



Charoen Pokphand Foods Plc.

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[CP Foods buys majority stake in UK foodservice supplier Foodfellas](#)

Just Food October 18, 2016

Thai food giant Charoen Pokphand Foods has bought a majority stake in UK foodservice supplier Foodfellas.

The deal, worth GBP12.3m (US\$15.1m), has been struck through the company's CP Foods UK arm. Charoen Pokphand Foods has acquired a 60% stake in Foodfellas, a business that imports and distributes food including meat, bread, potatoes and avocados to more than 160 customers in the UK.

Charoen Pokphand Foods said yesterday (17 October) the acquisition of a majority stake in Foodfellas will see the Thai business enter the foodservice market in the UK. Foodfellas has "extensive experience" in the UK foodservice market, with its "major customers" branded operators in the country with a combined total of restaurants of more than 15,000, the Thai group said.

Foodfellas generated revenues of GBP47m in 2015, up from GBP39m a year earlier, according to data provided by Charoen Pokphand Foods. The UK firm posted net profit of GBP2.5m last year, up from GBP1.9m in 2014.

CP Foods to build 70,000t/day meal soup plant in Thailand

Undercurrent News , October 21, 2016

Charoen Pokphand Foods has announced it will construct a new plant in Thailand, specialized in the production of meal soups for the aging population.

The soups will be targeted at "the elderly, sick persons, and vegetarians, responding to the increasing global population and the number of people suffering from illnesses, and assuring them of convenience and nutritious values under international-standard operations", the firm said.

The plan is set to cost CP Foods an investment of THB 700 million (\$20m), and will be built in Wang Noi district, Ayutthaya province. It should begin production mid-2017, and by the end of that year the company expect it to have brought in THB 1.2 billion (\$34m) in revenue. The factory will have a daily capacity of 70,000 metric tons, the firm said.

Japan will be the first market for export one the plant is up and running, and will receive a mix of five soups at first, with no fish items on offer. However, CP Foods said that in November 2016 it will announced its first seven menus, of a total 12, so fish and shrimp-based soups will likely follow soon after.

The items will be health-conscious, it said: "flower of salt instead of salt, coconut sugar instead of plain sugar; the products are based on a belief that good food keeps you away from diseases or help lessen illness". Feeding a global population has become more delicate due to economic, social, environmental and political variables, which must be taken into production policies, said CP Foods' CEO, Adirek Sripratak.

"The United Nations estimates global populations will rise from 7.3bn in 2015 to 9bn in 2050, and 22% of them will be the elderly with a large proportion living in Asia. Aside from urbanization, this poses a challenge to food companies. The answers to this trend are healthy and safe food and products for the elderly and persons suffering from illnesses. Meanwhile, urbanization sparks greater need for convenient, ready-to-eat products."

"Our key challenge lies in the fact that Thailand and several countries on earth are becoming aging societies. In 2020, aging population will account for 14% of global population. CP Foods must strive for the production of nutritious, safe and uncontaminated food and production innovation," he said.

Already in Thailand, the aging population numbers 6.5m, or about 10% of the population, said the company.

Price Performances: CPF

Price (Baht) Volume (Mil. shares)



October 2016	
Highest Price	33.00
Lowest Price	26.50
Closed Price	31.50
Average Volume/Day (Shares)	41,006,000

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