



## Monthly Newsletter

Volume 20 Issue 05 – May, 2020

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:CP Vietnam will put into operation a slaughterhouse in Hanoi, with an investment of VND450 billion, at the end of this year  
:CP Foods believes Florida RAS concept could be replicated if successful

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### CPF's Q1 earnings spike 43%. amid expectations of mild impacts from COVID-19 and better annualized results

May 14, 2020 , BangkokBiznews

*Charoen Pokphand Foods Public Company Limited (CPF) reported Bt6,111 million in net profits in the first quarter of 2020, a 43% increase from the same period last year, due chiefly to the African Swine Fever ( ASF) that caused a significant shortage in pork supplies and a spike in pork prices in many countries particularly Vietnam.*

CPF, a leading agro-industrial and food conglomerate that operates in 17 countries and exports products to more than 30 countries under the "Kitchen of the World" vision, reaped Bt138,135 million in sale revenue in the first quarter, up by 10% from the corresponding period last year. The sale revenue of its overseas businesses in 16 countries which contributed 68% of total revenue increased by 12% on year, while the operations in Thailand which constituted 32% of total revenue witnessed a 6% revenue growth rate.

Mr. Prasit Boondoungprasert, chief executive officer of CPF, said that the increase in net profit was contributable to the pork business in many countries particularly Vietnam. The ASF outbreak last year led to a significant decline in pork supplies in Vietnam, which pushed up the average pork prices in Vietnam and Cambodia. Meanwhile, businesses in many destinations achieved expansion targets while CPF started to realize revenue from Hylife Co., Ltd, a pork business operator in Canada, in the first quarter.

Mr. Prasit said that the COVID-19 pandemic led to the economic slowdown and lower purchasing power, but CPF's businesses witnessed only a mild impact as its products are essential for everyday life. CPF has upheld its mission in delivering quality and safe products while ensuring no stoppage in production and work process which may cause food shortages. Maximum safety measures have been exercised to cope with the outbreak while employees are assured of the best care. CPF also initiated a social program by supplying food to 200 public hospitals under the Public Health Ministry, 20,000 medical personnel' families and 20,000 overseas returnees. CPF recently issued more than 1 million discount coupons to medical care volunteers to ease their cost of living, while delivering 25 batches of food to slums in the Greater Bangkok and provinces in cooperation with the Agriculture Ministry.

CPF has applied risk-diversification strategies, banking on the variety of animals and products as well as investment destinations. Aside from the well-balanced portfolio, CPF has continually emphasized safe production process to ensure quality products for consumers and adjusted marketing channels accordingly to changing consumer behaviors. CPF's business plan has been reviewed in response to the COVID-19 outbreak, to offer better marketing channels under a New Normal. The operating results for 2020 are thus expected to exceed the 2019 level as expected.



## CP Vietnam will put into operation a slaughterhouse in Hanoi, with an investment of VND450 billion, at the end of this year.

May 15, 2020, Vietnam News

Agriculture: C.P. Vietnam to Open \$19.3M Pig Slaughterhouse in Hanoi at End-2020

C.P. Vietnam Corporation, a subsidiary of Thailand-based Charoen Pokphand Foods Public Company Limited (CPF), will put into operation a slaughterhouse in the capital city of Hanoi, with an investment of VND450 billion (\$19.39 million), at the end of this year, state media reported.

The six-hectare slaughterhouse will be located at Phu Nghia industrial zone (IZ) in the outskirts district of Chuong My, also the second project by C.P. Vietnam at the IZ.

The facility has a designed capacity of slaughtering 2,000 pigs per day in the first phase and 4,000 daily at full capacity. This will become the first large-scale slaughterhouse in northern Vietnam.

C.P. Vietnam Corporation was the biggest firm in Vietnam's husbandry sector. It now has ten animal feed and fisheries plants, five meat and fisheries processing plants, and 3,000 farms across the country.

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## CP Foods believes Florida RAS concept could be replicated if successful

Undercurrent News, May 5, 2020

Charoen Pokphand Food's (CPF) plans to build a land-based shrimp farm in the US state of Florida are progressing and, if successful could be ripe for replication " It's pilot farm and we're going to be trying out a lot of new and different principles," Robins McIntosh CPF's executive vice president said, according to the Global Aquaculture Alliance's Advocate. If it works, there could be Homegrown farm outside of every major community. We could have Homegrown facilities in Europe and China."

McIntosh said the Indiantown, Florida, farm will have a "very compact water-treatment footprint".

" We're not using expensive bead filters and biofilters and other high-tech stuff, it's very simplistic, going back to environmental engineering concepts and doing it in a way that's cost-effective," he told the publication

In January, McIntosh told Undercurrent News that in order to be successful, he believes that US consumers must be willing to pay a premium for fresh, locally raised seafood.

"This cannot be perceived as shrimp. This is homegrown . The minute you define it as shrimp. You're dead. And how do you define homegrown? We'll define it as we go along," McIntosh said.

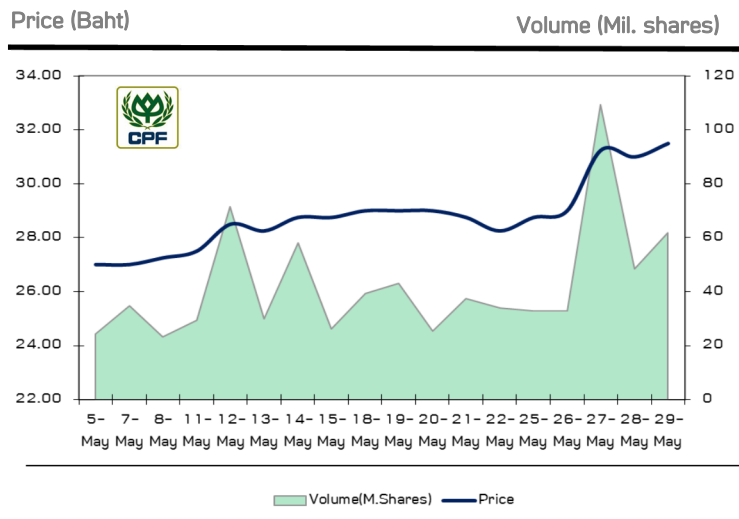
CPF, the world's largest shrimp farmer, recorded some \$2.3 billion in revenues in 2019. But it is embarking on an experiment of sorts with Homegrown's farm which will be built in the city of Indiantown, Florida, and raise shrimp in round tanks in a manner similar to ones that CP uses to grow broodstock.

Instead of long 120 metric ton tanks. CPF plans to use round 500t tanks " because the dynamics of the water movement will be easier at the larger scale", McIntosh said

The shrimp farm will use modules each capable of growing 130 to 140t of shrimp per year, and could be expanded to include four modules of similar size. But expansion will hinge on surmounting the biological and economic challenges.

" If the biological test passes, the profitability is really outside our control . It depends on the market price, it depends on how its sales go. It will depend on things we really need to learn as we go," he said

## Price Performances: CPF



May 2020	
Highest Price	31.75
Lowest Price	26.25
Closed Price	31.50
Average Volume/Day (Shares)	38,875,300

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