



## Monthly Newsletter

Volume 19 Issue 04 – April, 2019

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM



### Topics

- [CPF News](#) : Legal Sea Foods partners with CP Foods on premium products  
: CPF has restructured its restaurant business, with the goal of expanding its revenue by 16% in 2019  
: CP Vietnam strongly bolsters Hanoi to fight against African swine fever outbreak
- [Price Performances](#) : CPF

### [Legal Sea Foods partners with CP Foods on premium products](#)

*BangkokPost , March 22 , 2019*

Boston-based upscale restaurant chain Legal Sea Foods (LSF) selects Charoen Pokphand Foods (CP Foods) to co-pack premium shrimp products for distribution in North America.



Sharing the same view, Mr. Roger Berkowitz, CEO of Legal Sea Foods, and Dr. Sujint Thammasart, COO (Aquaculture Business Unit) of CP Foods, say it is a proud moment for both companies to jointly introduce premium quality seafood, under the Legal Sea Foods brand, to North American consumers. Within the partnership, CP Foods will produce numerous fresh frozen and high quality items with shrimp sourced from its biosecure aquaculture farms.

The products will be distributed under the Legal Sea Foods brand, and will be launched at the Seafood Expo North America and Seafood Processing North America or Boston Seafood Show 2019, the largest Seafood exposition in North America, during March 17-19, 2019. It is the main venue where thousands of buyers and suppliers from around the world attend the three-day exposition to meet, network and do business. Attending buyers represent importers, exporters, wholesalers, restaurants, supermarkets, hotels, and other retail and foodservice companies.

Both companies share similar values in delivering the freshest and highest quality seafoods from responsible supply chain “Legal Sea Foods has a long history of serving premium seafood to its more than 7 million restaurant customers annually, a success which is rooted in our fundamental belief in food safety and quality,” according to Mr. Berkowitz.

“All of our shrimp are raised in closed system, environment – friendly farms and are fed with feed utilizing fishmeal certified by the Global Standard for Responsible Supply (IFFFO RS). Our shrimp feed, seeds, farms and processing plant are recognized as best-in-class within the aquaculture industry , while Legal Sea Foods is the number one seafood brand in America. This makes for very synergistic partnership,” according to Mr. Thammasart.”

## **CPF has restructured its restaurant business, with the goal of expanding its revenue by 16% in 2019.**

*Bangkok Post, March 18, 2019*

Charoen Pokphand Foods Plc (CPF) has restructured its restaurant business, with the goal of expanding its revenue by 16% to 5 billion baht in 2019.

Chief operating officer Sathit Sangkanarubordee said the company recently set up a new firm called CPF Restaurant and Food Chain Co to handle the expansion of potential food categories under Five Star food group and its restaurant business.

The move aims at increasing sales by double-digit rates every year and boosting overall restaurant numbers under Charoen Pokphand Group, the parent firm, to 50,000 branches in the long term.

There are about 5,000 branches of various food brands under Five Star Group, including Five Star, Ped Yang Chaosuo grilled duck restaurant, Star Coffee and Oscars Burger.

“When talking about Five Star, we hope customers will no longer think of only grilled chicken, but a variety of food and drink,” Mr Sathit said. He wants to develop three new food or beverage brands a year to keep abreast of the young generation's continuously changing appetite and thirst for entrepreneurship.

Mr Sathit said the company also plans to build business ownership, with all food businesses under CPF Restaurant and Food Chain operated by franchisees.

“We don't want to open a single branch of our own restaurants, because we don't want to compete with our franchisees,” he said. Five Star started its grilled chicken business 33 years ago, gradually adding fried chicken in the past decade.

The business model of Five Star changed recently from street kiosks to quick-service restaurants (QSRs) as an option for the middle class. There are 270 Five Star QSRs, with an aim to reach 600 branches this year. For the original Five Star kiosk, the company will cap the number at 4,000 branches across the country.

Mr Sathit said the company aims to beef up its beverage business after branching out to the beverage sector last year. “We are interested in coffee and milk tea because both have rising demand,” he said. There were 200 Star Coffee shops across the country last year, with the figure to reach 500 branches by the end of this year.

The company expects 300 new Star Coffee shops to open a year in 2020 and 2021. Investment in a Star Coffee franchise is 300,000-400,000 baht and a shop can break even in two years. The company also developed a milk tea kiosk for new entrepreneurs requiring investment of 30,000-40,000 baht.

