



2018 Full Year Results Presentation

Analyst Meeting
21 February 2019

This presentation contains summary information about GFPT Public Company Limited (“GFPT” or “the Company”) and its subsidiaries (jointly the “GFPT Group”) as at 31 December 2018 and, unless stated otherwise. The information does not purport to be complete or comprehensive.

This presentation contains forward-looking statements that may be identified by use of words such as “anticipates,” “hopes,” “expects,” “estimates,” “intends,” “projects,” “plans,” “predicts,” “projects,” “aims” or other similar expressions that are used to identify such statements. Forward-looking statements are based on certain assumptions and expectations of future events. No guarantee nor assurance is made that these assumptions and expectations are accurate or will be realized. Such forward-looking statements should be considered with caution, since actual results may differ materially from those expressed or implied by such statements. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements are the following: (i) the effect of, or changes in, general economic conditions of Thailand and other major trading countries such as GDP growth rate, interest rate, foreign exchange rate, import/export restriction, labor wage, and unemployment rate; (ii) fluctuations in cost and availability of inputs and raw materials, such as feed grains (including corn and soybean meal); (iii) market conditions for finished products, including competition from other global and domestic food processors, changes in domestic and international demand of chicken products and alternative protein products, supply and pricing of competing products and alternative proteins, and changes in consumer preference and diets; (iv) outbreak of a livestock disease such as avian influenza (AI), which could have an adverse effect on livestock we own, the availability of livestock we purchase, consumer perception of certain protein products or our ability to access certain domestic and foreign markets; (v) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (vi) impacts on our operations caused by factors and forces beyond our control, such as political uncertainty, changes in government and public policy, riot, natural disasters, fire, flood, bioterrorism, pandemics or extreme weather; (vii) compliance with and changes to regulations and laws (both domestic and foreign), including changes in accounting standards, tax laws, environmental laws, agricultural laws and occupational, health and safety laws. and (viii) those factors listed under “Risk Factors” included in our Annual Report or 56-1 Report for the period ended 31 December 2018. However, factors that may affect the performance are not limited to those listed above. The Company undertakes no obligation to publicly update, amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, new information, future events or otherwise.

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Agenda

- GFPT Profile
- 2018 Financial Results
- Broiler Industry Outlook
- 2019 Guidance
- Q&A
- Appendix:
 - Key Statistics





- ❖ GFPT Public Company Limited (TB:GFPT), founded in 1981 with headquarters in Bangkok, Thailand, is one of Thailand's chicken processors and marketers.
- ❖ Company is specialized in fully vertical integrated chicken production starting from feed mill, grandparent breeder farm, parent breeder farm, broiler farm, chicken processing plant, and further processing plant.
- ❖ GFPT produces a wide variety of agricultural products including: animal feed, aqua feed, live broiler, chicken meat, chicken-based and prepared food products. GFPT provides products and services to customers throughout Thailand and international markets.
- ❖ Through its Core Values and Code of Conduct, GFPT strives to operate with integrity and trust and is committed to creating value for its shareholders, customers, and employees.

GFPT'S VISION

“GFPT strives to be a leading chicken meat exporter with its fully vertical integrated chicken production”

MISSIONS

Quality

Enhance product quality to the international standards

Food Safety

Confidence through the traceability system

Innovation

New product development using modern technology

Expertise

Empowering people to become the expert

Satisfaction

Attention to the needs of customers

Alliance

Build strong relationship among partners for long term

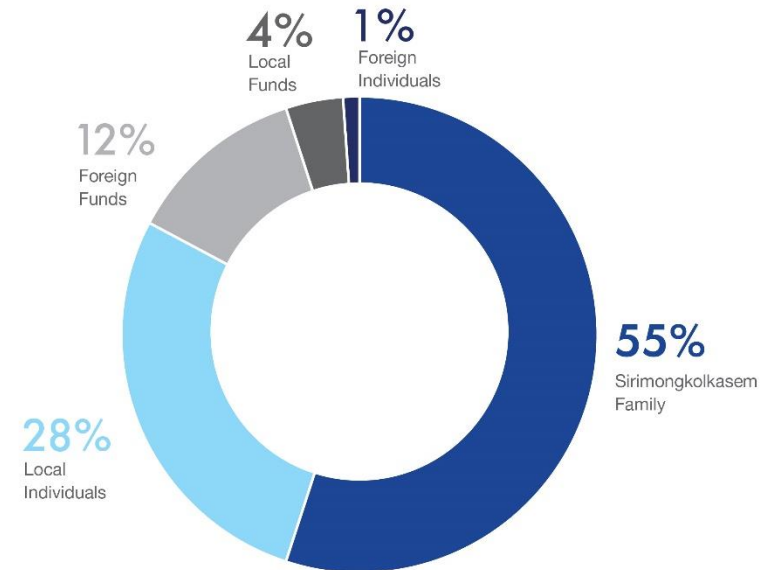
Responsibility

Build awareness and responsible to society



Symbol	GFPT
Industry / Sector	Agro & Food Industry / Agribusiness
2018 CG Score	Excellent [90 – 100 CG Report Score]
Anti - Corruption	Certified to be a member of Collective Action Coalition: CAC
Closed Price	THB 12.00 per share (28/12/2018)
Average Price	THB 14.13 per share (4Q 2018)
52-week High/Low	15.60 / 11.20
Share Outstanding	1,253.82 million share @ 1 Baht per share (8,961 shareholders as of 14 Mar 2018)
Market Cap.	THB 15.05 billion
% Free Float	45.30%
% Foreign Shareholder	12.75% [Limit 49.00%]
Dividend Policy	Not more than 50% of net profit of Company's separated financial statement after deductions of any reserved portion required by law or the Company (with additional conditions)

Shareholding Structure as of 14 Mar 2018



Top 5 Shareholders (as of 14 March 2018)

1)	Sirimongkolkasem Family	54.70%
2)	Nichirei Foods Inc.	4.52%
3)	Ms. Wonggarm Kittanamongkolchai	3.19%
4)	Thai NVDR Company Limited	2.52%
5)	Mr. Kongphob Limsong	1.60%

Timeline



GFPT Initially established

1981

Listed in SET

1992

Stock split from THB 10 to THB 1 per share

2010

Sausage capacity expansion (GFF)
New further processing plant (McKey)

2017

1990

99.99% in **FKT** (Breeder farm)
99.99% in **MKS** (Broiler farm)



1991

99.99% in **GFF** (Sausage plant)
65% in **KT** (Feed mill)



1993

49% in **McKey** (Further plant)



2003

99.99% of **GP** (GP farm)



2008

New feed mill (**KT2**) in Cholburi
49% in **GFN** (chicken processing and further processing plant)



2012

Additional Capital Injection in **GFN**

Group Structure



GFPT

GFPT Public Company Limited
Chicken Evisceration and Processed Food

5 Subsidiaries



KT | 98.26%
Krungthai Food PCL.
Feed Mill and Breeder Farm



FKT | 99.99%
Krungthai Farm Co., Ltd.
Breeder Farm (PS Farm)



GFF | 99.99%
GF Foods Co., Ltd.
Processed Food



GP | 99.99%
GP Breeding Co., Ltd.
Primary Breeder Farm (GP Farm)



MKS | 99.99%
M.K.S. Farm Co., Ltd.
Broiler Farm

2 Joint Ventures



McKey | 49.00%
McKey Food Services (Thailand) Ltd.
Frozen Processed Food

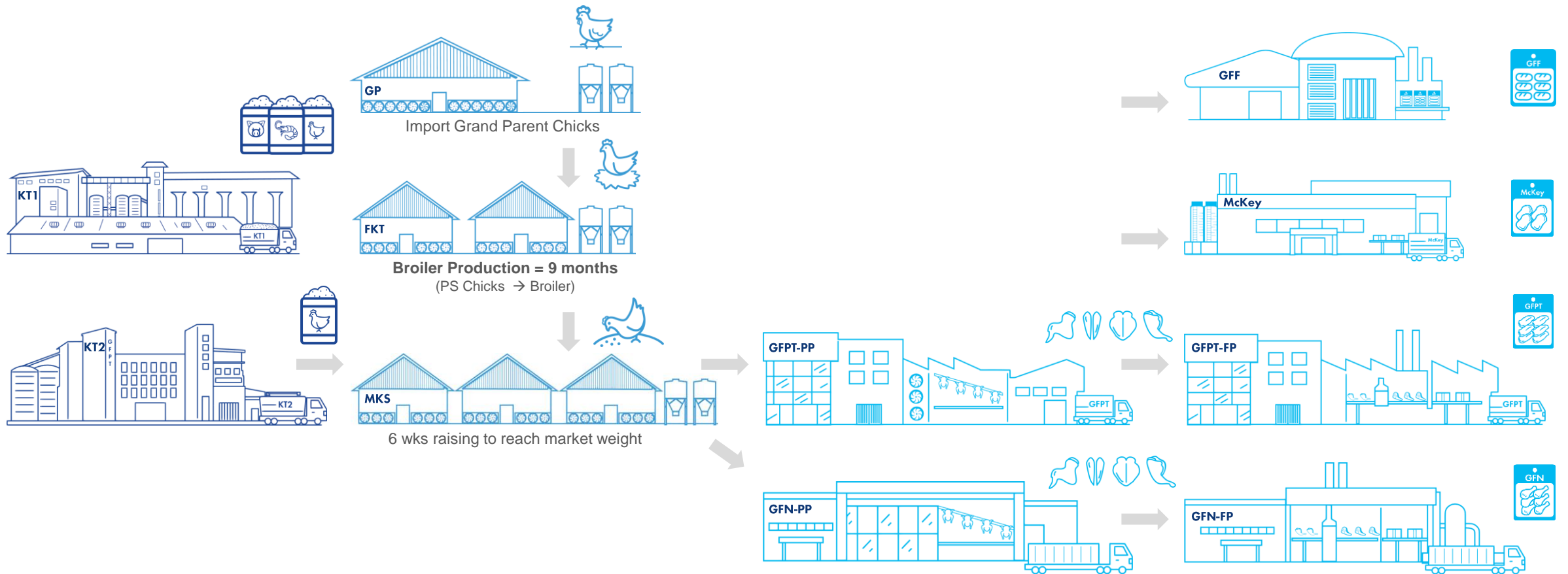
Keystone Foods Inc. [51%]



