



GFPT Public Company Limited

1Q/Y2019

Results Presentation

Analyst Meeting

9 May 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 March 2019 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.

The information in this presentation were obtained from various external sources which has not verified through any independent source. No representation or warranty, either express or implied, is made regarding the accuracy, completeness, correctness, reliability, or scope of the information and disclaim all responsibility and liability for the information (including, without limitation, liability for negligence).

This presentation is provided for the sole purpose of enhancing understanding of the Company and should not be construed as a legal, tax or investment recommendation or any other type of advice.

The Company does not provide any representation, warranty, endorsement, or acceptance, about opinion or statement of any analysts or other third parties; or the use of any such opinion, or statement of any analysts or other third parties.

/ Agenda

- GFPT Profile
- 1Q2019 Financial Results
- Broiler Industry Outlook
- 2019 Guidance
- Q&A
- Appendix:
 - Key Statistics





About the Company

- ❖ GFPT Public Company Limited (TB:GFPT), founded in 1981 with headquarters in Bangkok, Thailand, is one of The 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 product 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.



“Good Food ... Good Health”

We are committed to produce quality chicken meat according to international standards with attention to every stage of production to ensure, our chicken is fresh, clean, safe, and delicious in every bite.



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

Satisfaction

Attention to the needs of customers

Alliance

Build strong relationship among partners for long term

Expertise



Empowering people to become the expert

Responsibility

Build awareness and responsible to society and environment

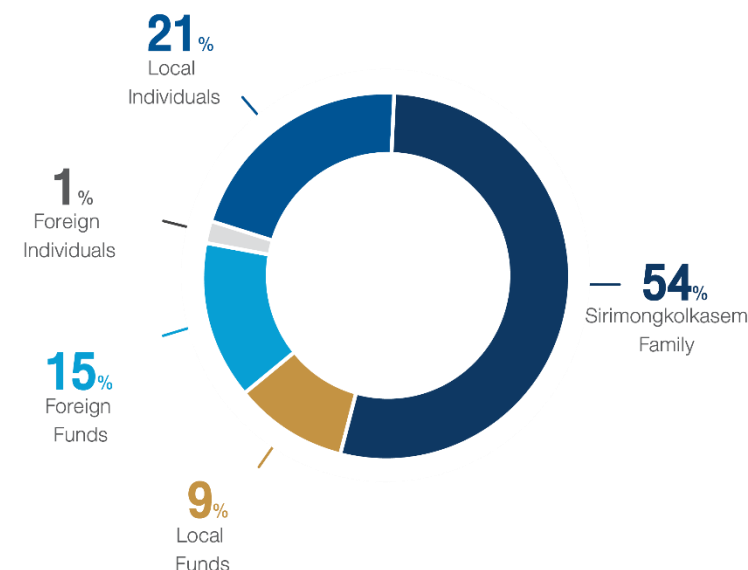


Symbol **GFPT**

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 15.50 per share (30/04/2019)
Average Price	THB 13.75 per share (1Q 2019)
52-week High/Low	15.70 / 11.20
Share Outstanding	1,253.82 million share @ 1 Baht per share (5,881 shareholders as of 7 Mar 2019)
Market Cap.	THB 19.43 billion
% Free Float	45.99%
% Foreign Shareholder	16.04% [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)

Source: www.set.co.th

Shareholding Structure as of 7 Mar 2019



Top 5 Shareholders (as of 7 March 2019)

1)	Sirimongkolkasem Family	54.01%
2)	Thai NVDR Company Limited	5.77%
3)	Nichirei Foods Inc.	4.52%
4)	Ms. Wonngarm Kittanamongkolchai	3.19%
5)	State Street Europe Limited	2.12%

Group Structure



GFPT

GFPT Public Company Limited
Chicken Evisceration and Processed Food

5 Subsidiaries

2 Joint Ventures



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



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

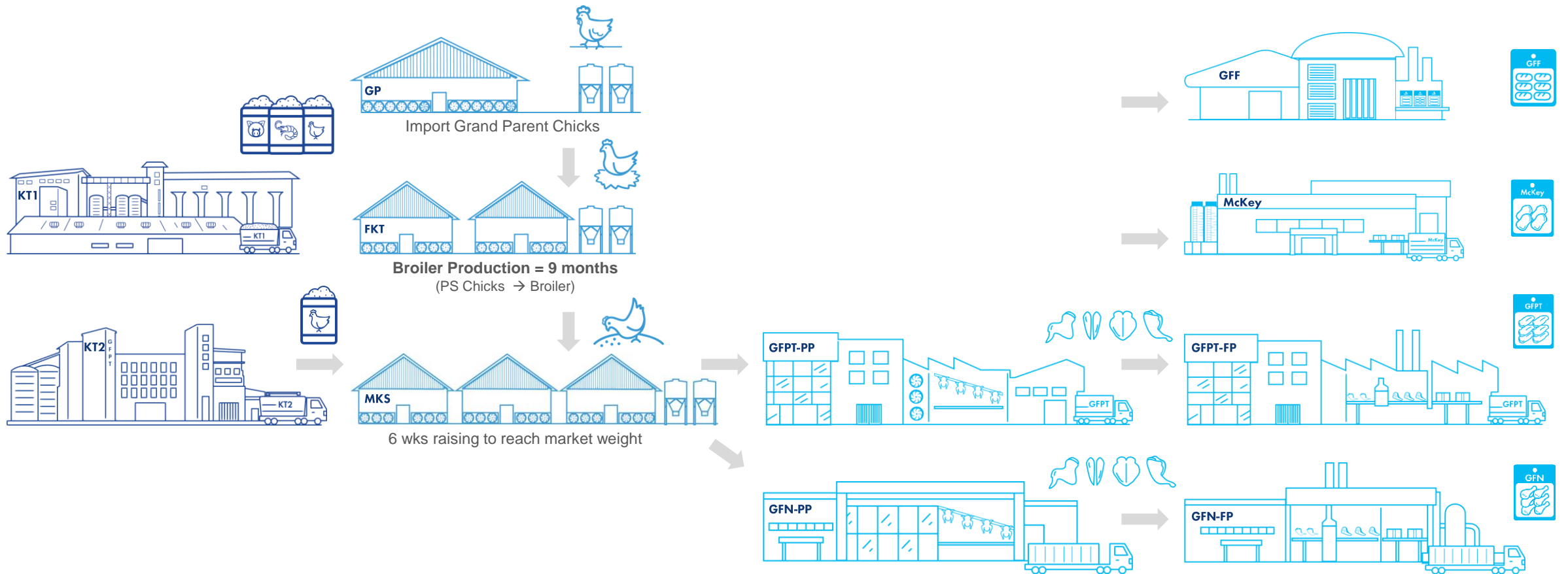
Keystone Foods Inc. [51%]



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)

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**

2018

New chicken processing plant (**GFPT**)



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

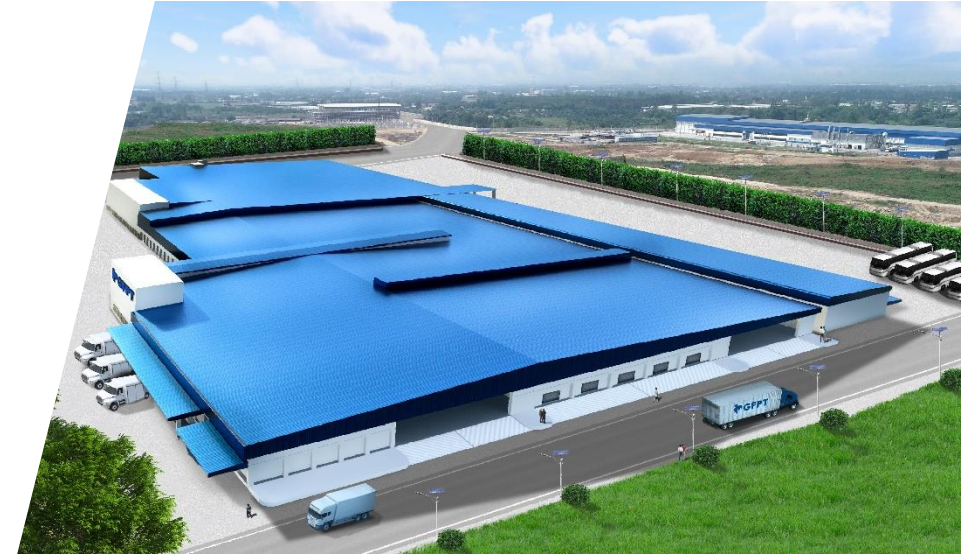
Recent Project

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.

