



Charoen Pokphand Foods Plc.



Every Mouthful is Meaningful
For a Sustainable Life Chain

9M17 RESULTS BRIEFING

Investor Presentation
November 14, 2017

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



FTSE4Good





 Business Overview

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A: 3Yr Historical Results

B: Product & Raw Materials Price Trend

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Why Invest in CPF

CPF : “Kitchen of the World”

- One of the World’s leading listed animal feed manufacturers, swine producers, and shrimp integrated business
- Diversified portfolio with operations in 16 countries catered to over 4 billion population, and exports to more than 30 countries
- Multi-species of animal proteins (mainly poultry, swine and shrimp)
- Member of “SET 50” : Ticker “CPF” under Agro & Food Industry Sector
- Member of Dow Jones Sustainability Index (Emerging Markets)
- Member of FTSE4Good Index
- Ranked “Excellent” for CGR Scoring by Thai Institute of Directors (IOD)



Company Facts (as of September 30, 2017)

Vision : “Kitchen of the World”

- Portfolio**
- 4 Listed Investments onboard (HKSE:00043, HKSE:3839, TWSE: 1215, SET:CPALL)
 - 30 Series of Debentures listed on Thai Bond Market Association “TBMA”
 - 1 Exchangeable Bond “EB” on 

Highlights

FY16 Sales : THB464 billion or ~USD13.9 billion

Market Cap : THB220 billion or ~USD6.6 billion
(as of Nov 13, 2017)

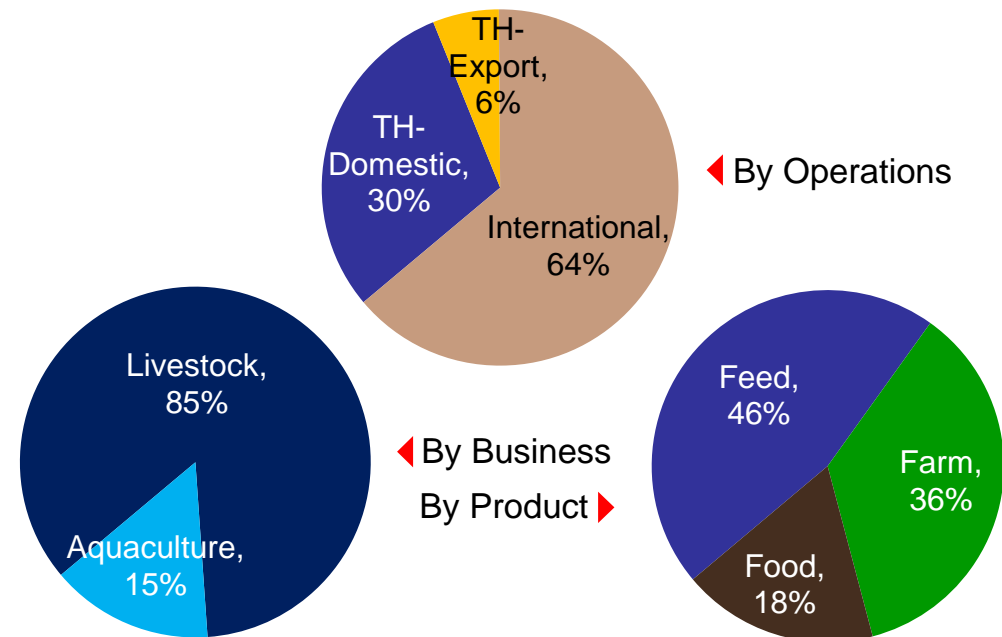
Capital : 8,611 million shares (paid-up) *(as of Aug 4, 2017)*
: 7,743 million shares (paid-up) *(as of Jun 30, 2017)*
par value of THB.1.00 per share

Book Value : THB18.55* per share *(as of Sep 30, 2017)*

Shareholders : Charoen Pokphand Group Ltd. 53.4%
of Paid-Up Capital *(as of Aug 30, 2017)*

Credit Rating : “A+” with “Stable” Outlook *(as of Apr 4, 2017)*

9M17 Sales : THB372 billion or ~USD 11.2 billion

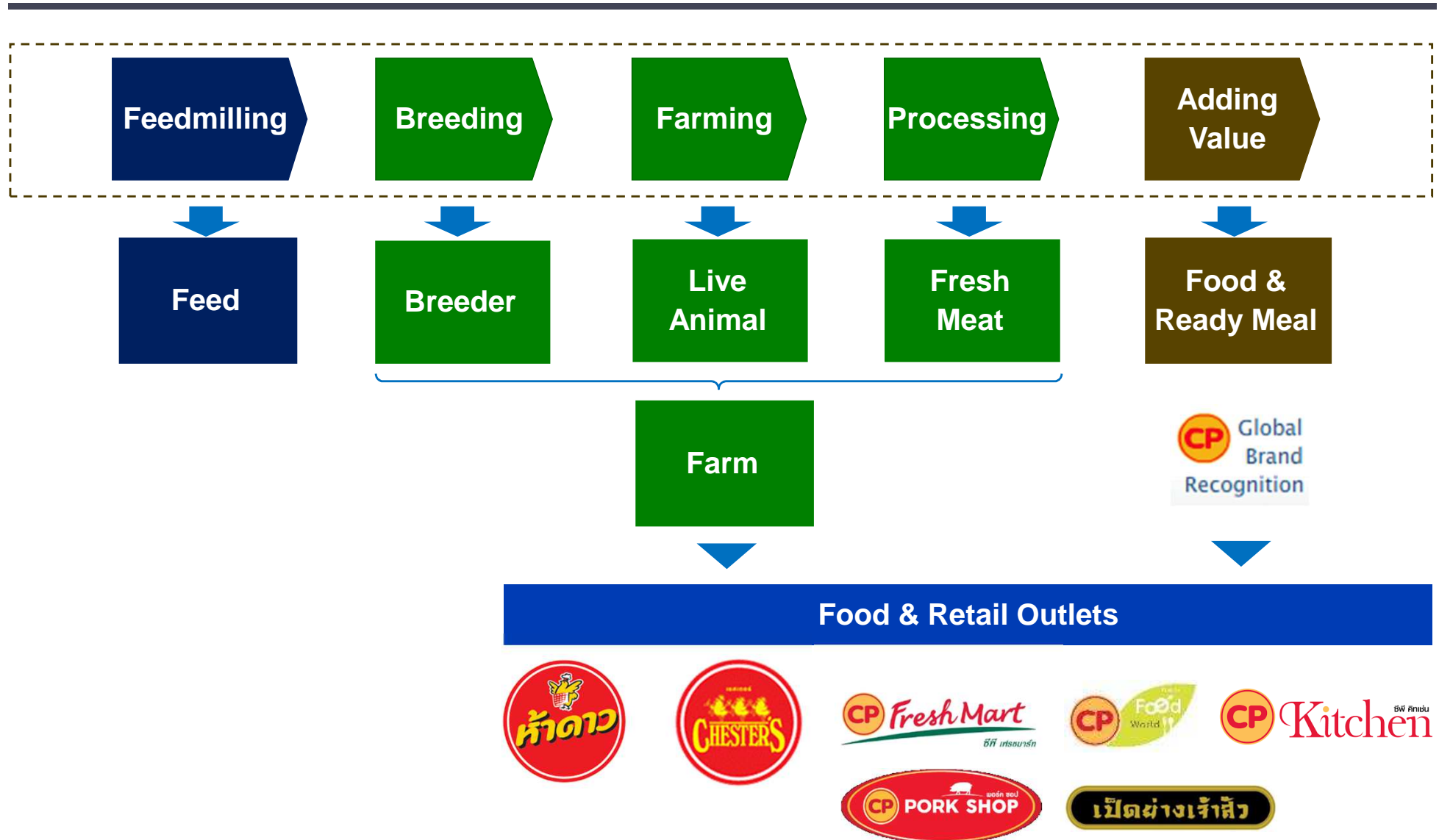


Note: USD1 = THB 33.09 (as of Nov 13, 2017)

* Exclude Non-Controlling Interests (NCI)

Vertically Integrated Business Model in Thailand

Integrated operating platform for safety & quality control
Livestock (**Broiler, Layer, Swine, Duck**) and aquaculture (**Shrimp & Fish**)



CPF Geographical Footprints

- Operations and investment in 16 countries catered to > 4 billion population
- Export to more than 30 countries across 5 continents

Russia



- Livestock feed
- Swine farming
- Chicken integrated business

UK

- Chilled and Frozen food
- Food kiosks
- Food Services

Belgium



- Ready to eat foods

Turkey



- Chicken integrated business

Poland



- Hatchery farm
- Food processing plants

Sri Lanka



- Ready to eat foods

India



- Chicken integrated business
- Aquatic feed

China



- Livestock and aquaculture feed
- Aquaculture farming
- Ready to eat foods

Thailand



- Livestock and aquaculture integrated businesses

Malaysia



- Livestock and aquaculture integrated business

USA



- Ready to eat foods

Taiwan



- Livestock integrated business

Philippines



- Livestock and aquaculture feed and farming

Laos



- Livestock integrated business

Cambodia

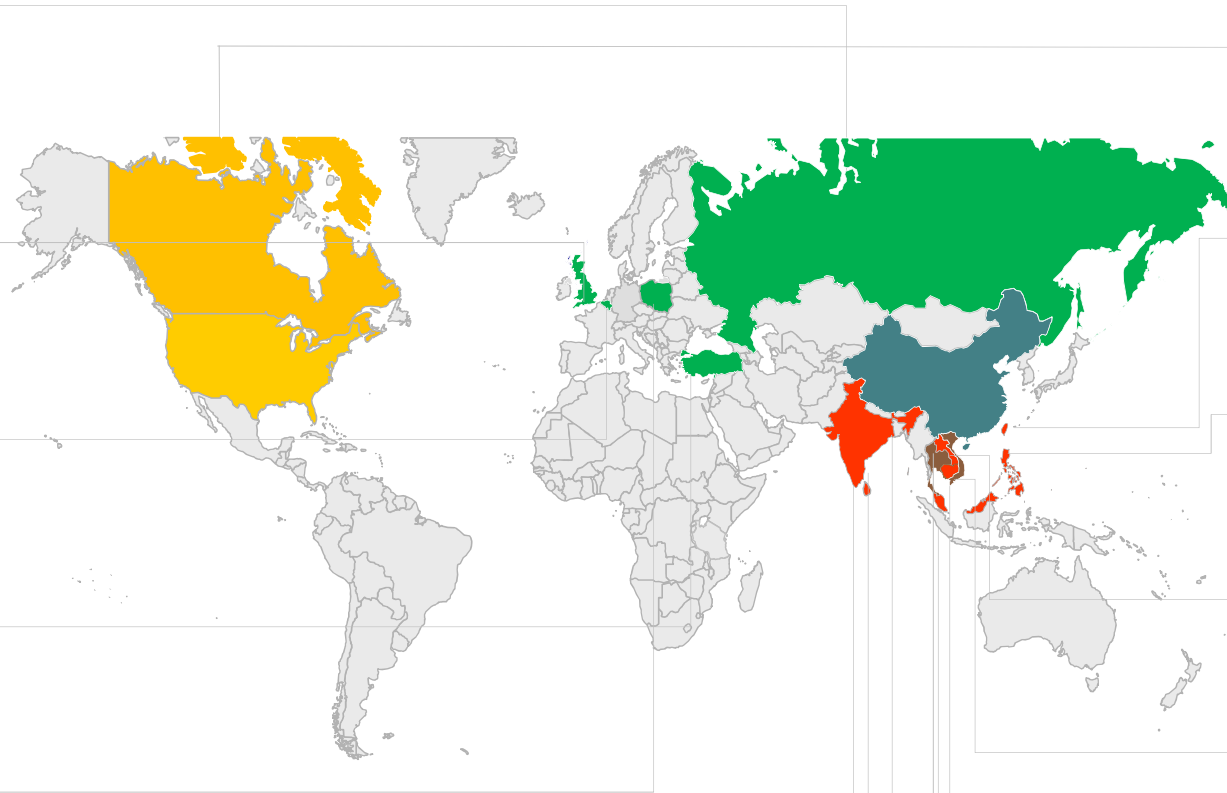


- Livestock integrated business

Vietnam



- Livestock and aquaculture integrated businesses



From Feed, Farm, Food

- R&D
- Quality Control in every process
- Traceability

3 Strategies to be “Kitchen of the World”

- Profitable Growth
- Aiming for Excellence
- Sustainable Foundation

3 Pillars to Sustainability



สามประโยชน์ สู่ความยั่งยืน (ต่อประเทศ ประชาชน และบริษัท)
Three Benefits to sustainability



