the regulations and guidelines of the Stock Exchange of Thailand, the Securities and Exchange Commission and Corporate Governance Policy.

1.6 Executive Committee

The Board of Directors appoints the Executive Committee by considering individuals with the qualifications, knowledge, competency and experience related to the Company's business. This is to assist the Board of Directors with the efficient and effective management of its operations according to Company policy and the objectives as laid down by the Board of Directors.

Name		ne	Position		
1.	Mr. Chingchai	Lohawatanakul	Chairman of the Executive Committee		
2.	Mr. Adirek	Sripratak	Executive Director		
3.	Mr. Pong	Visedpaitoon	Executive Director		
4.	Mr. Phongthep	Chiaravanont	Executive Director		
5.	Mrs. Arunee	Watcharananan	Executive Director		
6.	Mr. Voravit	Janthanakul	Executive Director		
7.	Mr. Teerasak	Urunanon	Executive Director		
8.	Mr. Vitit	Pootanasap	Executive Director		
9.	Ms. Patchara	Chartbunchachai	Executive Director		
10.	Mr. Paisan	Chirakitcharern	Executive Director and Secretary of Executive Committee		

As of 1 March 2013, the members of CPF's Executive Committee are as follows:

The Board of Directors appoints the Chairman of the Executive Committee, the Chief Executive Officer and Chief Operating Officer, as well as the Chief Financial Officer. Should the Chairman of the Executive Committee be unable to attend an Executive Committee meeting, he will nominate the President or Chief Operating Officer to act as Chairman of the meeting in his absence. At meetings, the Executive Committee can invite other people, such as management representatives and/or external advisors, to attend the meeting as necessary.

Primary Responsibilities of the Executive Committee:

(1) To scrutinize the goals, business strategies, budgets and investment projects of each business before being submitted to the Board of Directors for approval, and to subsequently adjust approved budgets and investment projects so that they take account of changing situations, if there are any.

- (2) To follow up on operating performance and the progress of investment projects in each business, as well as to report any problems and obstacles encountered and propose possible solutions to the Board of Directors.
- (3) To follow up on, and monitor the management and risk management of each business.
- (4) To follow up on, and monitor human resource development, the promotion and rotation of management in each business as per the Company's succession plans, and the determination of manpower needs, as well as plan the criteria for the remuneration and performance assessment of top management personnel.
- (5) To evaluate alternative sources of funding necessary for various investment projects, to be subsequently approved by the Board of Directors.
- (6) To follow-up on, and monitor the use of funds, fund management and the financial status of each business.

1.7 Executives

As of 1 March 2013, CPF's management comprises the following:

Name		Name	Position			
1.	Mr. Adirek	Sripratak ⁽¹⁾	President, Chief Executive Officer (CEO) and Acting Chief Operating Officer - Food Business			
2.	Mr. Pong	Visedpaitoon ⁽¹⁾	Chief Operating Officer - Aquaculture Business			
3.	Mr. Virachai	Ratanabanchuen ⁽¹⁾	Chief Operating Officer - Livestock Business and Acting Executive Vice President - Livestock Feed Unit			
4.	Mr. Teerasak	Urunanon ⁽¹⁾	Chief Operating Officer - Domestic Trading, Executive Vice President - Livestock Food Processing Unit and Acting Executive Vice President - Domestic Trading Unit			
5.	Mr. Pisit	Ohmpornnuwat ⁽¹⁾	Chief Operating Officer - Overseas Trading			
6.	Mr. Paisan	Chirakitcharern ⁽¹⁾	Chief Financial Officer			
7.	Mr. Anek	Boonnoon	Executive Vice President - Livestock Farming Unit			
8.	Mr. Prajit	Udnoon	Executive Vice President - Poultry Breeding and Farming Research and Development Unit			
9.	Mr. Somkuan	Choowatanapakorn	Executive Vice President - Swine Breeding and Farming Research and Development Unit			
10.	Mr. Vitit	Pootanasap	Executive Vice President - Aquatic Feed Unit			
11.	DVM Sujint	Thammasart	Executive Vice President - Aquatic Farming Unit and Aquatic Breeding and Farming Research and Development Unit			
12.	Mr. Songphol	Srirongmuang	Executive Vice President - Aquatic Food Processing Unit			
13.	Mr. Sukhawat	Dansermsuk	Executive Vice President - Ready Meal Unit			
14.	Dr. Sommai	Tachasirinugune	Executive Vice President - Ready Meal Research and Development Unit			
15.	Mr. Vittavat	Tantivess	Executive Vice President - Marketing Unit			
16.	Mr. Viboon	Supakarapongkul	Executive Vice President - Aquatic Product Trading Strategy Unit			
17.	Mr. Voravit	Janthanakul	Executive Vice President - General Administration Unit			
18.	Mr. Praderm	Chotsuparach	Executive Vice President - Information Technology and Application Unit			
19.	Mr. Tinakorn	Ruenthip	Executive Vice President - Human Resource Unit			

⁽¹⁾ Management definition is in accordance with the Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 Re: Definition under Notifications relating to Issuance and Offering of Securities.

Roles and Responsibilities of the President

The President, who holds the highest management position in the Company, is appointed by the Board of Directors to manage the operations of the Company, so as to achieve the Company's objectives and goals agreed by the Board of Directors. He is responsible for proper governance of the Company with fairness, to achieve maximum benefits for all stakeholders as well as to oversee the disclosure of the Company's general and financial information according to best practices. In addition, the President has authority for carrying out any duties according to the Company's normal operation. However, the President does not have authority in the following matters, which is outlined in 'the limitations of the President's authority':

- (1) To enter into any related parties transactions which have not been approved by the Board of Directors and the Notification of the Capital Market Supervisory Board, which requires such transactions to be approved by either the Board of Directors or the Company's shareholders
- (2) To sell, or write-off any assets from the accounting book must be approved by the Board of Directors or the Company's shareholders, in accordance with the financial principles of the Company.

- (3) To enter into any transaction with any person to provide or accept financial assistance, such as lending money, guaranteeing, providing assets as collateral, and other similar acts, with the exception of:
 - 3.1 Short-term loans between the Company and subsidiaries in which the Company directly or indirectly holds at least 90% of the shares.
 - 3.2 Short-term loans between subsidiaries in which there is no party connected with the Company who holds in excess of 10% of the shares in the subsidiaries.
- (4) To approve the annual budget or any additional investment budget during the year, where the value of the project is more than THB 100 million.
- (5) To acquire or dispose of investments (held as equity or debt instruments) in any company that infringes the Company's financial principles must be approved by the Board of Directors or the Company's shareholders.
- (6) Any matters that are required by law, or relevant regulations, to be approved by the Board of Directors, or at a shareholders' meeting.

1.8 Selection of Executives

The Board of Directors assigns the Executive Committee to be responsible for selecting qualified individuals with the knowledge, competence and related experience to hold senior management positions.

2. Remuneration of Directors and Executives

The Board of Directors requires the Remuneration and Nominating Committee to determine directors' remuneration each year, and to propose this to the Board of Directors for approval by the shareholders. In addition, the Board of Directors requires the Executive Committee to determine the remuneration of the Company's Executives in accordance with their responsibilities and performance, in relation to the Company's operating performance, and compared to the industry average.

2.1 Remuneration of the Board of Directors

Monetary remuneration in 2012 of the Board of Directors amounted to a total of THB 59.94 million, which included (1) monthly remuneration (2) special remuneration in accordance with the resolution of the Annual General Shareholders' Meeting.

In addition, some directors also received remuneration as directors of subsidiaries, and this amounted to THB 37.06 million. Remuneration of the Audit Committee for 2012 amounted to a total of THB 15.00 million. Details of these are given below:

					Unit: 1
	Name			CPF	
			Directors	Audit Committee	Directors of Subsidiaries
1. Mr. Dha	anin	Chearavanont	6,109,289	-	35,724,732
2. Pol. Ge	en. Pow	Sarasin	4,582,067	5,400,000	-
3. Mr. Pra	sert	Poongkumarn	4,582,067	-	63,068
4. Mr. Mir	١	Tieanworn	4,582,067	-	-
5. Mr. Chi	ingchai	Lohawatanakul	4,582,067	-	-
6. Mr. Adi	irek	Sripatak	3,054,744	-	728,333
7. Mr. Arso	a	Sarasin	3,054,744	2,400,000	-
8. Professo	or Dr. Athasit	Vejjajiva	3,054,744	2,400,000	-
9. Emeritu	ıs Professor Supapun	Ruttanaporn	3,054,744	2,400,000	-
10. Dr. Cho	aiyawat	Wibulswasdi	3,054,744	2,400,000	-
11. Mr. Pho	ongthep	Chiaravanont	3,054,744	-	-
12. Dr. Vee	eravat	Kanchanadul	3,054,744	-	-
13. Mr. Por	ng	Visedpaitoon	3,054,744	-	-
14. Mr. Sun	ithorn	Arunanondchai	3,054,744	-	-
15. Mrs. Art	unee	Watcharananan	3,054,744	-	548,333

Other Remuneration -None-

2.2 Remuneration for the Executives

Monetary Remuneration in 2012, including monthly salary, the Company's contribution in accordance with the Employee Joint Investment Program ('EJIP')¹ and other benefits for six Executives of CPF amounted to a total of THB 144.62 million.

Other Remuneration: -None-

Unit: THB

¹ Summary of EJIP is shown in 'Summary of the Employee Joint Investment Program (EJIP)' on page 111.



Mr. Dhanin Chearavanont 73 years of age Chairman of the Board of Directors

Education

- National Defense College, Thailand
- Commercial School, Hong Kong
- Shantou Secondary School, China
- Enrollment in Directors Accreditation
 Program on 4 May 2005, the Thai Institute of
 Directors Association
- amily relations with other executives
- Cousin of Mr. Phongthep Chiaravanont
- Positions in the Company's subsidiaries
- Chairman and Chairman of the Nomination Committee, C.P. Pokphand Co., Ltd.
- Director, Chia Tai (China) Investment Co., Ltd.

Work Experience for the past 5 years

- Chairman, Charoen Pokphand Group Co., Ltd.
- Chairman, CP ALL Plc.
- Chairman, True Corporation Plc.
- Honorary Chairman, True Move Co., Ltd.
- Director, Bangkok Inter Teletech Plc.
- Director, C.P. Land Plc.
- Director, C.P. Intertrade Co., Ltd.

Pol.Gen. Pow Sarasin 83 years of age Vice Chairman, Chairman of the Audit Committee, Chairman of the Remuneration and Nominating Committee and Advisory Chairman of the Corporate Social Responsibility and Sustainable Development Committee

Education

- Bachelor degree in Criminology, University of California, USA
- Bachelor degree in Science in Chemistry, Johns Hopkins University, USA
- Honorary Doctorate in Public Administration, Ramkamhaeng University, Thailand
- National Defense College, Thailand
- Enrollment in Directors Accreditation Program
 No. 5/2003, the Thai Institute of Directors
 Association
- % shareholding in the Company as of 31 December 2012¹
- 2,140,000 shares, equivalent to 0.0276% (increased by 570,000 shares since 31 December 2011)

Elder brother of Mr. Arsa Sarasin

- Work Experience for the past 5 years
- Vice Chairman, KasikornBank Plc.
- Chairman, Mitsubishi Elevator Asia Co. Ltd.
- Chairman, Quality House Plc.

3 Mr. Prasert Poongkumarn 76 years of age

Education

- Honorary Doctorate in Agricultural, Chiang Mai University
- Honorary Doctorate in Business Administration, Mae Fah Luang University, Thailand
- Honorary Doctorate in Social Development, Prince of Songkla University, Thailand
- Honorary Doctorate in Agriculture, Jejiang
 University, Chengchou province, China
- Honorary Professor in Agriculture, Jejiang
 University, Chengchou province, China
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- Family relations with other executives
- Brother-in-Law of Mr. Phongthep Chiaravanont
- % shareholding in the Company as of
- 31 December 2012¹
 - 1,335,983 shares, equivalent to 0.0173%

- Positions in the Company's subsidiaries
- Director, Charoen Pokphand Enterprise (Taiwan) Co., Ltd.
- Director, Charoen Pokphand (India) Pte Ltd.
- Director, C.P. Vietnam Corp.
- Director, CPF Food Trading Co., Ltd.
- Work Experience for the past 5 years
- Vice Chairman, Charoen Pokphand Group Co., Ltd.
- Chairman, CPPC Plc.
- Director, C.P. Land Plc.
- Director, C.P. Intertrade Co., Ltd.



4 Mr. Min Tieanworn 76 years of age Vice Chairman

Education

- Honorary Professor in Economics, Jejiang
 University, Chengchou province, China
- Honorary Doctorate in Sociology and Anthropology, Ramkamhaeng University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

5 Mr. Chingchai Lohawatanakul 73 years of age Vice Chairman and Chairman of the Executive Committee

Education

- Master of Science, Arizona State University, USA
- Enrollment in Directors Certification Program No. 5/2001, the Thai Institute of Directors Association
- Executive Committee
- % shareholding in the Company as 31 December 2012¹
- 10,155,939 shares, equivalent to 0.1312% (increased by 2,456,572 shares since 31 December 2011)
- Positions in the Company's subsidiaries • Director, CPF Investment Ltd.

Director, CPF Investment Ltd.

- Vice Chairman, Charoen Pokphand
- Group Co., Ltd.
- Director, C.P. Land Plc.
- Director, C.P. Intertrade Co., Ltd.
- Director, C.P. Aquaculture (Beihei) Co., Ltd.
- Director, C.P. Aquaculture (Dongfang) Co., Ltd.
- Director, C.P. Aquaculture (Hainan) Co., Ltd.
- Work Experience for the past 5 years
- Vice Chairman, Charoen Pokphand Group Co., Ltd.

6 Mr. Adirek Sripratak 66 years of age Vice Chairman, a member of the Corporate Social Responsibility and Sustainable Development, President, Chief Executive Officer, and Acting Chief Operating Officer - Food Business

Education

- Honorary Doctorate in Business Administration (Management), Rajamangala University of Technology Suvarnabhumi, Thailand
- Honorary Doctor of Philosophy in Food
 Technology, Mae Fah Luang University, Thailand
- Honorary Doctorate in Science, Maejo University, Thailand
- Honorary Doctorate in Economics, Chiang Mai University, Thailand
- Honorary Doctorate in Science, Food Science and Technology, Rajamangala University of Technology Isan, Thailand
- Enrollment in Directors Certification Program No. 5/2001, the Thai Institute of Directors Association
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

- Family relations with other executives
- Elder brother of Mrs. Arunee Watcharananan % shareholding in the Company as of
- 31 December 2012¹
- 3,834,710 shares, equivalent to 0.0495% (decreased by 1,461,280 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Chairman, CPF (Thailand) Plc.
- Vice Chairman and a member of the Remuneration Committee, and the Nomination Committee C.P. Pokphand Co., Ltd.
- Director, C.P. Merchandising Co., Ltd.
- Director, CPF Training Center Co., Ltd.
- Director, CPF IT Center Co., Ltd.
- Director, Bright Excel Investments Ltd.
- Director, Charoen Pokphand (India) Pte Ltd.
- Director, Charoen Pokphand (Taiwan) Investment Ltd.