Product



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]

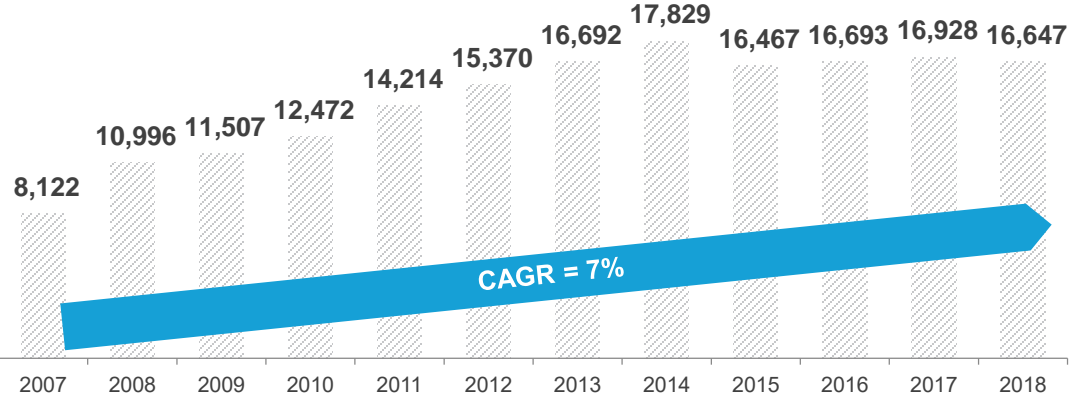


Processed Food [Sausage, Smoke Sausage, Chicken Meatballs]

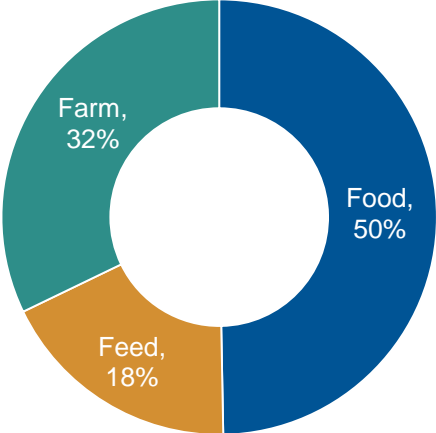
Y2018 Snapshot



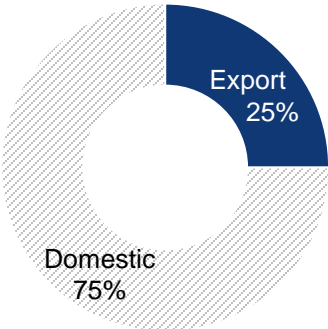
2018 Consolidated Revenue = THB 16.65 billion



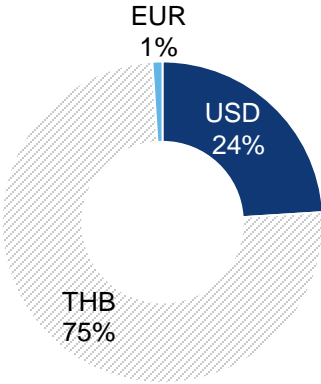
Revenue by Segment



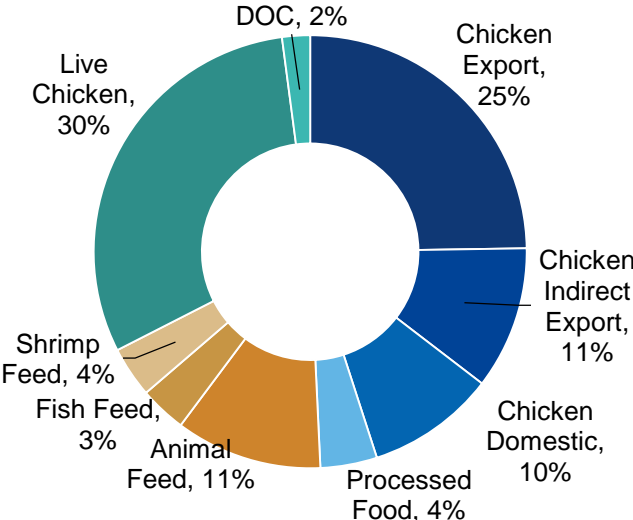
Revenue by Destination



Revenue by Currency

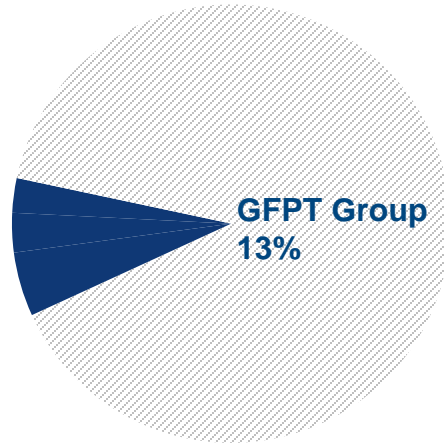


Revenue by Product

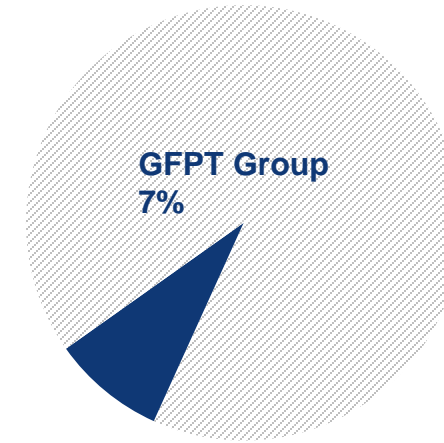


Y2018 Market Position

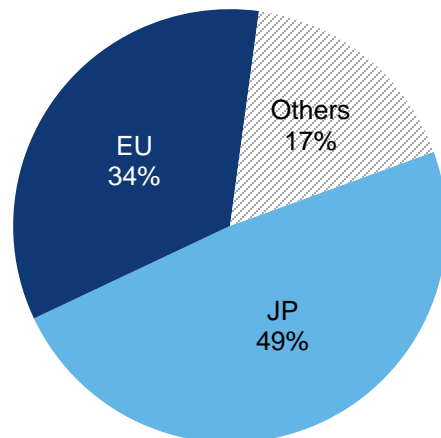
3rd in Thai Chicken Export



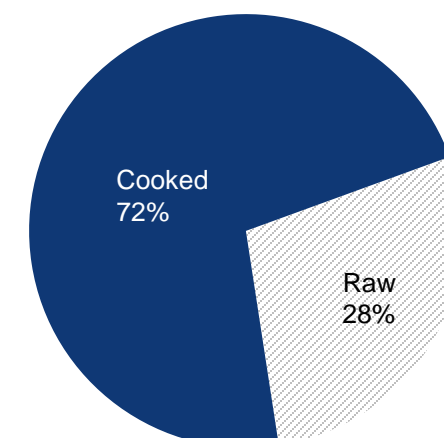
6th in Thai Chicken Production



Export by Destination



Export by Product Type



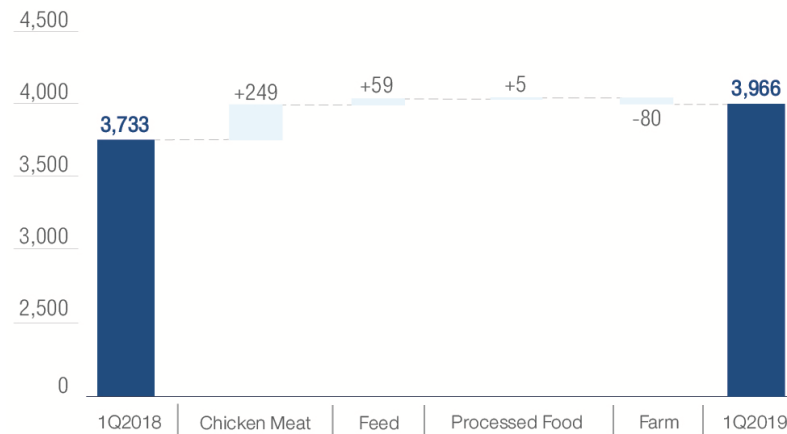
1Q/Y2019 Financial Results

1Q/Y2019 Financial Results

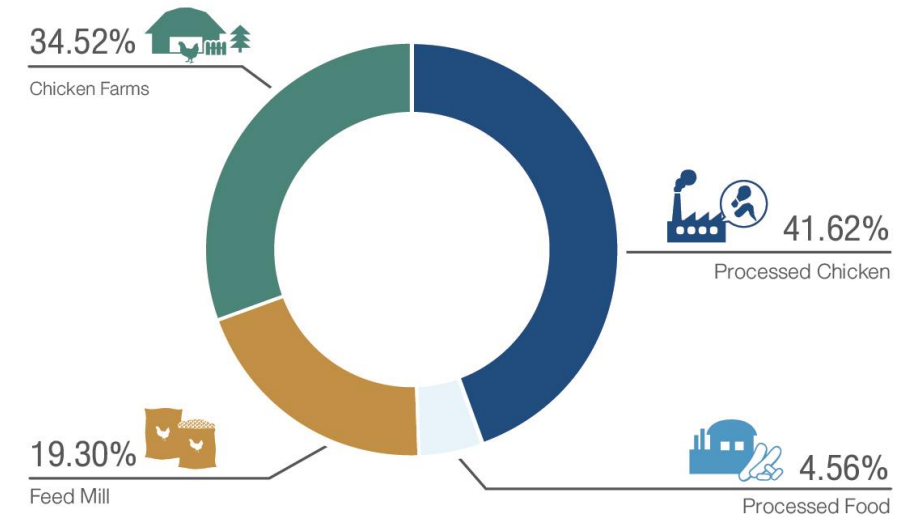


1Q2019 Consolidated Revenue = THB 3.97 billion

Revenue
(THB Million)