ทำเร็วและมีคุณภาพ
Speed & Quality



ทำเรื่องยากให้เป็นเรื่องง่าย
Simplification



ยอมรับการเปลี่ยนแปลง
Adapt to change



สร้างสรรค์สิ่งใหม่
Innovativeness



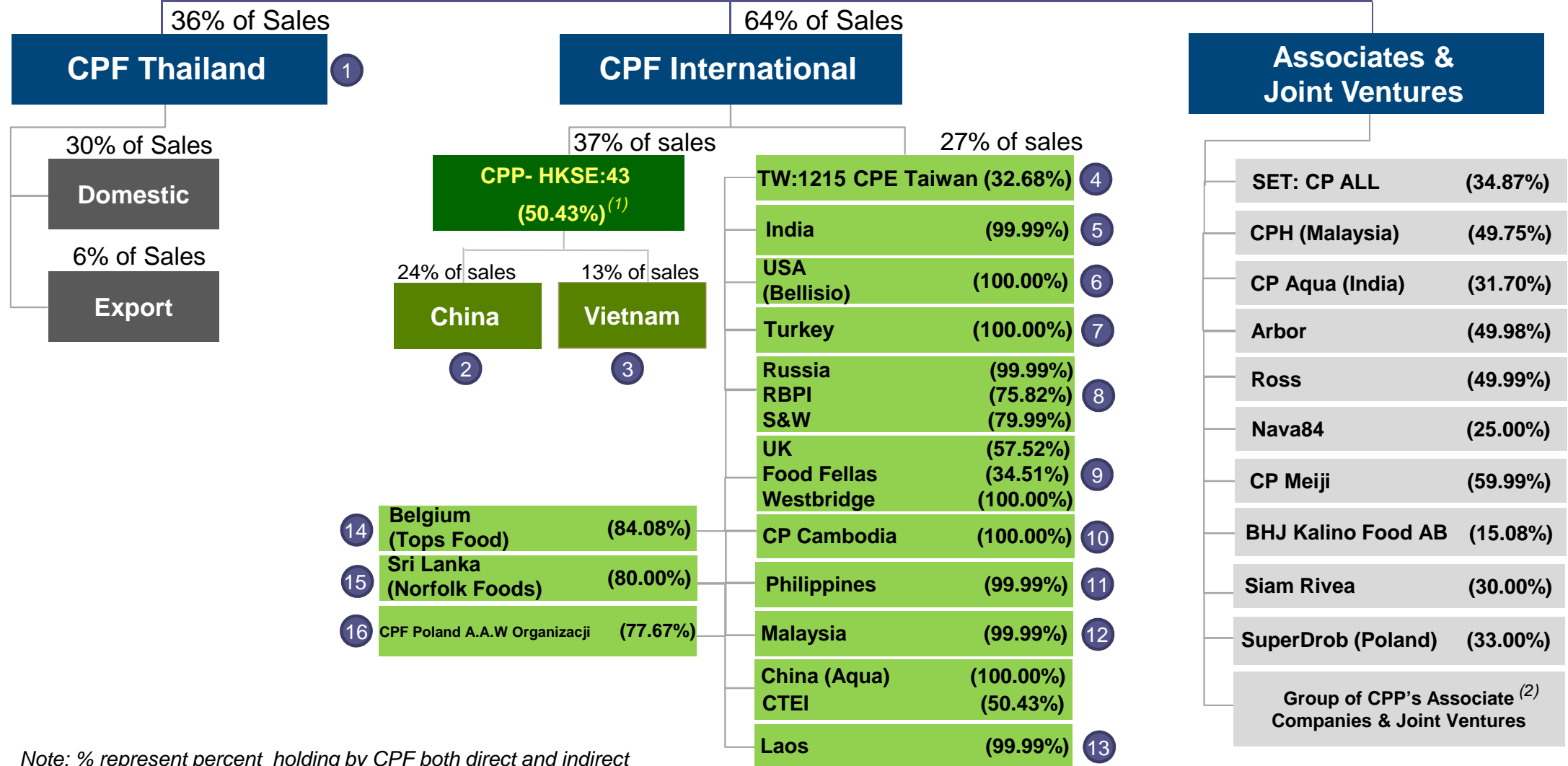
มีคุณธรรม ความซื่อสัตย์ และรู้จักตอบแทนบุญคุณ
Integrity, Honesty & Reciprocity



CPF Operational Structure (As of September 30, 2017)



9M17 : Sales: THB 372,024 m
Net Profit: THB 12,933 m

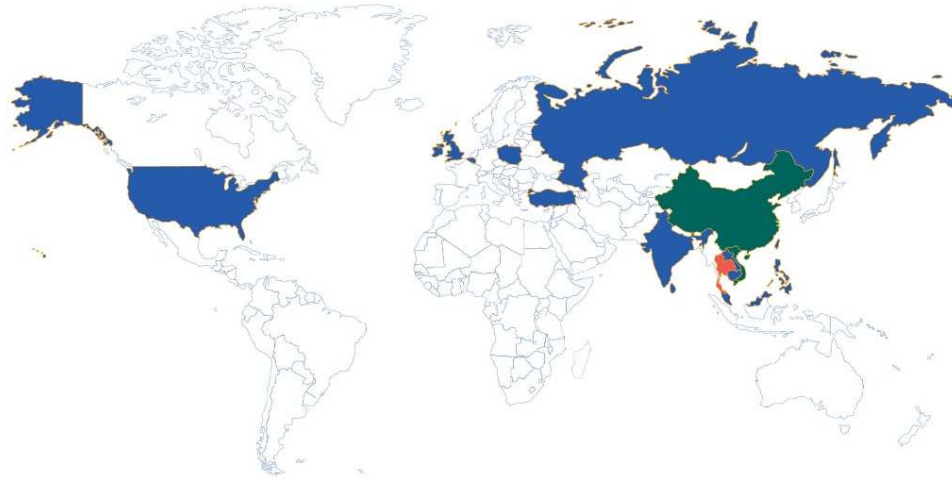


Note: % represent percent holding by CPF both direct and indirect

(1) Based on total issued shares

(2) see Appendix D

1. Globalization by establishing proper business model to be suitable for each strategic market



2. Value-added business by expanding portfolio towards innovated products and services to serve rising demands



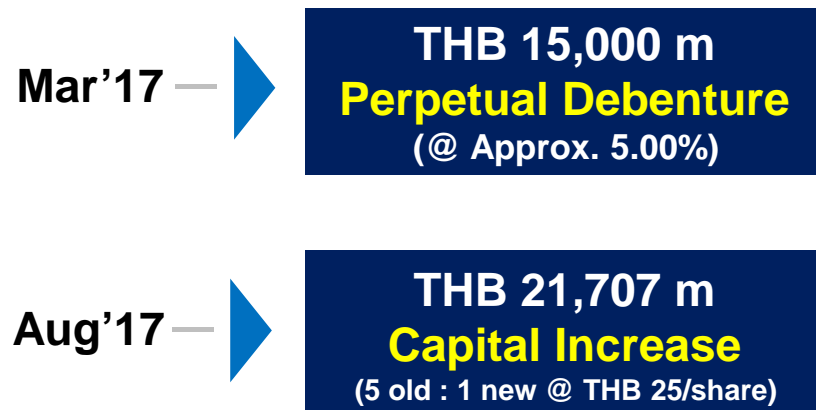


Results Highlights

- **Revenue** increased 8% y-o-y to THB **372,024m** in 9M17
- **Gross profit margin** decreased from 16.5% in 9M16 to **12.8%** in 9M17, mainly from lower swine prices in Vietnam, Cambodia and Thailand
- **EBITDA** decreased 33% y-o-y from THB 35,489m in 9M16 to THB **23,816m** in 9M17
- **Net profit** decreased 0.2% y-o-y from THB 12,965m in 9M16 to THB **12,933m** in 9M17

Latest Activities

Financing Activities





Y2017 M&A Activities



Westbridge
Food service
100%
THB 2,600 m

Paulsen Food GmbH
Food service
95%
THB 466 m

Apr'17

Jun'17



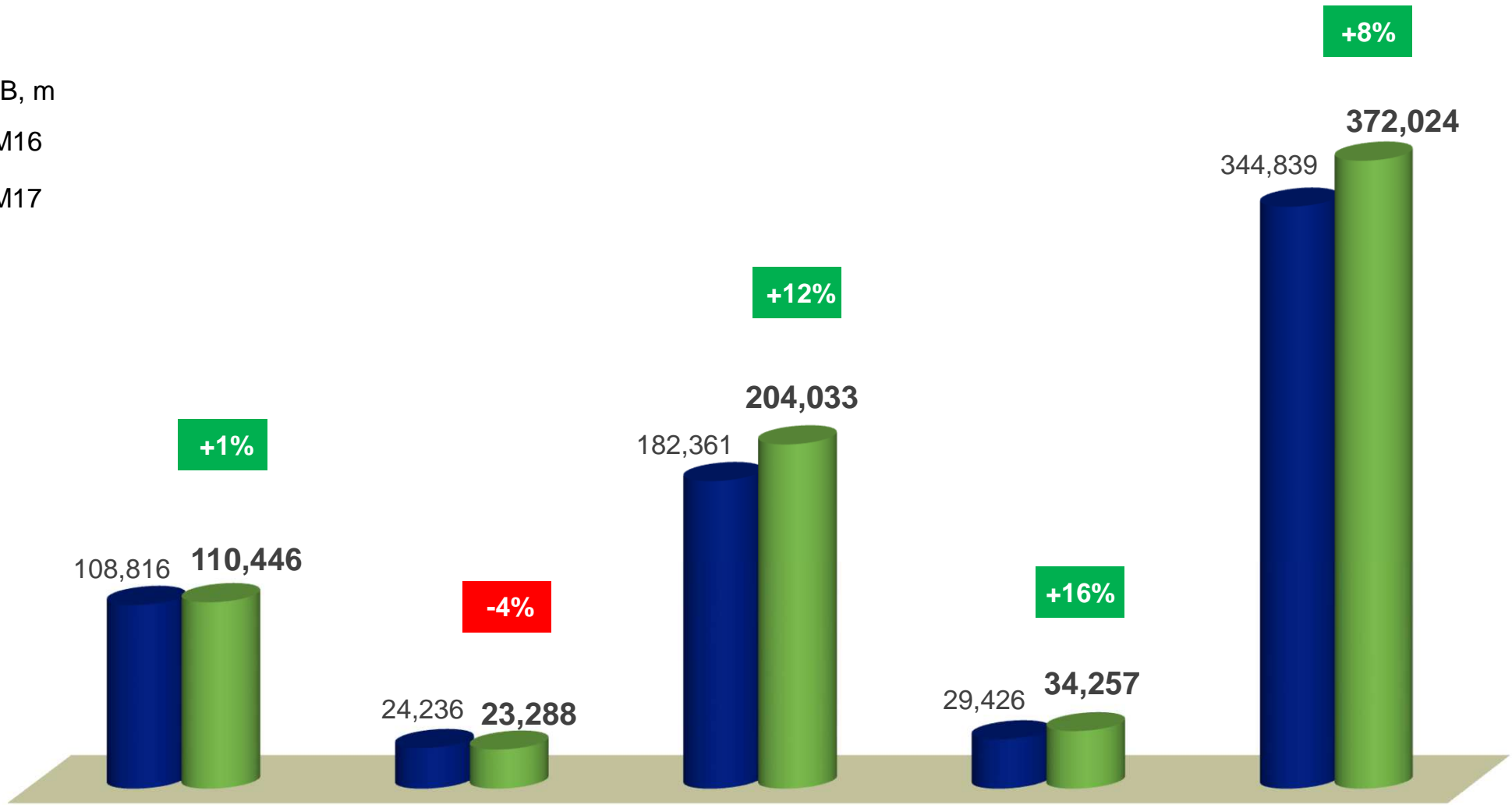


9M17: Sales & Gross Profit Margin by Business

In THB, m

■ 9M16

■ 9M17



Thai-Livestock

Thai-Aqua

Overseas-Livestock

Overseas-Aqua

TOTAL

GPM

16.3%	12.6%
-------	-------

13.8%	11.3%
-------	-------

17.8%	11.7%
-------	-------

11.9%	20.6%
-------	-------

16.5%	12.8%
-------	-------

OPM

7.4%	3.3%
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5.6%	4.3%
------	------

9.0%	2.0%
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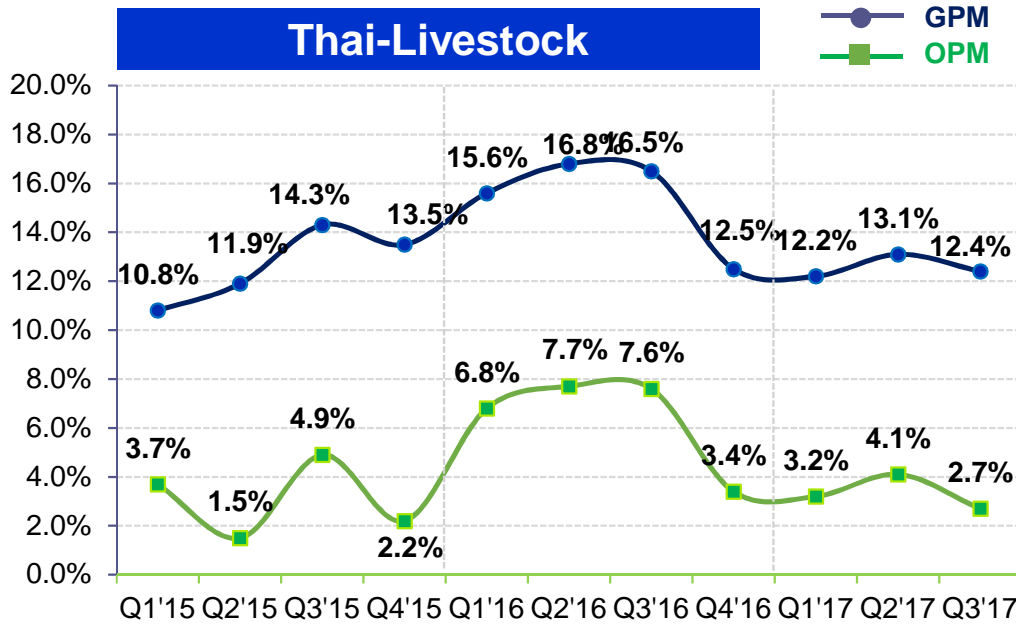
4.9%	14.5%
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7.9%	3.7%
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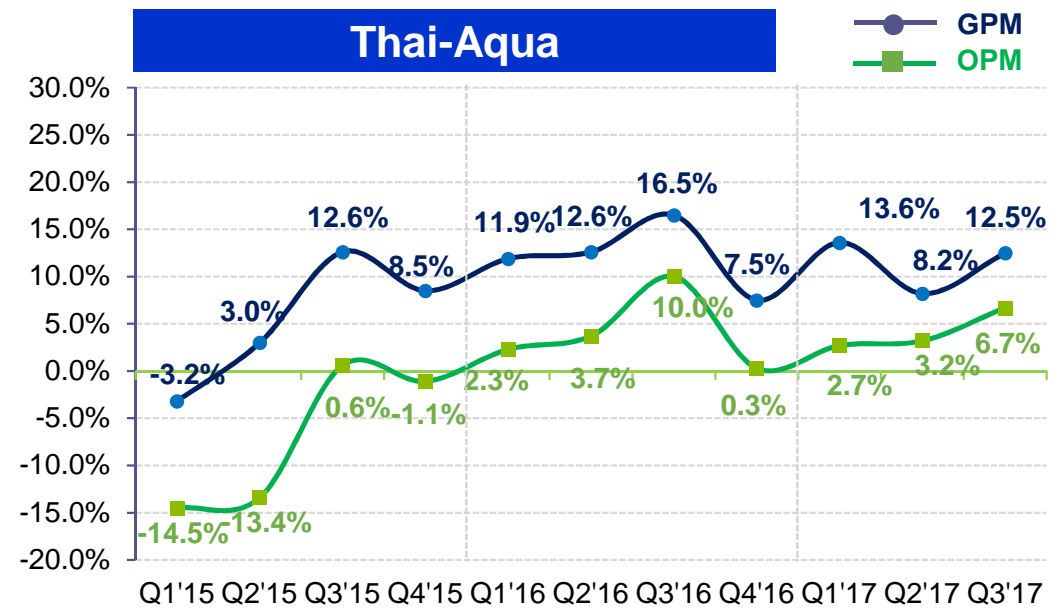


