



# Charoen Pokphand Foods Plc.

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## Monthly Newsletter

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### Business adjusts management plan to grow in 'overlapping crisis'

Source : [www.bangkokbiznews.com](http://www.bangkokbiznews.com) , 27 July 2022



"Perfect Storm" is not the title of a new sci-fi film, it is the best description of the current economic situation where all issue are raging. Whether both old and new pandemics, war that led to higher prices of goods and energy that pushed inflation up sharply. However, this also spurred the recovery of both the Thai and global economies, and as a result, businesses have to come up with strategies to weather through this storm.

Mr. Prasit Boonduangprasert Chief Executive Officer of Charoen Pokphand Food Public Company Limited (CPF) disclosed that the company is monitoring the global economic situation as well as the Russia-Ukraine conflict closely, to adjust our policies and approaches to be flexible to adapt to changes in both the country and the global market. Also to mitigate risks and external factors from both domestic and international sources that may impact the company's businesses.

This year's target is to grow the business at least 10% contributed by the ability to expand food production to supporting the world's consumption. Sales in the first quarter of this year grew 16% due to increased sales and higher prices level compared to the previous year as a result of supply shortage from the onset of the epidemic.

For business in second quarter of this year, growth are expected to be better than the first quarter from two positive factors: more exports from weak Thai baht, and concerns of "food shortage" as the conflict has forced more than 30 food producing countries to suspend exports, compared to 2021, which faces both high production costs. Poor global market prices and labor shortages due to the COVID-19 pandemic.

Furthermore, with the vision "Kitchen of the World", CPF invested in 17 countries, and all of which are closely monitoring for the aforementioned global crisis. To drive the business under the "increase efficiency" policy, especially raw material procurement, to reduce costs and expense incurred. In parallel the finance team also closely monitor interest rate and exchange rate movements to provide the highest financial efficiency as possible, which will be beneficial for the exports to 30 countries around the world and maintain continued revenue growth.



"The economic crisis resulting from this conflict did not affect the company's performance since all countries seek to maintain food security."

This crisis affects costs and expenses, including feed raw material, energy, shipping costs, and currency fluctuations. The rising costs are universal to all countries, therefore increase in price of the product are unavoidable.

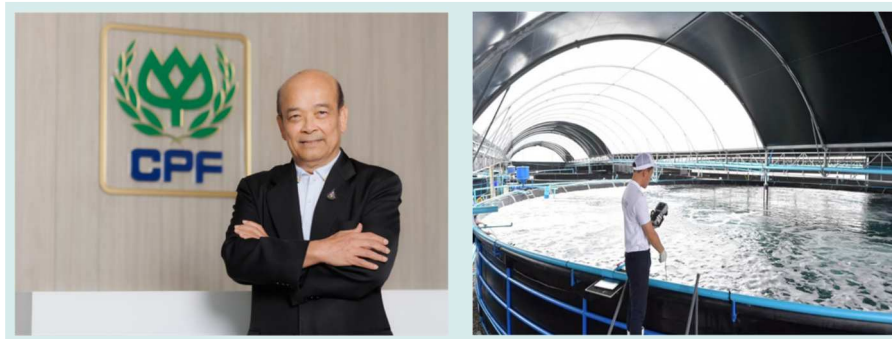
Moreover, in the past few years livestock epidemic occurred in many countries. As a result, meat prices have increased due to shortages of goods. During the global covid-19 crisis, And the Russian-Ukrainian conflict CPF implemented business plan systematically which was carried out by applying artificial intelligence technology. ( Artificial Intelligent : AI ) and Internet of Things (IOT) help manage the entire Feed, Livestock farms and Food production chain that helped increase efficiency and improve accuracy in the estimation of raw material costs. Hence, stable production cost, which also help reduces investment risk and reduces interest costs.

"The double crisis facing the world now, both the COVID-19 pandemic and the five-month-long conflict, has affected the ongoing food production chain."

The problem faced is that challenge, solution to these obstacle will be a testament to prove the business tenacity.