1Q2019 Revenue Breakdown by Segment



Business Segment of GFPT Group	1Q2019		1Q2018		Change	
	THB million	%	THB million	%	THB million	%
Chicken Processing	1,650.69	41.62	1,401.89	37.55	248.80	17.75
Feed	765.32	19.30	706.21	18.92	59.11	8.37
Farm	1,369.22	34.52	1,448.90	38.81	(79.68)	(5.50)
Processed Food	180.78	4.56	176.10	4.72	4.68	2.66
Total Sales	3,966.01	100.00	3,733.10	100.00	232.91	6.24

1Q/Y2019 Consolidated Income Statement



(Unit in THB million)	1Q2018*	%Sales	1Q2019	%Sales	Change	% Change
Revenue from sales	3,733.10	100.00%	3,966.01	100.00%	232.91	6.24%
Cost of sales	(3,223.69)	(86.35%)	(3,432.23)	(86.54%)	208.54	6.47%
GROSS PROFIT	509.41	13.65%	533.79	13.46%	24.38	4.79%
Other income	80.13	2.15%	66.73	1.68%	(13.41)	(16.73%)
Selling expenses	(125.72)	(3.37%)	(138.47)	(3.49%)	12.75	10.14%
Administrative expenses	(215.69)	(5.78%)	(195.60)	(4.93%)	(20.09)	(9.31%)
Share of profit (loss) from associates	(34.74)	(0.93%)	21.74	0.55%	56.48	162.57%
Financial costs	(18.43)	(0.49%)	(20.82)	(0.53%)	2.40	13.00%
Profit before income taxes	194.97	5.23%	267.37	6.74%	72.40	37.13%
Income tax expenses	(46.33)	(23.76%) EBT	(38.10)	(14.25%) EBT	(8.23)	(17.75%)
Profit for the period	148.64	3.99%	229.26	5.78%	80.62	54.24%
Non-Controlling Interests	(2.72)	(0.08%)	(1.40)	(0.04%)	(1.32)	(48.51%)
Net profit for shareholder of GFPT	145.92	3.91%	227.86	5.74%	81.94	56.16%

	1Q18	1Q19
F/X Gain (Loss)	(31.02)	0.55

	1Q18	1Q19
McKey	11.82	50.24
GFN	(46.56)	(28.50)

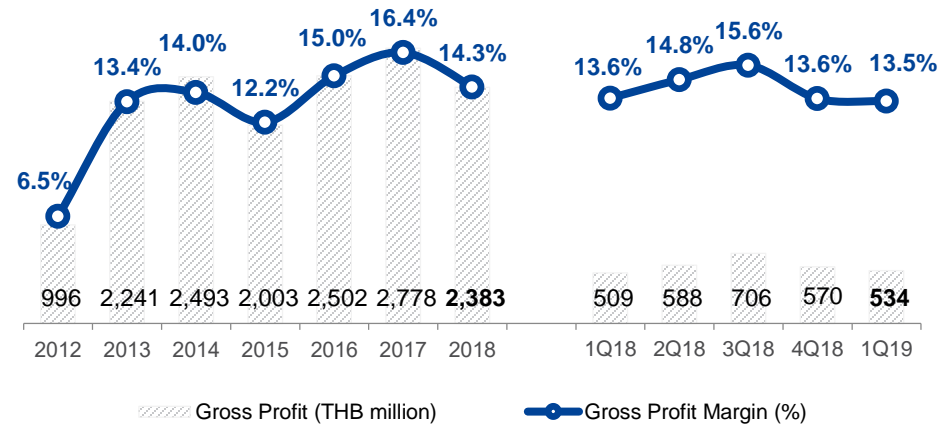
Share of Profit (Loss) from Associates
McKey - higher production capacity in 2019 from new further processing factory.
GFN - higher selling price of chicken parts in domestic market.

* Remark : Revenue from sales, cost of sales, selling expenses, administrative expenses, and share of profit (loss) from associates in 1Q2018 have been reclassified (Note 27).

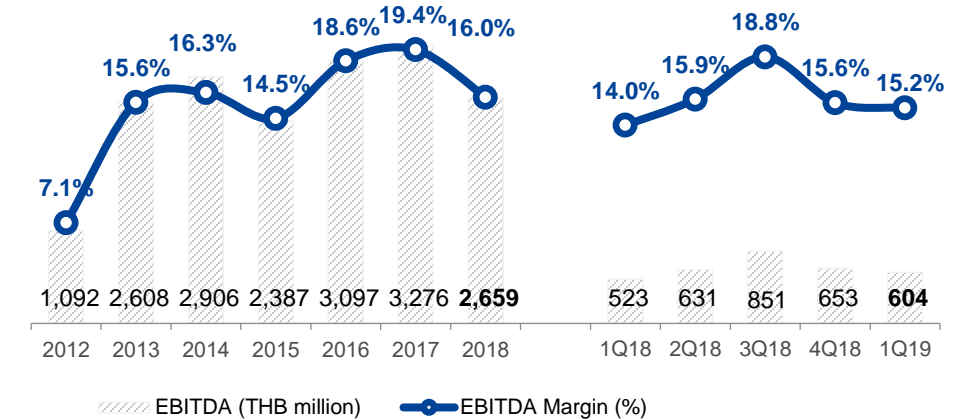
1Q/Y2019 Financial Results



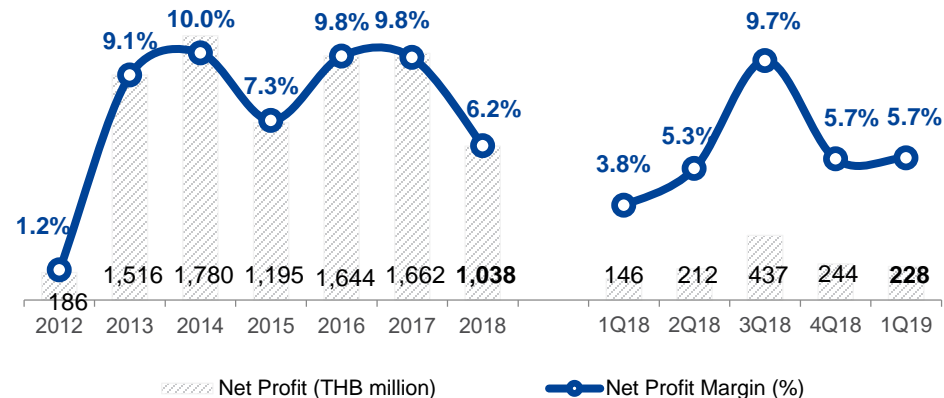
Gross Profit & GP Margin (%)



EBITDA & EBITDA Margin (%)



Net Profit & NP Margin (%)



Remark: Y2017 has been adjusted

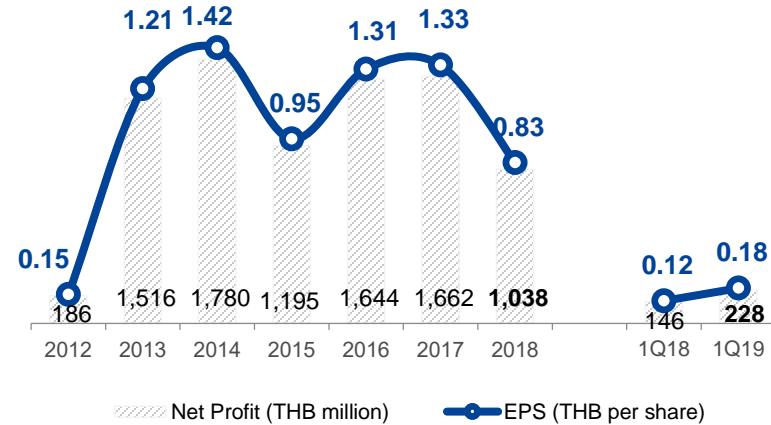
Note:

- Increase in consolidated net profit in 1Q2019 was primarily driven from increasing in revenue from sales comparing to 1Q2018.
- Consolidated EBITDA in 1Q2019 was THB 603.72 million, an increase of THB 80.45 million or increased by 15.37% from 1Q2018 from higher revenue from sales.
- EBITDA margin in 1Q2019 was 15.22%, increased from 14.02% in 1Q2018.

