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### **CP Foods raises \$44.5m with share issue, as turnover rises 13%**

*Bangkok Post, May 13, 2017*

Thai company Charoen Pokphand Foods saw its first quarter 2017 revenue rise 13% to THB 119.6 billion, it has announced. Offshore business accounted for 70% of the total sales in Q1, it said, as net profit rose 5% year-on-year to THB 3.96bn.

Adirek Sripratak, chairman of the firm's executive committee, said the business had performed in line with projections. Included in this was the fact that aquaculture operations "have rebounded".

Another of its operations, swine, saw limited growth in results, with margin declines across the board in Vietnam, Cambodia and Thailand compared with Q1 2016. However, "offshore businesses in China, Russia and the Philippines have expanded remarkably," the company said.

The company's board agreed on May 11 to ask shareholders to approve a plan to raise registered capital of THB 1.55bn, by issuing the same number of common shares prices at THB 1 each. The new shares will be allocated to existing shareholders at the ratio of 5:1, THB 25 apiece, the company said.

"The proceeds will be used for refinancing loans or debentures to reduce financial expenses incurred from debts and interests, and thereby improving the company financial performance. Also, the raised capital will partially set aside for future investment," the company said.

In Q1 2017, CPF Investment, a wholly owned subsidiary of CP Foods, inked a share purchase agreement with UK-based Westbridge Food Group, a meat and seafood supplier with turnover of over £340m. According to the statement from CP Foods, the deal for Westbridge is valued at £60m.

It also pledged to expand its business within the Philippines with trade secretary Ramon M. Lopez stating CP Foods plans to invest \$500m there within a year, as part of a \$2bn plan set for the next five years.

## CPF to boost Central Luzon food industry

*Sun Star. May 16, 2017*

Charoen Pokphand Foods Philippines Corporation (CPFPC) is expanding its operations in Central Luzon to generate more jobs, income and benefits for farm workers and people engaged in the agriculture and aqua sectors. This was disclosed by CPFPC vice chairman Sakol Cheewakoset and Livestock Feed Business vice president Sompong Rojanaadisorn, who said that the Philippine countryside has a lot of potential when it comes to the food industry. "Here in the Philippines, you have a lot of potential in the food business.

Primarily, there are no diseases in swine and poultry that is why we decided to expand our food business here," Cheewakoset said. "With our technology, people and skills, we can improve your agriculture a lot. We assure you that three to five years from now, with the support of government, we can find the market for your products in Japan, China, Middle East, Thailand and other countries,"

Cheewakoset added. The CPFPC is engage in the animal feeds business. Starting out with P10-billion Rojanaadisorn shared that CPFPC planted the P10-billion seed investment in March 20, 2007, when the company set up CPF Philippines Corporation, its wholly owned subsidiary engaged in the operations of shrimp hatchery in the Philippines. "We started in 2007 in Visayas. We have businesses here, which started in 2009 in the City of San Fernando. We have the aqua business, then farm business, then food business, and poultry in various farms in Central Luzon and the Visayas.

Investment is approximately P10-billion," he said. Compliance, benefits In order to harness the full potential of CPFPC in Central Luzon and the Visayas, Rojanaadisorn stressed that the Thai firm strictly adheres and complies with local regulations and investment policies. "We strictly adhere to regulations and policies anywhere in the world where we do business.

We follow the three benefits we have in countries where we invest, that is, benefit to the country like in the Philippines, benefit to the people of the Philippines, and then benefit to the company," he said. That is why, Rojanaadisorn added, Charoen Foods employs locals. "We have more than 1,000 in the Philippines now. We also increase that as we expand our business, like 2,000 to 3,000 in the next three to five years for Filipinos. We generate jobs, we generate income," Rojanaadisorn said. "The indirect effect is to the farm workers. Like we use a lot of corn sourced from local farmers for our feed mill. That helps a lot of locals in terms of livelihood and income," he said.

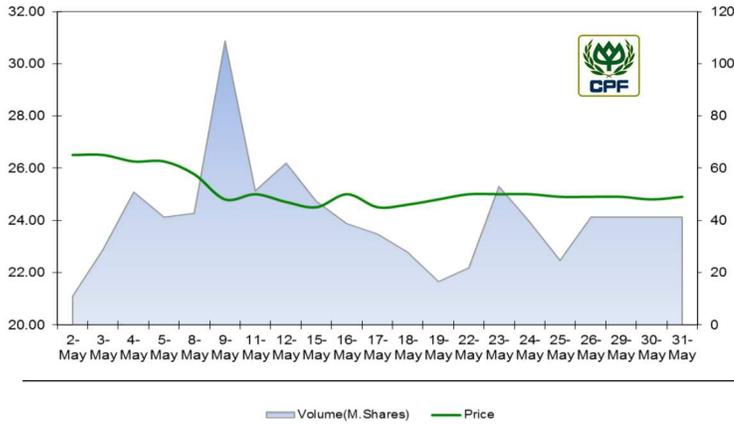
Reaching out to help more people in the agriculture sector, CPFPC continues to reach out with bigger projects and its corporate social responsibility (CSR). "We have a big project coming and it's the creation of a cooperative. This will be of help to poor people, and we have started coordinating with the local government of Pampanga for this cooperative," Rojanaadisorn said.

As part of its CSR, Charoen Foods donated some P10-million for the rehabilitation of Typhoon Haiyan victims years ago, and recently donated another P10-million to the Department of Agriculture through Secretary Manny Piñol. "That is for the rural areas, for agriculture, so we can sponsor and help in the development of infrastructure in rural areas. It is part of our giving back to communities," Cheewakoset said.

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## Price Performances: CPF

Price (Baht) Volume (Mil. shares)



May 2017	
<b>Highest Price</b>	<b>27.00</b>
<b>Lowest Price</b>	<b>24.30</b>
<b>Closed Price</b>	<b>24.90</b>
<b>Average Volume/Day (Shares)</b>	<b>35,331,900</b>

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