Gross Profit Margin & Operating Profit Margin

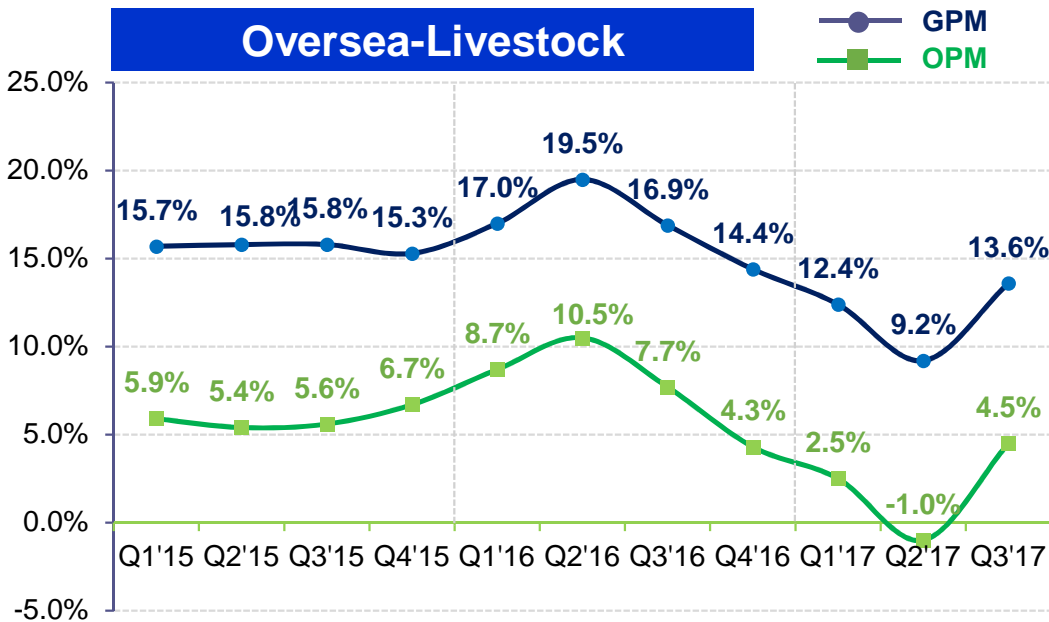
Thai-Livestock



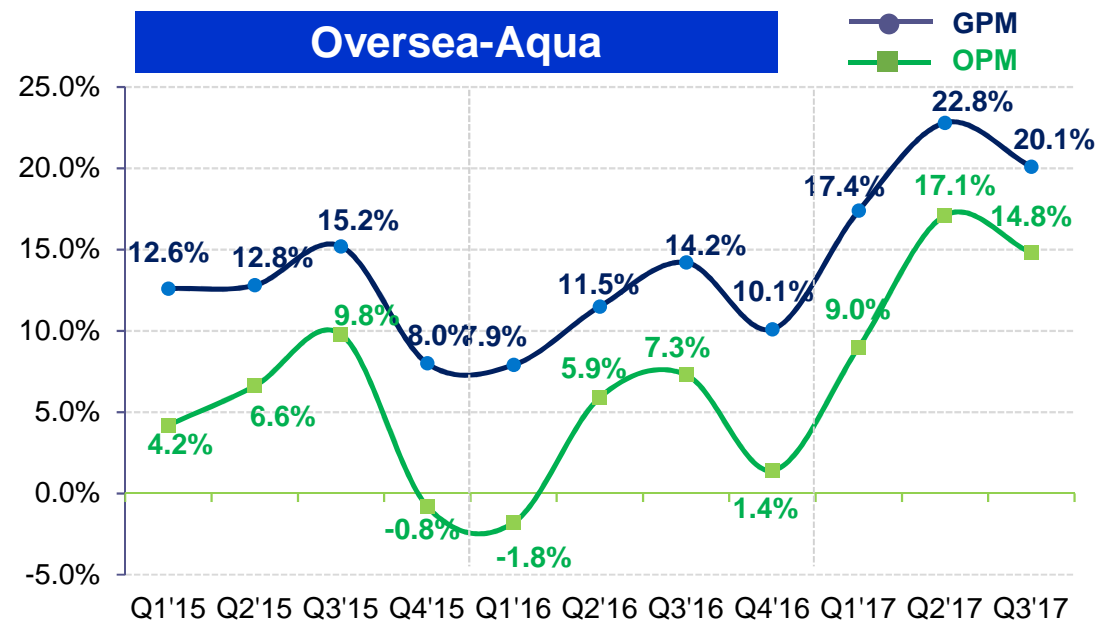
Thai-Aqua



Overseas-Livestock



Overseas-Aqua





9M17: Consolidated Sales Structure by Business

Sales Breakdown

	Livestock			Aquaculture			Total		
	9M16	9M17	%Change	9M16	9M17	%Change	9M16	9M17	%Change
Thailand	108,816	110,446	1%	24,236	23,288	-4%	133,052	133,734	1%
<i>Domestic</i>	91,932	93,179	1%	20,811	18,857	-9%	112,743	112,036	-1%
<i>Export</i>	16,884	17,267	2%	3,425	4,431	29%	20,309	21,698	7%
China	69,307	82,462	19%	7,625	8,490	11%	76,932	90,952	18%
Vietnam	51,957	39,566	-24%	6,575	8,944	36%	58,532	48,510	-17%
Others	61,097	82,005	34%	15,226	16,823	10%	76,323	98,828	29%
Total	291,177	314,479	8%	53,662	57,545	7%	344,839	372,024	8%
% of Total Sales	84%	85%		16%	15%		100%	100%	

- Thailand
- China
- Vietnam

73%

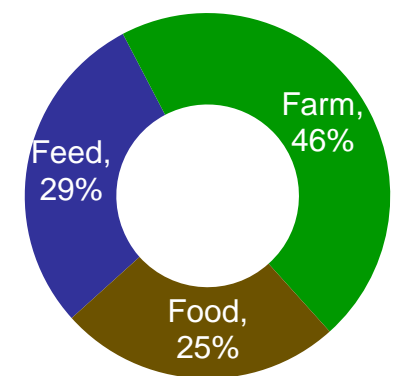
of Sale Revenue



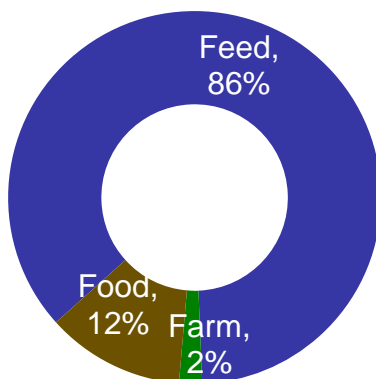
9M17: Consolidated Sales by Products

Sales Breakdown by Products

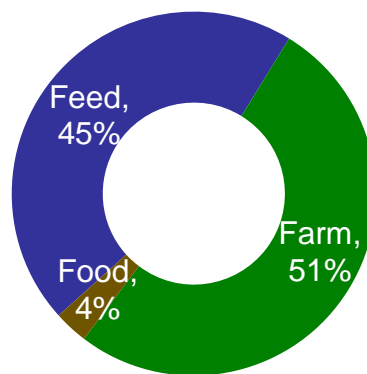
	Feed			Farm			Food			Total		
	9M16	9M17	%Change	9M16	9M17	%Change	9M16	9M17	%Change	9M16	9M17	%Change
Thailand	36,539	38,262	5%	65,112	62,600	-4%	31,401	32,872	5%	133,052	133,734	1%
<i>Domestic</i>	36,433	38,101	5%	59,892	56,454	-6%	16,418	17,481	6%	112,743	112,036	-1%
<i>Export</i>	106	161	52%	5,220	6,146	18%	14,983	15,391	3%	20,309	21,698	7%
China	74,468	80,418	8%	275	1,728	528%	2,189	8,806	302%	76,932	90,952	18%
Vietnam	22,873	22,245	-3%	34,271	24,781	-28%	1,388	1,484	7%	58,532	48,510	-17%
Others	29,410	28,950	-2%	42,068	44,678	6%	4,846	25,200	420%	76,323	98,828	30%
Total	163,290	169,875	4%	141,725	133,787	-6%	39,824	68,362	72%	344,839	372,024	8%



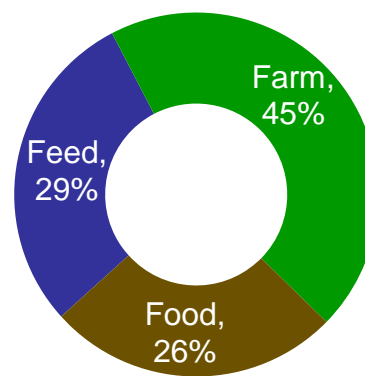
Thailand



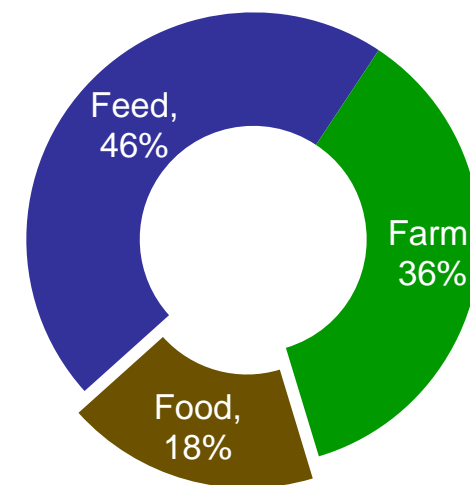
China



Vietnam



Others



Total



9M17: Consolidated Income Statement Highlight

	Quarter 1			Quarter 2			Quarter 3			9 Months		
	2016	2017	%Chg.	2016	2017	%Chg.	2016	2017	%Chg.	2016	2017	%Chg.
Net sales	105,513	119,617	13%	116,776	125,970	8%	122,550	126,437	3%	344,839	372,024	8%
Gross Profit Margin	15.7%	12.7%		17.3%	11.7%		16.5%	13.9%		16.5%	12.8%	
EBITDA	10,075	7,056	-30%	13,106	6,673	-49%	12,307	10,072	-18%	35,489	23,816	-33%
EBITDA Margin	9.5%	5.9%		11.2%	5.3%		10.0%	8.0%		10.3%	6.4%	
EBIT	6,930	3,212	-54%	9,715	2,796	-71%	8,985	6,166	-31%	25,631	12,188	-52%
EBIT Margin	6.6%	2.7%		8.3%	2.2%		7.3%	4.9%		7.4%	3.3%	
Share in Profit of Associates	1,553	1,954	26%	1,665	1,861	12%	1,689	2,015	19%	4,907	5,831	19%
Financial Costs	(2,600)	(3,071)	18%	(2,587)	(3,003)	16%	(2,558)	(2,830)	11%	(7,745)	(8,904)	15%
Income Taxes Expense	(1,695)	(67)	-96%	(3,120) ⁽²⁾	(725)	-77%	(1,728)	(1,104)	-36%	(6,543)	(1,895)	-71%
NET PROFIT	3,764	3,955	5%	4,016	4,064	1%	5,184	4,914	-5%	12,965	12,933	-0.2%
EPS (THB)	0.51	0.53		0.54	0.53 ⁽³⁾		0.70	0.61		1.75	1.66	
# of capital shares⁽¹⁾	7,388	7,388		7,388	7,388		7,388	7,920		7,388	7,565	
Paid-Up Capital	7,743	7,743		7,743	7,743		7,743	8,611		7,743	8,611	
Dividend (THB/Share)										0.50	0.50	

Note: (1) # of capital shares = No. of the Weighted-avg. shares

(2) Including adjustment in 2Q16 from the change in tax calculation of 2010-2015 of THB 1,245 m. Please see more detail in Note 35 to Financial statements of Y2016