1Q/Y2019 Financial Results

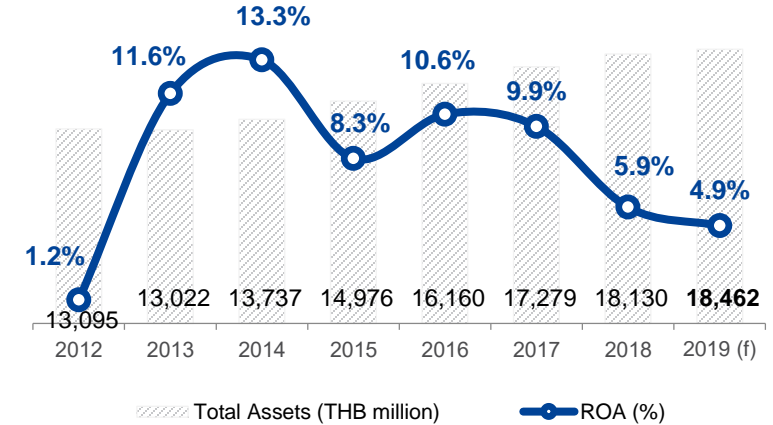


EPS (THB per share)



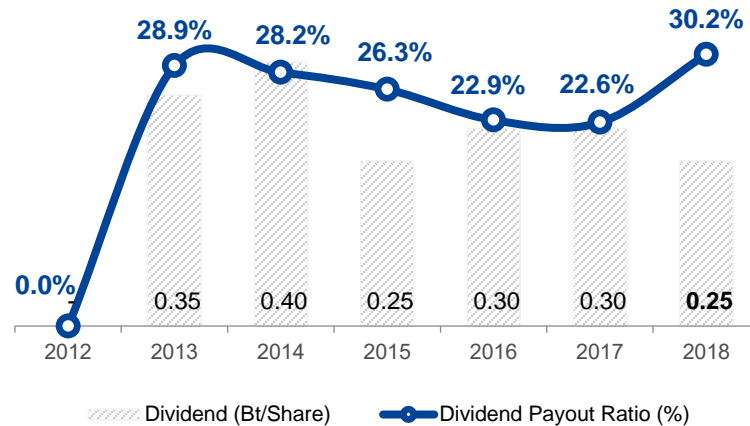
Remark: Y2017 has been adjusted

Return on Asset (%)

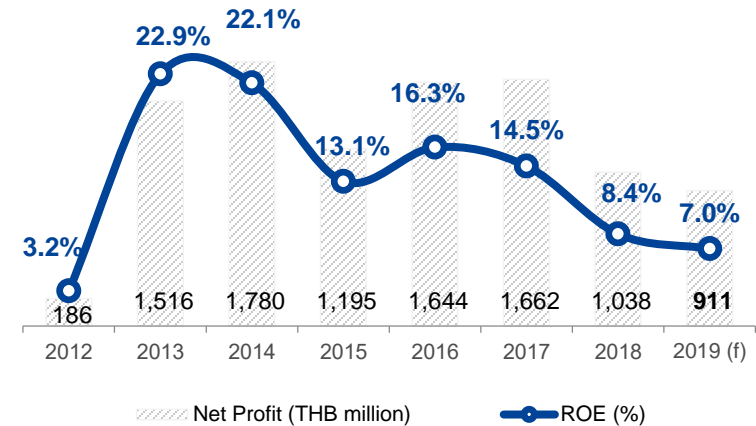


Remark: 2019 (F) figure is annualized based on 3M2019 data.

Dividend & Dividend Payout Ratio (%)



Return on Equity (%)



Remark: 2019 (F) figure is annualized based on 3M2019 data.

1Q/Y2019 Consolidated Financial Position



Selected Items (Unit in THB million)	Y2018	Mar 19	Change	% Change
Cash and Cash Equivalents	1,240.09	1,046.38	(193.72)	(15.62%)
Trade and Other Receivables	974.80	960.58	(14.23)	(1.46%)
Inventories	3,527.98	3,909.09	381.12	10.80%
Other Current Assets	27.15	22.71	(4.44)	(16.36%)
TOTAL CURRENT ASSETS	5,770.02	5,938.75	168.73	2.92%
Investment in Associated Companies	2,687.52	2,707.03	19.52	0.73%
Biological Assets	500.62	530.80	30.19	6.03%
Investment Property	349.77	348.21	(1.57)	(0.45%)
Property, Plant and Equipment	8,447.16	8,589.45	142.30	1.68%
Deferred Tax Assets	275.85	258.67	(17.18)	(6.23%)
Other Non-Current Assets	98.73	89.44	(9.29)	(9.41%)
TOTAL NON-CURRENT ASSETS	12,359.64	12,523.60	163.96	1.33%
TOTAL ASSETS	18,129.66	18,462.36	332.69	1.84%

1Q/Y2019 Consolidated Financial Position



Selected Items (Unit in THB million)	Y2018	Mar 19	Change	% Change
Short - Term Loans from Financial Institutions	1,380.00	955.00	(425.00)	(30.80%)
Short - Term Loans from Related Persons	16.00	453.40	437.40	2,733.75%
Trade and Other Payables	1,143.42	1,314.36	170.95	14.95%
Current Portion of Long-Term Loans	284.00	-	(284.00)	(100.00%)
Other Current Liabilities	164.77	160.98	(3.78)	(2.30%)
TOTAL CURRENT LIABILITIES	2,988.18	2,883.74	(104.44)	(3.50%)
Long-Term Loans	1,760.00	1,960.00	200.00	11.36%
Employee benefit obligations	520.12	530.06	9.94	1.91%
Other Non-Current Liabilities	135.17	133.11	(2.06)	(1.52%)
TOTAL NON-CURRENT LIABILITIES	2,415.29	2,623.17	207.89	8.61%
TOTAL LIABILITIES	5,403.47	5,506.92	103.45	1.91%
TOTAL SHAREHOLDERS' EQUITY	12,726.19	12,955.44	229.25	1.80%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	18,129.66	18,462.36	332.69	1.84%