## **CP Foods joins forces with SeaBOS to advance Ocean Sustainability Effort**

Source : [www.mgronline.com](http://www.mgronline.com), 12 JUL 2022



Charoen Pokphand Foods PCL (CP Foods), Thai agro-industrial conglomerate and leading global shrimp producer, jointly announced progress made on reducing antibiotics in aquaculture and seafood sustainability efforts as a part of the Seafood Business for Ocean Stewardship (SeaBOS) initiative.

SeaBOS recently launched SeaBOS Progress report 2017-2022, following commitments made at the 2017 UN Ocean Conference.

Dr. Sujint Thammasart, DVM, Chief Operating Officer – Aquaculture Business of CP Foods and sponsor of Task Force III, said that the company, as a member of SeaBOS for international cooperation in protecting the oceans, natural resources, and marine environment to move towards the goals of conservation of ecosystems and responsible production of quality seafood for humans in a sustainable manner.

He said CP Foods is among lead companies in Task Force III – Working with governments and AMR. The Task Force aims at developing solutions with governments on key threats to sustainable seafood and ocean health. The work includes improving the knowledge and understanding surrounding health, climate, and societal benefits of sustainable seafood production. Special focus is on achieving improved antibiotic stewardship in SeaBOS and the industry. This is to avoid the development and spread of antimicrobial resistance, in humans and animals. Dr. Sujint added that these efforts are in line with the principles of animal welfare to which CP Foods has strictly adhered and applied in its business operations.

“The working group will work together to finalize the SeaBOS Antibiotics Code of Conduct” by October 2022, and the SeaBOS member companies will implement the Code of Conduct in their own businesses as well as transferring it to suppliers in their supply chains of both animal feed production and aquaculture farms,” Dr. Sujint said.

CP Foods has prioritized the antimicrobials policy as follows; 1) requiring those antimicrobials that are medically important for human medicine shall be used only for therapeutic uses under veterinary oversight 2) elimination of the use of shared-class antimicrobials which are medically important for human medicine for growth promotion purposes globally , and 3) work with global experts and partner with all stakeholders to identify new and better ways to care for animals to enhance animal welfare and to reduce the need for antimicrobials. CP Foods is applying the policy throughout the global food supply chain and collaborating with all parties in appropriately protecting the health of people, animals and the global community under the "One Health" approach.

Aside the phasing-out of antibiotics, there is a mutual agreement on applying global regulations throughout the supply chain, promoting legal fishing, eliminating illegal labour, developing traceability systems, refraining from using antibiotics, and reducing greenhouse gas emissions and the use of plastic through cooperation in technology, research and development coupled with implementation and practicality.

CP Foods has made multiple efforts to tackle the most urgent challenges in the seafood sector. For example, CP Foods has collaborated with the Labour Protection Network Foundation under the "Labour Voice and Worker Training Program". A key goal of the program is to certify over 200 shrimp farms and factories across the country in accordance with labour standards by 2022.

Moreover. The company co-founded the Fishermen Life Enhancement Center project (FLEC), a platform where the fishermen can receive advice in multiple topics such as work, health, and daily life.

Such collaborative programs have helped the company promote labour protection and employees' well-being and manage risks of human trafficking and forced labour. The effort aims at eliminated IUU problem in Thailand.

The company also placed importance upon eliminating ocean plastic waste problems. As a result, the company launched the "Ocean Trashformation project" in 2021 to reduce plastic waste in the ocean by collecting plastic waste from fishing activities and recycling them into valuable products. This is to promote the recycling of plastics and the use of less damaging products, including generating additional income for people in the community.

Dr. Sujint also congratulated SeaBOS initiative for launching its much-anticipated SeaBOS progress report after 5 years of collaboration with partners in science and business.

Read more about our launch here <https://seabos.org/seabos-launches-first-progress-report-collaboration-starting-to-generate-results/> and <https://seabos.org/wp-content/uploads/2022/06/SeaBOS-progress-report-2017-2022.pdf>

**About SeaBOS :** Seafood Business for Ocean Stewardship (SeaBOS) is a group of ten of the world's largest seafood companies that are collaborating with science to implement a joint vision to support more sustainable seafood production and improved ocean health. The initiative connects capture fisheries with feed producers and aquaculture businesses across Asia, Europe, and North America. Together, SeaBOS companies represent over 10% of the world's seafood production and comprise over 600 subsidiary companies.