- Director, Charoen Pokphand Foods Kenya Co., Ltd.
- Director, Chia Tai (China) Investment Co., Ltd.
- Director, Coinaton Investments Ltd.
- Director, CPF Investment Ltd.
- Director, CPF Tanzania Ltd.
- Director, C.P. Vietnam Corp.
- Director, CPVN Ltd.
- Director, C.P. Laos Co., Ltd.
- Director, Forward Pass Ltd.
- Director, New Splendid Holdings Ltd.
- Work Experience for the past 5 years
- Honorary Chairman, the Thai Broiler Processing Exporters Association
- Director, CP ALL Plc.
- Honorary Director, Chiang Mai University
 Council
- Advisor to Executives, Chiang Mai University



7 Mr. Arsa Sarasin 76 years of age Director, a member of the Audit Committee, a member of the Remuneration and Nominating Committee and a member of the Corporate Government Committee

Education

- Bachelor degree in Business Administration, Boston University, USA
- Enrollment in Directors Accreditation Program No. 5/2003, the Thai Institute of Directors Association
- Enrollment in Audit Committee Program (ACP) No.19/2007, the Thai Institute of Directors Association
- Enrollment in Finance for Non-Finance Director Program (FND) No.39/2008, the Thai Institute of Directors Association
- Family relations with other executives
- Younger brother of Pol. Gen. Pow Sarasin
- Work Experience for the past 5 years
- Chairman, Padaeng Industry Plc.
- Chairman, Siam Makro Plc.
- Chairman, Thai Asia Pacific Brewery Co., Ltd.
- Chairman, Maesod Palang-ngarn Sa-ad Co., Ltd.
- Director, Siam Cement Plc.
- Director, Thai Pure Drinks Co., Ltd.
- Vice Chairman, Thai Tapioca
 Development Institute Foundation
- His Majesty's Principal Private Secretary (2000-2012)

Professor Dr. Athasit Vejjajiva 77 years of age Director and a member of the Audit Committee

Education

- FRCP, the Physician's College of London, UK
- Honorary Doctorate in Internal Medical, Mahidol University and Rangsit University, Thailand
- Honorary Doctorate in Clinical Science, Mahidol University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

9 Emeritus Professor Supapun Ruttanaporn 68 years of age Director and a member of the Audit Committee

Education

- Master of Business Administration
 (Accounting), Michigan State University, USA
- Bachelor degree in Accounting (Honor), Chulalongkorn University, Thailand
- Enrollment in Directors Certification Program No. 15/2002, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
 - 20,000 shares, equivalent to 0.0003% (increased by 20,000 shares since 31 December 2011)
- Work Experience for the past 5 years
- Honorable Auditor, Som Dej Pra Thep Ratna Raj Suda Foundation

Honorary Doctorate, Mahidol University

- Chief Advisor of the President of the Royal Institute
- Fellow of the Royal Institute, the Academy of Science

• Treasurer, Wat Yannasangwararam Foundation

- Independent director and Chairperson of the Audit Committee, Delta Electronics (Thailand) Plc.
- Independent director and Member of the Audit Committee, Glow Energy Plc.
- Member of Etiquette Committee
 (2008-2010) and member of Investigation
 Sub-committee (2008-2010), the Federation
 of Accounting Professions



10 Dr. Chaiyawat Wibulswasdi 66 years of age Director, a member of the Audit Committee, a member of the Corporate Social Responsibility and Sustainable Development Committee and a member of the Corporate Governance Committee

Education

Ph.D. in Economics, Massachusetts Institute of Technology, USA
Bachelor Degree in Economics,

Williams College, USA

 Enrollment in Directors Certification Program No. 77/2006, the Thai Institute of Directors Association

Mr. Phongthep Chiaravanont 62 years of age Director and Executive Director

Education

- Master Degree in Avian Sciences, University of California at Davis, USA
- Enrollment in Directors Accreditation
 Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of
- 31 December 2012¹
- 700,000 shares, equivalent to 0.0090% (increased by 301,000 shares since 31 December 2011)

Family relations with other executives

- Cousin of Mr. Dhanin Chearavanont
- Brother-in-Law of Mr. Prasert Poongkumarn

12 Dr. Veeravat Kanchanadul 74 years of age Director and Vice Chairman of Corporate Governance Comn

Education

- Doctorate in Business Administration, University of Illinois, USA
- Enrollment in Chairman Program 7/2002, the Thai Institute of Directors Association
- Enrollment in Directors Certification Program No.99/2008, the Thai Institute of Directors Association
- % shareholding in the Company as of
- 13,960,070 shares, equivalent to 0.1803%
- Positions in the Company's subsidiaries • Director, CPF Investment Ltd.

Work Experience for the past 5 years

- Vice Chairman and Chairman of the Board of Executive Directors, Krung Thai Bank Plc. (2004-2010)
- Vice Chairman, Securities and Exchange Commission (2007-2008)

Work Experience for the past 5 years

- Vice Chairman, Charoen Pokphand Group Co., Ltd.
- Chairman and Chief Executive Officer, Perfect Companion Group Co., Ltd.

Work Experience for the past 5 years

- Advisor of the President, Association of Thai Listed Companies
- Senior Director, National Institute of Development Administration, Thailand
- Senior Director, Thammasat University Council
- Director, Program for Joint Doctorate in Business Administration (JDBA)
- Director, C.P. Land Plc.



13 Mr. Pong Visedpaitoon 67 years of age Director, Executive Director and Chief Operating Officer - Aquaculture Business

Education

- Honorary Doctorate in Fisheries, Maejo University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

Mr. Sunthorn Arunanondchai 70 years of age Director

Education

- Master of Business Administration, University of Arkansas, USA
- Enrollment in Directors Certification Program No.98/2008, the Thai Institute of Directors Association
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- Enrollment in Certificate of Leadership Program No.6, the Capital Market Academy

83,653 shares, equivalent to 0.0011%

(decreased by 5,020,630 shares since

31 December 2011)

% shareholding in the Company as of 31 December 2012¹

14,748,299 shares, equivalent to 0.1905%

- Position in the Company's subsidiaries
- Director, C.P. Enterprises Ltd.

- Position in the Company's subsidiaries • Director, Asia Aquaculture (M) Sdn. Bhd.
- Director, Asid Aquadantile (W) surf. E
 Director, Charoen Pokphand Foods (Malaysia) Sdn. Bhd.
- Director, Charoen Pokphand Foods Philippines Corporation
- Director, Star Feedmills (M) Sdn. Bhd.

Work Experience for the past 5 years

- Director and President, C.P. Land Plc.
- Director and Chairman, Ek-Chai Distribution System Co., Ltd.
- Director and Chairman of the Audit Committee, Bangkok Life Insurance Plc.
- Director, Bangkok Inter Teletech Plc.
- Director, True Move Co., Ltd.

15 Mrs. Arunee Watcharananan 64 years of age Director, a member of the Corporate Social Responsibility and Sustainable Development Committee and Executive Director

Education

- Bachelor degree in Economics, Thammasat University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- ramily relations with other executives
- Younger sister of Mr. Adirek Sripratak % shareholding in the Company as of
- 8,103,250 shares, equivalent to 0.1047% (increased by 34,995 shares since 31 December 2011)
- Position in the Company's subsidiaries
- Director. CPF (Thailand) Plc.
- Director, C.P. Merchandising Co., Ltd.
- Director, CPF Investment Ltd.
- Executive Director, C.P. Pokphand Co., Ltd.

Work Experience for the past 5 years

• Deputy Group CFO, Charoen Pokphand Group Co., Ltd.



Mr. Voravit Janthanakul 66 years of age Executive Director and Executive Vice President - General Administrative Unit

- Master of Business Administration, Thammasat University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

- 74,419 shares, equivalent to 0.0010% (increased by 23,901 shares since 31 December 2011)
- Director, CPF (Thailand) Plc.
- Director, CPF Trading Co., Ltd.
- Director, Chester Food Co., Ltd.
- Director CPF Training Center Co., Ltd.
- Director, CPF IT Center Co., Ltd.

17 Mr. Teerasak Urunanon 63 years of age Executive Director, Chief Operating Officer - Domestic Trading, Executive Vice President - Livestock Food Processing Unit, and Acting Executive Vice President - Domestic Trading Unit

- Honorary Master of Business Administration (MBA), Rajanagarindra Rajabhat University, Thailand
- Professional Diploma, Thonburi Commercial College, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association

- 147,810 shares, equivalent to 0.0019%
- (increased by 33,405 shares since 31 December 2011)

- Director, CPF (Thailand) Plc.
- Director, CPF Trading Co., Ltd.
- Director, Chester Food Co., Ltd.
- 18 Mr. Vitit Pootanasap 59 years of age Executive Director and Executive Vice President - Aquatic Feed Unit

- Bachelor degree in Business Administration, Ramkamhaeng University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- 129,119 shares, equivalent to 0.0017% (increased by 58,873 shares since 31 December 2011)

- Vice President, the Thai Broiler Processing **Exporters Associations**
- Advisory Board Member, Sukhothai Thammathirat Open University, Thailand



19 Mr. Paisan Chirakitcharern 53 years of age Executive Director and Chief Financial Officer

Education

- Master of Business Administration, National Institute of Development Administration, Thailand
- Enrollment in Directors Certification Program No. 98/2008, the Thai Institute of Directors Association
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of
- 1 December 2012¹ 138,265 shares, equivalent to 0.0018% (increased by 46,959 shares since 31 December 2011)

Positions in the Company's subsidiaries

- Director, CPF (Thailand) Plc.
- Director, C.P. Merchandising Co., Ltd.
- Director, CPF Trading Co., Ltd.
- Director, CPF IT Center Co., Ltd.

- Director, Bright Excel Investments Ltd.
- Director, Charoen Pokphand (Taiwan) Investment Ltd.
- Director, Coinaton Investments Ltd.
- Director, CP Foods (UK) Ltd. and subsidiaries
- Director, CP Foods West, Inc.
- Director, CPF Denmark A/S
- Director, CPF Europe S.A.
- Director, CPVN Ltd.
- Director, Forward Pass Ltd.
- Director, New Splendid Holdings Ltd.

Miss Patchara Chartbunchachai 54 years of age Executive Director and Company Secretary

Education

20

- Bachelor Degree in Accounting, Thammasat University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of
- 31 December 2012¹
- 461,000 shares, equivalent to 0.0060%

Positions in the Company's subsidiaries

- Director, Bangkok Produce Merchandising Plc.
- Director, CPF (Thailand) Plc.
- Director, C.P. Merchandising Co., Ltd.
- Director, CPF Trading Co., Ltd.
- Director, Chester Food Co., Ltd.
- Director, CPF IT Center Co., Ltd.

21 Mr. Virachai Ratanabanchuen 63 years of age Chief Operating Officer - Livestock Business and Acting Executive Vice President - Livestock Feed Unit

Education

- Bachelor degree in Business Administration, Thammasat University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
- 139,886 shares, equivalent to 0.0018% (decreased by 1,409,859 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Director, CPF (Thailand) Plc.
- Director, CPF Trading Co., Ltd.
- Director, C.P. Laos Co., Ltd.



22 Mr. Anek Boonnoon 59 years of age Executive Vice President - Livestock Farming Unit

Education

- Bachelor degree in Agriculture (Veterinary Sciences), Kasetsart University, Thailand
- % shareholding in the Company as of
- 31 December 2012¹ 149,916 shares, equivalent to 0.0019% (increased by 48,610 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Director, CPF Trading Co., Ltd.
- Director, Charoen Pokphand Foods Kenya Co., Ltd.
- Director, CPF Tanzania Ltd.

23 Mr. Prajit Udnoon 62 years of age

 $\stackrel{\frown}{\longrightarrow}$ Executive Vice President - Poultry Breeding and Farming Research and Development Un

Education

- Bachelor of Science in Animal Husbandry, Chiang Mai University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of
- December 2012'
 305,000 shares, equivalent to 0.0039%
 (decreased by 80,903 shares since
 31 December 2011)

24 Mr. Somkuan Choowatanapakorn 64 years of age

 $\overset{\frown}{}$ Executive Vice President - Swine Breeding and Farming Research and Development Unit

Education

- Master of Animal Breeding, Kasetsart University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of
- 1 December 2012' 12,716 shares, equivalent to 0.0016% (decreased by 6,898,125 shares since
- 31 December 2011)

- Positions in the Company's subsidiaries
- Director, AA Meat Shop Sdn. Bhd.
- Director, Chau Yang Farm Sdn. Bhd.
- Director, Makin Jernih Sdn. Bhd.
- Director, Tip Top Meat Sdn. Bhd.



25 DVM Sujint Thammasart 59 years of age Executive Vice President - Aquatic Farming Unit and Aquatic Breeding and Farming Research and Development Unit

Education

- Honorary Doctor of Philosophy (Aquaculture Technology), Rajamangala University of Technology Srivijaya, Thailand
- Honorary Doctorate in Fisheries, Maejo University, Thailand
- Bachelor degree in Veterinary Medicine, Kasetsart University, Thailand
- Bachelor degree in Science, Kasetsart University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
- 124,420 shares, equivalent to 0.0016% (decreased by 37,637 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Director, CPF (Thailand) Plc.