GFN | 49.00%
GFPT Nichirei (Thailand) Co., Ltd.
Chicken Evisceration and Processed Food

Nichirei Foods Inc. [51%]

GFPT Fully Vertical Integrated Chicken Production



Feed Mills

- ❖ **KT1:** Produce animal feed and aqua feed for domestic market
- ❖ **KT2:** Produce Broiler Feed for its own integration only

GFPT Group Farm

- ❖ 100% Company Own Farm Operation
- ❖ Animal welfare
- ❖ Bio-security
- ❖ Evaporative Cooling House

Primary Plants

- ❖ Chicken meat are sold to export market and OEM factory in Thailand
- ❖ By-products are sold in domestic market

Sausage Plant

- ❖ Sausages are sold in domestic market under GFF Brand

Further Plants

- ❖ Cooked products are sold to international markets (JP, EU, and others)

Product Line



FEED



Animal Feed [Pig, Layer Hen, Duck, Cow, etc.]



Fish Feed



Shrimp Feed

FARM



Day-old-Chick



Live Broiler

FOOD



Chicken Parts and Meat [Bone-in, Boneless, Cut-up, Marinated]



Cooked Product [Fully Cooked, Par-fried, Breaded, Steamed, Roasted]

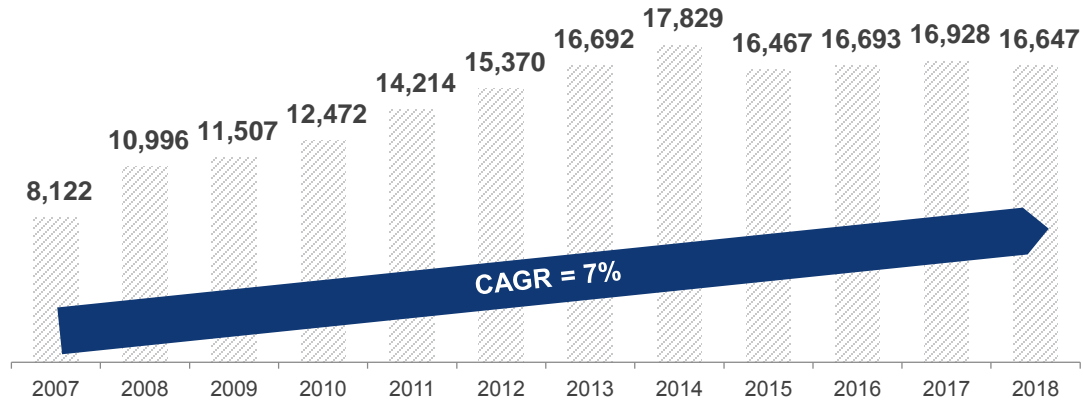


Processed Food [Sausage, Smoke Sausage, Chicken Meatballs]

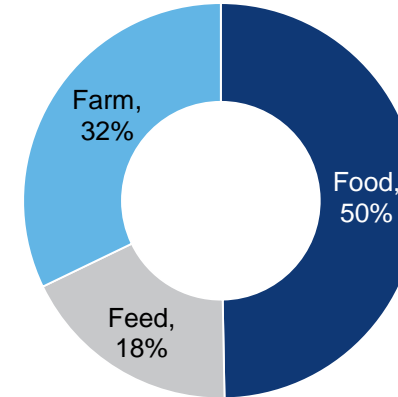
2018 Snapshot



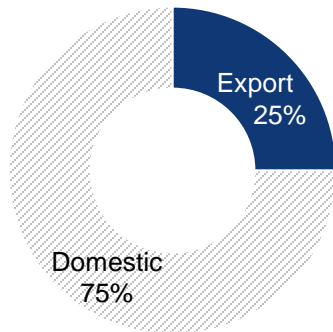
2018 Consolidated Revenue = THB 16.65 billion