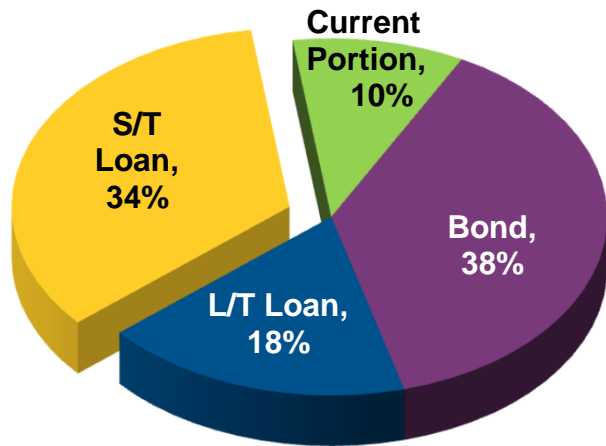
(3) Net interest expense of perpetual debenture



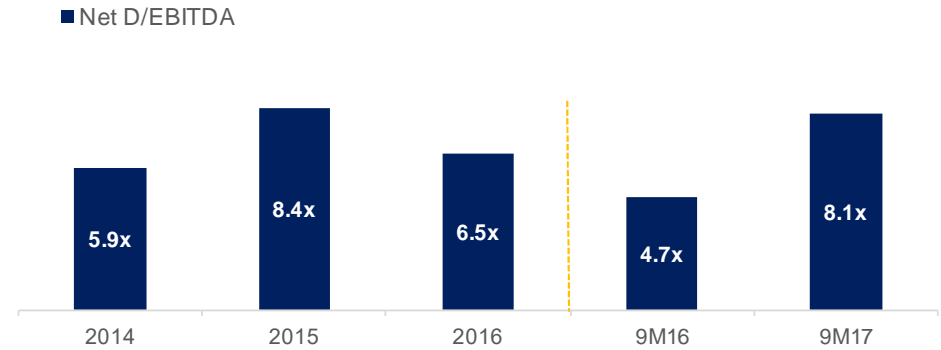
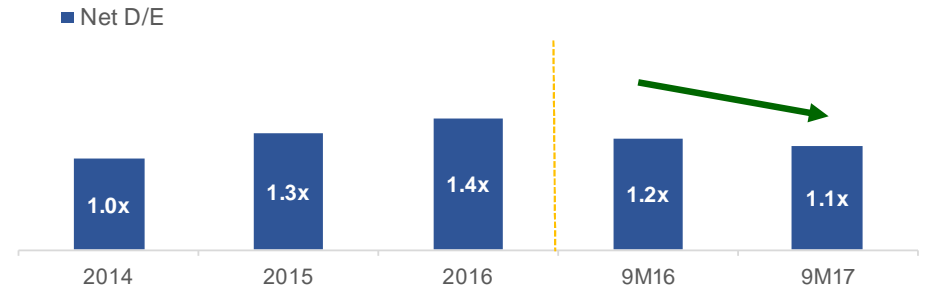
Financial Status (As of 30 September 2017)

Interest Bearing Debt : THB 285,324 m

Jun'17 : THB 299,665 m
Dec'16 : THB 312,728 m



Net Debt to Equity / Net Debt to EBITDA



Remark : Net Debt = Interest Bearing Debt - Cash and Cash Equivalents

Cost of Debts	2014	2015	2016	9M17
	4.41%	4.14%	3.87%	3.91%

Bond Rating "A+" with "Stable" Outlook
by Tris Rating Co., Ltd



Target Growth

- Expected sales growth of approximately 8-10 %

Key Drivers & Focus

- Improvement of shrimp business, especially from overseas operations
- Larger opportunities for Thai chicken exports
- Competitive raw material costs
- Expansion of international operations
- Mergers and Acquisitions (M&A)
- Innovation to drive efficiency

Key Challenges

- Oversupply of swine in Vietnam
- Avian flu outbreaks detected in several countries since late 2016
- The impact of natural disasters (i.e. drought, climate changes, floods)

Investment

- Capex of approximately THB 20-25 billion (excluding M&A)

Appendix A: Highlights : 3Yr Historical Results



Consolidated Income Statement Highlight

	Full Year					
	2014	2015	% Change	2016	% Change	9M17
Net sales	426,039	421,355	-1%	464,465	10%	372,024
Gross Profit Margin (%)	13.4%	13.8%		15.6%		12.8%
Gain on fair value adjustment	-	-	-	-	-	-
EBITDA	27,513	26,433	-4%	42,659	61%	23,816
EBIT	17,548	14,926	-15%	29,410	97%	12,188
Share in Profit of Associates	4,869	5,221	7%	6,512	25%	5,831
Financial Costs	(8,903)	(9,614)	8%	(10,601)	10%	(8,904)
Income Taxes Expense	(3,649)	(3,654)	0%	(7,212)	97%	(1,895)
Gain / (Loss) from FX	(356)	1,348	479%	388	-71%	(29)
NET PROFIT	10,562	11,059	5%	14,703	33%	12,933
EPS (THB)	1.43	1.50		1.99		1.66
# of capital shares*	7,388	7,388		7,388		7,565
Paid-Up Capital	7,743	7,743		7,743		8,611
Dividend (THB/Share)	0.75	0.75		0.95		0.50

Note: * # of capital shares = No. of the Weighted-avg. shares

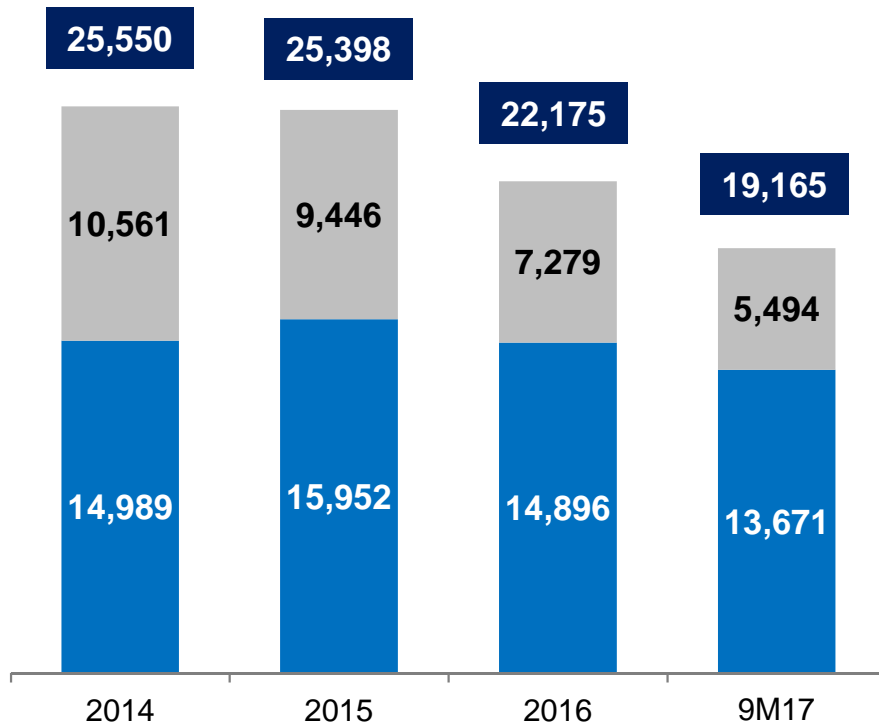


CAPEX & EBITDA

CAPEX

Unit: THB, M

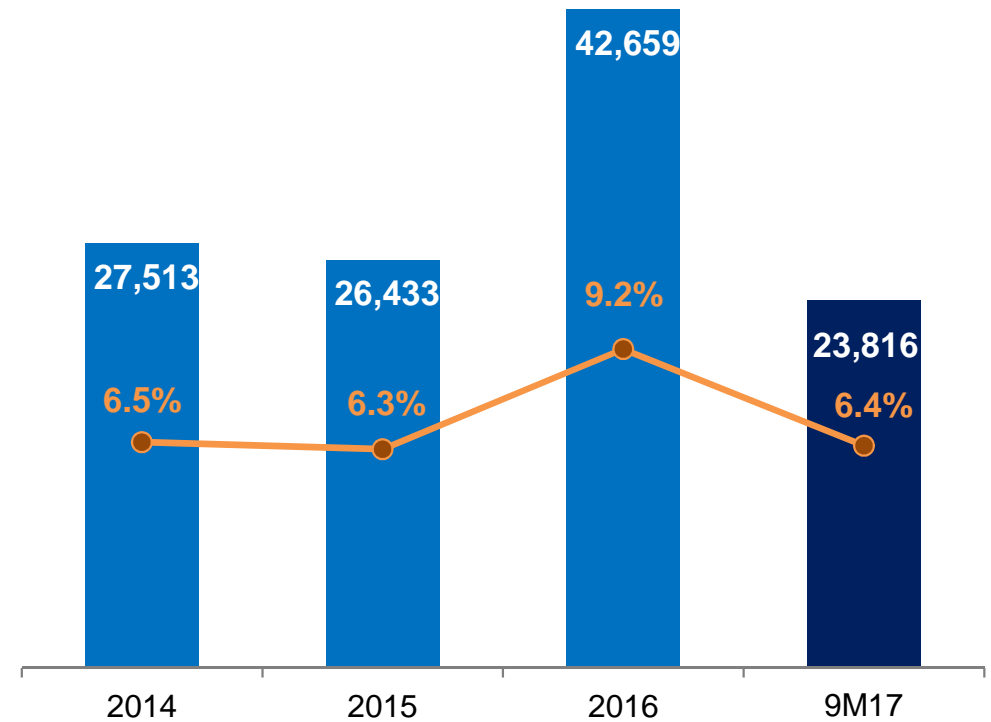
- CPP
- CPF



EBITDA

Unit: THB, M

— EBITDA Margin%





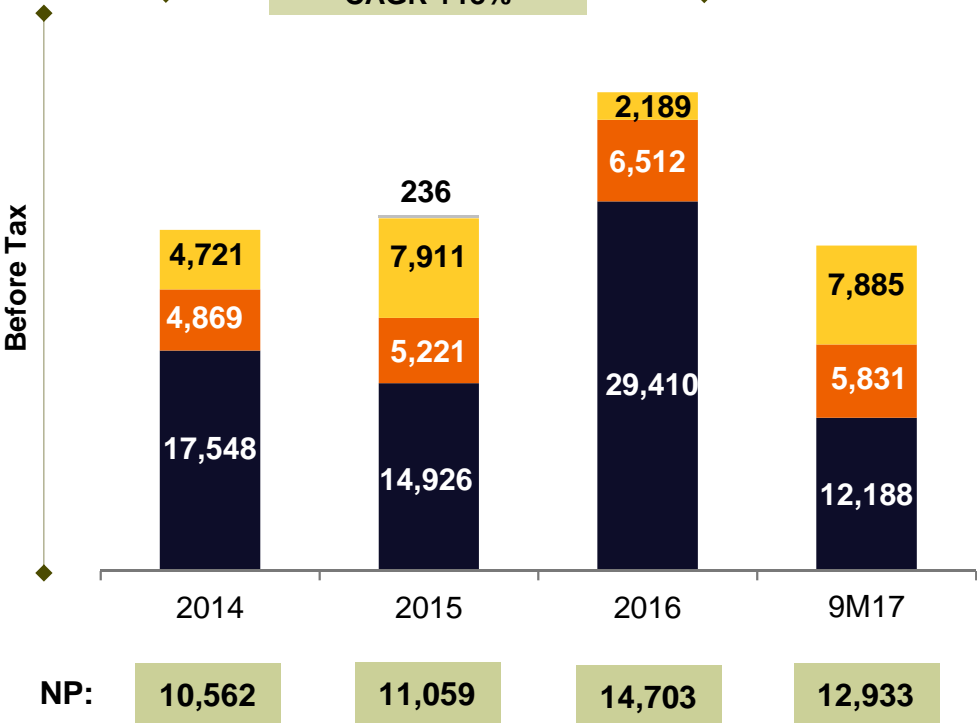
Consolidated Net Profit & ROA & ROE

Net Profit

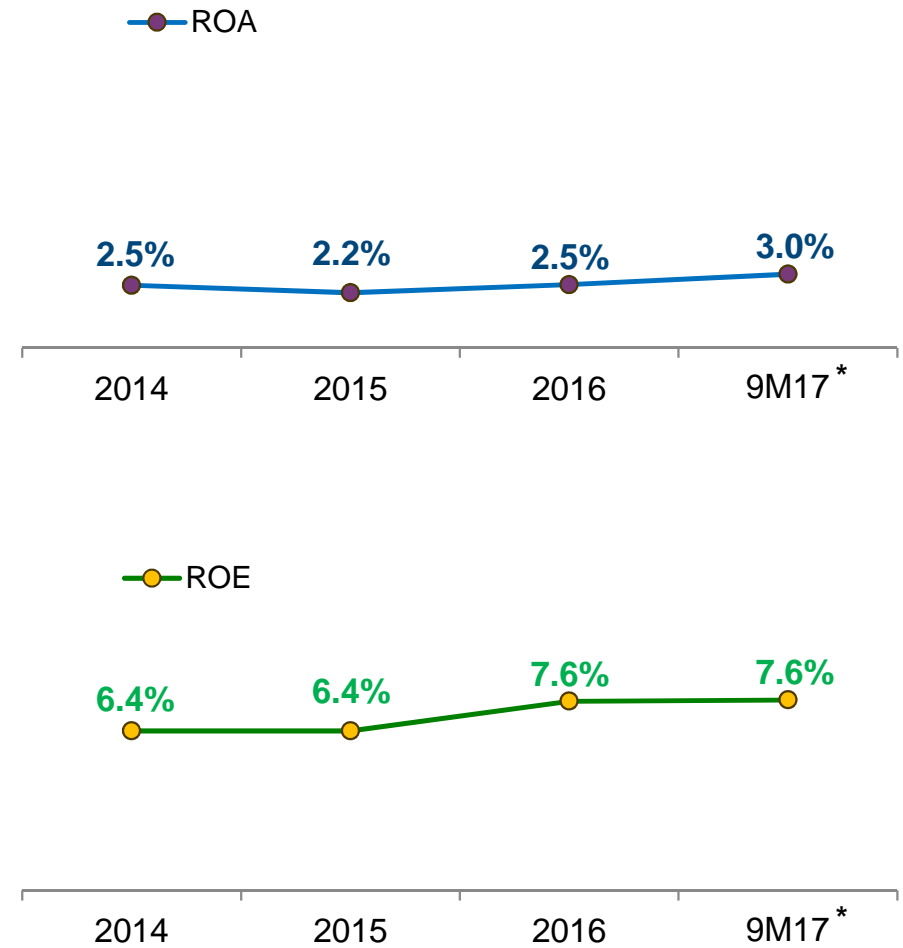
Unit: THB, M

- Gain on fair value adjustment on investment in associates
- Divestment and Dividend
- Equity (Share in Profit of Associates)
- EBIT