26 Mr.Songphol Srirongmuang 60 years of age Executive Vice President - Aquatic Food Processing Unit

Education

• Bachelor of Accountancy, University of the Thai Chamber of Commerce

% shareholding in the Company as of 31 December 2012¹

152,927 shares, equivalent to 0.0020% (increased by 95,168 shares since 31 December 2011)

27 Mr. Sukhawat Dansermsuk 62 years of age Executive Vice President - Ready Meal Unit

Education

- Bachelor degree in Economics, Thammasat University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
- 199,318 shares, equivalent to 0.0026% (increased by 146,328 shares since
- 31 December 2011)

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28 Dr. Sommai Tachasirinugune 57 years of age Executive Vice President - Ready Meal Research and Development Unit

Education

- Doctorate in Poultry Nutrition, Oregon State University, USA
- % shareholding in the Company as of 31 December 2012¹
- 240,050 shares, equivalent to 0.0031% (decreased by 1,732,725 shares since 31 December 2011)

29 Mr.Vittavat Tantivess 51 years of age Executive Vice President - Marketing Unit

Education

- Master of Business Administration, Eastern Michigan University, USA
- Bachelor of Arts in Economics, Chulalongkorn University, Thailand
- % shareholding in the Company as of
- 31,155 shares, equivalent to 0.0004%
- (increased by 21,155 shares since 31 December 2011)

30 Mr. Pisit Ohmpornnuwat 58 years of age Chief Operating Officer - Overseas Trading

Education

- Professional Diploma, Assumption Commercial College, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
- 85,493 shares, equivalent to 0.0011% (decreased by 145,224 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Director, CPF (Thailand) Plc.
- Director, C.P. Merchandising Co., Ltd.

- Positions in the Company's subsidiaries
- Director, CPF Trading Co., Ltd.

- Director, C.P. Food Products, Inc.
- Director, CP Foods (UK) Ltd. and subsidiaries
- Director, CP Foods West, Inc.
- Director, CPF Denmark A/S
- Director, CPF Europe S.A.
- Director, CPF Food Trading Co., Ltd.
- Director, CPF Tokyo Co., Ltd.



31 Mr. Viboon Supakarapongkul 54 years of age Executive Vice President - Aquatic Product Trading Strategy Unit

Education

- Master of Science, Emporia State University, USA
- Bachelor degree in Science, Kasetsart University, Thailand
- % shareholding in the Company as of 31 December 2012¹
 - 55,000 shares, equivalent to 0.0007% (increased by 25,000 shares since 31 December 2011)

32 Mr. Praderm Chotsuparach 63 years of age Executive Vice President - Information Technology and Application Unit

Education

- Master of Business Administration, Chulalongkorn University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
 - 117,802 shares, equivalent to 0.0015% (increased by 33,860 shares since 31 December 2011)
- Positions in the Company's subsidiaries • Director, CPF IT Center Co., Ltd.

33 Mr. Tinakorn Ruenthip 62 years of age Executive Vice President - Human Resource Uni

Education

- Bachelor of Public Administration, Chulalongkorn University, Thailand
- Enrollment in Directors Accreditation Program on 4 May 2005, the Thai Institute of Directors Association
- % shareholding in the Company as of 31 December 2012¹
- 81,163 shares, equivalent to 0.0010% (increased by 33,842 shares since 31 December 2011)
- Positions in the Company's subsidiaries
- Director, CPF Training Center Co., Ltd.

Includes total securities held by the person under section 258 of the Securities and Exchange Commission

Human Resource Management

Human Resource Policy

The Company offers levels of compensation, benefits and welfare in accordance with an employee's position, responsibility and their performance. An annual salary adjustment of employees at all levels is determined according to the success of the organization, its performance and economic situation, together with a comparative analysis with businesses in the same industry. This is to ensure that employees receive levels of compensation, benefits and welfare which are both appropriate and competitive in the market.

In order to emphasize the significance of human rights, the Company clearly states in its human resource policy and employees' ethic that it upholds the principle of equal treatment for employees, and abides by the laws on employment, working conditions, and the fair use of its labour force without discrimination or infringement of the individual's rights and freedoms, either directly or indirectly. The Company maintains confidentiality of employees' personal information, and undertakes necessary processes to create a safe and hygienic working environment for all personnel.

Development of Professionalism

In order to enhance the competence levels of all employees, the Company is aware of the need for skill and learning development. The Company also established the CPF Training Centre to provide for personnel development at every level and in every field of professional advancement. Every two years, it also publishes a handbook which includes details of all personnel development courses relating to leadership and managerial training, functional training and development, as well as computer training and language development, all of which are delivered using a variety of different learning channels. Additionally, the Company focuses on talent management, to provide talented employees with the leadership skills and aptitudes that will be needed in the future, as well as mapping out succession plans and initiating training courses for to-be-retired employees.

Building Expertise through Work Experience

The Company is aware that, in addition to learning through training and seminars, passing experience from experts to the younger generations in an amicable manner is another significant principle in effectively developing key personnel to become its future experts. This is done in conjunction with modern learning technology and knowledge management, through which contemporary knowledge and experience has been accumulated and exchanged over time. It includes the establishment of learning centre in various business fields, with the CPF Training Centre serving as the hub of development and planning, as well as the expansion of the organization's growth and development through the increasing competence of its personnel. The development of all work plans is undertaken in accordance with and aligned to the overall business strategy.

Promoting Good Relationships and Creating Volunteer Spirit

The Company is aware of the significance of good personnel relationships as well as the value of the individual and others, in relation to happiness in the workplace. Therefore, the Company encourages employees to join in groups to initiate projects that promote happiness in the organization and in communities around the workplace, such as the Happy Workplace Project that is the initiative in the livestock food business unit. Furthermore, volunteer spirit is promoted through the 'Project on Volunteer Spirit in Gratitude for the Native Land', in cooperation with the Rural Lives Development Foundation. In this project, employees were encouraged to conduct a survey on the opinions, needs and readiness of communities to jointly organize development activities in their hometowns, as well as to encourage them to participate in activities which the Company has continuously organized with various social development networks.

CPF's Values

The CPF Way is all about the values of the organization which the Company and all employees adhere to and believe in as being fundamental to their work. The six values are:

- 1. Three Benefits to Sustainability for the Country, the People and the Company
- 2. Speed and Quality
- 3. Simplification
- 4. Adapt to Change
- 5. Innovativeness
- 6. Integrity, Honesty and Reciprocity

CPF's Ethics

The Company has introduced fundamental work principles for all employees in order to create standards of work that are based on loyalty, honesty and justice, upon which the Company's ultimate success will be founded. All employees are required to acknowledge and sign an employee ethics handbook which covers the following important subjects:

- 1. Vision and Mission
- 2. CPF's Values
- 3. Abiding by the Law and Regulations
- 4. Commitment to Stakeholders including conflict of interest and anti-corruption
- 5. International Business Operations

The commitment to abide by the law and Company's ethics includes a requirement to report any breach of the law or the Company's ethics, and in so doing, the Company requires all employees to abide by the law, related relevant regulations and ethics.

Vision on Human Resource Management

'People Excel, Business Exceeds' represents the vision for the Company's human resource management; one that places considerable emphasis upon human resource management at every stage. This means starting by attracting talented and good people to work for the organization, and also includes people development, motivating employees to work efficiently and employee retention. This is aimed at developing employees at all levels so that they can become increasingly knowledgeable, capable and well experienced. These are the key elements in, and the driving force for global business competitiveness, as well as sustainable success and growth.

Succession Plan

The Company also places great value on succession planning, especially at the top management level in every country. This is to ensure the continuity of Company's business in the event of vacancies arising in key positions and business expansion over time. The Company is deeply committed to developing all employees, so that they are able to excel professionally and further develop their leadership skills. Every business unit is required to make a list of personnel suitable to be considered for succession planning for the Company's high-level management, covering at least two levels. This list of suitable personnel can be changed or adjusted in line with changing circumstances over time, so that the process is dynamic in nature.

Diversity and Inclusion

Owing to the Company's extensive local and international business operations, especially regarding the emergence of the ASEAN Economic Community in 2015, the Company has to be inevitably involved and interested in cross-cultural management. Managing male and female employees of different age, levels of proficiency, interest, opinion and value is absolutely crucial to the Company's human resource management process. The Company has, therefore, established a policy on effectively recognizing, accommodating and managing human resource diversity. For example, the Company has initiated various projects, such as the project that promotes the inter-country exchange of employees for job learning, as well as initiatives like the training project in Thailand for international employees, and the project regarding local job recruitment.

Personnel

As at 31 December 2012, CPF had a total of 19,027 employees and workers who received remuneration in 2012 totaling THB 7,341 million, covering salary, wages and other benefits. This can be grouped according to the different business units, as follows:

Business	Persons	
1. Operations Unit	18,370	
2. Head Office and Central Unit	657	
TOTAL	19,027	

As at 31 December 2012, CPF and its subsidiaries had a total of 97,942 employees and workers.

Corporate Governance

1. Rights of Shareholders

The Board of Directors fully recognize and unanimously agree that good corporate governance will increase the Company's competitive capability and management efficiency, thereby adding value to the Company and its shareholders in the long-run. Sound corporate governance will ensure that the management of the Company is carried out with honesty and in accordance with the Company's objectives, as well as the shareholders' resolution. In so doing, it will focus on the best interests of both the Company and its shareholders. On 17 December 2008, the first Amendment of the Corporate Governance Policy was approved. The principle of this Corporate Governance Policy reflects those corporate values which strictly comply with the key characteristics of good corporate governance. It also provides guidelines for both management and employees to ensure their compliance with good corporate governance practices, and maintain the fundamental legal rights of shareholders.

In addition to the fundamental right of shareholders under the law, the Company provides relevant and pertinent information to the shareholders in a timely manner, so as to support their effective decision-making. Apart from the disclosure of information under the Regulations of the Stock Exchange of Thailand, the Company disseminates relevant information through its website.

When convening the Annual General Shareholders' Meeting, the Company also gives equitable treatment to all shareholders and facilitates the attendance of shareholders, including those who arrive late for the meeting. Moreover, all the shareholders attending the meeting will be given every reasonable opportunity to make comments and/or raise questions. It is Company Policy to have directors and senior executives attend shareholders meetings in order to reply to questions that are raised. The 2012 Annual General Shareholders' Meeting was conducted in pursuance of the agenda items outlined, and this was delivered to shareholders along with notice of the meeting. No additional items or other changes were made to the agenda.

The Company posted the information regarding the Annual General Shareholders' Meeting on its website one month prior to the meeting date and such information was the same as that delivered, along with the meeting notice, to the shareholders 14 days prior to the meeting date. The meeting notice contained the following information:

- The meeting agenda along with the rationale and opinion of the directors for the proposed agenda;
- The date, time and venue for the meeting;
- The procedures and documents required for registration at the meeting.

Regarding the agenda proposed for shareholders' consideration, the Company provided sufficient information on each subject to accommodate the shareholders' requirements when making their voting decisions. The Company also informed shareholders, when delivering the meeting notice, of the channels through which questions related to the meeting agenda could be raised. These are then forwarded to the Board of Directors for their consideration and subsequent clarification at the meeting.

The Annual General Shareholders' Meeting in 2012 was held at the conference room, 3rd Floor, Convention Hall, Panyapiwat Institute of Management, 85/1 Moo 2, Chaengwattana Road, Bang Talad, Pakkred, Nonthaburi. To encourage the attendance of the shareholders, the Company provided refreshments for shareholders in the registration area prior to the meeting starting. In order to minimize the time taken for registration of attendance, the Company used a bar-code system for registration and arranged adequate personnel to check the documentation of each attending shareholder.

Before the 2012 Annual General Shareholders' Meeting began, the Company announced the rules for appropriate conducts during the meeting, including the correct voting procedures. At that meeting, 19 directors and top executives were in attendance, including the Chief Executive Officer, Chairman of the Audit Committee, Chairman of the Remuneration and Nominating Committee, as well as the Chief Operating Officer and Chief Financial Officer.

As the Chairman of the Board of Directors and the Vice Chairman were unable to attend the meeting, the meeting elected one of shareholders to preside over the meeting, in accordance with the Articles of Association of the Company. Therefore, Mr. Adirek Sripratak was elected by the meeting to act as Chairman of the meeting. Shareholders were given the opportunity to voice opinions and ask questions on all issues listed on the meeting agenda, and to elect directors individually, as well as to replace those directors retiring on rotation. With regard to the voting procedures, ballots were held in cases where shareholders wished to either vote against or abstain from voting. During the meeting, the Chairman provided information and the rationale for supporting the decision making on the proposed agenda, and subsequently informed the meeting of votes cast for the resolution of each agenda. The Company appointed a legal advisor to monitor the meeting and ensure that it was conducted in accordance with the Law and the Articles of Association of the Company, and to witness the counting of votes.

The minutes of the meeting were duly recorded and reported, and consisted of two main sections.

Section one included the following general information:

- The names of the directors and executives attending the meeting;
- The total number and voting rights of attending shareholders at the commencement of the meeting; and
- The procedure for voting and conducting ballots.

Section two incorporated the following information:

- Information provided on the agenda presented for the shareholders' prior consideration, as circulated with notice of the meeting. This included a summary of each agenda and the questions raised by shareholders, as well as the explanations given by the management on each agenda (if any).
- The voting results were duly recorded, indicating the total number of votes `for' and against the motion, as well as the number of abstentions.

The minutes of the meeting were submitted to the Stock Exchange of Thailand within 14 days of the meeting date, and published for shareholders on the Company website.

2. Equitable Treatment of Shareholders

With regard to the sale and purchase of Company shares, the Company instituted rules and regulations to ensure transparency whilst protecting the internal information from potential abuse or misuse of any undisclosed information by directors, executives or employees of the Company. Under the Rules, Requirements and Procedures on the sale and purchases of company shares, the company's directors, executives and all employees of the Company Secretary's and Investor Relations Offices shall prepare and submit a report regarding any sales and purchases of shares held, as well as individual shareholding, to the Company Secretary's Office. This report will subsequently be presented to the Securities and Exchange Commission, as necessary, within the period of time prescribed by Law. In this regard, the Company Secretariat is required to report any changes in the shareholding of directors and executives to the Board of Directors on a quarterly basis. Additionally, such persons will be prohibited from sale and purchase of Company shares during the period from the day next to the ending day of each quarter until the business day next to the day of the financial statement disclosure to the Stock Exchange, and during the period of 7 days before the day in which the Board of Directors has significant resolution required disclosure to the public until the business day after the Company has made such disclosure. The Company also continuously provided information on the rules and regulations relating to the Company's internal information to the directors, executives and employees at each level, so as to make them aware of their duties and responsibilities under said rules and regulations.

The Board of Directors closely guards its business operations to avoid conflicts of interest by setting up committees and sub-committees in accordance with good corporate governance, and encouraging employees at each level to honestly perform their duties in line with the ethics of the Company. In a case where any director has a conflict of interest in respect of any agenda for the Board of Directors' meeting, such directors shall not be allowed to participate in considering or deciding upon such an agenda item. Regarding the supervision of entering into transactions involving a possible conflict of interest, the Board of Directors approved that the following can be freely entered into by the management of the company:

- Transactions which, under general business conditions, can be classified as `normal business transactions', and
- Transactions which support such normal business transactions.