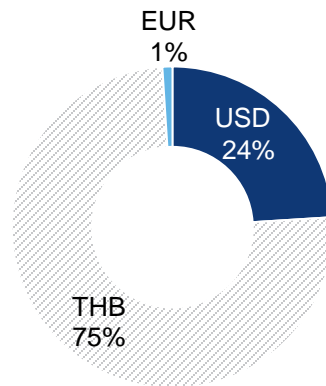
Revenue by Segment



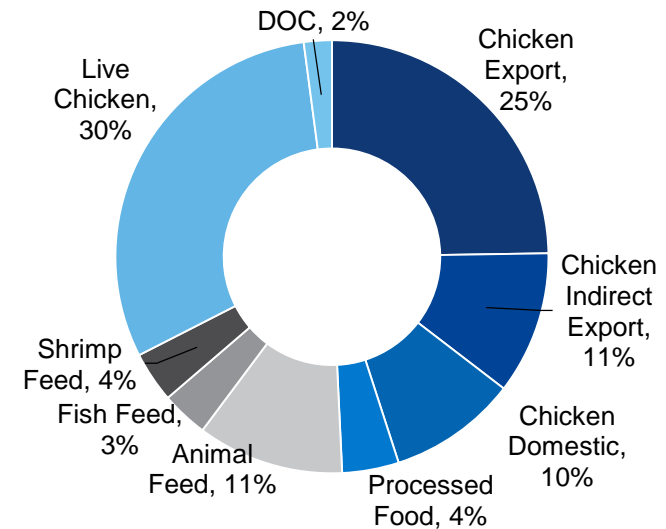
Revenue by Destination



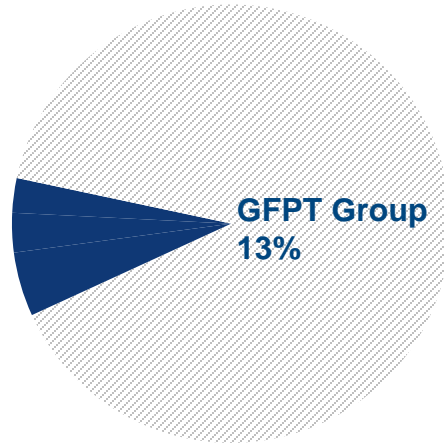
Revenue by Currency



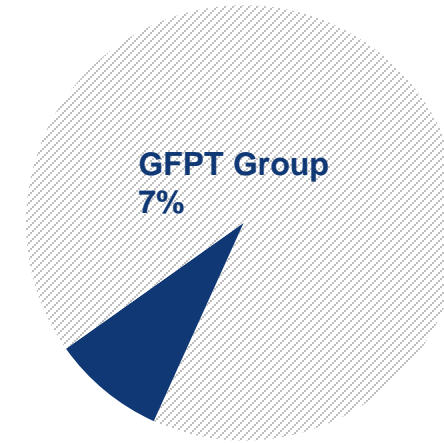
Revenue by Product



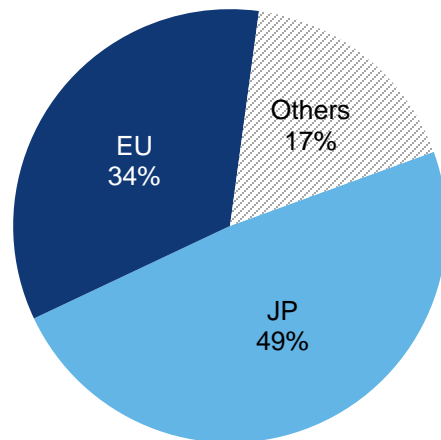
3rd in Thai Chicken Export



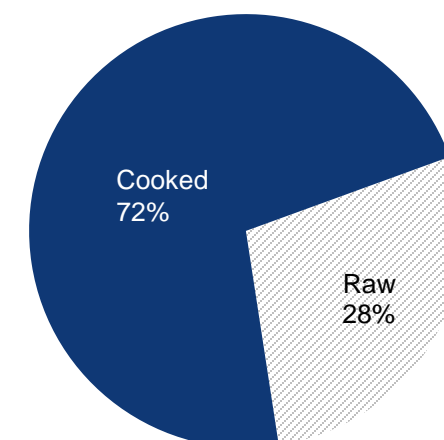
6th in Thai Chicken Production



Export by Destination



Export by Product Type



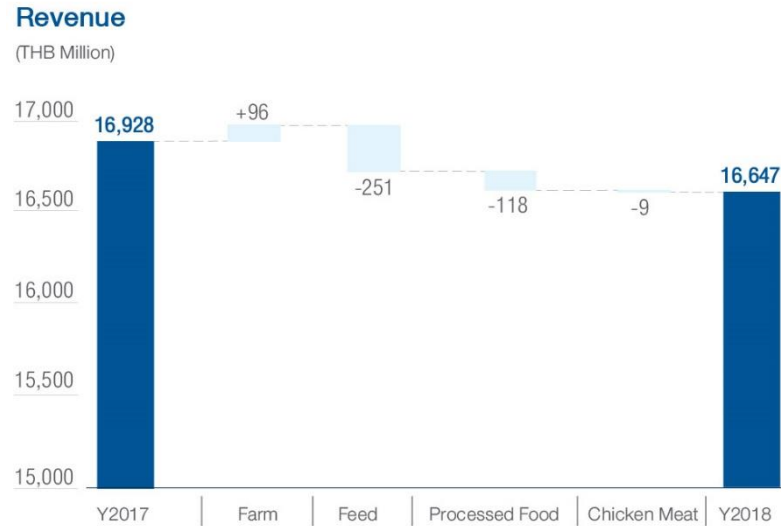
Y2018

Financial Results

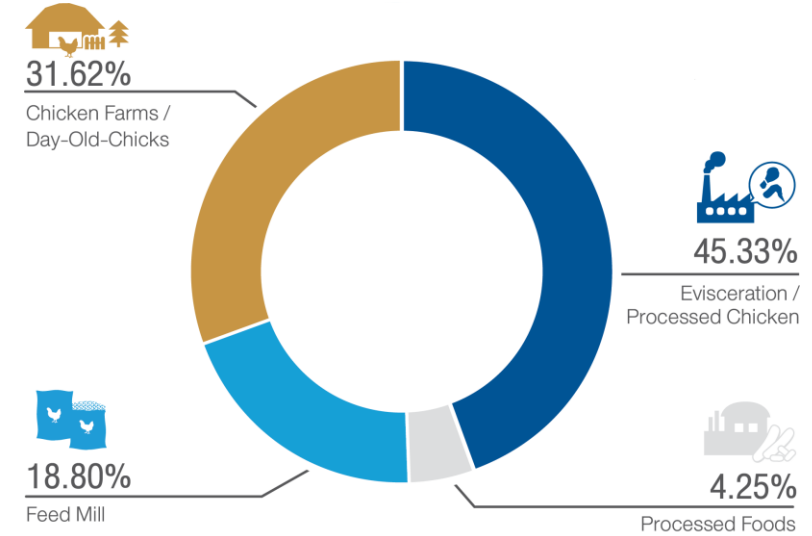
Y2018 Financial Results



Y2018 Consolidated Revenue = THB 16.65 billion



Y2018 Revenue Breakdown by Segment



Business Segment of GFPT and its subsidiaries	Y2018		Y2017		Changes	
	THB million	%	THB million	%	THB million	%
Chicken Processing	7,545.44	45.33	7,554.13	44.62	(8.69)	(0.12)
Feed	3,129.01	18.80	3,379.98	19.97	(250.97)	(7.43)
Farm	5,264.13	31.62	5,167.70	30.53	96.43	1.87
Processed Food	708.44	4.25	826.66	4.88	(118.22)	(14.30)
Total Sales	16,647.02	100.00	16,928.47	100.00	(281.45)	(1.66)

Y2018 Consolidated Income Statement



(Unit in THB million)	Y2017	%Sales	Y2018	%Sales	Change	% Change
Revenue from sales	16,928.47	100.00%	16,647.02	100.00%	(281.45)	(1.66%)
Cost of sales	(14,150.92)	(83.59%)	(14,263.56)	(85.68)	112.64	0.80%
GROSS PROFIT	2,777.55	16.41%	2,383.46	14.32%	(394.10)	(14.19%)
Other income	318.24	1.88%	296.85	1.78%	(21.38)	(6.72%)
Selling expenses	(526.45)	(3.11%)	(526.45)	(3.16%)	-	-
Administrative expenses	(789.75)	(4.67%)	(845.57)	(5.08%)	55.83	7.07%
Share of profit from associates	272.02	1.61%	71.13	0.43%	(200.89)	(73.85%)
Financial costs	(74.36)	(0.44%)	(78.74)	(0.47%)	4.38	5.89%
Profit before income taxes	1,977.25	11.68%	1,300.68	7.82%	(676.57)	(34.22%)
Income tax expenses	(305.49)	(18.91%) EBT	(252.24)	(15.50%) EBT	(53.25)	(17.43%)
Profit for the period	1,671.76	9.88%	1,048.44	6.30%	(623.33)	(37.29%)
Non-Controlling Interests	(9.57)	(0.06%)	(10.47)	(0.06%)	0.90	9.40%
Net profit for shareholder of GFPT	1,662.19	9.82%	1,037.97	6.24%	(624.22)	(37.55%)

	Y17	Y18
F/X Gain	0.13	4.12

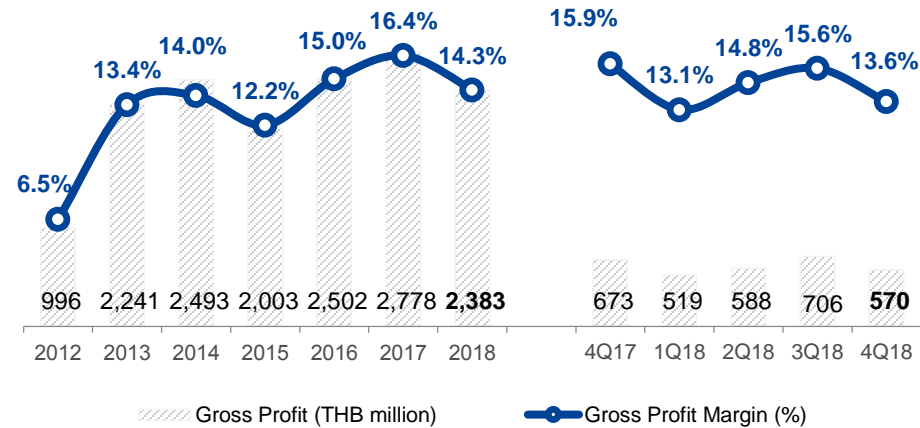
	Y17	Y18
McKey	171.95	142.11
GFN	100.07	(70.98)

Share of Profit from Associates
McKey - higher operating cost in Y2018 from new further processing factory.
GFN - lower selling price of chicken parts in domestic market.

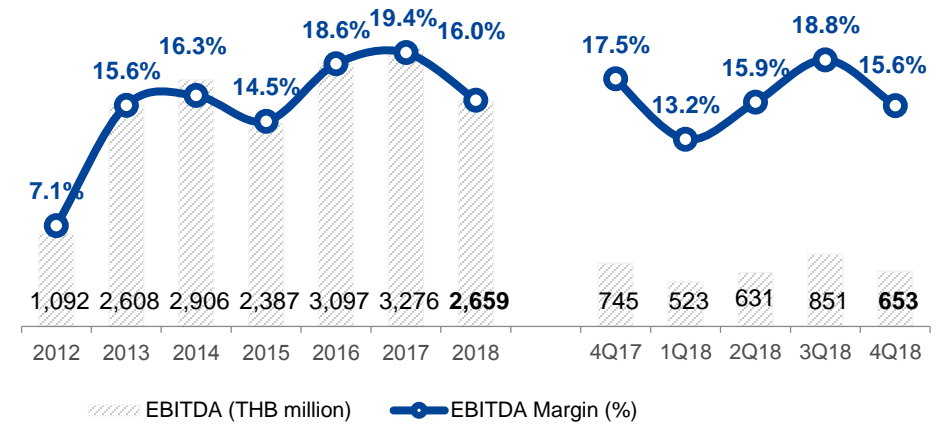
Y2018 Financial Results



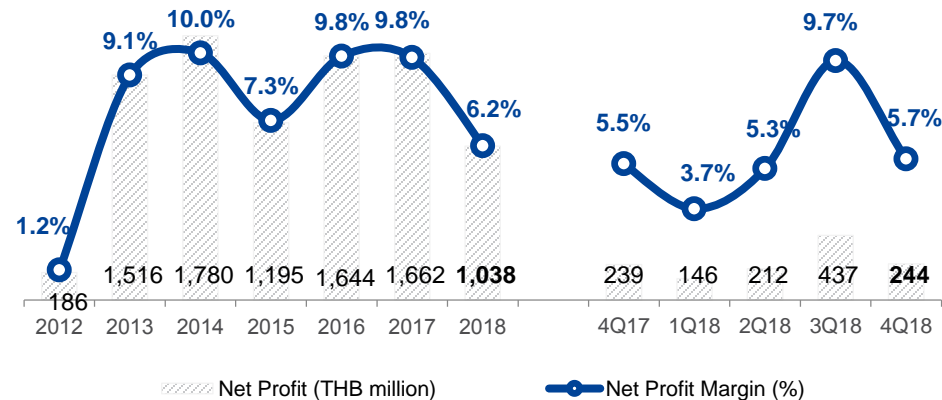
Gross Profit & GP Margin (%)