CAGR +18%



ROA & ROE

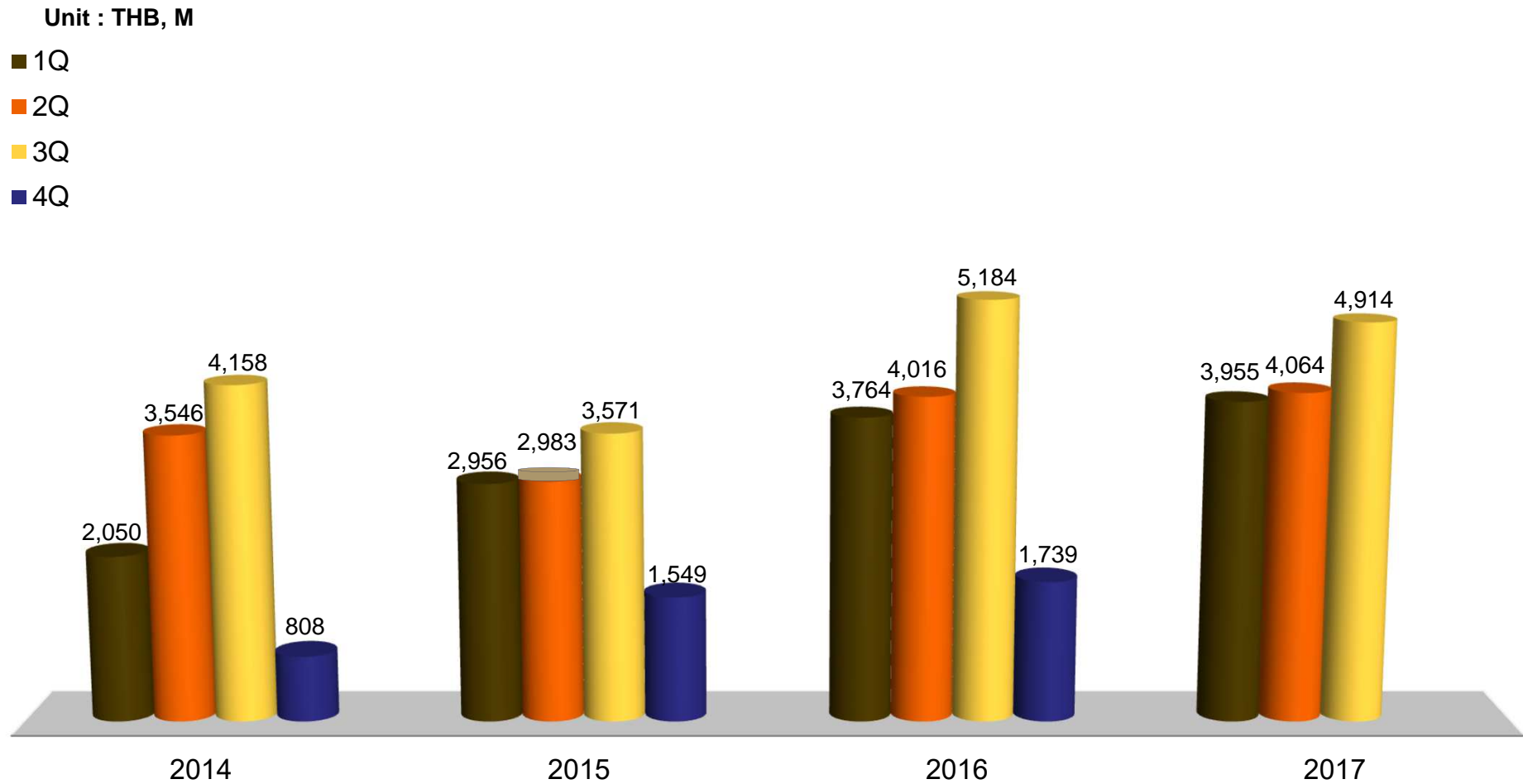


Note : 2015 Including gain on fair value adjustment of investments in associate

: * Annualized basis



Consolidated Net Profit - Quarterly



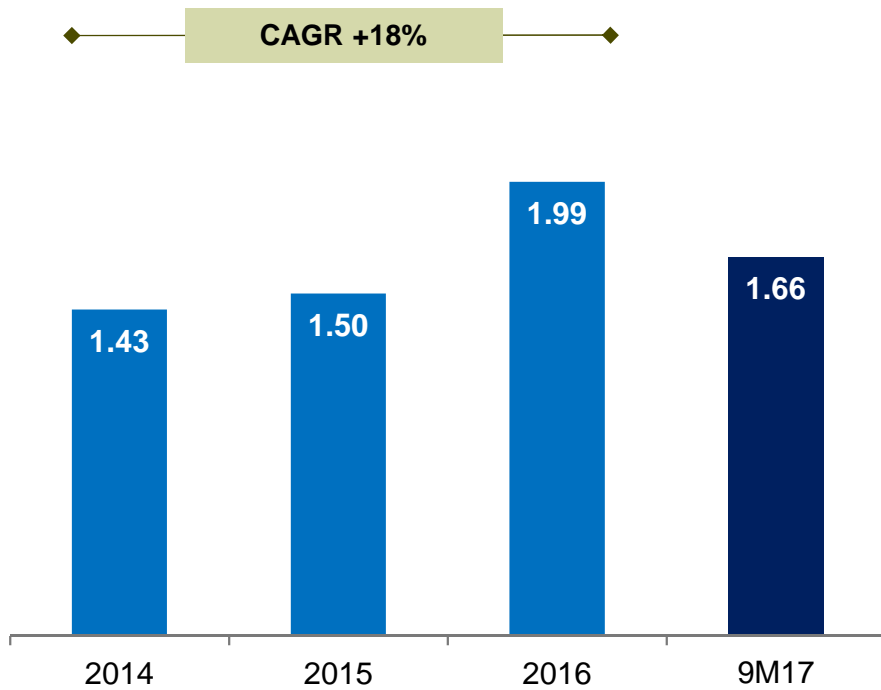
2Q15 ■ Gain on fair value adjustment of investments in associates = 236 MB



EPS & Dividends per Share

Earnings Per Share

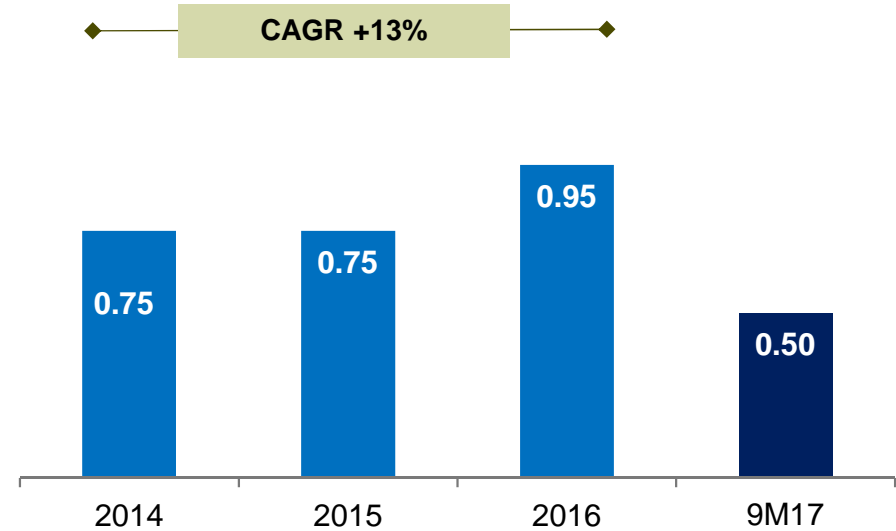
Unit : THB Per Share



Dividends

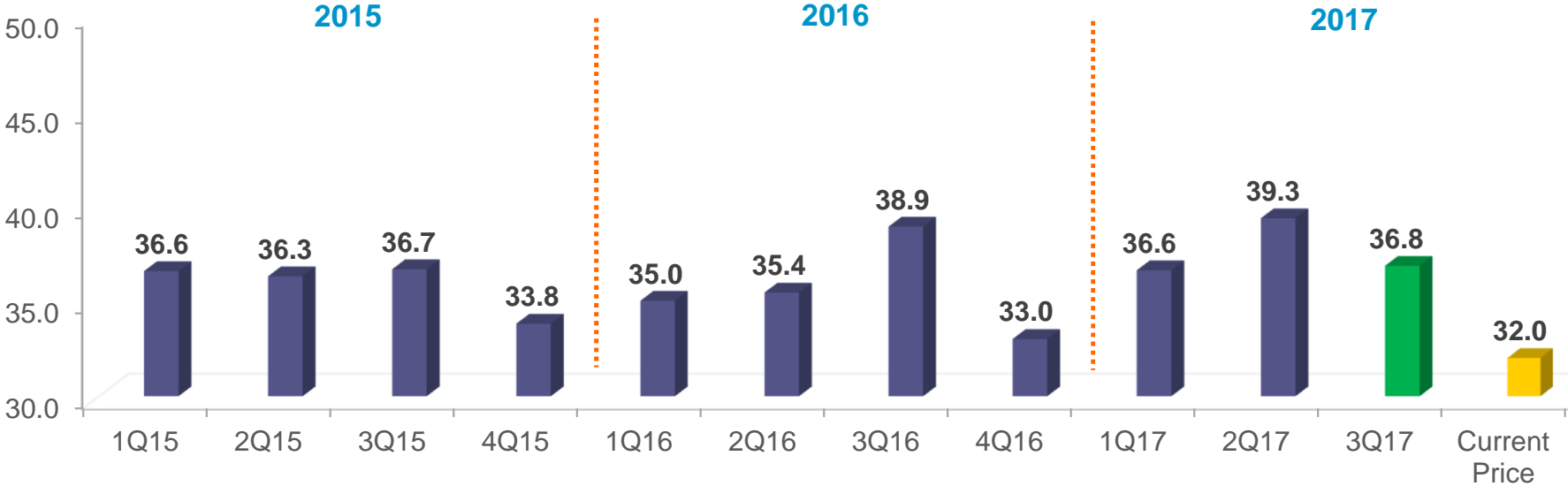

Unit : THB Per Share

Dividend Policy
Semi – Annually, minimum of 50% of annual net profit
(The Company Statement Only)



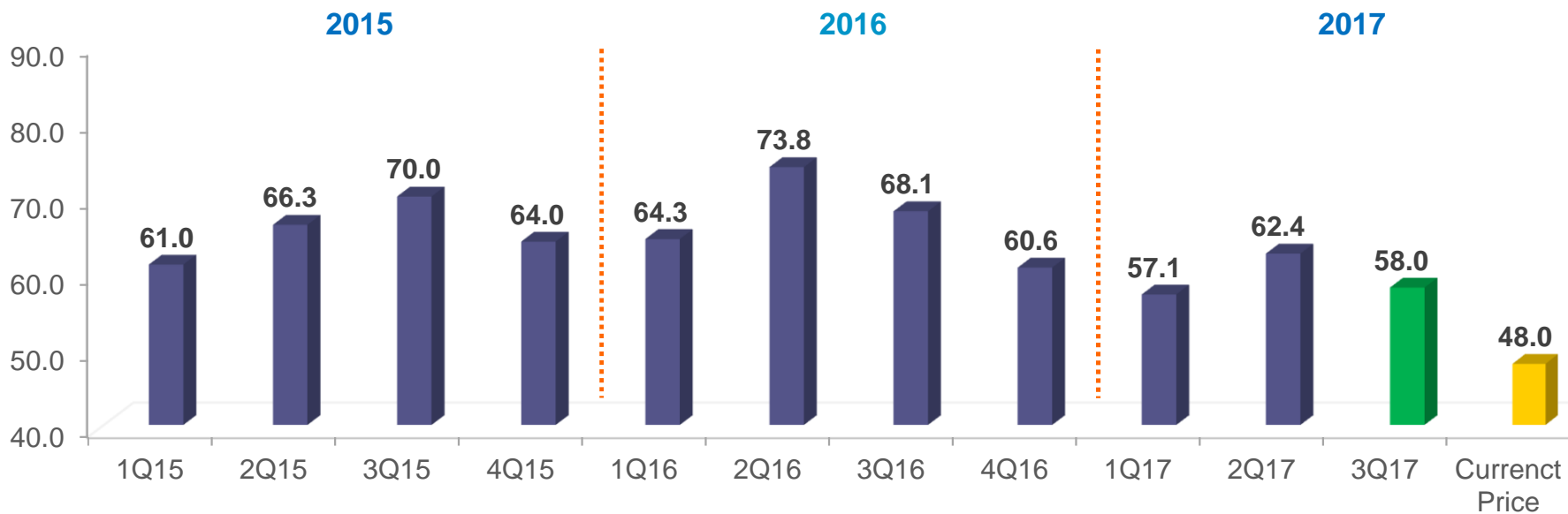

Appendix B: Product & Raw Materials Price Trend

Thailand's **Broiler** price (Baht/kg)