Any other transactions shall be made in accordance with the rules and regulations laid down by the Capital Market Supervisory Board.

Sufficient information is obtained in order to assure compliance with these rules regarding transactions involving a potential conflict of interest, the Board of Directors approved that the procedure for reporting cases of a possible conflict of interest, involving directors or executives, should accord with the 'Notification of the Capital Market Supervisory Board No. Tor Chor 2/2552, Re: Report of Interest of Directors, Executives and Related Persons'.

Furthermore, in order to provide equitable treatment for each shareholder, the Company takes the following actions during a shareholders' meeting:

- Offer opportunities for the shareholders to propose matters to be included in the meeting agenda and to nominate qualified individuals when electing directors, as well as to submit relevant questions on the agenda prior to the meeting date. With regard to this matter, the Board of Directors has regulated that the requirements for submission, including the channel and timing, shall be posted on the Company website. For the 2012 Annual General Shareholders' Meeting, shareholders had the opportunity to propose items for the AGM agenda from 26 September 2012, more than three months before the end of the 2012 fiscal year;
- Provide a proxy form with which shareholders can make comments regarding their votes as prescribed by the Ministry of Commerce where shareholder can download a proxy form on the Company's website. Additionally, the shareholders can appoint member of the Audit Committee as their proxy, in cases where the shareholders themselves cannot attend the meeting. The proxy form and relevant documents are to be submitted through the Company Secretary's Office;

• Prevent the addition of agenda items, without prior notice, being made by shareholders who are executives of the Company.

3. Roles of Stakeholders

It is Company policy to serve all stakeholders, including shareholders, suppliers and service providers as well as customers, on the basis of honesty, fairness and transparency. The Company's management and staff will not seek any personal gain which is in conflict with the Company's or stakeholders' interests, nor divulge confidential information about its business relations with stakeholders.

Moreover, the Company has taken the following measures to better serve its stakeholders:

- Providing indemnification to stakeholders who sustain damage from any action by the Company that is in violation of the Law relating to stakeholders;
- Providing channels for indications of, or complaints regarding any violation of the Law or company ethics, which are to be made through independent directors or members of the Audit Committee;
- Ensuring appropriate action is taken after any indication has been received, by conducting internal investigation and reporting the outcomes of such investigation to the Board of Directors.

In order to ensure that fair treatment is provided for each group of stakeholders in accordance with their rights and agreements made with the Company, the Board of Directors has prescribed a Code of Conduct for dealing with each group of stakeholders, as follows:

Shareholders:

- Organizing an efficient nomination process in order to recruit qualified individuals to be appointed as Company directors and authorizing the Remuneration and Nominating Committee to be responsible for this process; and
- Disclosing the Company's financial information and other matters in an adequate, transparent and reliable manner, and to set up an Investor Relations Office to act as the channel of communication between shareholders and the Company, as well as a source of data for Company business.

Employees:

- Establishing a human resource management policy founded on sound supervision and management, fair and considerate treatment, as well as the creation of opportunities for employees at every level, along with appropriate rewards. In addition, the CEO's Website has been created as a channel of communication for the CEO to disseminate the Company's policies, vision and objectives to employees, as well as to receive comments, suggestions or grievances of employees and ensuring that these are brought directly to the attention of the CEO for timely consideration or investigation. The names of employees who submit such information will be kept confidential;
- Establishing a health and safety program, and providing medical welfare and insurance against accidents for employees;
- Respecting the employees' right of privacy and keeping employees' personal data confidential;
- Providing training to improve employees' skills and performance;
- Providing a reasonable remuneration and welfare system that is compatible with other domestic entrepreneurs in the same industry;
- Establishing the Employee Joint Investment Program (EJIP) to promote a high level of employee motivation, to strengthen employee collaboration and to retain employees within the Company;
- Regulating the Code of Ethics for employees, which excludes receiving bribes or other incentives in violation of the Law or the Company's rules and regulations, or waiving any usual business procedures and requirements, as well the prohibiting the use of Company property for personal interest or in any other inappropriate way;
- Regulating the Code of Conduct for executives and employees to embody the Company's values, ethics and accountabilities towards stakeholders. This ensures standardization in the performance of executives and employees, based on integrity. The Code of Conduct and the Code of Ethics is to be published for compliance on the part of executives and employees; compliance that will also be regularly monitored;
- Regulating on the use of computers and networks by prohibiting employees from using computers and networks which violate the intellectual property of others.

Customers:

- Setting up a system to monitor and control the process of production or product supply in order to offer quality merchandise to customers, and regularly upgrade the technology of production and quality control;
- Setting up a system to control a strict, honest and regular compliance in relation to agreements made with customers;
- Setting up a system to control the maintenance of customer's confidential information, as if it were the Company's own information;
- Setting up a `call-center' designed to receive comments and complaints regarding the Company's merchandise. Then, the complaints will be verified and resolved by the respective department as soon as possible.

Suppliers:

- Setting up rules of fair and equitable treatment for all suppliers in the Company's business operations;
- Setting up regulations for procurement by selecting suppliers, parties or consultants on the basis of obtaining maximum benefit for the Company, whilst ensuring a fair, unbiased and transparent selection.
 Employees are prohibited from receiving any benefit from the process of selecting suppliers;
- Setting up a system to monitor and prevent the disclosure or potential abuse of the confidential information relating to suppliers.

Trade Competitors:

- Operating the business according to the Company's rules and ethics;
- Setting up a system to monitor and prevent the unlawful acquisition or potential abuse of confidential information relating to trade competitors.

Creditors:

 Setting up a system that ensures strict compliance with the Company's obligations towards its creditors, in order to safeguard the Company's reputation

Community and Society:

 Having the clear intention as an organization to be accountable to local, national and international society, and creating activities which benefit the development of those communities and societies;

- Demonstrating a clear intention to take all necessary steps and put importance to ensure the protection of the environment, and reduction of pollution;
- Giving priority to political activities and political participation, whilst recognizing the political rights and freedoms of employees acting in their private capacity, but refrain from giving any partisan political support in the Company's name;
- Setting up a Safety, Health and Environment (SHE)
 Committee to oversee and take responsibility for all relevant activities in these crucial areas.

4. Information Disclosure and Transparency

In order to ensure that the Company's important information shall be disclosed completely, transparently and in a timely manner, the Board of Directors is required to undertake the following measures:

- Disseminating a report on the policies for good corporate governance and environmental and social protection, as well as the outcomes of compliance with such policies, through various channels such as the Company's Annual Report and website;
- Preparing an accurate and complete report on the Company's financial and general information for shareholders and general investors. Included within this report will be the report on the Board of Directors' accountability, as well as the financial and auditor's reports;
- Disclosing the roles and duties of the Board of Directors and those of all sub-committees, as well as the number of Board meetings, details on the attendance record of each director during the preceding year, and their opinions on their own performance;
- Disclosing the policy for the remuneration of directors and executives in line with individual duties and responsibilities. Such disclosure shall include the remuneration obtained by those directors who act as directors of Company's subsidiaries;
- Disclosing the Company's material information, both financial and non-financial, accurately, completely, transparently and in a timely manner in accordance with the requirements notified by the relevant authorities;

 Setting up an Investor Relations Office to disseminate the Company's financial information as well as general information to shareholders, financial analysts, investors and other Company's stakeholders, and to act as a channel of communication for shareholders and investors.

This Office was established in 1999 and it functions under the direct supervision of the Chief Executive Officer. One of the activities of this unit is to organize annual meetings with financial analysts and domestic and foreign investors. In past years, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer as well as other senior executives, participated in these meetings;

 Disclosing the Company's information through the Company's website which is available in both Thai and English versions, in addition to disclosure through the Office of the SEC, or the Stock Exchange of Thailand. The Company's website is also linked to the website of the Stock Exchange of Thailand.

5. Responsibilities of the Board of Directors

In order to ensure that the structure of the Board of Directors is compatible with the Company's business operations and to enhance the efficiency of the Board's duties and responsibilities, the Board has established the following requirements:

Structure of the Board of Directors

• Composition of the Board of Directors

The Board of Directors consist of 15 directors which comprising 5 independent directors, 5 non-executive directors and 5 executive directors., and the Chairman of the Board of Directors shall not hold the office of president or chairman, nor serve as a member of any sub-committees. The Board of Directors must consist of independent directors at least one-third of all members, with no less than three such members, according to the 'Notification of the Capital Market Supervisory Board No. Tor Chor. 4/2552 since the Annual General Meeting of Shareholders in 2010.

Qualifications

Every director should have experience in his/her respective field, which will be beneficial to the operation of the Company. Moreover, each director should also have a good understanding of business obstacles and have the ability to solve problems and create competitive advantage, as well as provide insight into the handling of important risks.

In addition, all directors' qualifications must meet the following criteria:

- The Law governing public limited companies, securities and exchange, as well as the notifications established by the authorities that supervise companies;
- In addition, all independent directors are to be qualified according to the notifications stated by the Capital Market Supervisory Board.

Upon joining the Board of Directors, each director is provided with important information regarding the Company, including its Articles of Association which incorporates their roles and responsibilities. The Company also provides advice for all directors regarding the laws, regulations and conditions of being a director of a listed company, as well as the orientation of the Company's business.

In cases where a director holds the office of director or executive in another company, which is not a Company subsidiary or associate, then such directors are required to submit details of this to the Company.

• Term of Directorship

At each Annual General Shareholders' Meeting, one-third of all directors who have held the longest term in office shall retire. If, as a result, the Board cannot be divided into three groups, the nearest number to one-third of all directors shall retire from office. A retiring director can be re-elected to the Board with the approval of the Shareholders' Meeting. The term of each director is three years. In the case that the office of director is vacated for any reason other than retirement on rotation, the Board of Directors must, according to the Laws, elect a qualified person to fill that office, unless the remaining term of such directorship has less than two months to run. Such newly elected directors shall hold office only for the remaining term of the replaced director in question. However, the appointment of such directors must be supported by the votes cast by at least three-quarters of the number of remaining directors.

• Supervision

The Board of Directors has the duty to govern the management of the Company to operate the business in accordance with the Company's objectives, strategy and the operational plan approved by the Board of Directors, in the best interests of the Company and all stakeholders. The Board of Directors will assign the authority, duties and responsibilities of managerial tasks to the Chief Executive Officer, and these are to be clearly separated from the authority and duties of the Chairman of the Board of Directors.

The Board of Directors may appoint various sub-committees to supervise specific areas of operation, and employ experts or advisors from outside the organization to provide opinion or advice in respect of the Company's business operations, as necessary and at the Company's expense.

In the case that the President or any senior executive holds the office of director in any company other than that as assigned by the Company, such officer is required to report this fact to the Company.

Duties and Responsibilities of the Board of Directors

(Details of these are shown in Duties and Responsibilities of the Board of Directors under the headline 'Management' section on page 65-66)

Board of Directors' Meetings

- The Board of Directors Meeting is scheduled to be held at least once a month, and the meeting dates shall be scheduled in advance annually. However, if it is deemed necessary, the meeting dates can be rescheduled.
- Each director will be notified of the meeting schedule and has the duty to attend every meeting. In the case of inability to attend any meeting, such director(s) are required to provide adequate notice and the reason for their absence to the Company Secretary before the meeting in question. The Company Secretary will subsequently deliver the minutes of said meeting to the absent director(s).
- The President, together with the Chief Finance Officer and the Company Secretary, will review issues to be included on the agenda of the Board of Directors Meeting before giving the agenda to the Chairman of the Board of Directors for approval. Each director is entitled to propose any issue for inclusion on the Meeting agenda.
- The Company Secretary will prepare and deliver the relevant information required for the Board of Directors Meeting, along with the meeting notice, to each director no less than seven days before the meeting date, for their review and consideration.
- At any Board of Directors' meeting, the executive(s) who is (are) directly responsible for the issues to be raised during the meeting will be invited to attend and present a report in respect of those issues. Every director is given an opportunity to discuss, share opinions and make an independent decision on the subject matter. Additional information may be requested from the Company Secretary or advice may be requested from independent consultants, as appropriate and necessary.

- In cases where a director has a conflict of interest regarding an agenda item raised for consideration, that director is required to immediately inform the Board of Directors of this fact, and will not be allowed to participate in any decision making based on the agenda item in question.
- The non-executive directors may hold meetings to discuss matters relating to the Company's overall management, in the absence of management personnel. The minutes of such meetings shall be submitted to the Board of Directors' meeting for information and acknowledgement.

Evaluation of the Board of Directors' Performance

- The Remuneration and Nominating Committee will evaluate the Board of Directors' performance annually and report the results to the Board of Directors.
- The Board of Directors will conduct a self-assessment at least once a year for which the Chairman of the Board of Directors will be responsible.

Directors' Remuneration

- The policy for the remuneration of directors is determined by the Board of Directors, based on the performance standards of the same industry, as well as the experience, duties, roles and responsibilities and potential benefits gained from each director. The directors who are assigned additional tasks shall be entitled to an increased level of remuneration, as deemed appropriate.
- The Remuneration and Nominating Committee will consider and propose annually the determination of director's remuneration to the Board of Directors for further approval at the Shareholders' Meeting.

Internal Control System

At the Board of Directors' meeting No.2/2013 held on 22 February 2013, the Audit Committee, comprising four independent directors, was present to review the Company's internal control system. Following a questioning of the information and data gathered and reported by Head of Internal Audit Department, it can be concluded that the existing internal control system is appropriate and sufficient to help reduce the Company's business risk effectively and adequately, so as to protect Company assets from being misused or used by any unauthorized person. In addition, the internal auditors undertook a review of the various operations of the Company, so as to ensure compliance with the Company's internal control system. Any major non-compliance found was to be reported to the Executive Board and the Audit Committee for review and resolve. However, in 2012 the Internal Audit Office found no major non-compliance that would affect the operation of the Company. Furthermore, the external auditor did not report any material non-compliance activities.

Report of the Audit Committee

The Audit Committee was appointed by the Board of Directors of CPF, and consists of five independent directors: namely Pol. Gen. Pow Sarasin as the Chairman, as well as Mr. Arsa Sarasin, Professor Dr. Athasit Vejjajiva, Emeritus Professor Supapun Ruttanaporn, and Dr. Chaiyawat Wibulswasdi as members of the Audit Committee.