EBITDA & EBITDA Margin (%)



Net Profit & NP Margin (%)



Remark: Y2017 has been adjusted (Note 28)

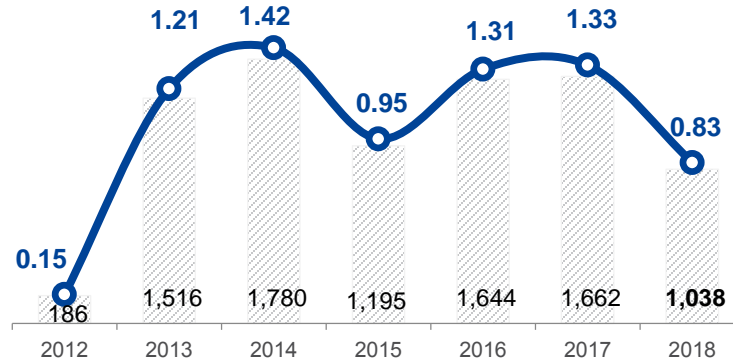
Note:

- Decrease in consolidated net profit in 2018 was primarily driven from decreasing in revenue from sales comparing to 2017.
- Consolidated EBITDA in 2018 was THB 2,658.75 million, a decrease of THB 617.62 million or decreased by 18.85% from 2017 from lower revenue from sales.
- EBITDA margin in 2018 was 15.97%, decreased from 19.35% in 2017.

Y2018 Financial Results



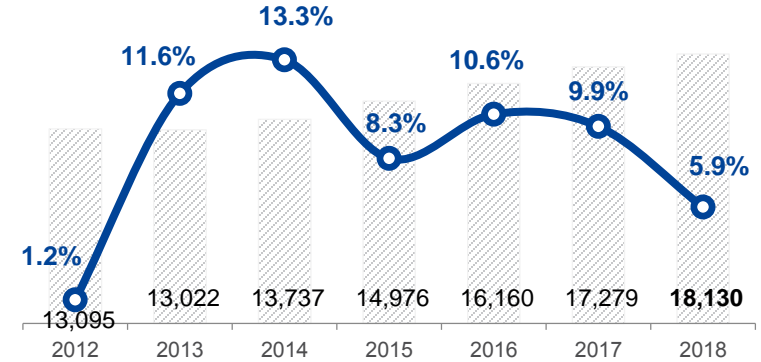
EPS (THB per share)



Net Profit (THB million) EPS (THB per share)

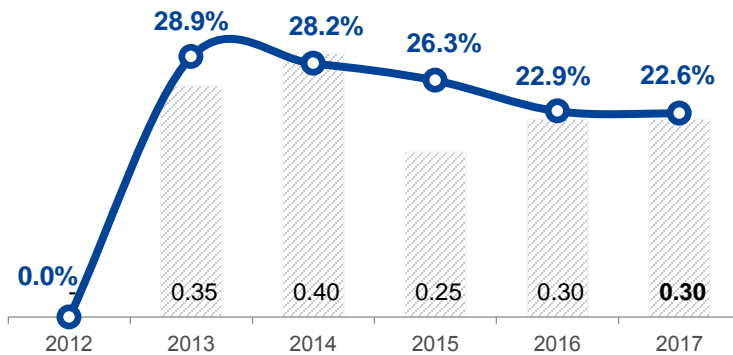
Remark: Y2017 has been adjusted (Note 35)

Return on Asset (%)



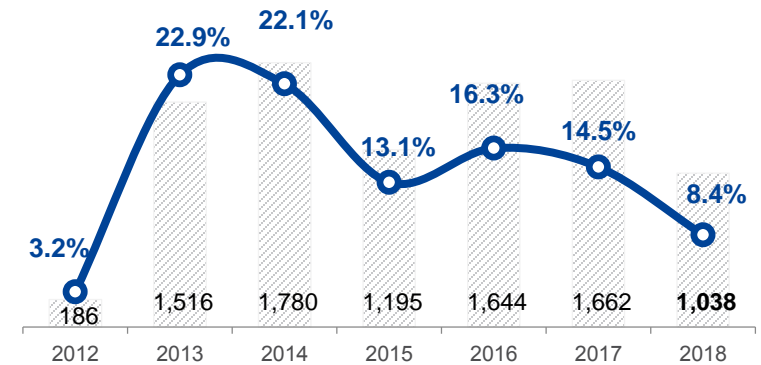
Total Assets (THB million) ROA (%)

Dividend & Dividend Payout Ratio (%)



Dividend (Bt/Share) Dividend Payout Ratio (%)

Return on Equity (%)



Net Profit (THB million) ROE (%)

Y2018 Consolidated Financial Position



Selected Items (Unit in THB million)	Y2017	Y2018	Change	% Change
Cash and Cash Equivalents	736.26	1,240.09	503.83	68.43%
Trade and Other Receivables	1,013.27	974.80	(38.46)	(3.80%)
Inventories	3,608.19	3,527.98	(80.22)	(2.22%)
Other Current Assets	14.10	27.15	13.05	92.55%
TOTAL CURRENT ASSETS	5,371.82	5,770.02	398.21	7.41%
Investment in Associated Companies	2,671.77	2,687.52	15.75	0.59%
Biological Assets	477.04	500.62	23.57	4.94%
Investment Property	354.07	349.77	(4.30)	(1.21%)
Property, Plant and Equipment	8,017.76	8,447.16	429.40	5.36%
Deferred Tax Assets	297.63	275.85	(21.78)	(7.32%)
Other Non-Current Assets	89.31	98.73	9.42	10.55%
TOTAL NON-CURRENT ASSETS	11,907.58	12,359.64	452.06	3.80%
TOTAL ASSETS	17,279.40	18,129.66	850.26	4.92%

Y2018 Consolidated Financial Position



Selected Items (Unit in THB million)	Y2017	Y2018	Change	% Change
Short - Term Loans from Financial Institutions	1,650.00	1,380.00	(270.00)	(16.36%)
Short - Term Loans from Related Persons	160.00	16.00	(144.00)	(90.00%)
Trade and Other Payables	924.02	1,143.42	219.40	23.74%
Current Portion of Long-Term Loans	66.70	284.00	217.30	325.79%
Other Current Liabilities	174.56	164.77	(9.79)	(5.61%)
TOTAL CURRENT LIABILITIES	2,975.28	2,988.18	12.90	0.43%
Long-Term Loans	1,700.00	1,760.00	60.00	3.53%
Employee benefit obligations	384.97	520.12	135.15	35.11%
Other Non-Current Liabilities	144.33	135.17	(9.17)	(6.35%)
TOTAL NON-CURRENT LIABILITIES	2,229.30	2,415.29	185.99	8.34%
TOTAL LIABILITIES	5,204.58	5,403.47	198.89	3.82%
TOTAL SHAREHOLDERS' EQUITY	12,074.82	12,726.19	651.37	5.39%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17,279.40	18,129.66	850.26	4.92%