## CP Foods taps into future trends with food tech solutions

Source : [www.foodnavigator-asia.com](http://www.foodnavigator-asia.com) , 21 Jul 2022



Charoen Pokphand Foods Public Company Limited (CP Foods) is focusing on future food such as value-added products, alternative protein, and nutrition innovations to catch up with shifting global food trends.

Healthy living, Personalized Foods, Food Tech, Flexitarians, and sustainability-centric food supply chain practices are upcoming food trends identified by CPF RD center. Dr. Lalana Thiranusornkit, Senior Vice President for Food Innovation and New Product Development of CP Foods, said that the climate change, rising world population, and aging society and the Covid-19 pandemic has tremendously impacted day to day life, global economic and environment. Recognizing the urgency and need to tackle these rapid changes, CP Foods strives to develop food products that are safe, healthy, convenient, and sustainable to ensure food security of consumers across the world.

As a result, the company is dedicated to accelerating innovation in food industry. The goals are to explore new ingredients and techniques to develop tastier, better nutrition, healthier.

“At CPF RD Center, we are catching up with healthy food trend and nutrition foods in accordance with consumer needs. The RD Center also focuses on responsible food production to reduce the environmental footprint in line with the sustainable development goals of the United Nation,” Dr. Lalana said.

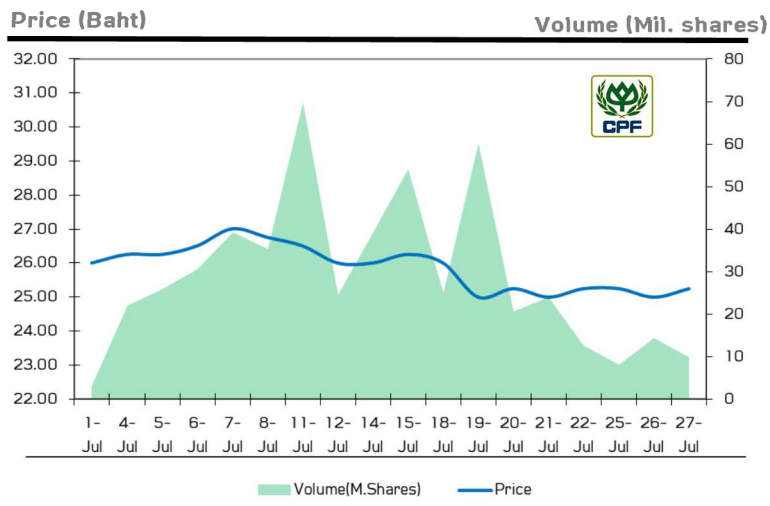
To meet demand of health seeker, CP Foods created nutrient meats, Benja Chicken and Cheeva Pork, both are made from super-food fed animal raised in a high biosecurity – high animal welfare farms. the meat has high nutritional values, such as Omega-3, and antibiotic-free.

Another future food trend is the Flexitarians. The company has launched “MEAT ZERO”, the plant-based meat that feel, taste, and appear like real meat due to “PLANT-TEC” innovation that the company invented. Moreover, CP Foods has teamed up with Lypid to make the plant-based meat tastier with “Vegan Fat innovation”. Aside plant-based product, the company and Israel-based Future Meat Technologies are developing hybrid cultured meat products for the Asian market.

Functional drink is also among trends that CP Foods tapped into. The products included “ IMU Drinks” boost immunity & prevent allergies; a brain-booster drink, Fresh Awake; and rejuvenating Deep Sleep.

As a solution for aging society, CP Foods and the Faculty of Medicine Ramathibodi Hospital Mahidol University launched NutriMax to help the elderly and patients to eat easily, swallow easily, as well as develop probiotic supplements called “Bifio Probiotic Plus” contains quality probiotic microorganisms to help boost immunity.

## Price Performances: CPF



July 2022	
<b>Highest Price</b>	<b>27.00</b>
<b>Lowest Price</b>	<b>25.00</b>
<b>Closed Price</b>	<b>25.25</b>
<b>Average Volume/Day (Shares)</b>	<b>28,790,193</b>



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