During 2012, the committee held eleven meetings, and Pol. Gen. Pow Sarasin, and Professor Dr. Athasit Vejjajiva attended all eleven meetings, whereas Mr. Arsa Sarasin and Dr. Chaiyawat Wibulswasdi attended ten meetings, and Emeritus Professor Supapun Ruttanaporn attended nine meetings.

A summary of significant audit committee activities during 2012, according to the duties and responsibilities assigned by the Board of Directors, are as follows:

1. Reviewed the Company's financial statements and financial reports for 2011, and the first three quarters of 2012, which included an assessment of the compliance with the accounting principles used, the accounting policies adopted, as well as independent information disclosure in the financial statements proposed for the Board's consideration

- Reviewed the sufficiency and efficiency of the Company's internal control system, enabling the Company to operate efficiently and effectively while creating sustainable returns for stakeholders
- 3. Reviewed the independence of the Internal Audit Office and its performance during the year, including a review and approval of the annual internal audit plan
- Reviewed the Company's compliance with the Securities and Exchange laws, regulations of the Stock Exchange of Thailand, and the laws relating to the Company's business
- 5. Reviewed the Company's connected transactions during 2012, to ensure that they were reasonable and properly disclosed, and in accordance with the guidelines of the Capital Market Supervisory Board
- Reviewed the Company's policies and guidelines to ensure their alignment with its corporate governance policy, according to the guidelines of the Stock Exchange of Thailand
- Assessed the external auditor's independence, performance and opinions, and nominated the external auditor along with fees charged, for the Board to propose at the shareholder's meeting

- 8. Organized four meetings with the external auditor, in the absence of the management, so that the external auditor was able to independently report situations and information about the Company, as well as fully express their opinions
- 9. Reviewed the Audit Committee's charter in accordance with relevant guidelines and laws, as well as performed a self-assessment. The assessment indicates that the Audit Committee members had performed their duties in line with the best practice guidelines stipulated by the Securities and Exchange Commission

According to that review, the Audit Committee is of the opinion that the Company has established and maintained a suitable and effective internal control system. This provides a reasonable assurance that financial statements are reliable and correctly prepared in relation to significant matters under generally accepted accounting principles. Moreover, entering into the normal course of business, or supporting normal course of business transactions that may involve a conflict of interests was reasonable and was conducted on an arm's length basis, as well as being in full compliance with the principles approved by the Board. Other connected transactions which do not fall within the normal course of business, or supporting the normal course of business, were conducted in compliance with the rules and regulations of the Capital Market Supervisory Board. These transactions are adequately disclosed in the notes to the interim and annual financial statements. There was no evidence of significant non-compliance in matters relating to the law.

Furthermore, the Audit Committee considers that the dedicated performance of senior management, as well as all other employees, will enable the Company to achieve satisfactory growth which, in turn, will yield reasonable and sustainable returns to stakeholders.

On behalf of the Audit Committee

(31m 10/17/0.

(Professor Dr. Athasit Vejjajiva) On behalf of the Chairman of the Audit Committee 22 February 2013

Related Transactions

Measures to Govern Related Transactions

In relation to related transactions that occur during the normal course of business, the Company applies the same approval procedure for the related parties, and seeks to assure that the transaction is such that it best serves the Company interest. In the case of other related transactions, the Audit Committee is required to review whether they have been conducted on an `arm's length' basis. In this regard, the Audit Committee may seek an opinion from an independent appraiser, prior to making its recommendation to the Board for further consideration and approval. The Board of Directors passed a resolution regarding the principles which govern the process of entering into any transaction between the Company and a director, an executive or other related person of the Company, which relates to the normal course of business, or supporting normal course of business transactions conducted on an arm's length basis. However, for entering into other transactions, the Company must comply with the notifications and regulations of the Capital Market Supervisory Board.

During 2012, the Company entered into transactions with related persons, which the Audit Committee considered to be reasonable related transactions, with most of them relating to the normal course of business, or supporting transactions related to the normal course of business and conducted on `arm's length' basis.

Related transactions can be summarized as follows:

Accounts Receivable

As of 31 December 2012, the Company had accounts receivable, arising from transactions with associated and related companies, amounted THB 5,291 million, or 23% of total accounts receivable. (2011: THB 2,404 million)

Accounts Payable

As of 31 December 2012, the Company had accounts payable, arising from transactions with associated and related companies, which totaled THB 2,065 million, or 10% of total accounts payable. *(2011: THB 1,101 million)*

Sales

In 2012, the Company sold products to associated and related companies that were based on the ordinary course of business price list. The value of these transactions was THB 24,692 million, or 7% of total sales. (2011: THB 10,075 million)

Purchase of Raw Materials

In 2012, the Company purchased raw materials from associated and related companies that were also based on the ordinary course of business price list. The value of these transactions was THB 36,734 million, or 12% of the total cost of goods sold. *(2011: THB 16,851 million)*

Other Income

In 2012, the Company received other income from dividends, interest, capital gains made on the sale of investments and fixed assets, as well as training and seminar fees, system service fees, rental and service fees, and others from associated and related companies, that amounted to THB 483 million, or 0.1% of total revenues. (2011: THB 127 million)

Rental and Services Fees

CPF and certain subsidiaries have lease agreements covering office premises, including facilities, land, livestock farms, and vehicles with certain related companies, for periods of one to nine years, which will expire in the period between 2013 and 2021. The rental and services fees obligation of the CPF and subsidiaries, as of 31 December 2012, amounted to THB 1,754 million. (2011: THB 2,004 million)

The Company rented assets from associated and related companies according to the rates set by their owners. In 2012, the value of these transactions was THB 1,194 million, or 4% of total selling and administrative expenses. *(2011: THB 1,183 million)*

Technical Service Fees

CPF and certain subsidiaries has technical service agreements with the major shareholder, Charoen Pokphand Group Company Limited (CPG). Under the terms of these agreements, CPG agrees to research and develop the raw material ingredients for the production of animal feeds for the Company and its subsidiaries. In this regard, the Company and subsidiaries are committed to pay the technical service fee, which is calculated from the feed production quantity and is dependent upon the types of feed, as stipulated in the agreements, to CPG. The minimum service fee ranges from THB 0.1 million to THB 1.3 million per month.

In addition, certain foreign subsidiaries had agreements to obtain technical service assistance, relating to animal feed manufacturing, from CPG. The foreign subsidiaries are committed to pay service fees to CPG in accordance with the terms and conditions that are stipulated in the agreements.

In 2012, the Company paid CPG for technical services concerning animal feed production that amounted to THB 1,007 million, or 0.3% of the total cost of goods sold. *(2011: THB 393 million)*

Insurance Premium

The Company pays the insurance premiums to Allianz C.P. Insurance Public Company Limited (AZCP) which is a CPF's related company. The insurance premium rates were paid according to the standards set by the insurers.

In 2012, the Company paid insurance premiums to AZCP which amounted to THB 272 million, or 0.8% of the Company's total selling and administration expenses. *(2011: THB 218 million)*

Other Expenses

In 2012, the Company paid software application service fees, sales promotion fees, transportation fees and other fees, to related companies which amounted THB 1,091 million. *(2011: THB 1,053 million)*

Others

CPF and certain subsidiaries have hire-of-work agreements to construct buildings, structures and other agreements, including equipment and other purchase with certain related companies. In 2012, the payments in respect of these agreements amounted to a total of THB 1,510 million. *(2011: THB 939 million)*

A subsidiary entered into an agreement with a related company (Star Marketing Co., Ltd. (STAR) for the right to use all current trademarks of STAR. In this regard, the subsidiary is committed to pay the trademark license fee to STAR, which is calculated according to the value of sales under the trademark, at the rates that were stipulated in the agreement. The fees for 2012 amounted to THB 31 million. *(2011: THB 30 million)*

Furthermore, the Company entered into agreements with CPG for the right to use the ^(P) trademark. In this regard, the Company has to pay the trademark license fee to CPG at rates of between 0.2% and 0.4% of the sale value of each product, as stipulated in the agreements. The fees for 2012 came to a total of THB 71 million. *(2011: THB 53 million)*

In addition, the Company entered into agreements with CPG for the right to use the <u>GreekMart</u> trademark. In this regard, the Company has to pay the trademark license fee to CPG at rates of between 0.2% and 0.4% of the sale value of each product, as stipulated in the agreements. The fees for 2012 came to a total of THB 2 million. (2011: THB 1 million) In the first quarter of 2012, CPF and a subsidiary (CPF Investment Limited (CPFI)) acquired shares in C.P. Pokphand Company Limited (CPP) from three related companies, Orient Success International Limited (OSIL), Worth Access Trading Limited and CPI Holding Company Limited, which amounted to a total of 18,792,774,153 shares, or 74.18% of CPP's paid-up capital on a fully-diluted basis, assuming full exercise of the outstanding OSIL option and CPP's management share options that were granted by CPP. CPP has two main operations: (1) China Operations which are operated through 53 subsidiaries, which are principally engaged in the animal feed business and (2) Vietnam Operations which are operated through C.P. Vietnam Corporation, which is mainly engaged in the business of the manufacture and distribution of animal feed, as well as the breeding and farming of livestock and aquatic animals business, and the processing and production of meat and food-products business. The independent financial opinion is that this transaction is both reasonable and beneficial to the Company and its shareholders, and does not deprive the Company of any benefits. Upon the purchase of CPP shares, the Company will become the largest listed integrated livestock and aquaculture business in the Asia Pacific Region. The benefits of the transaction include increased efficiency, as a result of centralized management and an enlarged customer base resulting from the aggressive move into huge-growth potential markets, more bargaining power in the procurement of raw materials, as well as improved cost management by reducing redundant tasks, better financial cost management, the exchange of international trade information, and the better utilization of human resources. Moreover, these developments can significantly strengthen the Company's competitive advantage in the global market. The transaction was approved at the Extraordinary General Shareholders' Meeting of the Company No. 1/2012 held on 18 January 2012 and completed on 8 March 2012.

In the first quarter of 2012, the Company and its subsidiary (Bangkok Produce Public Company Limited (BKP) sold their investments in ordinary shares of AZCP to CPG, totaling 7,350,000 shares, at a selling price of THB 12.75 per share, with a total value of THB 94 million. The Board of Directors (including independent directors/the audit committee and those directors without a conflict of interest) considered and viewed that this transaction was both reasonable and beneficial to CPF and BKP due to the sale of its non-core business, which is part of the investment restructuring within the group, according to the policy and strategy of the Company that aims to invest in the core business and related businesses. The transaction was completed on 19 March 2012.

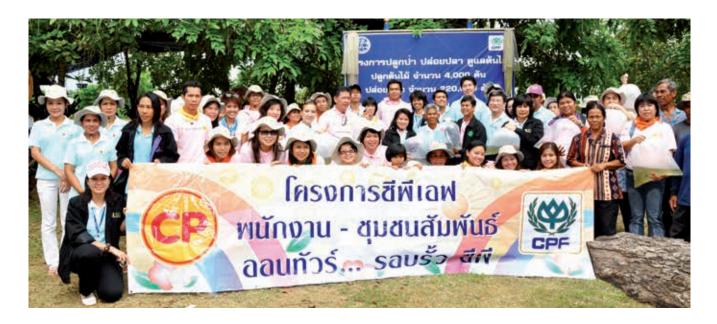
In the fourth quarter of 2012, the Company acquired 799,997 ordinary shares of Chester's Food Company Limited (Chester), or 99.99% of Chester's total issued share capital from Charoen Pokphand International Company Limited (CP Inter), at the selling price of THB 562.50 per share, with total value of THB 450 million. The Board of Directors (including independent directors/the Audit Committee and those directors without a conflict of interest) considered and were of the view that this transaction was both reasonable and beneficial to the Company, as the Company will have additional downstream businesses, and will own the Chester network of more than 160 restaurants, which will become an important Food Retail Outlet of the Company with high growth potential in both the local and international markets. After this transaction, the Company will own the Chester trademark and products which are well-known countrywide. Entering into this transaction, the Company took the risks and potential rate of return into consideration and came to the view that the selling price was appropriate. The transaction was completed on 1 October 2012.

Furthermore, on 28 December 2012, The Board of Directors (including independent directors/the Audit Committee and those directors without a conflict of interest) approved that CP China Investment Limited (CPCI), a direct, wholly owned subsidiary of CPP, should acquire the entire investment in Chia Tai Food Enterprise (Qinhuangdao) Company Limited (CT Qinhuangdao), from Chia Tai Food Investment Company Limited, a related company, for a total consideration of USD 15.70 million or approximately THB 483 million. The Board of Directors considered and were of the view that this transaction was both reasonable and beneficial to CPF, as it allows the Company to expand its business further downstream to the manufacture and distribution of processed food and ready meals in China. It also enhances the opportunity for the CPP group to become a leader of the food business in China. The Company viewed that processed food and the ready-meal market in China have considerable growth potential. The completion of an acquisition of the entire investment in CT Qinhuangdao will take place when CPCI is registered as the sole shareholder of CT Qinhuangdao, and with the issuance of the business license of CT Qinhuangdao by the relevant Chinese government authority. If the aforesaid registration, with the relevant PRC government authority is not completed by 30 June 2013, either party may terminate the Acquisition Agreement.

CPF's 3 guiding principles

CPF operates on three guiding principles - benefits to the country, benefits to the society, and benefits to the company. We instill in our employees these virtues - indebted to the country, goodness, and moral conduct.

Corporate Social Responsibility for Sustainability



The Company recognizes the need for balanced development in economic, social and environmental perspectives, so as to contribute to the organization's sustainable growth over time. The business philosophy is stated in the Company's core values as '3 Benefits for Sustainability (for the Country, the People and the Company)'.

The process of developing and expanding the business with stability over the long term involves several key issues, and these include the following:

- A balance in the effective use of resources within a mindset of environmental conservation;
- Good living conditions within surrounding communities;
- The Company's capability in creating food security;
- Good human resource and personnel development;
- Operating with good corporate governance;
- Put importance to the expectations and benefits of stakeholders

The Company has established social responsibility as one of the key strategies for sustainable business development, covering issues such as people development, operating business with fairness to all related parties, the provision of quality and food safety for consumers, the promotion of a self-reliant society through participation in community development, as well as the conservation of natural resources through the effective use. This approach also involves protecting the environment by working effectively and in cooperation with various development networks. Furthermore, the Company has continuously created new ways of improving living conditions within society.