Y2018 Consolidated Financial Position

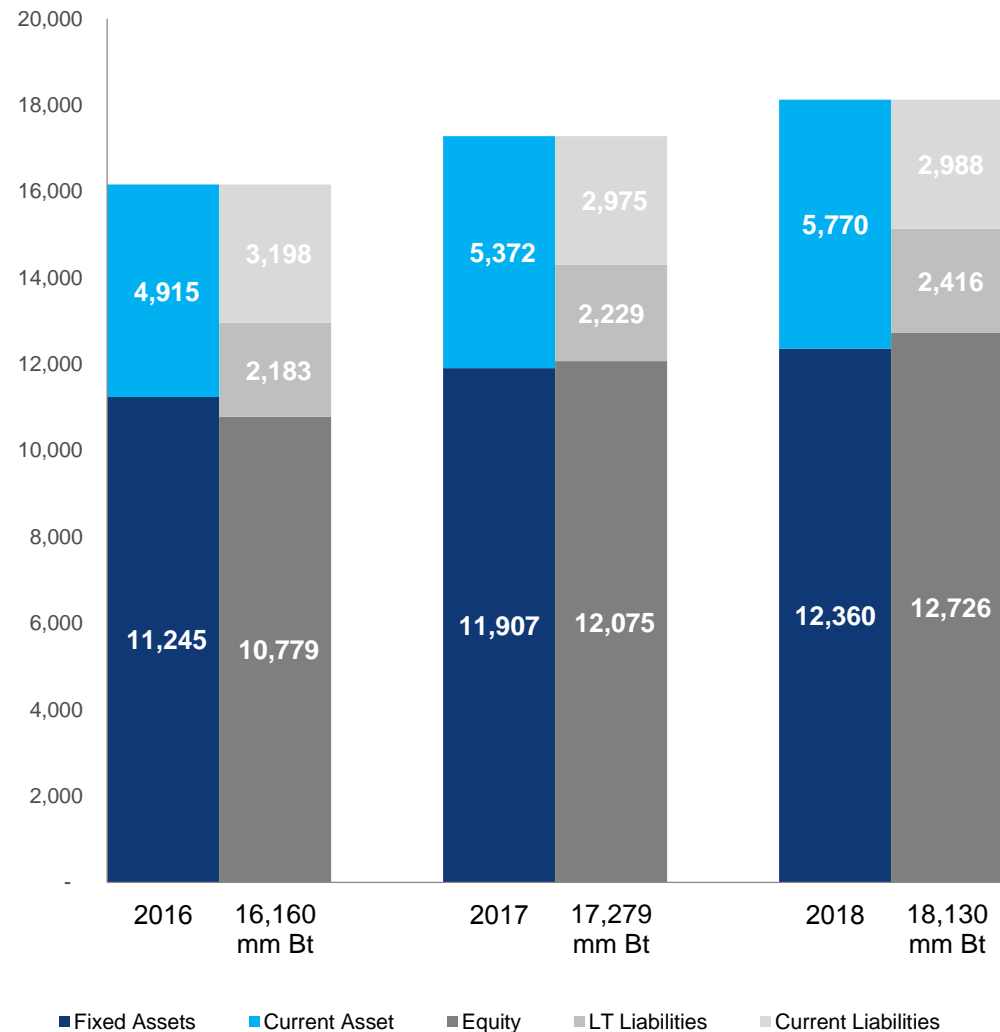


Selected Items (Unit in THB million)	Y2017	Y2018	Change	% Change
EBIT	2,051.61	1,379.42	(672.19)	(32.76%)
Depreciation - Grandparent & Parent Chickens	569.91	555.00	(14.91)	(2.62%)
Depreciation & Amortization	654.85	724.33	69.48	10.61%
EBITDA	3,276.37	2,658.75	(617.62)	(18.85%)
Net Cash Received from Operating Activities	2,455.45	2,478.04	22.59	0.92%
Net Cash Used in Investing Activities	(1,349.86)	(1,375.10)	25.24	1.87%
Net Cash Used in Financing Activities	(680.20)	(599.11)	(81.09)	(11.92%)
Increase in Cash	425.39	503.83	78.44	18.44%
Cash at the Beginning Balance	310.87	736.26	425.39	136.84%
Cash at the Ending Balance	736.26	1,240.09	503.83	68.43%

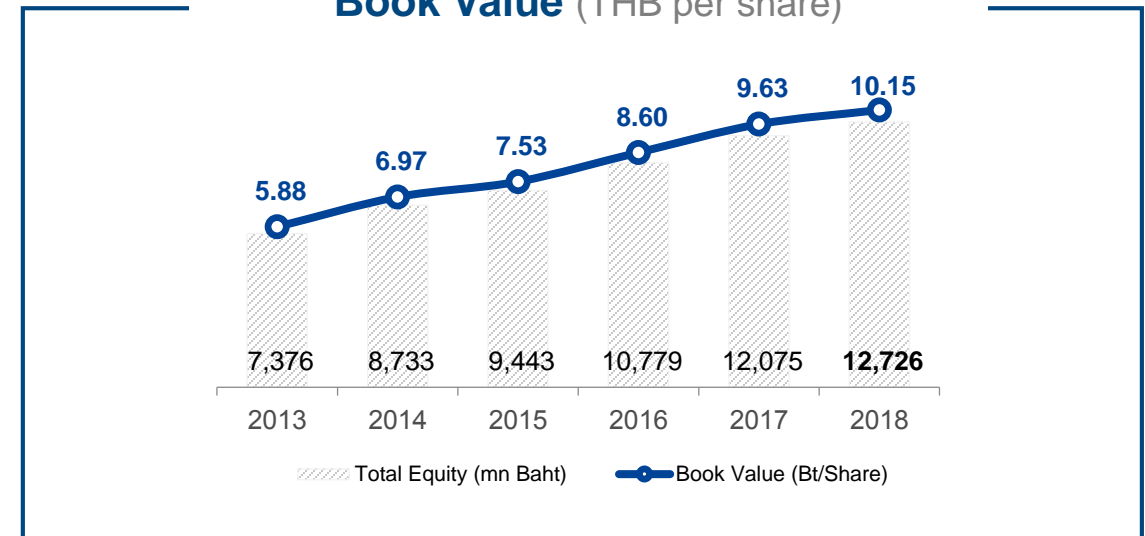
Y2018 Financial Position



Y2018 Total Asset = THB 18.13 billion



Book Value (THB per share)



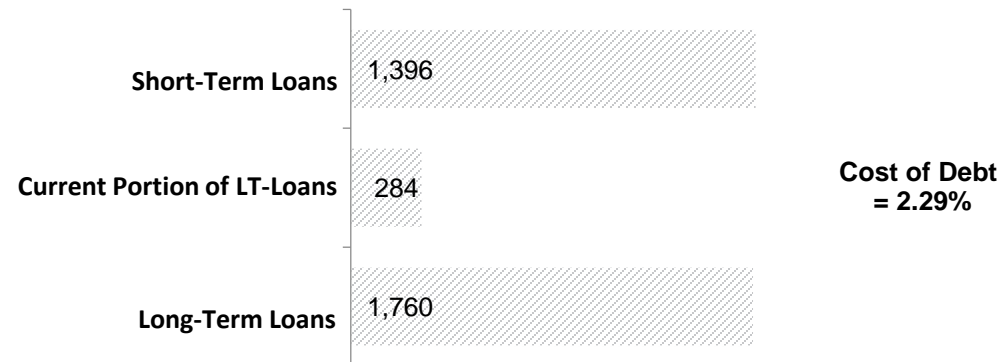
Note:

- As at December 31, 2018, total assets equal to THB 18,129.66 million including THB 5,770.02 million in current assets, THB 8,447.16 million in PP&E, THB 2,687.52 million in investments in associated companies, THB 500.61 million in grandparent chicken and parent chicken.
- Total assets increased in amount of THB 850.26 million or 4.92% up from an increase in cash and cash equivalents of THB 503.83 million and increase in PP&E of THB 429.40 million.

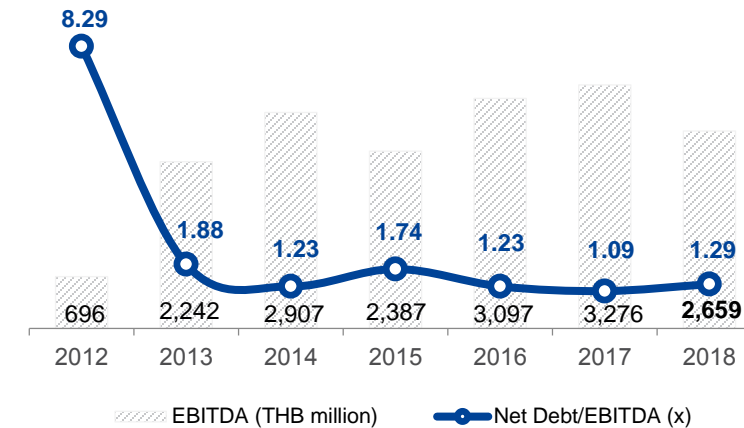
Y2018 Financial Results



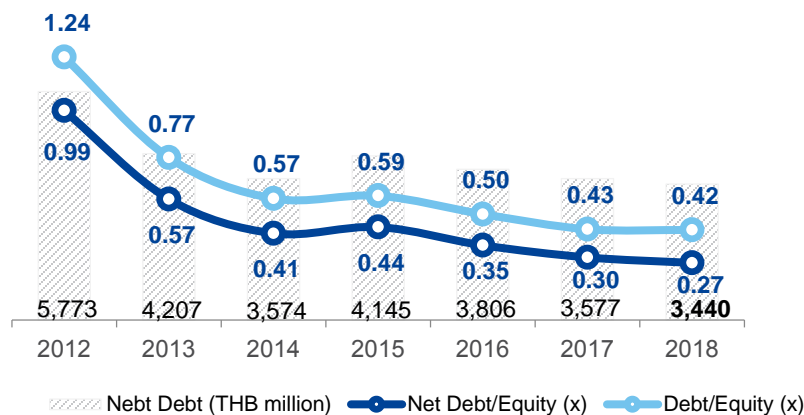
Y2018 Total Liabilities = THB 5.40 billion



Net Debt to EBITDA (million THB)



Net Debt to Equity & D/E

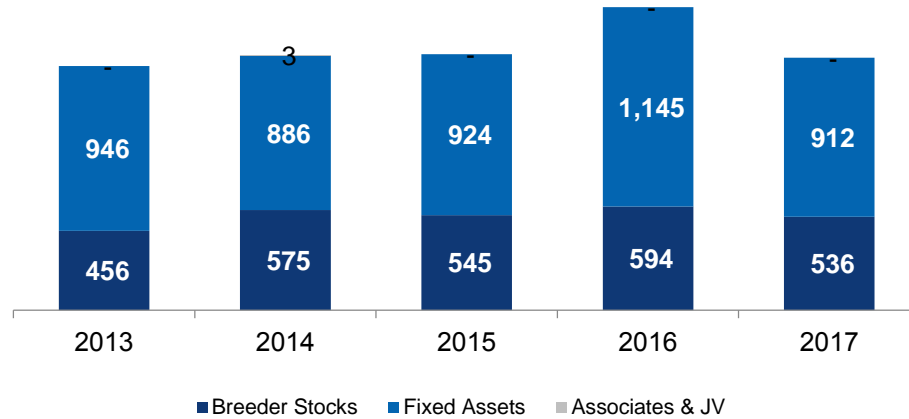


Note:

- As at December 31, 2018, the consolidated total liabilities was THB 5.40 billion comprising of non-interest-bearing liabilities of THB 1.96 billion and interest-bearing debt in amount of THB 3.44 billion.
- The interest-bearing debt consisted of short-term loans of THB 1.40 billion, current portion of long-term loans of THB 284.00 million, and long-term loans of THB 1.76 billion.
- All loans are in THB currency only. The Company has no exposure in foreign currency borrowings.