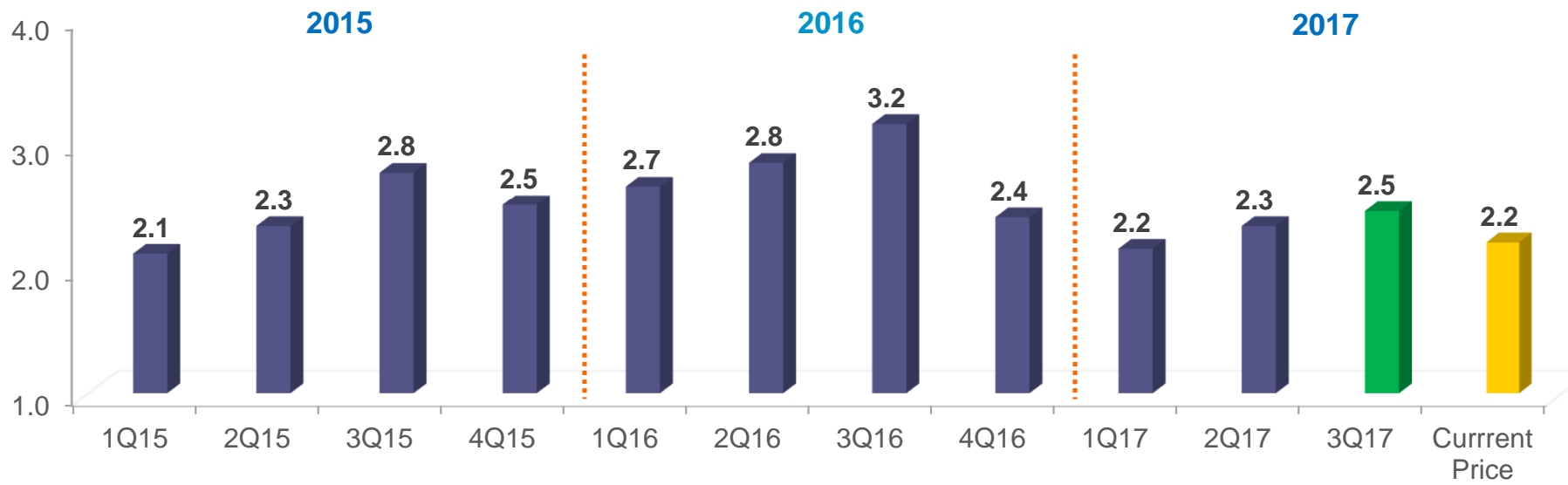

Average Price		
2015	2016	2017
35.8	35.6	37.6
% Chg	-1%	+6%

Thailand's **Pork** price (Baht/kg)

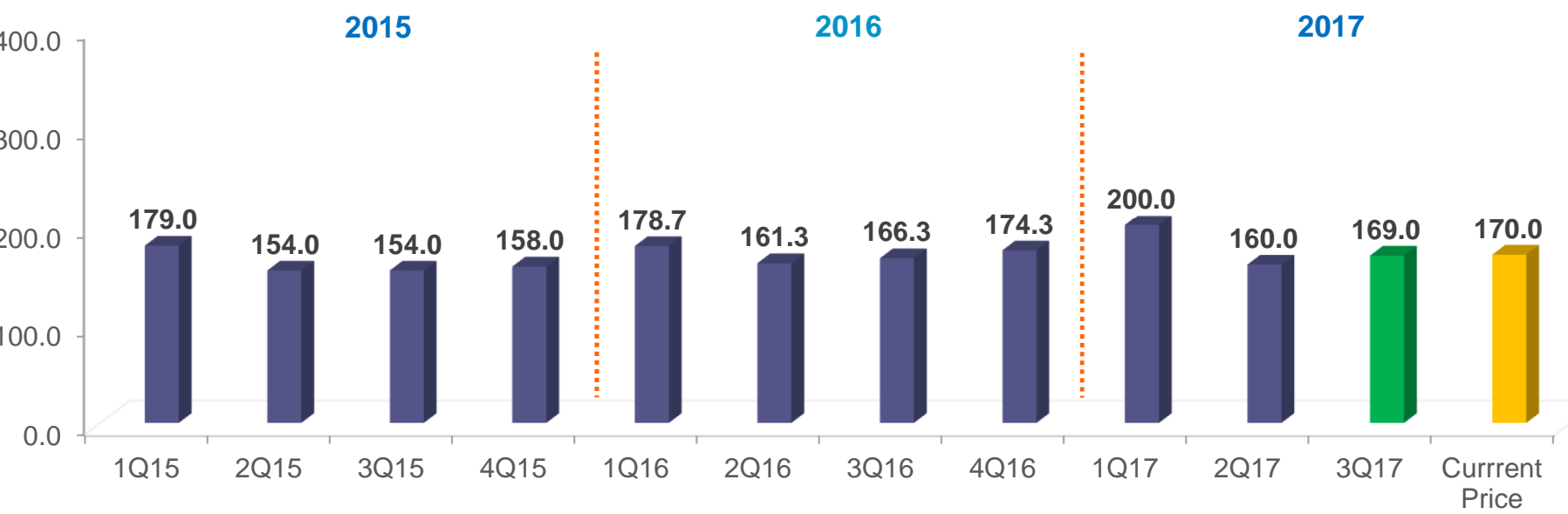

Average Price		
2015	2016	2017
65.3	66.7	59.2
% Chg	+2%	-11%

Thailand's Fresh egg price (Baht/piece)

Average Price		
2015	2016	2017
2.4	2.8	2.3
% Chg	+15%	-16%

Thailand's White shrimp price (Size 70)

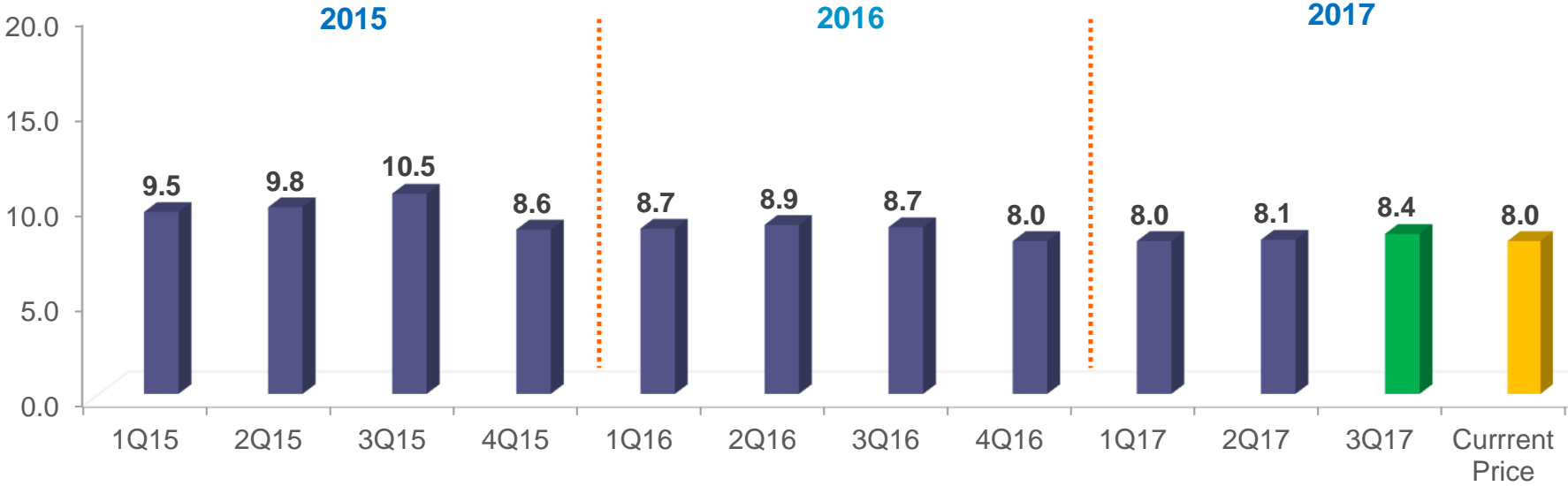



Average Price		
2015	2016	2017
161	170	177
% Chg	+6%	+4%



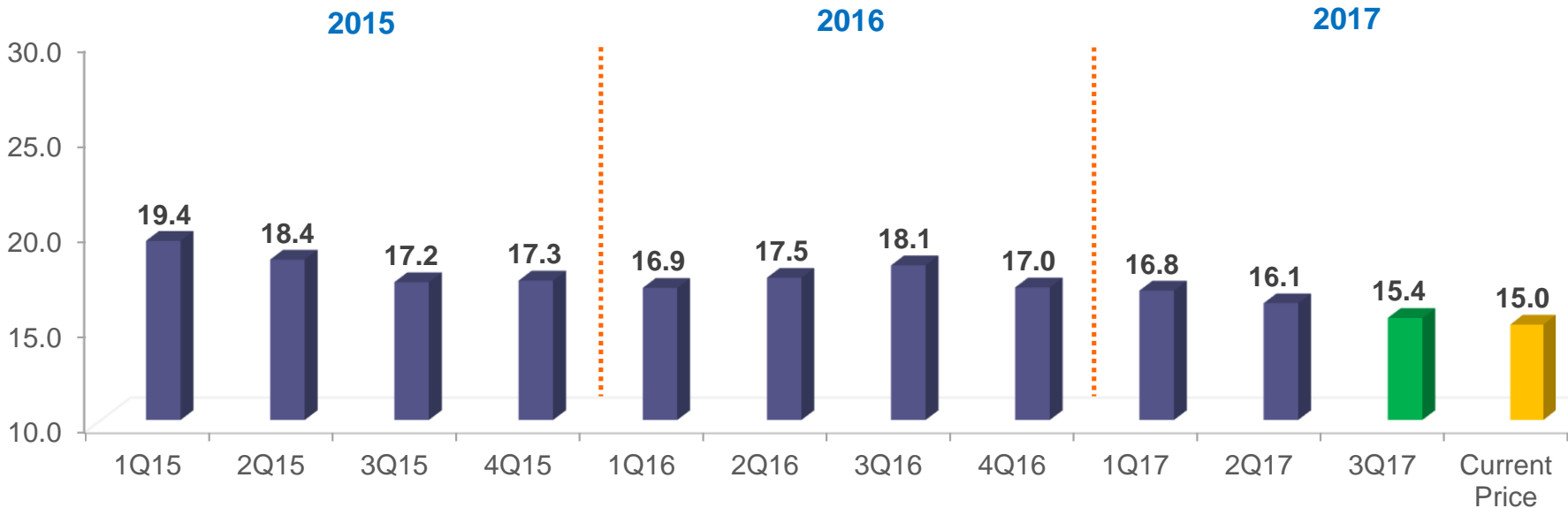
Average Raw Material Prices – Thailand

Thailand's Corn price (Baht/kg)



Average Price		
2015	2016	2017
9.6	8.6	8.2
% Chg	-11%	-5%

Thailand's Soybean Meal price (Baht/kg)

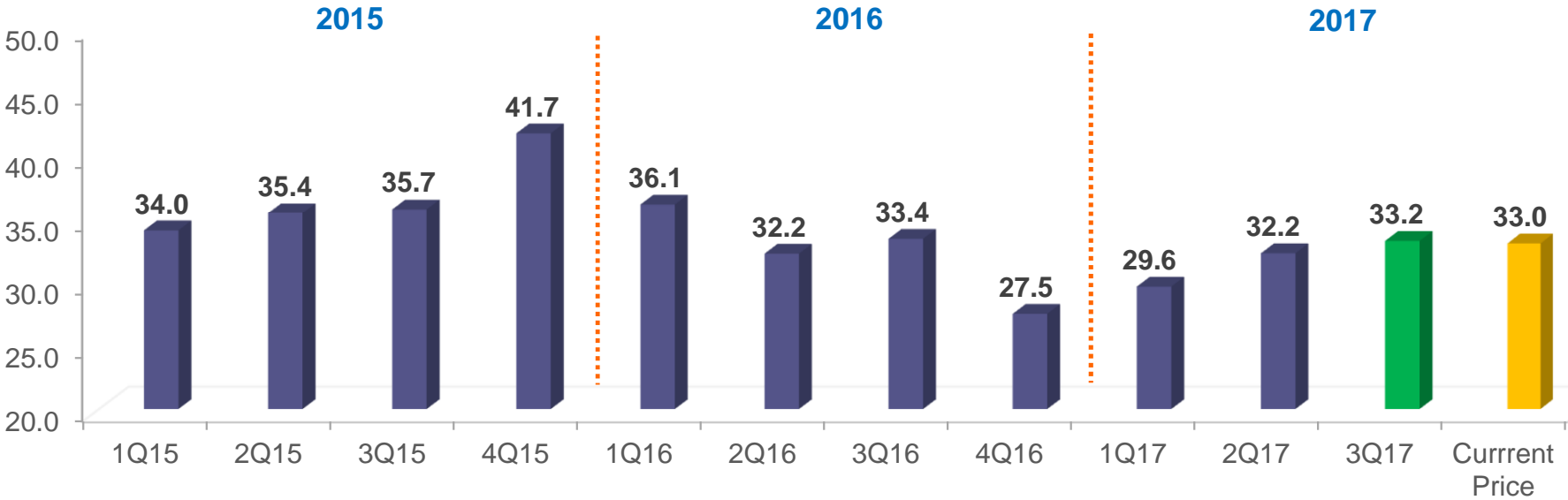


Average Price		
2015	2016	2017
18.1	17.4	16.1
% Chg	-4%	-7%



Average Farm Prices – Thailand

Thailand's Fishmeal price (Baht/kg)