'Personnel': The Key to Success in Moving towards Sustainability

'Personnel' is the core element when it comes to operating the business in order to achieve its main objectives. This vital element provides the momentum that helps lead the organization to accomplishing sustainable growth over time. Therefore, the Company places considerable importance on the development of its human resource management, under the vision statement 'People Excel, Business Exceeds'. This vision is based on the desires and expectations of employees, the organization, customers and society, including adhere to the equal rights of all employees as referred to in Human Resource Management under the headline 'Management' on page 87.

Responsible for the Entire Production Process to Produce 'Merchandise' with Safety and Quality

The Company has imposed measures to ensure standardized quality and safety throughout the entire production process, starting with the production of animal feed, through to animal farming, food processing and the final distribution stage. Emphasis is given to research and development, strictly abiding by prevailing regulations and laws, and management according to international standards. See more details under the section with the headline 'Thailand Operations', on page 24-29.

Additionally, the Company has given equal importance to the research and development of health-related products, the display of vital data for hygienic and nutritious consumption on product labels, as well as communication through advertisements, public relations and creating continuous activities to promote accessibility to food which assures safety and quality.

'Business Partners' Develop Self-Reliant 'Social Communities'

With the concept of `Thinking partner, developing partner, advancing together towards Kitchen of the World', the Company emphasizes the importance of dispersing economic value to communities through employment and the involvement of local business partners. Knowledge and technology has been passed on to business partners through projects which promote animal farming for independent farmers and farmer groups, job creation for small entrepreneurs through franchising arrangements, as well as continuously organizing activities for society with full cooperation of communities and allied development networks, such as the Rural Live Development Foundation, state agencies and various independent organizations. Support and promotion have been given to various activities, as follows:

 Community with Quality of Life: Community of good standards of living through the joint development of more than 900 projects, involving the promotion of employment and income, public and general health, education, tradition and local culture, as well as other public benefits for communities. In 2012, the Company set up a Charoen Pokphand Foundation to promote happiness for the elderly, by offering assistance to elderly people living adjacent to factories and farms, and in Company-promoted areas.





- Youth Activities: Healthy, happy and creative young generation through collaborative activities, such as the 'Raising Layers for Students' Lunch' project, the unveiling of the 'World of Knowledge for Safety Food with CPF' project, and the 'On Tour Around CP' project. More than 260,000 employees, students and representatives of public and private sector organizations, as well as the general public were given knowledge on nutrition and access to food safety information.
- Self-Reliant Farmers for Developing Society: The major projects include the 'Nong Wa Agricultural Village' project, the 'Kampaengpetch Agricultural Village' project, and the 'Occupational Promotion in Cooperatives Villages' project in Chiang Mai, Phetchaburi, Phrachaup Khiri Khan and Phra Nakhon Si Ayutthaya, as well as the 'Seven Occupations Seven Incomes' project in Buri Ram and Huai Ong Khot, under the Royal Initiatives project in Kanchanaburi and the 'Occupational Training in Tambon Pak Ro, Songkhla' project. Over 5,000 farmers and over 400 families have currently joined these occupational training activities.

Conserving the Environment, Preserving the Balance of Nature

The Company implements the '4Rs' principle - 'Reduce, Reuse, Recycle and Replenish' - as a new initiative in which the production process has a reduced impact on the environment. This enables the Company to effectively use resources in a more 'friendly' manner in relation to employees, communities and the surrounding environment. Some of the projects that have been introduced under this initiative are the 'New Broiler Equipment for Biofuel' project, adopted by the animal feed business unit, the 'Green Farm' project introduced by the animal breeding business unit, the 'CPF Energy Efficiency Improvement Project-Cogeneration', and the 'Waste Water Biogas Capture and Utilization' project of the food business unit.



In addition, the Company has cooperated with Thai volunteers in the rehabilitation and conservation of natural resources through the 'CPF Campaign on Mangrove Cultivation' project, which was undertaken with the assistance of educational institutions and state agencies. The 'Community Reforestation on His Majesty the King's 80th Birthday' project was, for instance, a collaboration with farmers in agricultural villages of Kamphaeng Phet. In 2012, the Company signed a cooperation agreement with the Biodiversity-Based Economy Development Office (a Public Organization) under the 'Count One to Payment for Ecosystem Service' project, which was initiated to create awareness among entrepreneurs on the significance of the ecological system and sustainable economic development.

Non-Stop Development for a Sustainable Organization

The Company is aware that `innovation' should not be restricted to creating projects that boost proficiency in conducting its business, but also plays a vital role in improving living conditions in society. Therefore, the Company places great emphasis on promoting all types of innovation within the organization. It has set up the 'Innovation Office' to give direction and guidance on innovation in the organization. The Office also motivates and encourages employees to propose their own creative ideas which can contribute to results that have both value and merit with regard to economic, social and environmental matters. The Company has organized training and forums for the exchange of ideas, and has sponsored the CPF CEO AWARDS since 2009, with the objective of honouring those work units or individuals within the Company that create and develop outstanding new innovations.

(Note: The annual performance in 2012 and the operational directions in 2013 on social responsibility are provided in detail in the Report on Sustainable Development, 2012.)





Ordinary Shares

Registered and Paid-Up Capital as of 31 December 2012 THB 7,742,941,932 consisting of 7,742,941,932 ordinary shares with a par value of THB 1 per share

Dividend Policy

CPF has a policy to pay dividends to shareholders twice a year. The first dividend payment is paid as an interim dividend, with the second dividend payment being paid as an annual dividend. The total dividend paid each year will be approximately 50% of net income, after the deduction of income taxes and the legal reserve (based on separate financial statements). The annual and interim dividend payments may be subject to change, depending on such variables as the Company's operations results, its financial position, future projects and prevailing economic conditions at the time.

Additionally, CPF has a duty to comply with the terms and conditions of its debentures, which prohibit CPF from paying cash dividends to shareholders in the event of CPF being unable to service interest payments on, or any other amounts owing to, the debenture holders. For subsidiaries that are public limited companies, each company is bound by the policy of paying a dividend of about 50% of its net profit, after the deduction of income taxes and the legal reserve. For other subsidiaries, the dividend payment will depend upon such issues as their future investment plans, their financial structure and liquidity. In the fiscal year ended 31 December 2012, CPF's dividend income from subsidiaries totaled THB 7,967 million, of which THB 3,127 million was from subsidiaries that are non-public limited companies.

Summary of the Employee Joint Investment Program (EJIP)

EJIP is a program for the joint investment in 'CPF' ordinary shares involving the Company and its employees, whereby both will contribute money to such investment under specific criteria and procedures that are stipulated in the memorandum of understanding in the EJIP of listed companies. The program encourages job motivation and builds a sense of belonging and loyalty. This program was approved by the Office of the Securities and Exchange Commission (SEC) on 16 April 2010. The details of the EJIP are summarized as follows:

Companies Joining the Program

CPF and its subsidiaries - subsequently referred to as 'the Company'

Program Period

From 1 April 2010 to 31 March 2013 - a total period of three years

Eligible Participants under EJIP

Employees of the Company, starting at the level of assistant department manager upwards, on a voluntary basis (known hereafter as 'the Participant')

EJIP Arrangement

During the course of the program period, the Company will deduct money from the payroll of the Participant at a rate specified by each participant, but not exceeding 5% of the salary of each participant, on a monthly basis (this sum is referred to as 'employee's investment'). Furthermore, the Company will contribute 80% of the deducted amount towards to program (a figure to be known as 'employer's top-up'). The sum will be transferred to a securities company, as assigned by the Company to manage the EJIP, which will deposit it into the Participant's EJIP account before buying CPF shares on the SET according to the specified criteria, means, and conditions as defined in the agreement between the Company and the Participant.

Conditions of Securities Holding

The Participant may sell or transfer CPF shares under the following conditions:

- They are able to sell the shares as long as the amount does not exceed half the total number of shares bought in the securities trading account of each participant, once the program has run for a period of one year (starting at 1 April 2011),
- They are also able to sell all remaining shares once the EJIP period has ended (as from 1 April 2013 onwards).

The above conditions do not apply to those participants who are no longer employees of the Company, or who exit the EJIP, according to the agreement between the Company and the Participant.

Shareholders

(as at the latest closing date of shareholder registration book at 27 August 2012)

Туре		% Holding
1. Individuals	Thai	21.04%
2. Individuals	Foreign	0.02%
3. Juristic Persons	Thai	52.89%
4. Juristic Persons	Foreign	26.05%
Total		100.00%

Foreign Holding Limit

CPF shares may be transferred without any restriction, unless such transfer of shares would cause the foreign shareholders to hold shares in CPF in excess of 40% of the total number of the CPF's issued shares.

The aliens may acquire ordinary shares of CPF in excess of the restricted ratio prescribed in preceding paragraph by means of subscription of newly issued ordinary shares or exercising their rights of convertible debenture holders or warrant holders or subscription of newly issued ordinary shares (including dividend shares or ordinary shares issued to the holders of ordinary shares who have acquired the shares under conditions in this paragraph); issued and offered for sale by CPF; provided that the holding of new ordinary shares in such case, when added to the ordinary shares held by aliens according to previous paragraph, shall not cause the total number of ordinary shares held by aliens exceed 49% of the total numbers of ordinary shares then issued by CPF. This 49% restriction on shareholding by the aliens shall apply to the case of transfer of ordinary shares from the aliens who have acquired the new ordinary shares by means exercising of their conversion rights or subscription of capital increase shares issued and offered for sale by CPF under conditions in this paragraph (including dividend shares or new ordinary shares issued to the holders of ordinary shares who have acquired shares under conditions in this paragraph) to the aliens in every stage of transfer until such shares are transferred to the non-aliens.

As at 27 August 2012, there were 26.07% of CPF's issued shares held by foreign investors.

Top Ten Major Shareholders

(as at the latest closing date of shareholder registration book at 27 August 2012)

	Name of Shareh	nolders	Number of Shares	% Shareholding
1. C	CHAROEN POKPHAND GROUP C	O., LTD. ⁽¹⁾	3,577,161,895	46.20%
2. Tł	HAI NVDR CO., LTD. ⁽²⁾		417,010,295	5.39%
3. U	OB KAY HIAN (HONG KONG) LI	MITED-Client Account ⁽³⁾	218,827,700	2.83%
4. N	IS. WALAIPORN JIRAPHUMMIN		140,000,000	1.81%
5. H	ISBC (SINGAPORE) NOMINEES P	TE LTD. ⁽⁴⁾	138,273,250	1.79%
6. LI	ITTLEDOWN NOMINEES LTD. ⁽⁵⁾		94,685,600	1.22%
7. S	OCIAL SECURITY OFFICE (2 case	es) ⁽⁶⁾	90,827,900	1.17%
8. U	BS AG LONDON BRANCH $^{(5)}$		89,254,106	1.15%
9. N	IR. PRIN TIEANWORN		80,000,000	1.03%
10. S	TATE STREET BANK EUROPE LTD. ⁽⁵)	68,965,241	0.89%

⁽¹⁾Includes shareholding of Charoen Pokphand Group Co., Ltd. ('CPG') 25.00%, Charoen Pokphand Holding Co., Ltd. 11.38%, Orient Success International Ltd. 5.23%, CPF (Thailand) Plc. 2.69%, Bangkok Produce Merchandising Plc. 1.07%, Plenty Type Ltd. 0.83%. The Chearavanont family is the major shareholder of CPG with total shareholding of 91.68%. (Top ten major shareholders of CPG and % shareholding of such persons are as follows: Mr. Sumet Jiaravanon 12.96%, Mr. Dhanin Chearavanont 12.96%, Mr. Jaran Chiaravanont 12.76%, Mr. Montri Jiaravanont 12.63%, Mr. Kiat Chiaravanont 5.76%, Mr. Phongthep Chiaravanont 3.65% and Mrs. Yupa Chiaravanond, Mr. Prathip Chiravanond, Mrs. Phatanee Leksrisompong, Mr. Vajarachai Chiaravanond, Mr. Manu Chiaravanond and Mr. Manas Chiaravanond 3.62% each.

- ⁽⁵⁾ A foreign company, contact information: Standard Chartered Bank (Thai) Plc., Securities Services, Zone B, Sathorn Nakorn Tower, 14th Floor, North Sathorn Road, Silom, Bangkok 10500, Thailand
- ⁽⁶⁾ A Thai government department, contact information: Siam Commercial Bank Plc., Markets Operations Division, 1060 Building 2, 3rd Floor, Phetburi Road, Makkasan, Ratchatawee, Bangkok 10400, Thailand

Note: Charoen Pokphand Group Co., Ltd. does not have any shareholdings in no. 2-3, no. 5-8 and no. 10.

⁽²⁾ A Thai company, contact information: 62 The Stock Exchange of Thailand Building, Ratchadapisek Road, Klong Toey, Bangkok 10110, Thailand

⁽³⁾ A foreign company, contact information: 130-132, 3rd Floor, Sindhorn Building, Tower 1, Wireless Road, Pathum Wan, Bangkok, Thailand

⁽⁴⁾ A foreign company, contact information: 968 HSBC Building, 5th Floor, Rama 4 Road, Bangrak, Bangkok 10500, Thailand

Quick Facts as of 31 December 2012

Head Office	313 C.P. Tower Building, Silom Road,
	Bangrak, Bangkok 10500, Thailand
Telephone Number	(662) 625-8000
Facsimile Number	(662) 638-2139
Web Address	http://www.cpfworldwide.com
Business Category	Agro-industrial and Food in Thailand and Overseas
Legal Status	Public limited company registered in Thailand
Registration Number	0107537000246
Registered Capital	THB 7,742.94 million
Number of Paid-up Shares	7,742.94 million shares (all in ordinary shares)
Par Value	THB 1.00 per share
Subsidiaries	185 companies
	(Brief information is shown under `General Information
	of Company's Investment'
	section on page 115-138)
Trading Symbol on the SET	CPF for ordinary shares
Trading Symbol on the Thai Bond Market	CPF138A for debentures No. 1/2008 Series 2
Association (TBMA) and/or the SET	CPF13NA for debentures No. 1/2009 Series 1
	CPF14NA for debentures No. 1/2009 Series 2
	CPF15NA for debentures No. 1/2009 Series 3
	CPF155A for debentures No. 2/2009
	CPF155B for debentures No. 1/2010
	CPF14NB for debentures No. 2/2010 Series 1
	CPF17NA for debentures No. 2/2010 Series 2
	CPF188A for debentures No. 1/2011 Series 1
	CPF218A for debentures No. 1/2011 Series 2
	CPF418A for debentures No. 1/2011 Series 3
	CPF41DA for debentures No. 2/2011
	CPF163A for debentures No. 1/2012
	CPF198A for debentures No. 2/2012 Series 1
	CPF228A for debentures No. 2/2012 Series 2
	CPF328A for debentures No. 2/2012 Series 3

(Detailed summary of debentures is shown at www.cpfworldwide.com under Investor Relations section. Outstanding value of debentures as of 31 December 2012 is shown under 'Management's Discussion and Analysis' section on page 41.)