---

## **CP Vietnam strongly bolsters Hanoi to fight against African swine fever outbreak**

*The Nation, March 14, 2019*

CP Vietnam has collaborated closely with the Vietnam Government to work in every practice to stop African Swine Fever (ASF) outbreak while farm knowledge and management have implemented to raise awareness among farmers and consumers, according to its press release.

So far, the Vietnam Government has launched concrete measures to combat the outbreak nationwide. CP Vietnam has not only followed the government's footsteps but also provided farmers with best practices of treatment for farms and animals in line with international standards.

These were performed with the intention to bring back the situation to normal as quickly as possible and to convince the consumers that pork is safe.

Jirawit Rachatanan, executive vice president, Swine Business of CP Vietnam and CLMV countries, said recently that CP Vietnam strictly operates under Vietnam government's stringent measures which implemented by Department of Husbandry and Veterinary/ Animal Health Department.



“Vietnam has implemented many regulations to ensure that the spread of ASF will be under control. For example, transportation of pigs is banned within a three-kilometer radius from the infectious area. All farms in the risk zones must take blood samples of the pigs for testing.”

Transportation of pigs and animal feeds must be sterilized to make sure that they are 100 per cent clean, Jirawit explained.

Under the measurements, CP Foods and the Vietnam government would team up to raise awareness of ASF through various communication channels, helping the public to have a correct information about the disease. The government also launched a campaign among media and consumers to crack down fake news, convincing people that ASF has not harmed human.

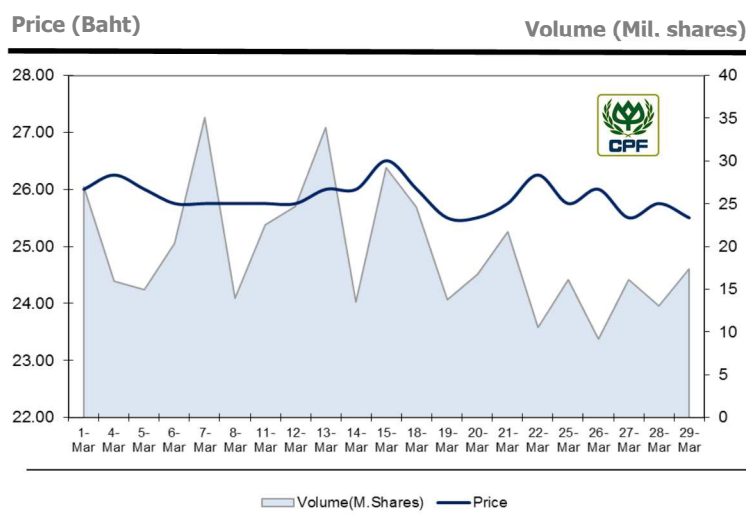
“ASF cannot be transmitted from pig to human, therefore, it poses no food safety concern,” Jirawit commented, adding that the correct understanding will ease consumer’s fear and boosting their confidence on domestic pork product.

The company also shares its expertise on disease control with the government agency and funded ASF test kits, worth USD150,000, to shorten the diagnostic time, according to the press release.

At its operational sites, CP Vietnam has strengthened its farm’s biosecurity as well as hosting internal training programs for tackling ASF.

“Our Vietnam’s farms are operated with high biosecurity, allowing us to prevent the outbreak effectively. Besides our own farm, we have share our proactive prevention method to farmers nationwide,” he said.

## Price Performances: CPF



March 2019	
<b>Highest Price</b>	<b>26.75</b>
<b>Lowest Price</b>	<b>25.00</b>
<b>Closed Price</b>	<b>25.50</b>
<b>Average Volume/Day (Shares)</b>	<b>19,544,100</b>

Charoen Pokphand Foods Plc.  
**Investor Relations Office**  
 26<sup>th</sup>Fl., C.P. Tower, 313 Silom Rd.  
 Bangkok 10500, Thailand  
 Telephone +662 638 2935-6  
 Facsimile +662 638 2942  
**Email: iroffice@cpf.co.th**

Please note that this document contains forward-looking statements, obtained from various sources, that are subject to a number of factors and uncertainties. CPF makes no representation and accepts no responsibility or liability as to its completeness or accuracy. The message is provided for informational purposes and should not be construed as a solicitation or offer to buy or sell any securities.