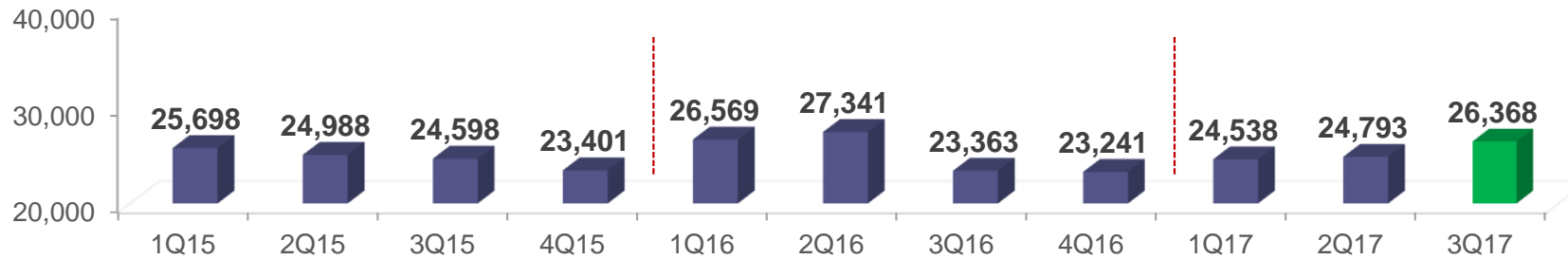


Average Price		
2015	2016	2017
36.7	32.3	31.7
% Chg	-12%	-2%

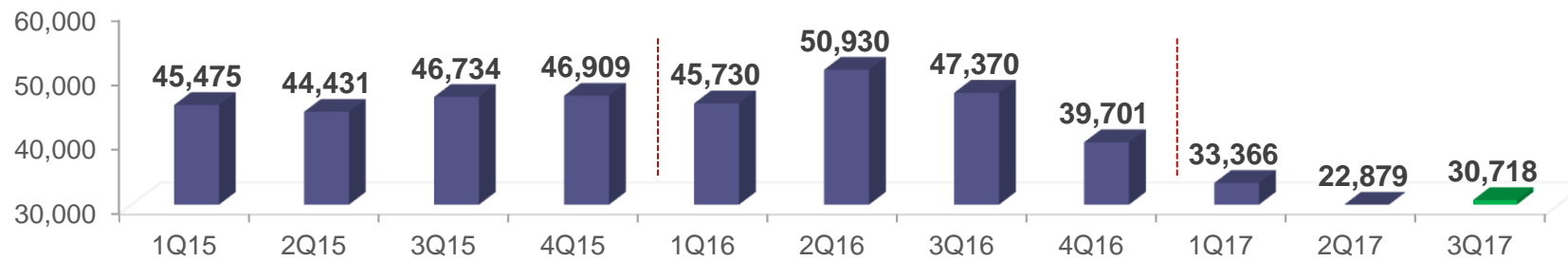
Source: CPF



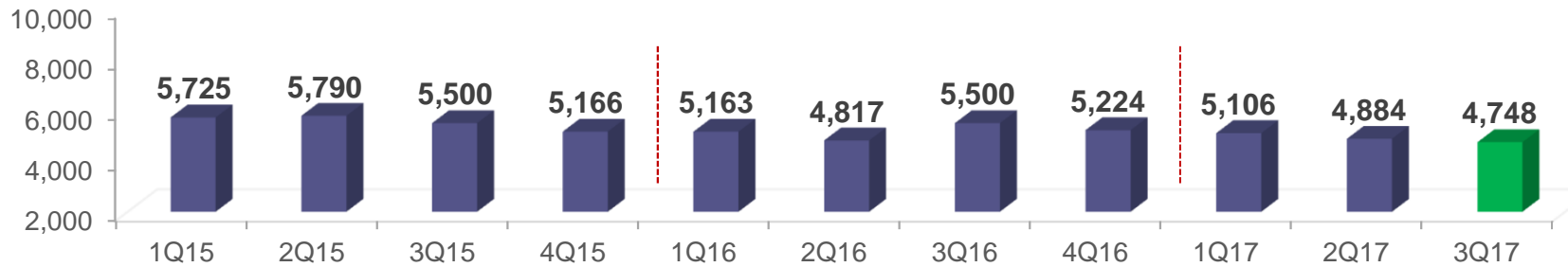
Vietnam: Average Market Price and Major Feed Raw Materials



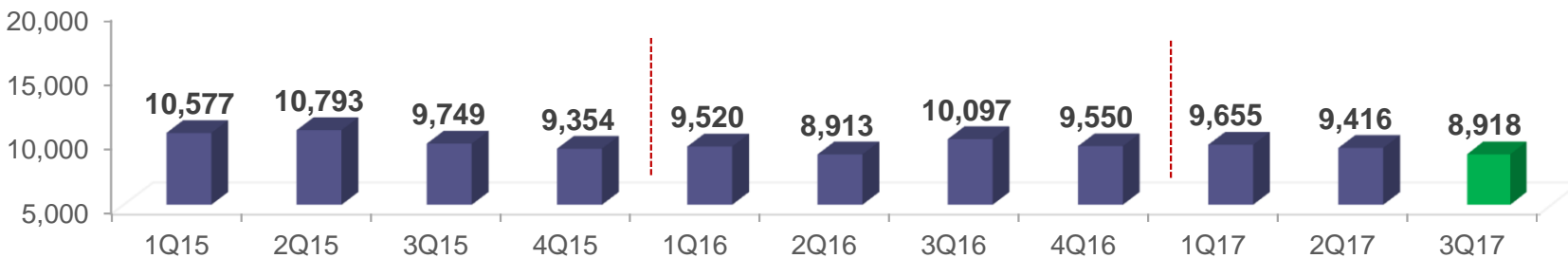
Broiler
(VND/kg)



Swine
(VND/kg)

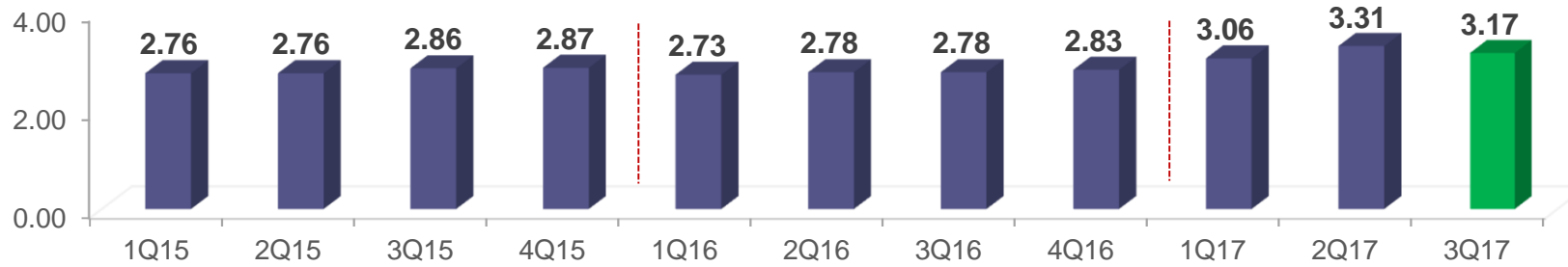


Corn
(VND/kg)

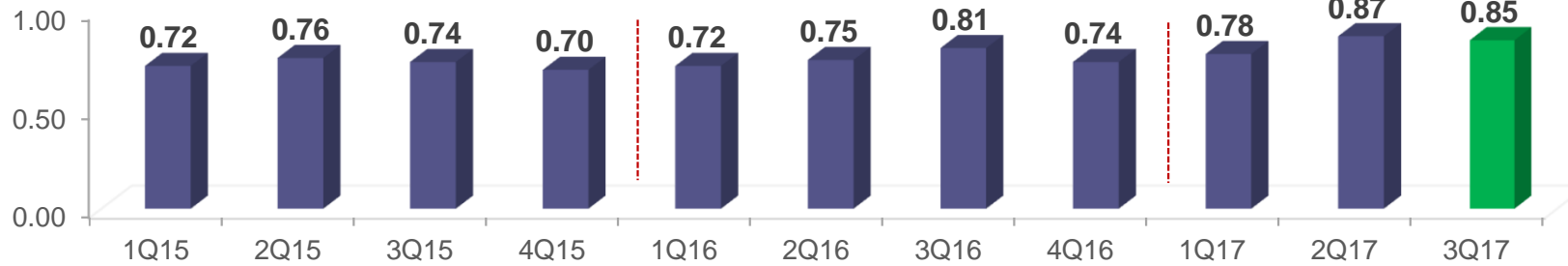


Soybean Meal
(VND/kg)

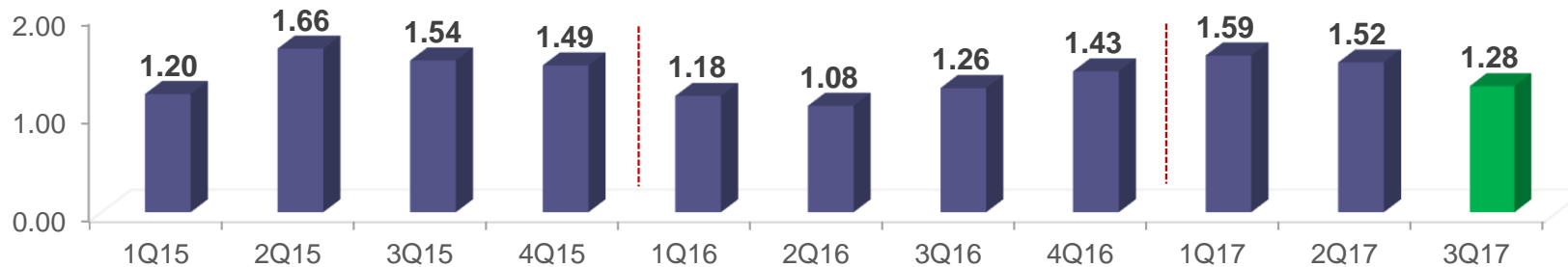
Turkey: Average Market Price and Major Feed Raw Materials



Broiler
(TRY/kg)



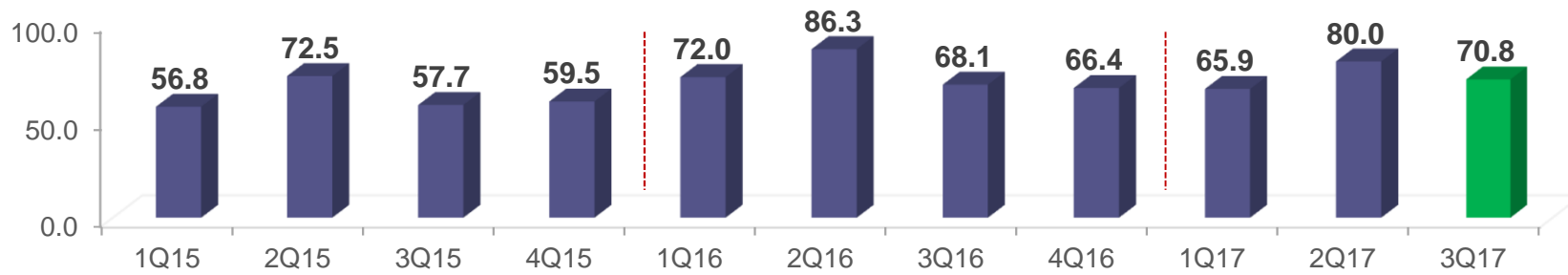
Corn
(TRY/kg)



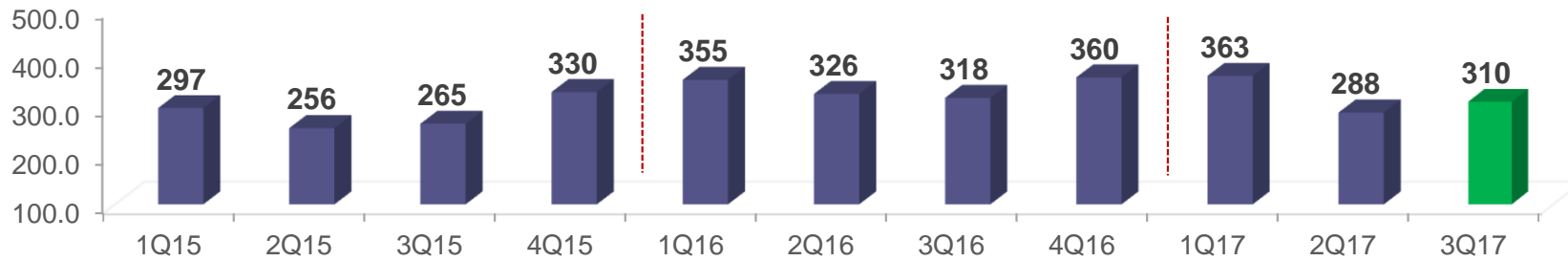
Soybean Meal
(TRY/kg)



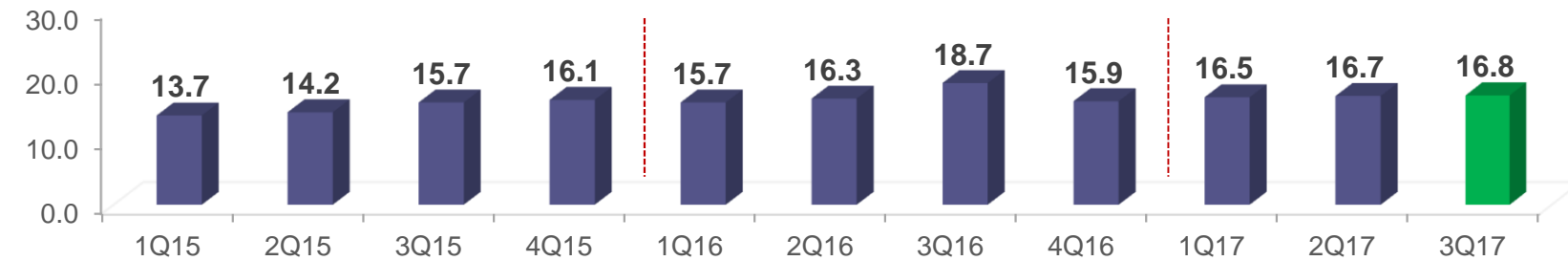
India: Average Market Price and Major Feed Raw Materials