General Information of the Company's Investments

Subsidiaries

As of 31 December 2012, there were 185 subsidiaries in which CPF directly or indirectly holds more than 50% of their paid-up capital and companies that CPF has control, as follows:

Thailand operations and business related to operations in Thailand

Livestock Business

Direct Subsidiaries		
1. Bangkok Produce Merchandising Public Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feed raw materials distribution and broiler integration Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2631-0989 THB 600,000,000 (all in ordinary shares) THB 10.00 per share 99.44%
2. Chester's Food Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Restaurant Bangkok, Thailand 0-2641-1333 Facsimile Number 0-2641-0333 THB 80,000,000 (all in ordinary shares) THB 100.00 per share 99.99%
3. CPF (Thailand) Public Company Limited ¹	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feedmill, livestock farming, food processing plant and broiler chicken integration Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2638-2139 THB 7,008,250,000 (all in ordinary shares) THB 1.00 per share 99.98%
4. C.P. Merchandising Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment and international trading Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2638-2749 THB 9,000,000,000 (all in ordinary shares) THB 10.00 per share 99.99%

Indirect Subsidiaries		
1. CPF Trading Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Wholesale and retail food products Bangkok, Thailand 0-2693-0583 Facsimile Number 0-2693-0584 THB 800,000,000 (all in ordinary shares) THB 10.00 per share 99.99%
2. CPF Premium Foods Company Limited ²	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Food processing plant Chachoengsao, Thailand 0-3859-3046 Facsimile Number 0-3859-3587 THB 700,000,000 (all in ordinary shares) THB 100.00 per share 99.99%
3. CPF Denmark A/S	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of processed meat and ready meals Denmark 45-7526-1330 Facsimile Number 45-7526-1336 EUR 200,000 (all in ordinary shares) EUR 1.00 per share 52.00%
4. CPF Europe S.A.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of processed meat and ready meals Belgium 32-2357-5380 Facsimile Number 32-2357-5398 EUR 28,000,000 (all in ordinary shares) EUR 1.00 per share 99.99%
5. CPF Food Trading Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Importer and distributor of processed meat and ready meals China 86-21-5835-8683 Facsimile Number 86-21-5835-5655 USD 4,000,000 (all in ordinary shares) 100.00%
6. CPF Tokyo Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of processed meat and ready meals Japan 813-5401-2231 Facsimile Number 813-5401-2236 JPY 200,000,000 (all in ordinary shares) JPY 1,000.00 per share 99.99%

Indirect Subsidiaries		
7. CP Foods (UK) Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of processed meat and ready meals United Kingdom 44-1299-253131 Facsimile Number 44-1299-253132 GBP 300,000 (all in ordinary shares) GBP 1.00 per share 52.00%
7.1-7.60 Subsidiaries of CP Foods (UK) Limited ³	Type of Business Head Office Paid-up Capital Ownership Interest	Importer and distributor of processed meat and ready meals United Kingdom GBP 1.00 52.00%

Aquatic Business

Direct Subsidiaries		
 Seafoods Enterprise Company Limited² 	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Shrimp processing plant Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2631-0776 THB 20,000,000 (all in ordinary shares) THB 10.00 per share 99.99%

Indirect Subsidiaries		
1. CP Foods West, Inc. ²	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of food products (Operations wound up in September 2010) United States of America 1-410-505-5017 Facsimile Number 1-410-381-6868 USD 3,000,000 (all in ordinary shares) USD 1.00 per share 100.00%
2. C.P. Food Products, Inc.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of seafood products United States of America 1-410-505-5017 Facsimile Number 1-410-381-6868 USD 5,000,000 (all in ordinary shares) USD 1.00 per share 100.00%

Other Businesses

Direct Subsidiaries		
1. CPF Training Center Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Training center service provider Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2638-2139 THB 20,000,000 (all in ordinary shares) THB 10.00 per share 99.99%
2. CPF IT Center Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Information technology service provider Bangkok, Thailand 0-2625-8000 Facsimile Number 0-2638-2139 THB 250,000,000 (all in ordinary shares) THB 10.00 per share 99.99%

International Operations

Direct subsidiaries		
1. Charoen Pokphand Foods Kenya Company Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Animal feedmill and livestock farming Kenya KES 400,000,000 (all in ordinary shares) KES 100.00 per share 99.99%
2. Charoen Pokphand Foods Philippines Corporation	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feed production and distribution and shrimp hatchery Philippines 63-45-961-4892 Facsimile Number 63-45-961-4441 PHP 2,370,000,000 (all in ordinary shares) PHP 10.00 per share 99.99%
2.1 A.P.P. Enterprise, Inc.	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Property lease-out Philippines 63-34-432-0994 Facsimile Number 63-34-432-0969 PHP 5,000 (all in ordinary shares) 39.60%
3. CPF Investment Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment British Virgin Islands 0-2625-8000 Facsimile Number 0-2638-2139 USD 1,200,000,000 (all in ordinary shares) USD 1.00 per share 100.00%

Direct subsidiaries		
3.1 Bright Excel Investments Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment British Virgin Islands USD 50,000 (all in ordinary shares) USD 1.00 per share 100.00%
3.2 Charoen Pokphand (Taiwan) Investment Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment Bermuda USD 12,000 (all in ordinary shares) USD 1.00 per share 100.00%
3.3 Coinaton Investments Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment British Virgin Islands USD 50,000 (all in ordinary shares) USD 1.00 per share 100.00%
3.3.1 Chun Ta Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Taiwan 886-2-25077071 Facsimile Number 886-2-25073438 NTD 50,000,000 (all in ordinary shares) NTD 10.00 per share 100.00%
3.4 CPVN Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment British Virgin Islands USD 1,000,000 (all in ordinary shares) USD 1.00 per share 100.00%
3.5 Forward Pass Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment British Virgin Islands USD 50,000 (all in ordinary shares) USD 1.00 per share 100.00%
3.5.1 Ta Chung Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Taiwan 886-2-25077071 Facsimile Number 886-2-25073438 NTD 100,000,000 (all in ordinary shares) NTD 10.00 per share 100.00%

Direct subsidiaries		
3.6 New Splendid Holdings Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment British Virgin Islands USD 50,000 (all in ordinary shares) USD 1.00 per share 100.00%
4. CPF Tanzania Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Animal feedmill and livestock farming Tanzania TZS 6,700,000,000 (all in ordinary shares) TZS 100.00 per share 99.99%
5. C.P. Aquaculture (Beihai) Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Aquatic feed production and distribution and aqualture farming China 86-779-208-4362 Facsimile Number 86-779-209-6161 USD 5,500,000 100.00%
6. C.P. Aquaculture (Dongfang) Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Shrimp hatchery business China 86-898-3696-3928 Facsimile Number 86-898-3696-5688 RMB 32,000,000 100.00%
7. C.P. Aquaculture (Hainan) Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Aqualture farming China 86-898-3696-3928 Facsimile Number 86-898-3696-5688 USD 3,000,000 100.00%

Direct and Indirect Subsidiaries		
1. Charoen Pokphand Foods (Overseas) LLC.	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Animal feedmill and livestock farming Russia 7-496-636-1874 Facsimile Number 7-496-636-1924 RB 1,894,075,000 99.99%
1.1 CPF Agro LLC.	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Livestock farming Russia 7-496-636-1874 Facsimile Number 7-496-636-1924 RB 894,000,000 99.99%
2. C.P. Standart Gida Sanayi ve Ticaret A.S.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Chicken integration Turkey 212-274-8536 Facsimile Number 212-267-3343 YTL 100,000,000 (all in ordinary shares) YTL 1.00 per share 100.00%
3. C.P. Pokphand Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Bermuda 852-252-01601 Facsimile Number 852-286-12514 USD 600,000,000 USD 0.01 per share 76.13%
3.1 C.P. Aquaculture (Yangjiang) Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 10,000,000 76.13%
3.2 C.P. Enterprises Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 28,000,000 (all in ordinary shares) HKD 1.00 per share 76.13%
3.3 C.P. Standard Resources Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Dormant Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 5,000,000 (all in ordinary shares) HKD 1.00 per share 76.13%

Direct and Indirect Subsidiaries		
3.4 C.P. Vietnam Corporation	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feed production and distribution, farming and food processing plant Vietnam 8461-383-6251-9 Facsimile Number 8461-393-1468 VND 1,741,792,000,000 (all in ordinary shares) VND 10,000.00 per share 83.09%
3.5 C.T. Progressive (H.K.) Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Bermuda 852-252-01601 Facsimile Number 852-286-12514 HKD 1,000,000 (all in ordinary shares) HKD 1.00 per share 76.13%
3.6 Changsha Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 134,000,000 76.13%
3.7 Charoen Pokphand (China) Investment Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment British Virgin Islands 852-252-01601 Facsimile Number 852-286-12514 USD 56,000,000 (all in ordinary shares) USD 1.00 per share 76.13%
3.8 Chengdu Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 6,300,000 53.29%
3.9 Chia Tai (China) Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Investment and trading China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 196,695,333 76.13%
3.10 Chia Tai Huazhong Biochemistry Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 10,000 (all in ordinary shares) HKD 1.00 per share 76.13%

Direct and Indirect Subsidiaries		
3.11 Chia Tai Pucheng Biochemistry Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 USD 100,000 (all in ordinary shares) USD 1.00 per share 76.13%
3.12 Chia Tai Yongji Enterprise Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 7,062,018 76.13%
3.13 Chia Tai Yueyang Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Animal feed production and distribution China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 9,550,000 76.13%
3.14 Chongqing Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 5,920,000 45.68%
3.15 Chongqing Shuangqiao Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 4,520,000 53.29%
3.16 Chuzhou Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 7,648,500 76.13%
3.17 CP China Investment Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Cayman Islands 852-252-01601 Facsimile Number 852-286-12514 USD 129,750,000 (all in ordinary shares) USD 1.00 per share 76.13%

Direct and Indirect Subsidiaries		
3.18 ECI Machinery Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment British Virgin Islands 852-252-01601 Facsimile Number 852-286-12514 USD 50,000 (all in ordinary shares) USD 1.00 per share 76.13%
3.19. Ek Chor China Motorcycle Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Bermuda 852-252-01601 Facsimile Number 852-286-12514 USD 1,942,600 (all in ordinary shares) USD 0.10 per share 76.13%
3.20 Ek Chor Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 35,000,000 (all in ordinary shares) HKD 1.00 per share 76.13%
3.21 Fuzhou Da Fu Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 9,139,297 76.13%
3.22 Ganzhou Chia Tai Industrial Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 18,000,000 60.90%
3.23 Golden Industrial Investment Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 10,000 (all in ordinary shares) HKD 1.00 per share 76.13%
3.24 Guang An Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 24,500,000 45.68%

Direct and Indirect Subsidiaries		
3.25 Guangdong Tai Tong Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Investment China 86-206-287-1968 Facsimile Number 86-206-287-1969 USD 30,000,000 (all in ordinary shares) 76.13%
3.26 Guanghan Chia Tai Feed Tech Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 818,251 69.28%
3.27 Guilin Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 3,720,000 64.71%
3.28 Guiyang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Dormant China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 33,000,000 76.13%
3.29 Hangzhou Advance Feed Tech Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 6,700,000 76.13%
3.30 Hannick Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Property investment Hong Kong 852-252-01601 Facsimile Number 852-286-12514 HKD 1,000 (all in ordinary shares) HKD 1.00 per share 76.13%
3.31 Huai Hua Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 3,900,000 76.13%

Direct and Indirect Subsidiaries		
3.32 Huludao Chia Tai Husbandry Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 28,100,000 76.13%
3.33 Inner Mangolia Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 4,332,200 71.33%
3.34 Jiang Jin Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 7,000,000 45.68%
3.35 Jiangsu Huai Yin Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 3,621,000 66.99%
3.36 Jinan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 1,718,000 49.48%
3.37 Jiu Jiang Chia Tai Feedstuff Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 34,000,000 45.68%
3.38 Kunming Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 6,405,300 70.34%

Direct and Indirect Subsidiaries		
3.39 Lanzhou Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 5,604,000 76.13%
3.40 Liuzhou Advance Feed Tech Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 6,700,000 76.13%
3.41 Mianyang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 4,000,000 60.90%
3.42 Modern State Investments Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment British Virgin Islands 0-2625-7913 Facsimile Number 0-2638-2139 USD 120,000,000 (all in ordinary shares) USD 1.00 per share 76.13%
3.43 Nanchang Chiatai Livestock Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 5,120,200 76.13%
3.44 Nanning Chia Tai Animal Husbandry Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 6,774,500 69.73%
3.45 Nantong Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 110,060,025 45.68%

Direct and Indirect Subsidiaries		
3.46 Nantong Chia Tai Technology Feed Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 3,000,000 45.68%
3.47 Nanyang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 50,000,000 76.13%
3.48 Neijiang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 3,900,000 53.29%
3.49 Ningbo Chia Tai Agriculture Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 7,415,300 53.29%
3.50 Pingdingshan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 2,761,321 53.29%
3.51 Pucheng Chia Tai Biochemistry Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of chlortetracycline China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 100,000,000 52.91%
3.52 Qingdao Chia Tai Agricultural Development Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 8,800,000 76.13%

Direct and Indirect Subsidiaries		
3.53 Shaanxi Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 6,729,100 73.08%
3.54 Shanghai EK Chor Industrial Trading Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Dormant China 86-215-870-1716 Facsimile Number 86-215-089-6727 USD 200,000 76.13%
3.55 Shanxi Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 11,673,200 45.60%
3.56 Shenyang Advance Feed Tech Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 6,700,000 76.13%
3.57 Shenyang Chia Tai Livestock Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 5,600,000 76.13%
3.58 Shijiazhuang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 22,000,000 76.13%
3.59 Shuangliu Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 4,000,000 53.29%

Direct and Indirect Subsidiaries		
3.60 Tai Zhou Chia Tai Feed Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 8,451,051 73.08%
3.61 Tianjin Chia Tai Agro-Industrial Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 65,540,000 76.13%
3.62 Tianjin Chia Tai Feed Tech Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 23,812,500 76.13%
3.63 Urumqi Chia Tai Animal Husbandry Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 34,250,000 71.10%
3.64 Weinan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 69,000,000 76.13%
3.65 Wuhan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 3,750,000 76.13%
3.66 Xiamen Chia Tai Agriculture Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 30,400,000 45.68%