1Q/Y2019 Consolidated Financial Position

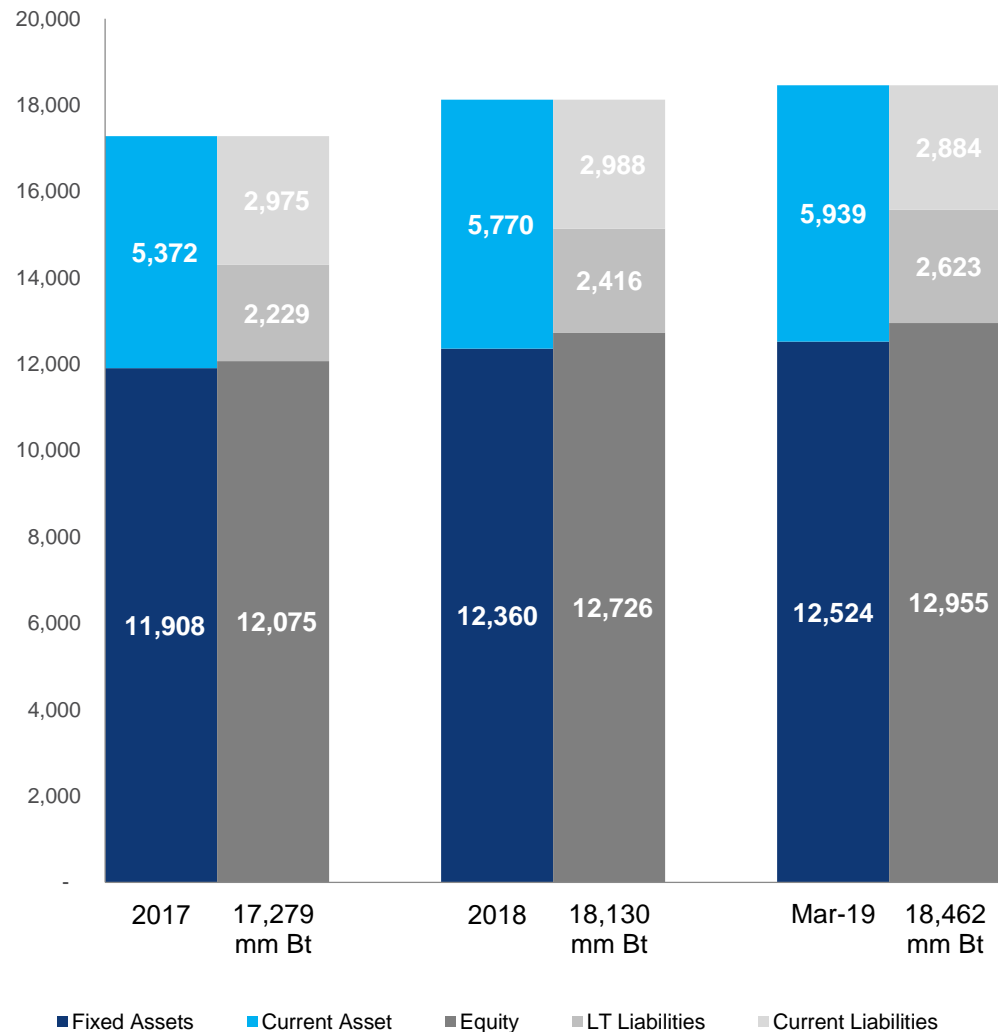


Selected Items (Unit in THB million)	1Q2018	1Q2019	Change	% Change
EBIT	213.40	288.19	74.79	35.05%
Depreciation - Grandparent & Parent Chickens	134.77	133.10	(1.67)	(1.24%)
Depreciation & Amortization	175.10	182.43	7.32	4.18%
EBITDA	523.27	603.72	80.45	15.37%
Net Cash Received from Operating Activities	579.28	304.79	(274.49)	(47.38%)
Net Cash Used in Investing Activities	(305.11)	(406.62)	101.51	33.27%
Net Cash Used in Financing Activities	(291.85)	(91.88)	(199.96)	(68.52%)
Decrease in Cash	(17.68)	(193.72)	176.04	995.49%
Cash at the Beginning Balance	736.26	1,240.10	503.83	68.43%
Cash at the Ending Balance	718.58	1,046.38	327.80	45.62%

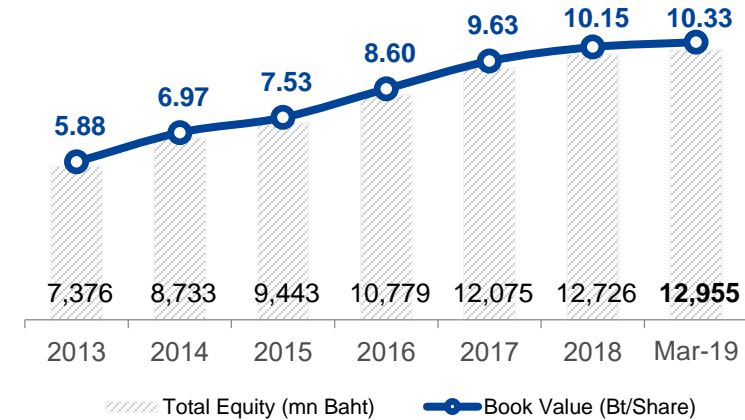
1Q/Y2019 Consolidated Financial Position



1Q2019 Total Asset = THB 18.46 billion



Book Value (THB per share)



Note:

- As at March 31, 2019, total assets equal to THB 18,462.36 million including THB 5,938.75 million in current assets, THB 8,589.45 million in PP&E, THB 2,707.03 million in investments in associated companies, THB 530.80 million in grandparent chicken and parent chicken.
- Total assets increased in amount of THB 332.69 million or 1.84% up from an increase inventories of THB 381.12 million and increase in PP&E of THB 142.30 million.

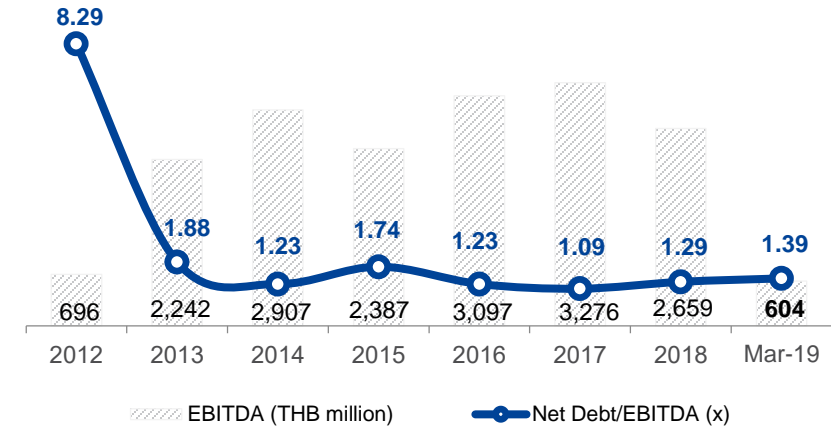
1Q/Y2019 Financial Results



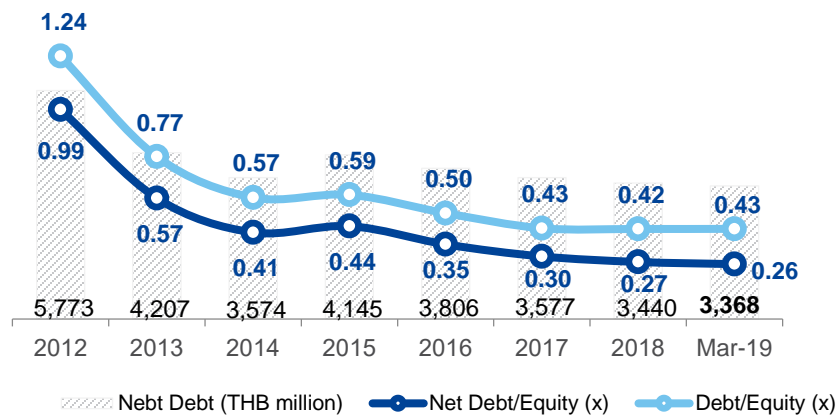
1Q2019 Interest-Bearing Debt = THB 3.37 billion



Net Debt to EBITDA (million THB)



Net Debt to Equity & D/E

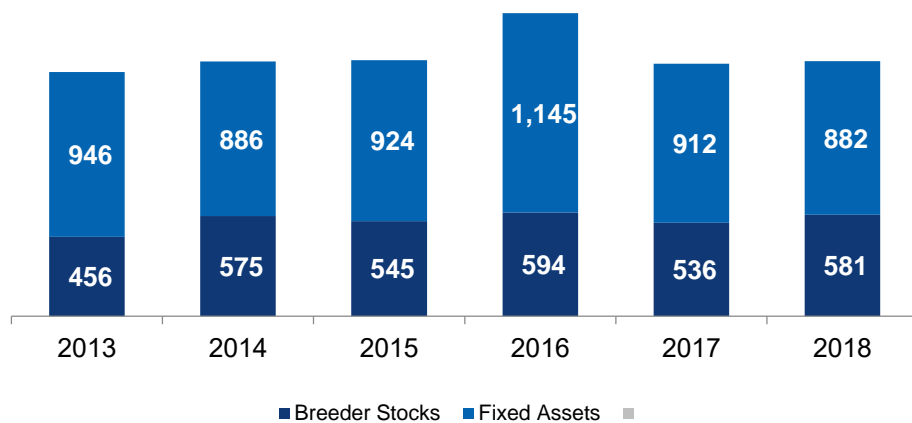


Note:

- As at March 31, 2019, the consolidated total liabilities was THB 5.51 billion comprising of non-interest-bearing liabilities of THB 2.14 billion and interest-bearing debt in amount of THB 3.37 billion.
- The interest-bearing debt consisted of short-term loans of THB 1.41 billion and long-term loans of THB 1.96 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

