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Charoen Pokphand Foods Plc.

Listed on the stock exchange of hailand

Monthly Newsletter

Volume 14 Issue 12 – December, 2014

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CPF wins SET Award 2014 for two consecutive years

Matichon , December 1, 2014



Mrs. Kesara Manchusree (far left), President of The Stock Exchange of Thailand together with **Dr. Sathit Limpongpan** (2nd from left), Chairman of The Stock Exchange of Thailand, and **Mr. Santi Viriyarungsarit** (2nd from right) Editor-in-Chief of Money & Banking Magazine jointly congratulate **Mr. Wuthichai Sithipreedanant** (center), Senior Vice President in Corporate Social Responsibility of Charoen Pokphand Foods PLC. (CPF), as the company won "Best Corporate Social Responsibility" SET Award 2014 and proven to be a leader in Agricultural and Food industries which always emphasizes on the importance of corporate social responsibility. The award ceremony was held at the Stock Exchange of Thailand.

<u>CPF, Taking over World's Market, Revealed Investment Plan in 6 Countries to</u> Gain THB 32 Billion

Thansettakij, November 2, 2014

"CPF" revealed its strategy and introduced products under CP brands to international markets mainly in 6 countries. The products being introduced are emphasized on their variety with the plan of long-term market penetration to gain over US\$ 1 billion or THB 32 billion.

Mr. Kosit Lohawatanakul, Senior Vice President Overseas Marketing Charoen Pokphand Foods PCL (CPF) said that from now onward, international market plan is to focus on marketing equally in Asia and Europe. The focus will be made in 6 countries out of 18 countries namely Singapore, Hong Kong, Korea, Australia, England, Canada, and countries in Scandinavia. The long term's highest goal is to position as company obtaining US\$1 billion or THB 32 billion in the future along with to make the brand become Global Brand under CP Brand. The company positions itself as leader of Asia food market. From previous 6 years, the company could generate approximately 49% of growth in sales figure yearly abroad.

"Apart from our highest goal: revenue, brand awareness by world's population who knows and consumes our foods is our target to achieve. Only 3 billion people consume our foods one time/person/day is a success for us to move towards being Global Brand gracefully"

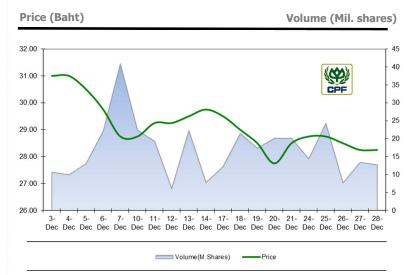
For international market penetration, the company will use CPF's variety of products within its portfolio to make each menu special in order to serve market demand. There will be two "Mix and Match" strategies: 1) creating food innovation to penetrate the market and lead to awareness 2) bringing foreign well-known food menus to the markets as target group's demands and awareness are different.

"There is no certain rule to create branding. It can be products under CP brand or other brands depending on how we perceive market and consumers of each country. Every year we have meetings on how to build branding and we invite sales representatives from 18 countries worldwide to do workshop. This is to review and analyze marketing plan to see what we do is considered a winning and losing. Therefore designing brands in any market requires understanding in markets and consumers of such countries."

For markets in Europe, chilled foods are popular and can continuously create growth whereas frozen foods have become saturated as we are now in a modern society. Company's products in European markets are 100% sold via Modern Trade channel. It is admitted that financial crisis occurred in many countries in Europe have affected spending behaviors and company's way of doing marketing. Even when comparing to other types of products, the food products were less affected as most consumers bought cheaper price products in particular private labeled or house brand products of each department store. In these places, 50-75% of some items are house brand products. The company itself adapted strategies to serve markets by offering a variety of food choices for consumers with reasonable prices.

CPF's production line in Europe consists of two factories which are 1.) Sandwich factory in England 2.)Sandwich factory in Belgium which the company acquired at the beginning of this year. The factories are expected to start its production to market in 2015. Initially we are bringing know-how of producing Asian foods as previously we had outsourced European food production factories. Our two factories will act as production bases to export products to company's markets in Europe as now products to be sold in Europe are imported from Thailand.

Price Performances: CPF



November 2014	
Highest Price	31.50
Lowest Price	27.75
Closed Price	28.25
Average Volume/Day (Shares)	16,910,000

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