Direct and Indirect Subsidiaries		
3.67 Xiangyang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 59,000,000 76.13%
3.68 Xuzhou Chia Tai Feed Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 16,000,000 49.48%
3.69 Yi Chang Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 USD 18,090,000 76.13%
3.70 Yinchuan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 6,000,000 64.71%
3.71 Yongan Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 27,000,000 76.13%
3.72 Zhumadian Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 28,060,000 46.44%
3.73 Zhumadian Huazhong Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of Chlortetracycline China 86-108-508-9000 Facsimile Number 86-108-508-9128 RMB 72,000,000 53.29%

Indirect Subsidiaries		
1. C.P. Laos Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feedmill and livestock farming Laos 856-21-453508-10 Facsimile Number 856-21-453507 USD 3,000,000 (all in ordinary shares) USD 10.00 per share 99.61%
2. Charoen Pokphand Foods (Malaysia) Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment in aquaculture integration and swine businesses Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 150,000,000 (all in ordinary shares) RM 1.00 per share 99.99%
2.1 Asia Aquaculture (M) Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Shrimp farming and processing plant Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 100,000,000 (all in ordinary shares) RM 1.00 per share 99.99%
2.2 Makin Jernih Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 50,000,000 (all in ordinary shares) RM 1.00 per share 99.99%
2.2.1 AA Meat Shop Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Livestock processing retailer Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 5,000,000 (all in ordinary shares) RM 1.00 per share 99.99%
2.2.2 Chau Yang Farming Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Livestock farming Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 25,000,000 (all in ordinary shares) RM 1.00 per share 99.99%
2.2.3 Tip Top Meat Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Meet processing Malaysia 603-4027-1800 Facsimile Number 603-4027-1900 RM 25,000,000 (all in ordinary shares) RM 1.00 per share 99.99%

Indirect Subsidiaries		
2.3 Star Feedmills (M) Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Aquatic feed production and distribution Malaysia 603-8921-8299 Facsimile Number 603-8921-8399 RM 100,000,000 (all in ordinary shares) RM 1.00 per share 100.00%
3. Charoen Pokphand (India) Private Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feedmill production and livestock farming India 91-44-24474166 Facsimile Number 91-44-24472880 RS 1,246,300,000 (all in ordinary shares) RS 10.00 per share 99.99%
4. Charoen Pokphand (USA), Inc.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Broiler chicken integration (operations wound up in March 2004) United States of America 1-410-505-5017 Facsimile Number 1-410-381-6868 USD 30,000,000 (all in ordinary shares) USD 1.00 per share 99.97%
5. Charoen Pokphand Enterprise (Taiwan) Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Chicken integration and livestock farming Taiwan 886-2-25077071 Facsimile Number 886-2-25073438 NTD 3,579,000,000 (all in ordinary shares) NTD 10.00 per share 32.41%
5.1 Arbor Acres (Taiwan) Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Livestock farming Taiwan 886-2-25077071 Facsimile Number 886-2-25073438 NTD 31,500,000 (all in ordinary shares) NTD 10.00 per share 16.21%
5.2 Charoen Pokphand (Taiwan) Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Importer and distributor of feedstuff additives and animal vaccines Taiwan 886-2-25077071 Facsimile Number 886-2-25073438 NTD 27,152,400 (all in ordinary shares) NTD 10.00 per share 29.17%

Indirect Subsidiaries		
5.3 Chia Tai Lianyungang Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Hong Kong 852-252-01601 Facsimile Number 852-252-85802 HKD 1,000,000 (all in ordinary shares) HKD 1.00 per share 32.41%
5.4 Lianyungang Chia Tai Agro-Industry Development Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production of animal feed China 86-518-823-40802 Facsimile Number 86-518-823-42558 USD 5,400,000 22.69%
5.5 Plenty Type Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment Cayman Islands 852-25201601 Facsimile Number 852-25285802 USD 14,261,488 (all in ordinary shares) USD 0.231 per share 32.41%

¹ On 1 February 2012, 10 subsidiaries of CPF consisting of Bangkok Agro-Industrial Products Plc., Charoen Pokphand Northeastern Public Company Limited, Bangkok Food Products Co., Ltd., CPF Food Products Co., Ltd., B.P. Food Products Co., Ltd., Rajburi Foods Co., Ltd., Charoen Pokphand Industry Co., Ltd., C.P. Agro-Industry Co., Ltd., Klang Co., Ltd., and International Pet Food Co., Ltd. amalgamated into 1 new subsidiary namely CPF (Thailand) Public Company Limited in order to increase efficiency of the business administration.

² In the process of liquidation

- ³ Consist of
- 1. Fusion Abbey Park Limited
- 4. Fusion Bransford Limited
- 7. Fusion Calis Limited
- 10. Fusion Crowle Limited
- 13. Fusion Dormington Limited
- 16. Fusion Eastoe Limited
- 19. Fusion Exning Limited
- 22. Fusion Gocek Limited
- 25. Fusion Hartford Limited
- 28. Fusion Heath Limited
- 31. Fusion Kroma Limited
- 34. Fusion Littleworth Limited
- 37. Fusion Mountfield Limited
- 40. Fusion Niamh Limited
- 43. Fusion Ratcliffe Limited
- 46. Fusion Samui Limited
- 49. Fusion Soham Limited
- 52. Fusion Thetford Limited
- 55. Fusion Van Den Hauwe Limited
- 58. Fusion Whistler Limited

- 2. Fusion Alfrick Limited
- 5. Fusion Broadway Limited
- 8. Fusion Carnoustie Limited
- 11. Fusion Dalaman Limited
- 14. Fusion Driscoll Limited
- 17. Fusion Elmbridge Limited
- 20. Fusion Fethiye Limited
- 23. Fusion Gray Limited
- 26. Fusion Hawstead Limited
- 29. Fusion Irvine Limited
- 32. Fusion Krone Limited
- 35. Fusion Madeley Limited
- 38. Fusion Moyes Limited
- 41. Fusion Pershore Limited
- 44. Fusion Reid Limited
- 47. Fusion Sharp Limited
- 50. Fusion Southall Limited
- 53. Fusion Turgay Limited
- 56. Fusion Wadborough Limited
- 59. Fusion Wright Limited

- 3. Fusion Bracewell Limited
- 6. Fusion Brothwood Limited
- 9. Fusion Charlton Limited
- 12. Fusion Defford Limited
- 15. Fusion Dumbleton Limited
- 18. Fusion Everton Limited
- 21. Fusion Gatley Limited
- 24. Fusion Harper Limited
- 27. Fusion Head Street Limited
- 30. Fusion Kaitaia Limited
- 33. Fusion Lineker Limited
- 36. Fusion Mcmahon Limited
- 39. Fusion Newlands Limited
- 42. Fusion Priest Lane Limited
- 45. Fusion Richardson Limited
- 48. Fusion Sheedy Limited
- 51. Fusion Stevens Limited
- 54. Fusion Uzumlu Limited
- 57. Fusion Wellington Limited
- 60. Fusion Yamac Limited

Associates

As at 31 December 2012, there were 9 companies in which CPF directly or indirectly holds more than 20.00% to 50.00% of their paid-up capital as follows:

As	sociates		
1.	CP ALL Public Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Convenience store business in Thailand, under "7-Eleven" trademark Bangkok, Thailand 0-2677-9000 Facsimile Number 0-2631-1082 THB 8,986,296,048 (all in ordinary shares) THB 1.00 per share 31.48%
2.	Nava 84 Company Limited	Type of Business Head Office Registered Capital Par Value Ownership Interest	Investment, of which invested 99.98% in economic crop plantation companies in Thailand Bangkok, Thailand THB 1,500,000,000 (all in ordinary shares) THB 10.00 per share 25.00%
3.	Ross Breeders Siam Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Chicken breeding and distribution Bangkok, Thailand 0-2988-0700 Facsimile Number 0-2988-0706 THB 70,000,000 (all in ordinary shares) THB 100.00 per share 49.99%
4.	Arbor Acres Thailand Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Chicken breeding and distribution Bangkok, Thailand 0-2988-0700 Facsimile Number 0-2988-0706 THB 4,000,000 (all in ordinary shares) THB 100.00 per share 49.99%
5.	C.P. Aquaculture (India) Private Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Aquatic feedmill and shrimp hatchary in India India 9144-2491-7790 Rs 250,000,000 (all in ordinary shares) Rs 10.00 per share 31.70%
6.	C.P. Cambodia Company Limited	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Animal feedmill and livestock farming in Cambodia Cambodia 001-855-24-397339 USD 47,282,000 (all in ordinary shares) USD 5,030.00 per share 25.00%

As	sociates		
7.	Charoen Pokphand Holdings (Malaysia) Sdn. Bhd.	Type of Business Head Office Telephone Number Registered Capital Par Value Ownership Interest	Investment, of which invested 100.00% in 9 livestock feedmill and livestock farming companies in Malaysia Malaysia 60-3317-63061 RM 50,000,000 (all in ordinary shares) RM 1.00 per share 49.75%
8.	Conti Chia Tai International Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed Hong Kong 852-282-36177 Facsimile Number 852-252-47290 HKD 3,122,000 (all in ordinary shares) 38.06%
9.	Zhan Jiang Deni Carburetor Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Motorcycle carburetor and auto parts production and distribution China 86-759-315-0908 Facsimile Number 86-759-331- 4374 USD 21,250,000 21.32%

Jointly-Controlled Entities

As at 31 December 2012, there were 6 jointly-controlled entities as follow:

Jointly-Controlled Entities		
1. Beijing Chia Tai Feedmill Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-106-941-2811 Facsimile Number 86-106-941-2877 USD 5,000,000 38.06%
2. ECI Metro Investment Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Investment and trade of machinery and spare parts British Virgin Islands 852-252-01601 Facsimile Number 852-286-12514 USD 12,000,000 38.06%
3. Handan Chia Tai Feed Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-379-678-51191 Facsimile Number 86-379-678-51190 RMB 11,200,000 38.06%
4. Henan East Chia Tai Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-310-638-6570 Facsimile Number 86-310-638-6608 USD 5,400,000 38.06%
5. Jilin Chia Tai Enterprise Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Production and sale of animal feed China 86-431-829-90255 Facsimile Number 86-431-829-90266 USD 8,284,000 38.06%
6. Luoyang Northern Ek Chor Motorcycle Company Limited	Type of Business Head Office Telephone Number Registered Capital Ownership Interest	Motorcycles and spare parts production and distribution China 86-379-651-18403 Facsimile Number 86-379-641-80016 USD 56,310,000 41.87%

Companies in which CPF holds more than 10.00% but less than 20.00%*

As at 31 December 2012, there was 1 company in which CPF directly and indirectly holds more than 10.00% but less than 20.00% of its paid-up capital as follows:

Company in which CPF holds more than 10.00% but less than 20.00%*		
1. Kinghill Limited	Type of Business	Investment, of which invested 100.00% in company that manages shopping center, "Super Brand Mall", in China
	Head Office Registered Capital	Cayman Islands USD 680,000,000 (all in ordinary shares)
	Par Value Ownership Interest	USD 1.00 per share 16.76%
		·

* Not including the company that already fully recorded the asset impairment

References

Share Registrar

Thailand Securities Depository Co., Ltd.62 The Stock Exchange of Thailand Building,Ratchadaphisek Road, Klongtoey, Bangkok 10110, ThailandTelephone number:(662) 229-2800Facsimile number:(662) 359-1259

Bond Registrar and Bondholders' Representative

Unsecured Debentures of Charoen Pokphand Foods Plc.#1/2008 Series 2 due 2013, #1/2009 Series 1 due 2013, Series 2 due 2014, and Series 3 due 2015Bond Registrar andSecurities Services Department Kasikornbank Plc.

Berla Regional and	
Bondholders' Representative	Head Office Building, Phahonyothin,
	11 th Floor 400/22 Phahonyothin Road, Phayathai, Bangkok 10400, Thailand
	Telephone number: (662) 470-1982 Facsimile number: (662) 470-1998

Unsecured Debentures of Charoen Pokphand Foods Plc.

#2/2009 due 2015, #1/2010 due 2015 and #1/2012 due 2016

Bond Registrar and	Registrar 1, Markets Operations Division	
Bondholders' Representative	Siam Commercial Bank Plc. Chidlom Building 2, 3 rd Floor,	
	1060 Phetburi, Ratchatawee, Bangkok 10400, Thailand	
	Telephone number: (662) 256-2323-6 Facsimile number: (662) 256-2406	

Unsecured Debentures of Charoen Pokphand Foods Plc.

#2/2010 Series 1 due 2014, and Series 2 due 2017

Bond Registrar	Agent and Securities Services Dept. TMB Bank Plc. 3000 Head Office Building, 5A Floor, Phahonyothin Road, Chompol, Chatuchak, Bangkok 10900, Thailand Telephone number: (662) 299-1321 Facsimile number: (662) 242-3270
Bondholders' Representative	Securities Service Department Bank of Ayudhya Plc. 1222 Rama 3 Road, Bangpongpang, Yannawa, Bangkok 10120, Thailand Telephone number: (662) 296-4782 Facsimile number: (662) 683-1298

Unsecured Debentures of Charoen Pokphand Foods Plc. #1/2011 Series 1 due 2018, Series 2 due 2021, Series 3 due 2041 with debentureholders' early redemption right, and #2/2011 due 2041 with debentureholders' early redemption right

Bond Registrar and	Securities Services Department Bangkok Bank Plc.
Bondholders' Representative	333 Silom Road, Bangrak, Bangkok 10500, Thailand
	Telephone number: (662) 230-1447-8 Facsimile number: (662) 626-4545-6

Unsecured Debentures of Charoen Pokphand Foods Plc. #2/2012 Series 1 due 2019, Series 2 due 2022 and Series 3 due 2032

Bond Registrar and	Agent and Securities Services Dept. TMB Bank Plc.		
Bondholders' Representative	3000 Head Office Building, 5A Floor, Phahonyothin Road,		
	Chompol, Chatuchak, Bangkok 10900, Thailand		
	Telephone number: (662) 299-1321 Facsimile number: (662) 242-3270		

American Depositary Receipts Registrar

The Bank of New York Mellon CorporationBNY Mellon Shareowner ServicesPO Box 358516, Pittsburgh, PA 15252-8516, USATelephone number:1-201-680-6825Website:www.bnymellon.com/shareownerE-mail address:shrrelations@bnymellon.com

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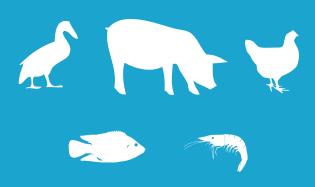
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