1-1.2 Billion

- Broiler Farm
- Breeder Farm
- Primary Plant

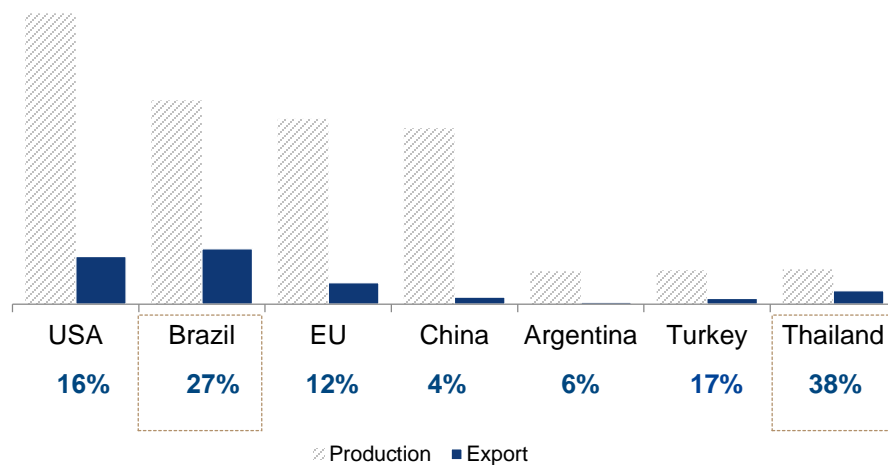


Market Outlook and Trend

THAILAND

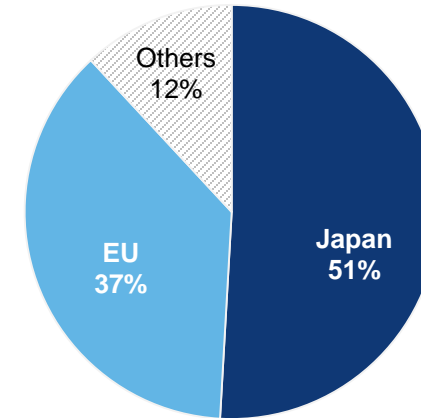
- **The 8th Global Chicken Producer**
 - 2018 broiler production = 2,320,000 tons
- **The 4th Global Chicken Exporter**
 - 2018 broiler meat export = 890,000 tons

Broiler Meat Production & Export Selected Countries (2018)

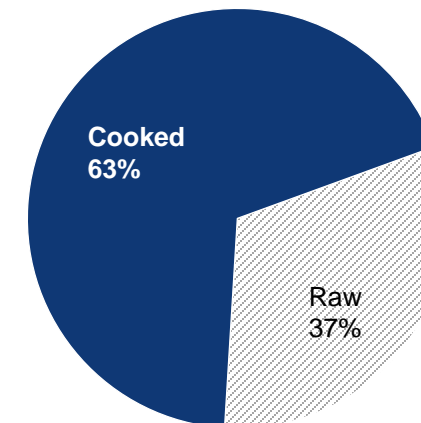


Source: USDA (Update: Oct 2018) and Thai Broiler Processing Exporters Assoc. (Update: Dec 2018)