Capital Expenditure

Investment (million THB)



Y2019 Capital Expenditure



Broiler Expansion Plan

Broiler Raising Capacity



Remark: the broiler farm expansion plan can be adjusted due to economics and industry situations.

GFPT Group Expansion Plan

Future Project

GFPT Broiler Farm

Raising capacity to reach 340,000 birds per day by 2020

GFPT Slaughter House

New slaughter house capacity at 150,000 birds per day by 2020

GFPT Further Processing Plant

Cooked product for export capacity at 24,000 MT per year by 2022

Recent Project

McKey Further Processing Plant

Cooked product for export capacity at 30,000 MT per year by end of 2017

GFN Slaughter House

Slaughter house reach 150,000 birds per day by 2017

Noted: The expansion plan and investment budget can be adjusted depending on change in market condition and future competition.

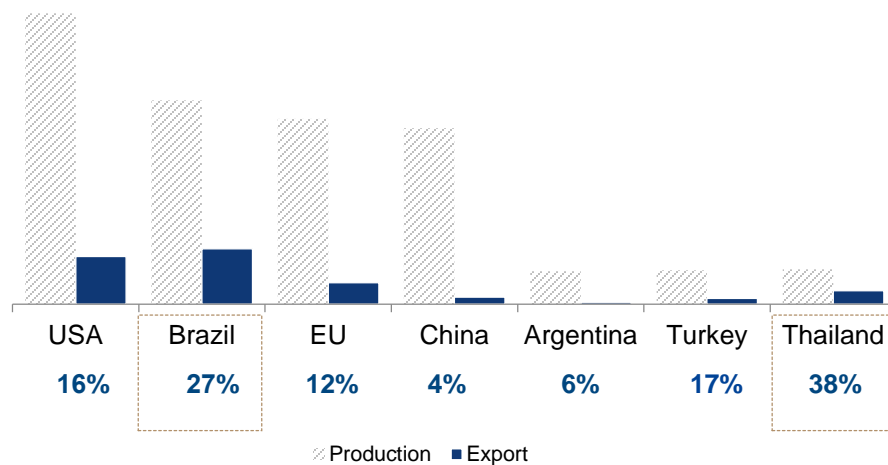


Market Outlook and Trend

THAILAND

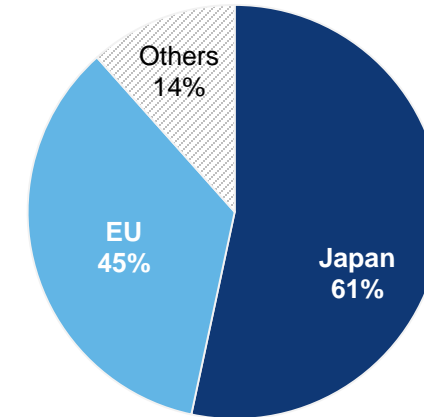
- **The 8th Global Chicken Producer**
 - 2018 broiler production = 2,320,000 tons
- **The 4th Global Chicken Exporter**
 - 2018 broiler meat export = 890,000 tons

Broiler Meat Production & Export Selected Countries (2018)

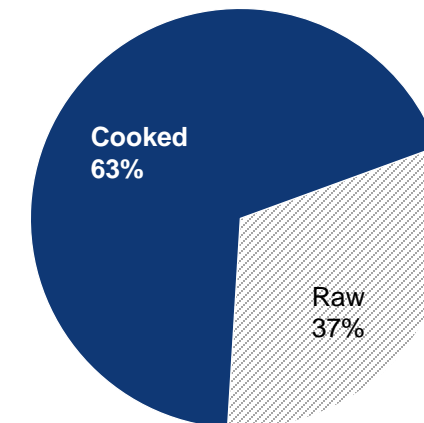


Source: USDA (Update: Oct 2018) and Thai Broiler Processing Exporters Assoc. (Update: Dec 2018)

