



Charoen Pokphand Foods Plc.

Listed on the **S**tock **E**xchange of **T**hailand

Monthly Newsletter

Volume 15 Issue 5 – May, 2015

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The General Shareholder’s Meeting No.1/2015 of CPF



Led by Mr. Adirek Sripratak (6th from left) President and CEO , Mr. Arsa Sarasin (5th from right) Director, a member of the Audit Committee and a member of the Remuneration and Nominating Committee , together with the board of directors and executives , recently attended the Annual General Shareholder’s Meeting no.1/2015 of Charoen Pokphand Foods PLC (CPF) , held at Panyapiwat Institute of Management, Chang Wattana Road.

CPF urged India and Vietnam to produce shrimps, addressing issues in EU limiting GSP Right, with 40% expansion plan in China

Prachachart Thurakij, April 09, 2015

CPF can now be more relieved as it moved its manufacturing base in order to address problems occurred in the European Union (EU) in 2013 while shrimp manufacturing base in Thailand has increased its number of production in 2015 to 27,000 tons. The company also changed its business direction by penetrating Chinese markets which accounts for 40% of overall business expansion. It points out that overall shrimp manufacturing industry in Thailand will bounce back in manufacturing number for 240,000 – 300,000 tons. In the future, CPF recommends that shrimp suppliers should not reach 600,000 in their number of shrimp production as the company is afraid of excessive shrimps within the market.

Mr. Somchai Triamchapisut, Vice President of Charoen Pokphand Foods Public Company Limited (CPF) said that as the company previously encountered the issue of EU cutting Generalized System of Preference while exporting pacific white shrimp to the European Union (EU), it moved manufacturing base (of which shrimps are exported to EU) to Vietnam since 2014. Currently CPF has 2 factories with capacity of 12,000 – 15,000 tons of shrimps manufacturing. However the manufacturing is still not full of its maximum capacity. In 2015, the company planned to manufacture 10,000 tons of shrimps.

“We also found Early Mortality Syndrome (EMS) problem which occurred in manufacturing base in Vietnam. At the moment we are recovering from that situation. Vietnam’s manufacturing capacity can reach 600,000 tons. However in reality it is difficult to manufacture the number of manufacturing expected because Vietnam, although with satisfying manufacturing, still has issue of inconvenience of transportation. Therefore practically the country can manufacture at a maximum number of 300,000 tons.”

Looking at India, approximately number of shrimps manufactured previously were 300,000 tons. However it is impossible for India to be able to manufacture 600,000 tons of shrimps which are similar to the number of shrimps that could be manufactured in the past on the condition that there must be no Early Mortality Syndrome (EMS) occurred”, said Mr. Somchai.

Mr. Somchai also said that for CPF Thailand, shrimp manufacturing of the whole country this year should be enhanced in its number to an expected number of 240,000 – 300,000 tons. For CPF’s target in 2015, 27,000 tons of shrimps are planned to be manufactured, increasing from 2014’s of 15,000 tons. The expected revenue for this year is 9 billion baht. CPF has emphasized more on Asian markets although Thailand still overall exports more than 50% of shrimps to the U.S. as the company thinks consumption in Asia will grow in contrast to consumption in Western side, both the U.S. and Europe where purchasing power is sluggish. In 2015, CPF aims at increasing export proportion to China to 40% from previous 15% and distributes shrimp products to Japan, South Korea, Australia by 15% in each country and also other countries which account for 25% of total manufacturing shrimps.

CPF (India) to build new chicken plant, expand Five Star outlets

The Nation April 24, 2015

As India experiences strong economic growth and rising spending power, Charoen Pokphand Foods (India) will invest Bt1 billion to expand its chicken-processing capacity and set up more Five Star chicken outlets next year. Sanjeev Pant, senior vice president for food business of CPF (India), said the company had foreseen strong economic growth with more spending power in that country. Thus it will establish a new chicken plant in southern India. Initial investment capital for the plant and Five Star expansion will be Bt1 billion.

The new plant's production line will boast "air-chill technology". It will be able to process about 20,000-30,000 chickens a day, a big boost from the capacity of its current plant, which can only handle about 6,000 birds a day. About 500 labourers will be employed for a two-shifts operation.

Pant said the higher production would support many sales channels including restaurants, hotels, modern trade, general traders, and its Five Star outlets.

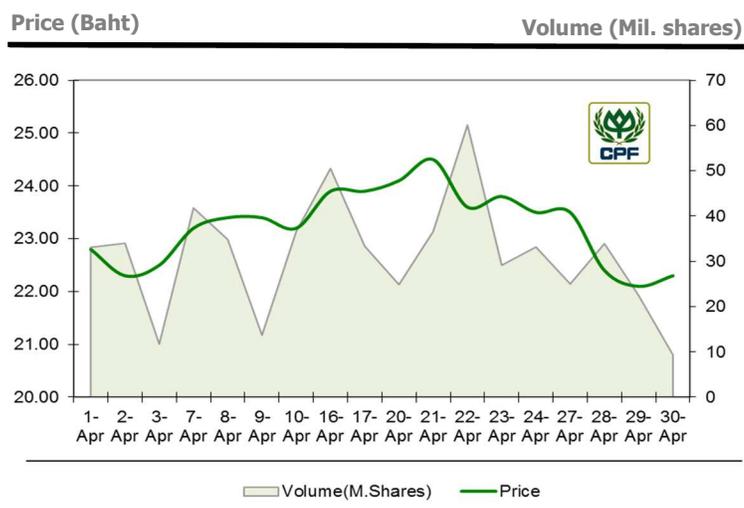
The company plans to have as many as 500 Five Star chicken shops in India within three years, with most expansion in the south and west of the country. The firm has chosen to focus on southern states such as Karnataka, Telangana and Andhra Pradesh and major cities in that part of the country including Bangalore, Chennai and Kochi.

Currently, the company has 265 Five Star outlets in India. Of these, 90 per cent are operated under franchises, and the rest are owned by CPF (India).

The firm earned about US\$300 million (Bt9.7 billion) in revenue from its livestock industry last year, including feed meal, farms, and Five Star chicken shops. In India, CPF earns revenue of about Bt7,000 per branch per day for each Five Star shop.

CPF also plans to establish more Five Star outlets in Vietnam, from 605 kiosks currently to 1,000-1,200 shops within three years.

Price Performances: CPF



April 2015	
Highest Price	24.50
Lowest Price	22.00
Closed Price	22.30
Average Volume/Day (Shares)	31,360,000

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