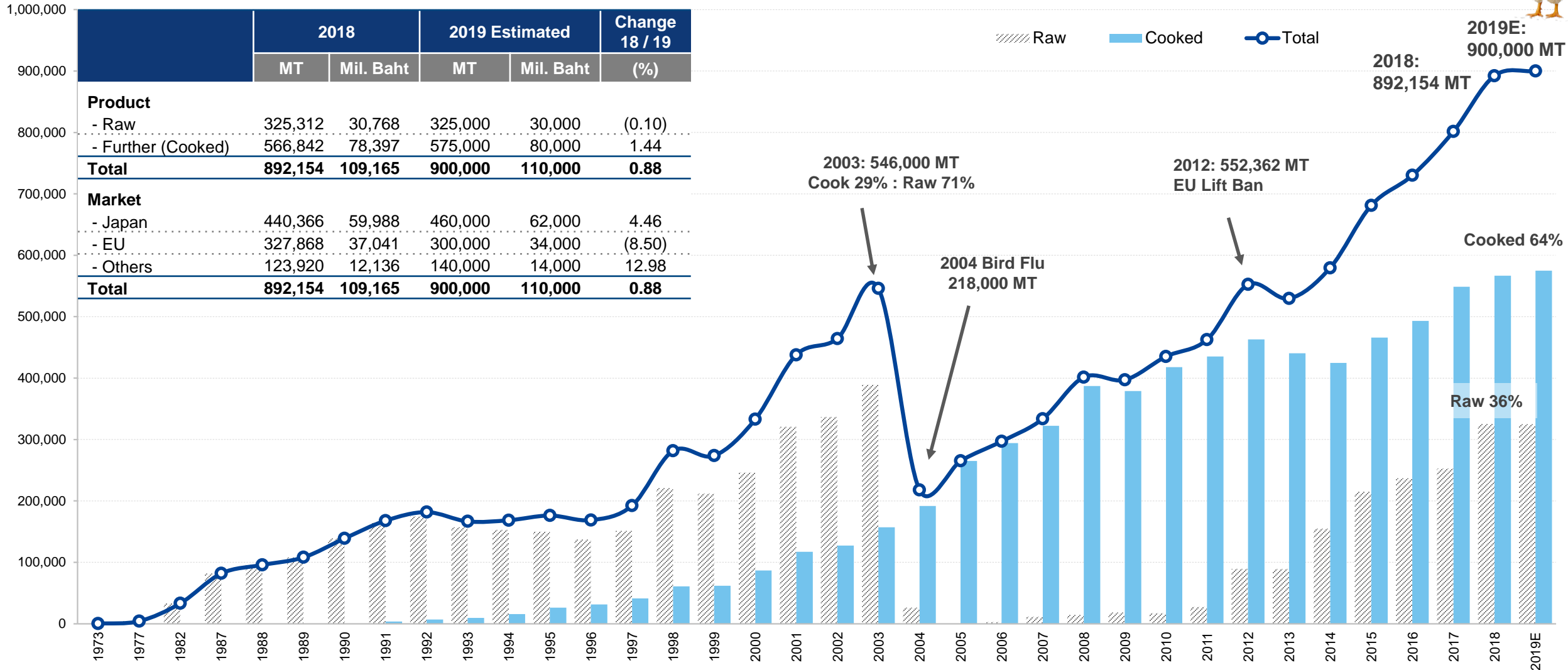
Thai Broiler Export by Market



Thai Broiler Export by Market



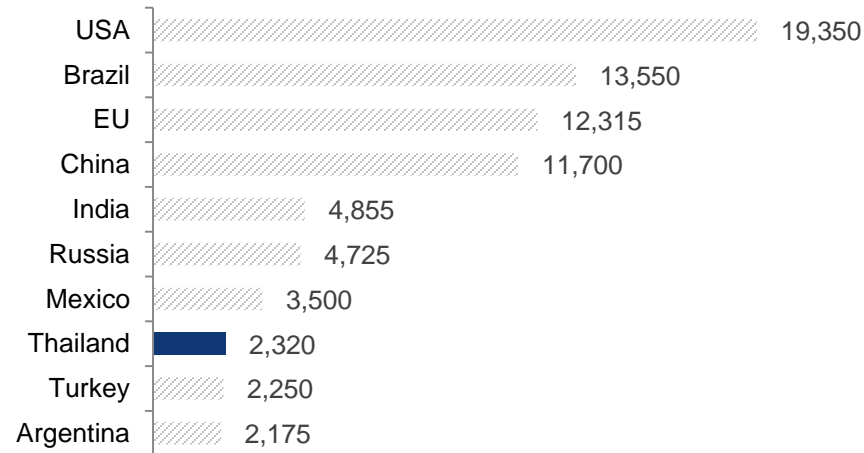
40 Years of Thai Chicken Meat Export



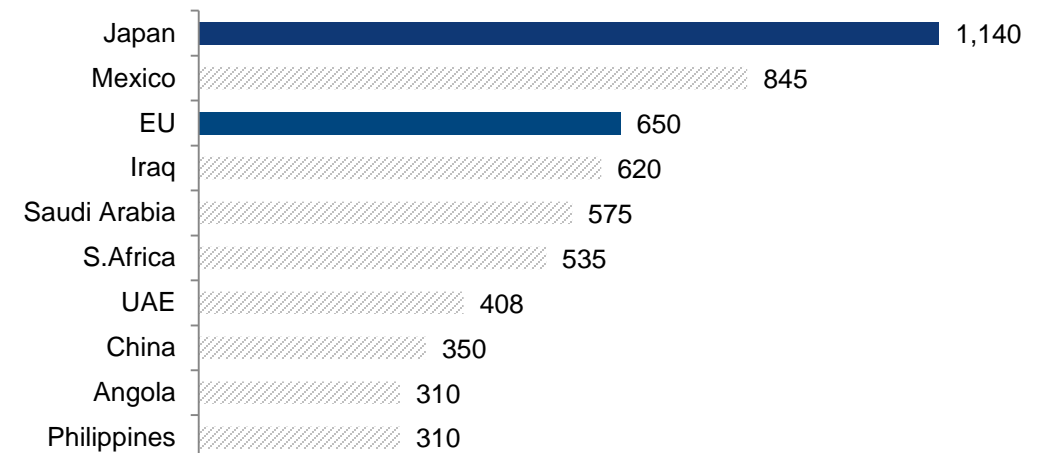
Global Broiler Meat Market



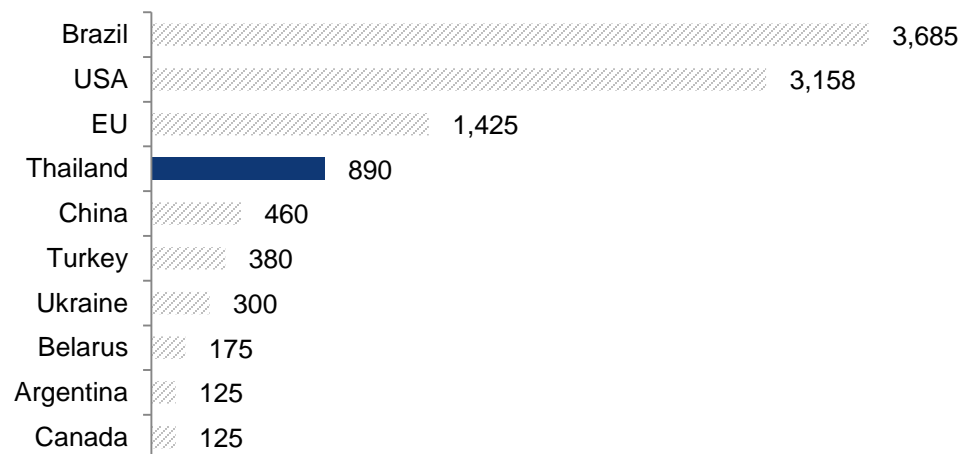
Global Production [Y2018= 95,594,000 tons]



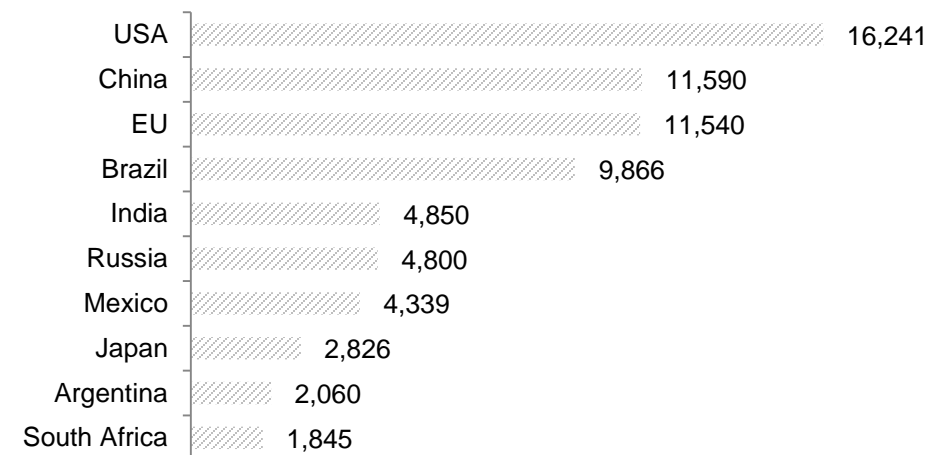
Global Import [Y2018 = 9,363,000 tons]



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

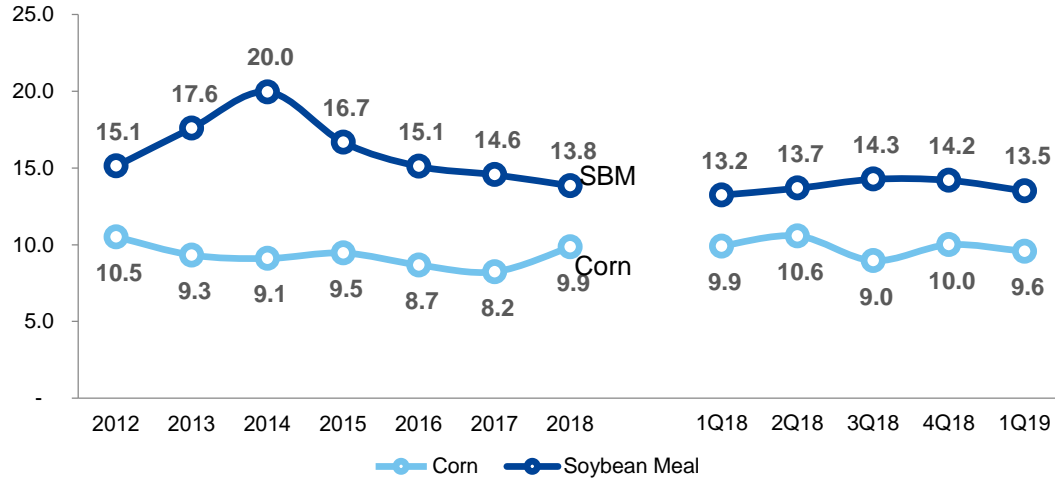


Global Dom. Consumption [Y2018 = 93,787,000 tons]



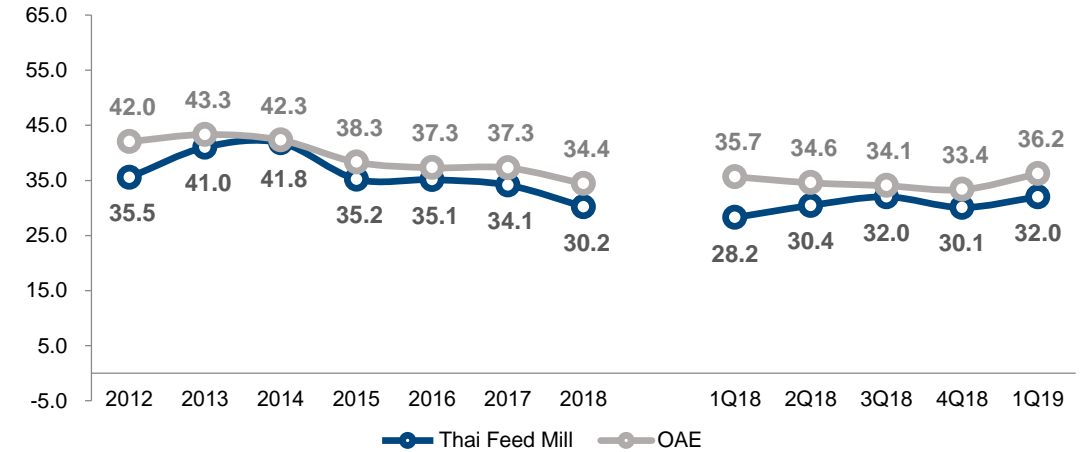
Commodity Price

Corn & Soy Bean Meal (THB/Kg.)



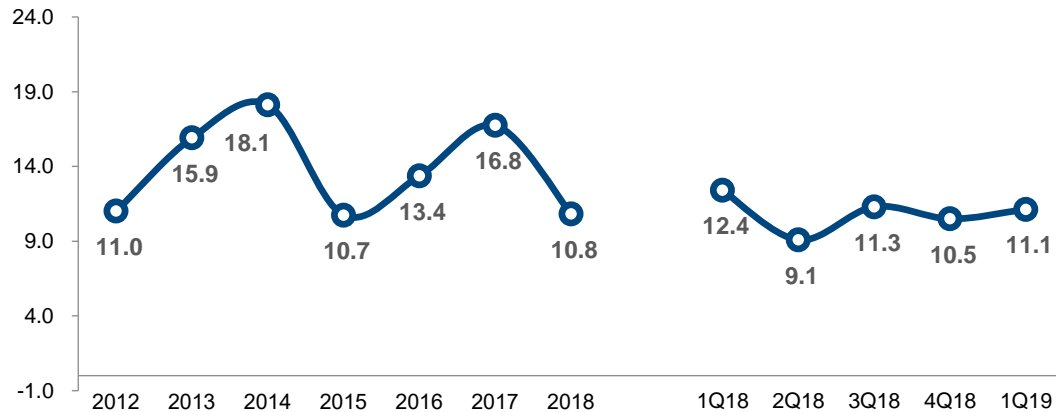
Source: Thai Feed Mill Association

Broiler at Farm Gate (THB/Kg.)