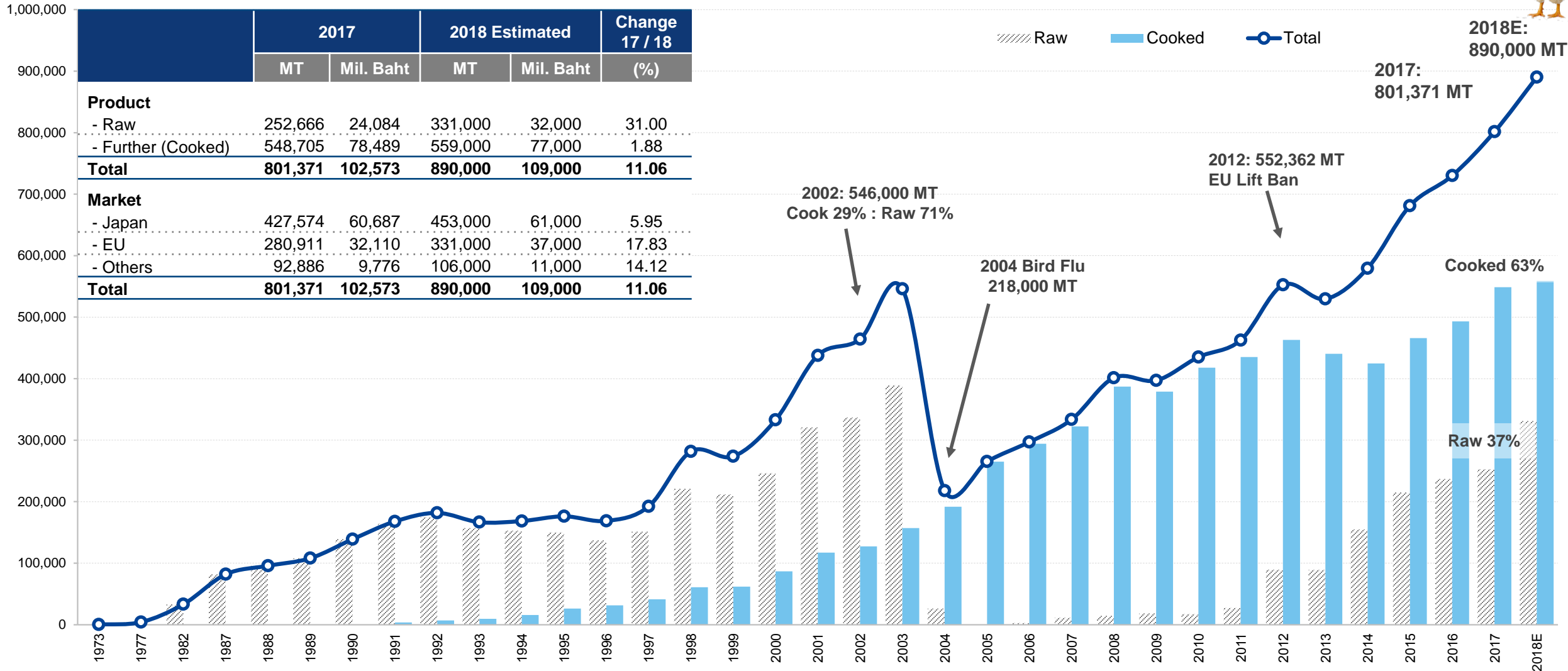
Thai Broiler Export by Market



Thai Broiler Export by Market



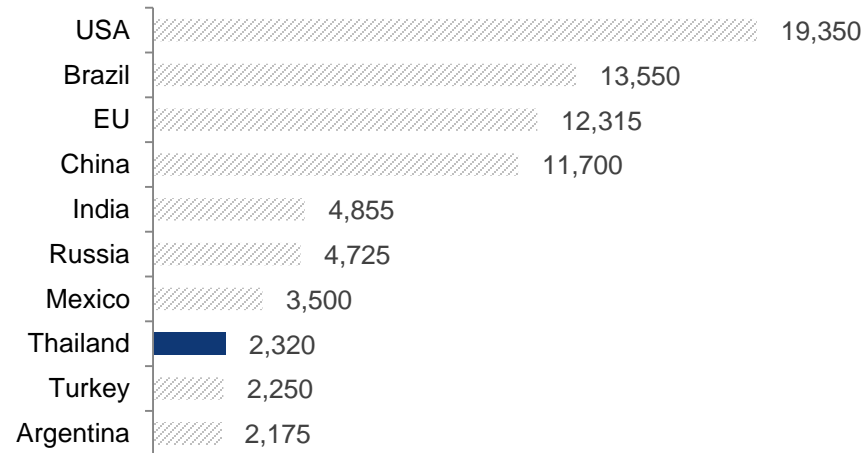
40 Years of Thai Chicken Meat Export



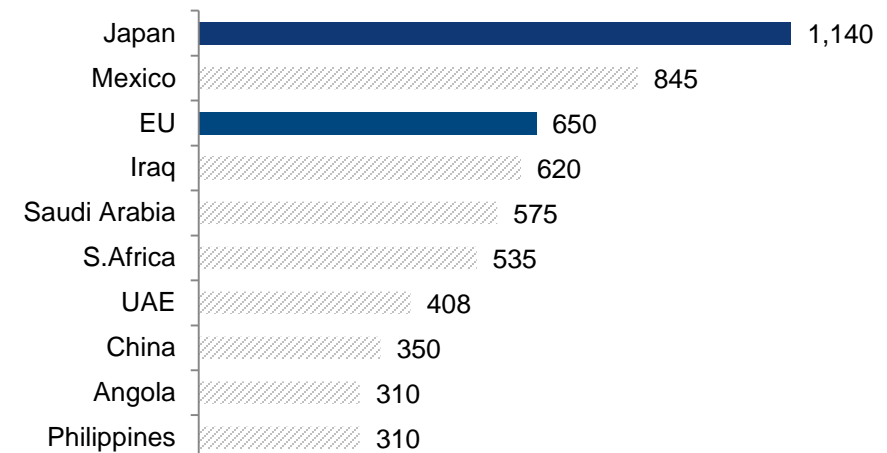
Global Broiler Meat Market



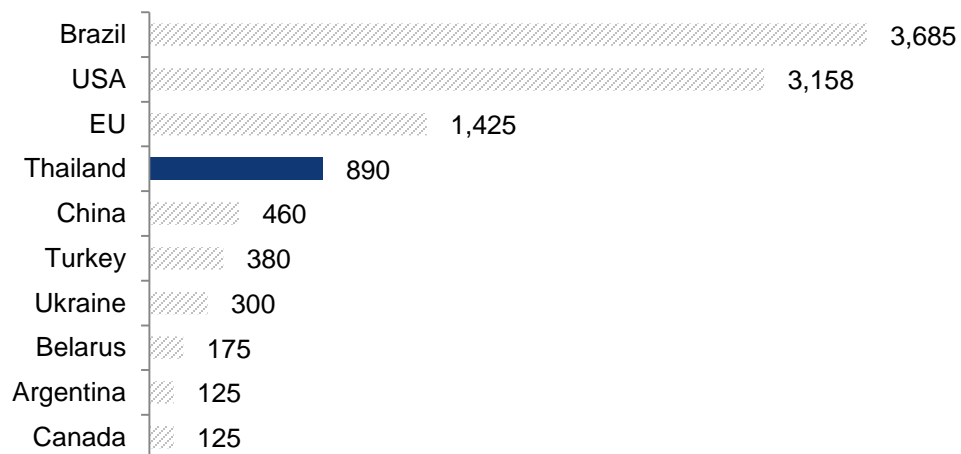
Global Production [Y2018= 95,594,000 tons]



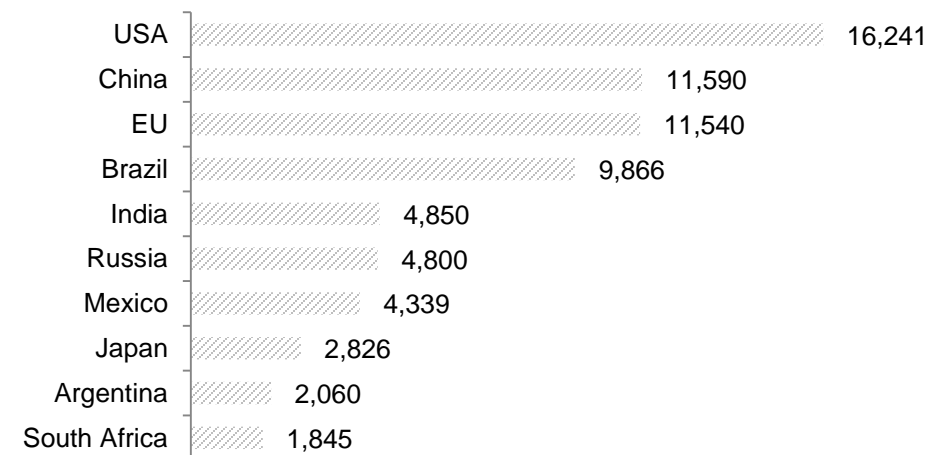
Global Import [Y2018 = 9,363,000 tons]



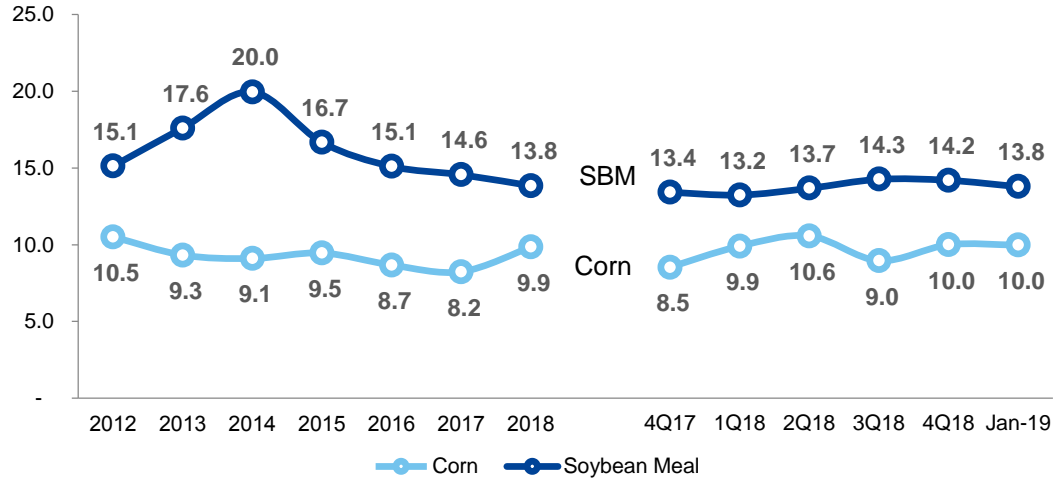
Global Export [Y2018 = 11,153,000 tons]



Global Dom. Consumption [Y2018 = 93,787,000 tons]

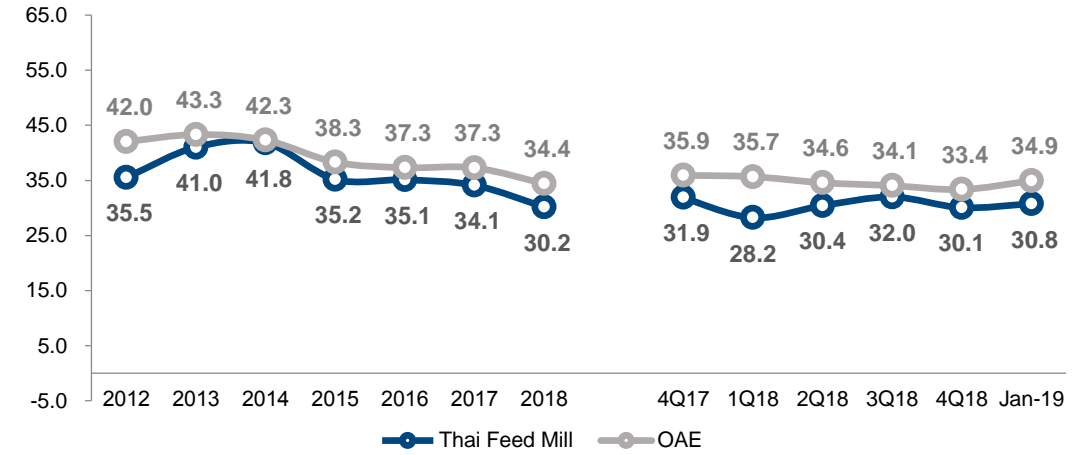


Corn & Soy Bean Meal (THB/Kg.)



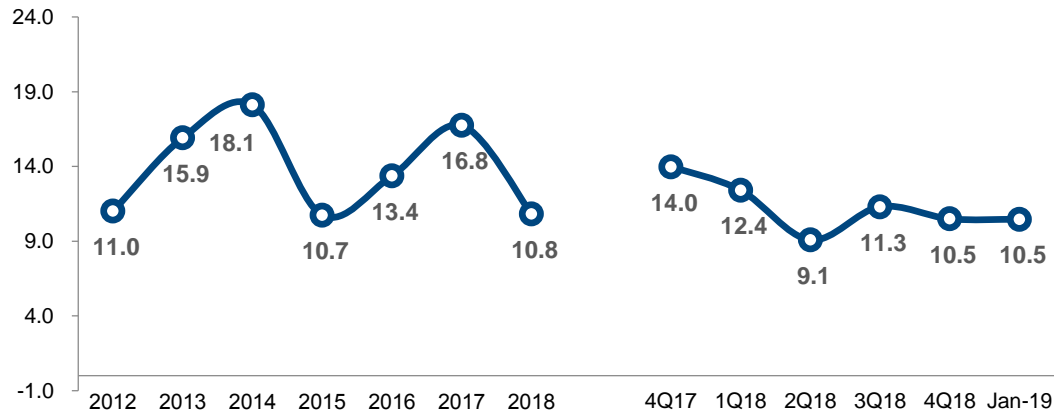
Source: Thai Feed Mill Association

Broiler at Farm Gate (THB/Kg.)