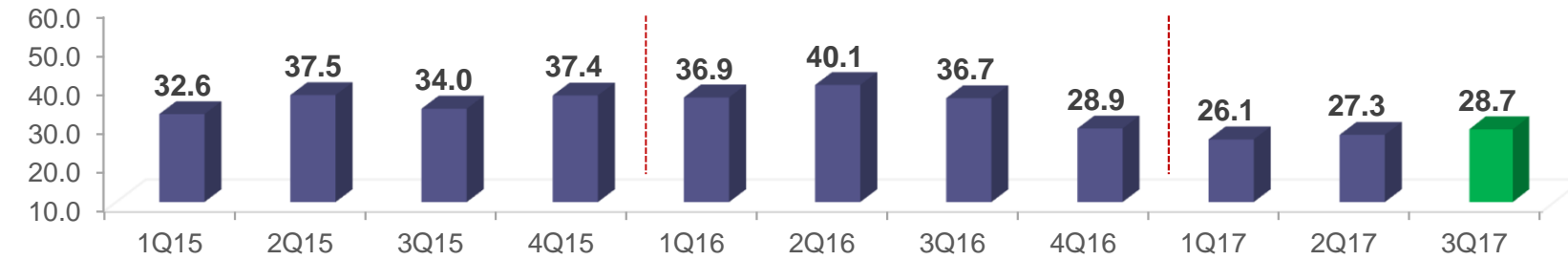
Broiler
(Rs/kg)



Shrimp(60 pieces)
(Rs/kg)



Corn
(Rs/kg)



Soybean Meal
(Rs/kg)

Appendix C: Highlights: 3Q17 results



3Q17 Results Highlights

Consolidated Revenue (THB millions)

+3%Y-o-Y

122,550

126,437

3Q16

3Q17

Gross Profit (THB millions)

-13%Y-o-Y

20,218

17,560

3Q16

3Q17

Net Profit (THB millions)

-5%Y-o-Y

5,184

4,914

3Q16

3Q17

Consolidated sales 3% Y-o-Y

Gross profit margin

2Q16 16.5%

2Q17 13.9%

2.6%

Net profit margin

2Q16 4.2%

2Q17 3.9%

0.3%

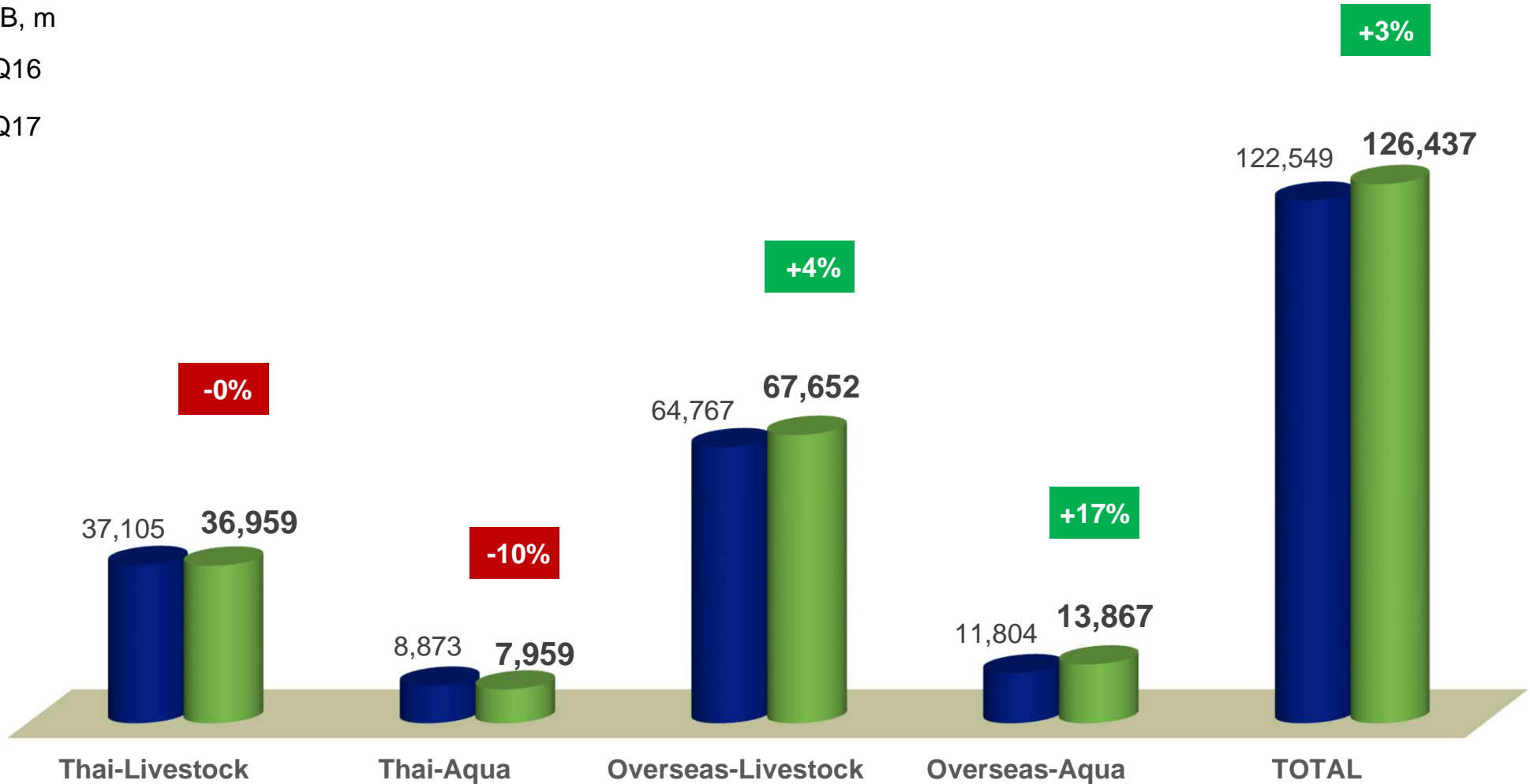


3Q17: Sales & Gross Profit Margin by Business

In THB, m

■ 3Q16

■ 3Q17



	Thai-Livestock		Thai-Aqua		Overseas-Livestock		Overseas-Aqua		TOTAL	
GPM	16.5%	12.4%	16.5%	12.5%	16.9%	13.6%	14.2%	20.1%	16.5%	13.9%
OPM	7.6%	2.7%	10.0%	6.7%	7.7%	4.5%	7.3%	14.8%	7.8%	5.2%



3Q17: Consolidated Sales Structure by Business

Sales Breakdown

	Livestock			Aquaculture			Total		
	3Q16	3Q17	%Change	3Q16	3Q17	%Change	3Q16	3Q17	%Change
Thailand	37,105	36,959	0%	8,873	7,959	-10%	45,978	44,918	-2%
<i>Domestic</i>	31,486	31,186	-1%	7,653	6,253	-18%	39,139	37,439	-4%
<i>Export</i>	5,619	5,773	3%	1,220	1,706	40%	6,839	7,479	9%
China	25,937	28,214	9%	3,753	4,506	20%	29,690	32,720	10%
Vietnam	18,695	12,282	-34%	2,541	3,643	43%	21,236	15,925	-25%
Others	20,135	27,156	35%	5,510	5,718	4%	25,645	32,874	28%
Total	101,872	104,611	3%	20,677	21,826	6%	122,549	126,437	3%
		▼			▼			▼	
% of Total Sales	83%	83%		17%	17%		100%	100%	



3Q17: Consolidated Sales by Products

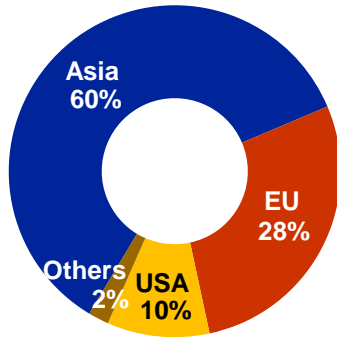
Sales Breakdown by Products

	Feed			Farm			Food			Total		
	3Q16	3Q17	%Change	3Q16	3Q17	%Change	3Q16	3Q17	%Change	3Q16	3Q17	%Change
Thailand	12,876	13,180	2%	22,488	20,685	-8%	10,614	11,053	4%	45,978	44,918	-2%
<i>Domestic</i>	12,843	13,147	2%	20,776	18,447	-11%	5,520	5,845	6%	39,139	37,439	-4%
<i>Export</i>	33	33	0%	1,712	2,238	31%	5,094	5,208	2%	6,839	7,479	9%
China	27,929	28,151	1%	207	710	243%	1,554	3,859	148%	29,690	32,720	10%
Vietnam	8,379	7,213	-14%	12,369	8,159	-34%	488	553	13%	21,236	15,925	-25%
Others	10,262	9,627	-6%	13,679	14,880	9%	1,705	8,367	391%	25,646	32,875	28%
Total	59,446	58,171	-2%	48,743	44,434	-9%	14,361	23,832	66%	122,549	126,437	3%



Thailand Operations – Export Destination

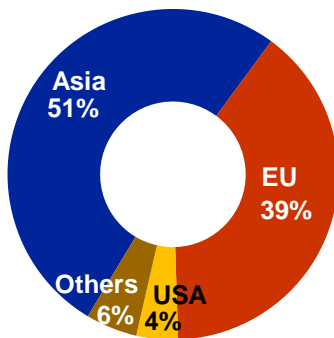
3Q17



■ Asia ■ EU ■ USA ■ Others

Farm

THB 2,238 million +31%

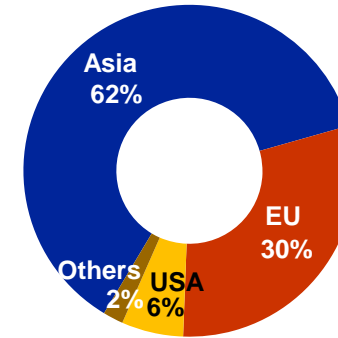


■ Asia ■ EU ■ USA ■ Others

Food

THB 5,209 million +2%

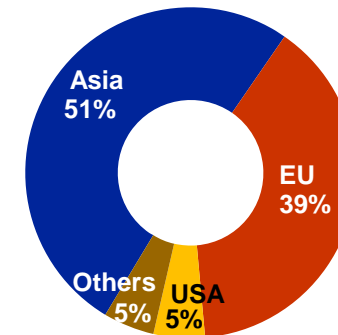
9M17



■ Asia ■ EU ■ USA ■ Others

Farm

THB 6,146 million +18%



■ Asia ■ EU ■ USA ■ Others

Food

THB 15,391 million +3%

Appendix D: Group of CPP's Associate Companies & Joint Ventures



Group of CPP's Associate Companies & Joint Ventures

As of December 31, 2016

No.	Associates	Type of Business	Direct and Indirect Interest (%)
1	Chia Tai (Cixi) Investment Mangement Ltd.	Provision of Consulting service on economic and trade	25.21
2	Conti Chia Tai International Ltd.	Production and sale of animal feed	25.21
3	Ningxia Xiao Ming Animal Husbandary Co., Ltd.	Production and sale of commercial layer chicks	8.34
4	Qingdao Yi Bang Bio-Engineering Co., Ltd.	Prodcution and sale of animal vaccines	6.05
5	Zhan Jiang Deni Carburetor Co., Ltd.	Motorcycle carburetor and auto parts production and distribution	14.12

No.	Joint Ventures	Type of Business	Direct and Indirect Interest (%)
1	Beijing Chia Tai Feedmill Co., Ltd.	Production and sale of animal feed	25.21
2	ECI Metro Investment Co., Ltd.	Investment and trade of machinery and spare parts	25.21
3	Handan Chia Tai Feed Co., Ltd.	Production and sale of animal feed	25.21
4	Henan East Chai Tai Co., Ltd.	Production and sale of animal feed	25.21
5	Jilin Chia Tai Enterprise Co., Ltd.	Production and sale of animal feed	25.21

Appendix E: Product Sample & Retail Outlet Format



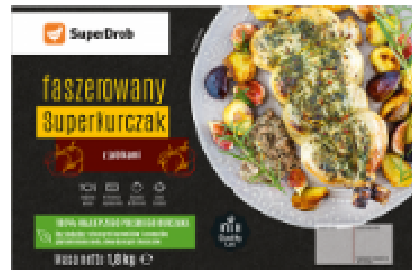
Food Retail Products





Food Retail Products







More Than 6,000 Outlets

Five Star Chicken in Vietnam

Five Star Chicken in India

Five Star Chicken in Cambodia



195 outlets





Food Retail Outlets



ซีพี เฟรชมาร์เก็ต

409 Stores



1788 Delivery

CP เป็นชีวิตคือ Foods to enrich life.



7 Stores





CHOZEN NOODLE

25 Kiosks



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Investor Relations Office

Charoen Pokphand Foods Public Company Limited

313 C.P.Tower Building, 26th Floor, Silom Road, Bangrak, Bangkok 10500, Thailand

Tel. Ms.Kobboon S. (662) 766-8353 / Mr.Warrawut S. (662) 766-8355 / Mr.Savin W. (662) 766-8397

Fax.(662) 638-2942

www.cpfworldwide.com

Email : kobboon@cpf.co.th / warrawut@cpf.co.th / savin.won@cpf.co.th