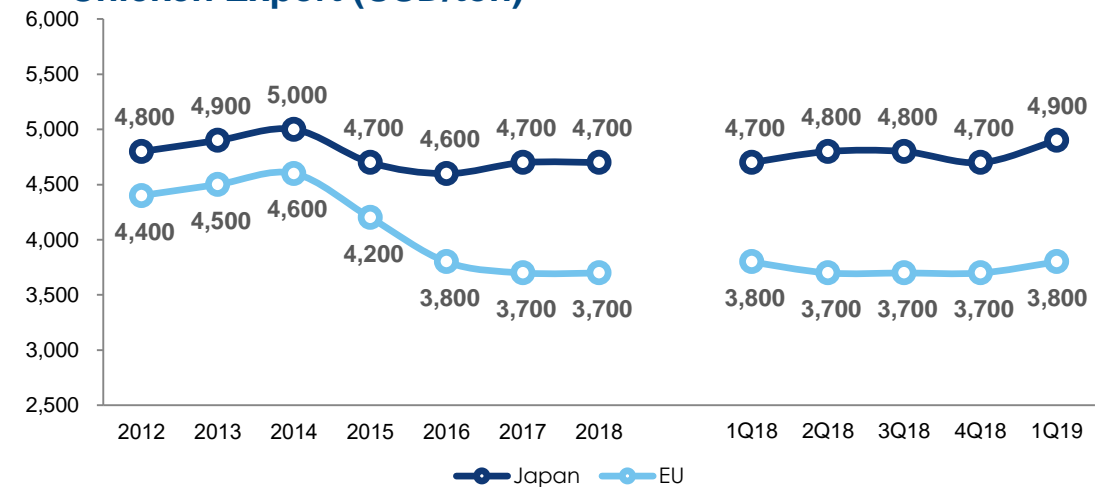
Source: Thai Feed Mill Association and Office of Agricultural Economics

Day-Old-Chick (THB/chick)



Source: Thai Feed Mill Association

Chicken Export (USD/ton)



Source: Thai Broiler Export Association

2019 Guidance



	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 Fluctuation
- Oversupply
- THB Appreciation
- Non-Tariff Barrier

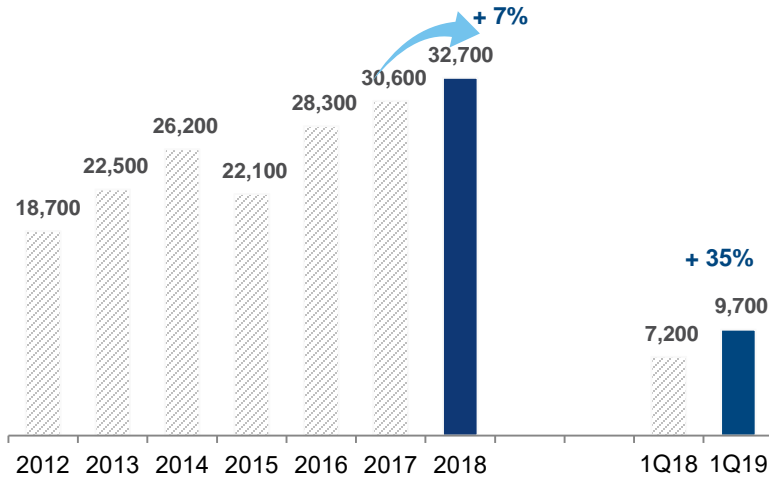


Key Statistics

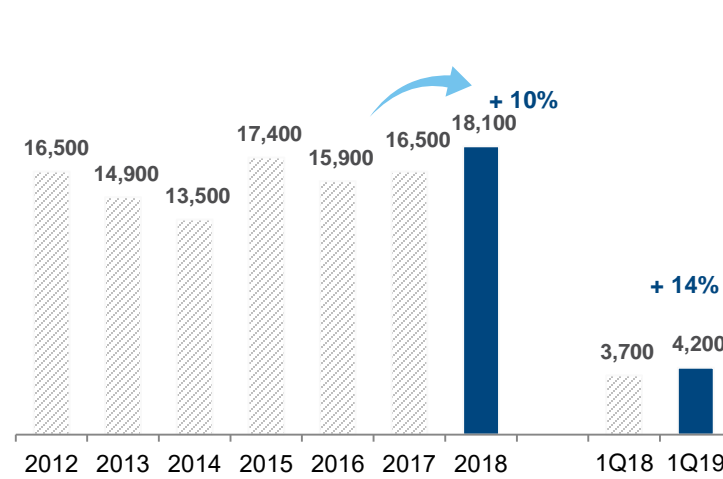
Key Statistics: Chicken Processing and Feed Business



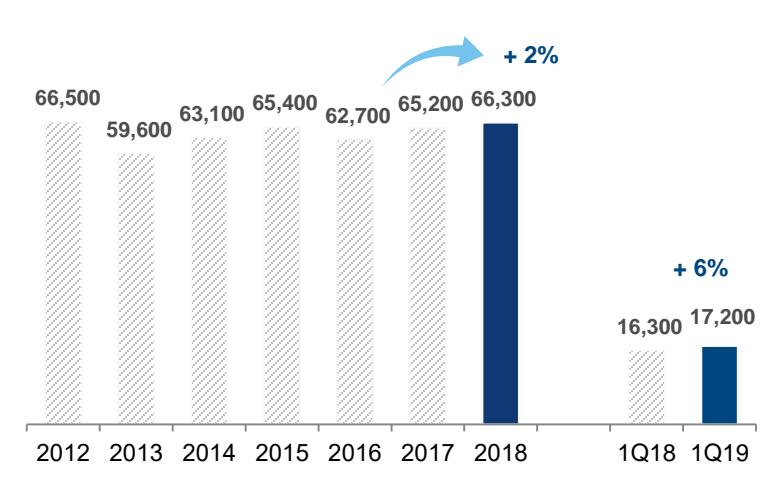
Chicken Meat Direct Export (MT)



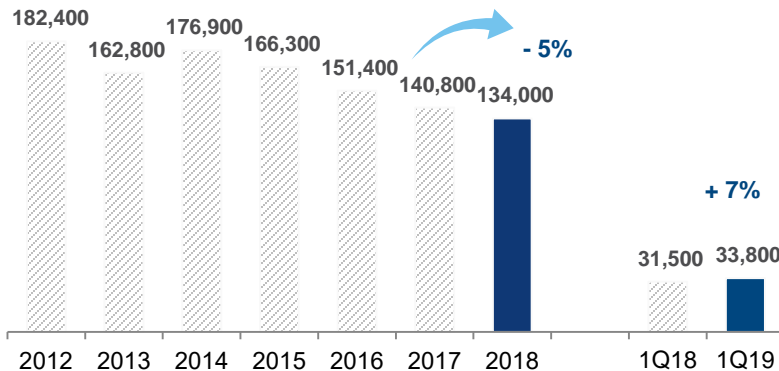
Chicken Meat Indirect Export (MT)



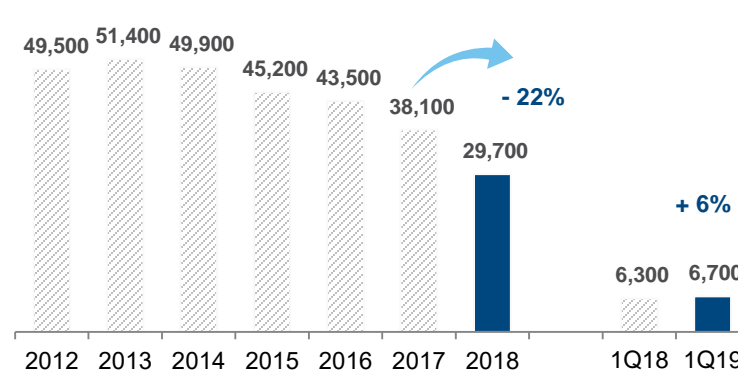
Chicken Meat Domestic (MT)



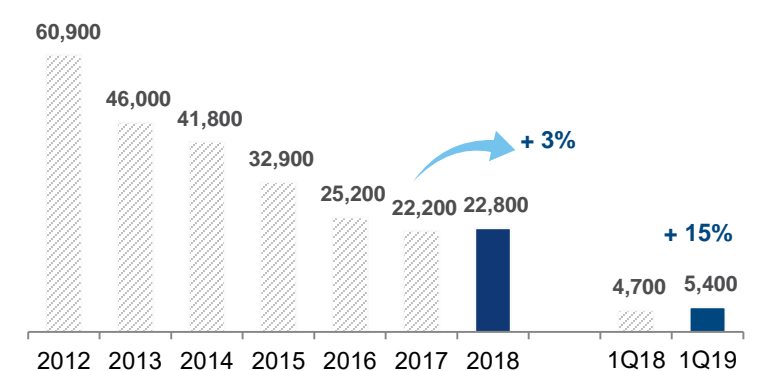
Animal Feed (MT)



Aqua Feed (MT)



Shrimp Feed (MT)



Q & A

/ Thank You

INVESTOR RELATIONS DEPARTMENT

Dr. Jutamas Ingpochai

jutamas@gfpt.co.th

T +66 2 473 8022

Veera Titayangkaruvong

veera-tita@gfpt.co.th

T +66 2 473 8000 ext. 1802

www.gfpt.co.th



**GOOD FOOD
GOOD CHICKEN**