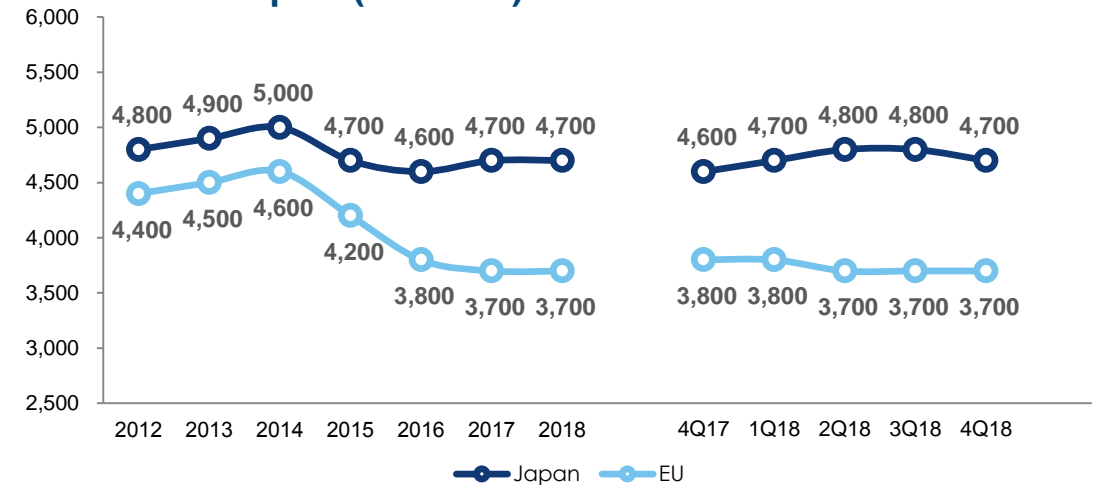
Source: Thai Feed Mill Association and Office of Agricultural Economics

Day-Old-Chick (THB/chick)



Source: Thai Feed Mill Association

Chicken Export (USD/ton)



Source: Thai Broiler Export Association

	2019 Guidance
Revenue	5% growth from 2018 sales
Gross Profit Margin	14% - 15%
SG&A	7.8% - 8.0%
Financial Cost	≈ 2.5%
Effective Tax Rate	15% - 20%
CAPEX	THB 1 - 1.2 billion

Risk Factor

- Feed Cost Increase
- Oversupply
- THB Appreciation
- Non-Tariff Barrier

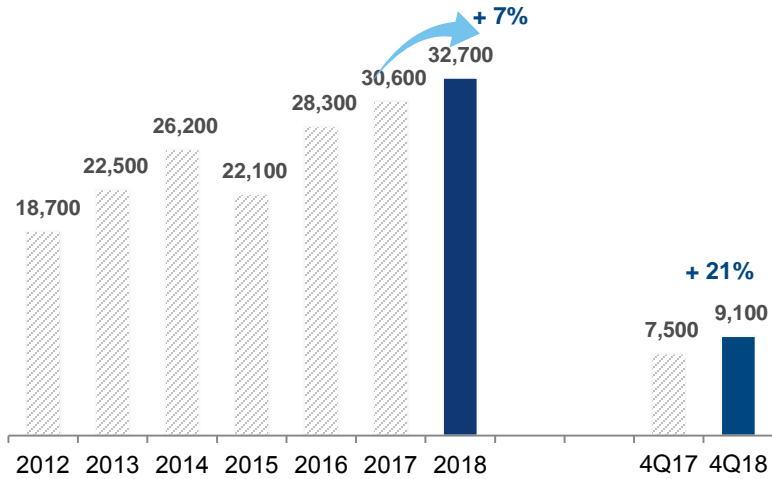


| Key Statistics

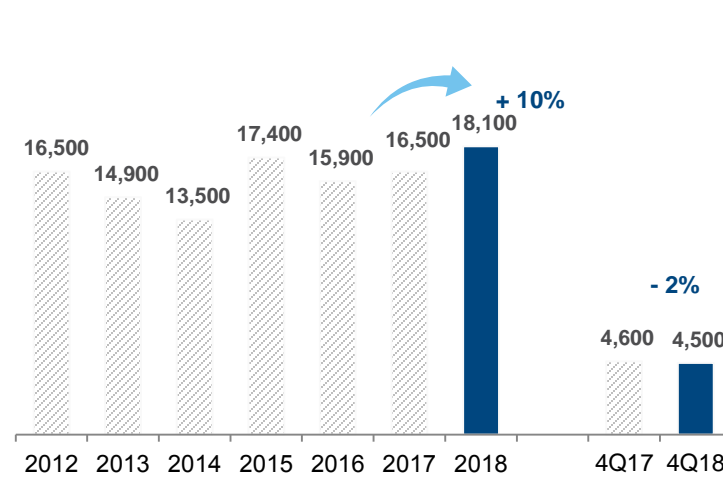
Key Statistics: Chicken Processing and Feed Business



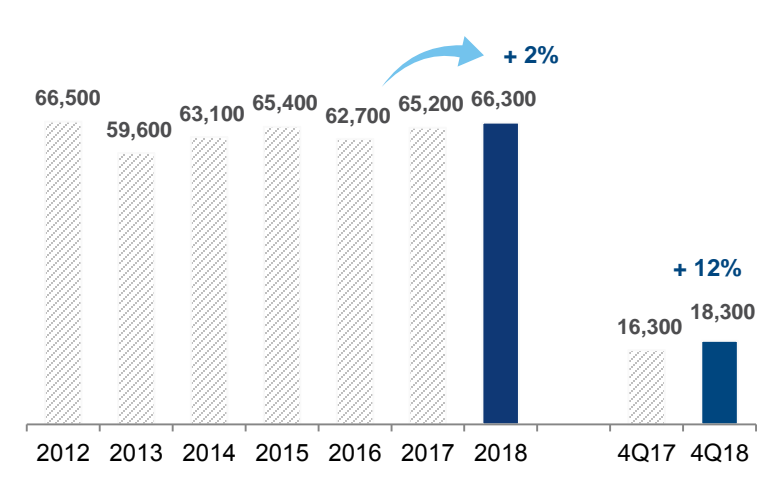
Chicken Meat Direct Export (MT)



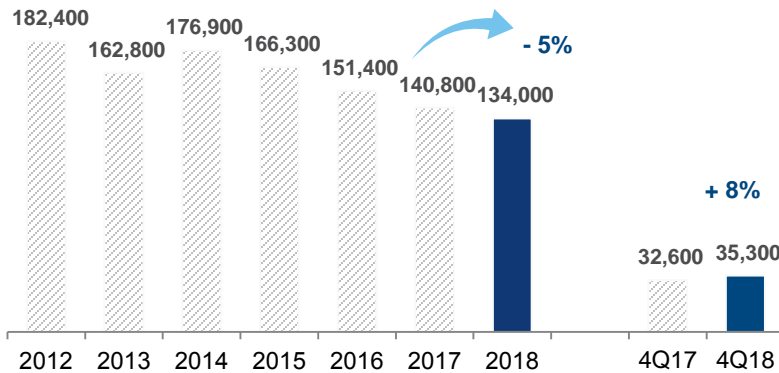
Chicken Meat Indirect Export (MT)



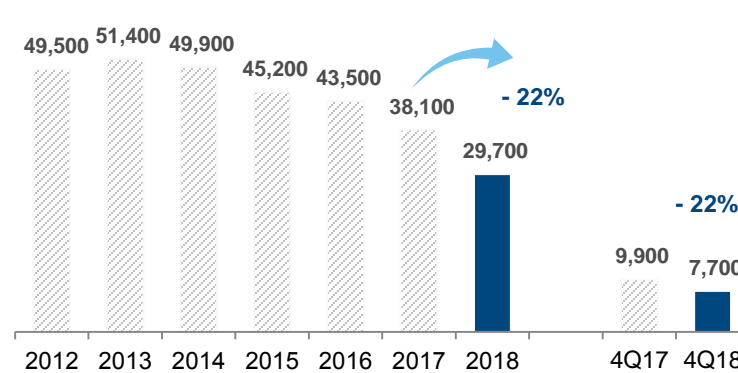
Chicken Meat Domestic (MT)



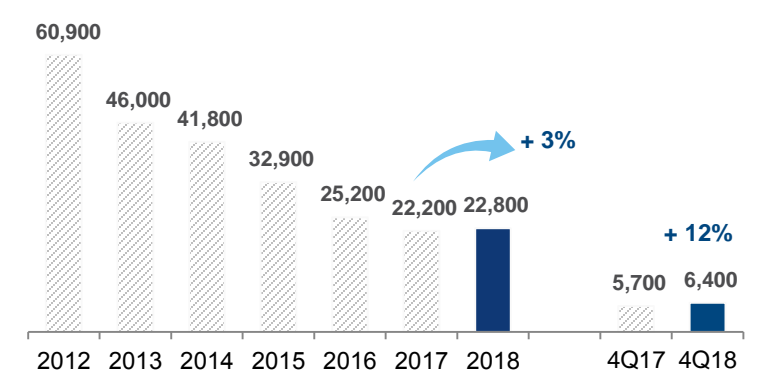
Animal Feed (MT)



Aqua Feed (MT)



Shrimp Feed (MT)



Q & A



Thank You

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