

# GFPT-IR NEWSLETTER



## Overall Financial Performance and Profitability for the 2<sup>nd</sup> Quarter 2014

The result of operations for 2Q2014 was impressive, total sales reached THB 4,497.59 million, an increase of 10.28% from 2Q2013.

Export volume of chicken products for 2Q2014 of GFPT was 7,000.00 MT increasing 1,300.00 MT or 22.81% from 2Q2013. Considering direct and indirect export of GFPT Group in 2Q2014, the market share was 16.32% of total Thailand export of chicken products (including export volume of associated companies).

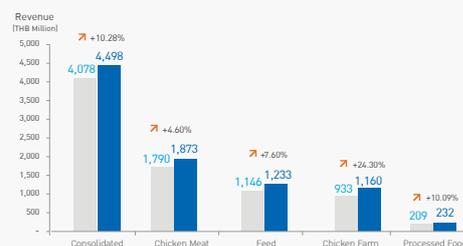
The Company's consolidated gross profit margin improved from 10.78% in 2Q2013 to 14.58% in 2Q2014, as a result of decrease in overall production cost per unit due to higher

sales volume and lower average price of corn.

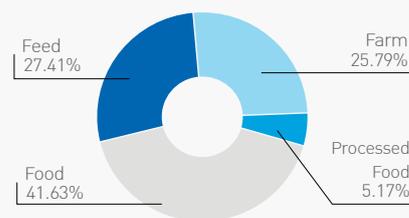
In 2Q2014, the participating profit in associated companies was THB 80.48 million, increased THB 17.54 million, an increase of 27.87% from the participating profit in associated companies of THB 62.94 million in 2Q2013.

As from above factors, the consolidated net profit of the Company for 2Q2014 was THB 481.21 million, increased THB 177.23 million or 58.31% from 2Q2013.

Revenue from Sales for 2Q2014



Revenue Breakdown by Business



## Overall Financial Performance and Profitability

### Revenue from Sales

The consolidated net sales for 2Q2014 of THB 4,497.59 million, increased by THB 419.16 million or 10.28% from 2Q2013 could be divided as follows;

**Chicken Processing Segment** : For 2Q2014, revenue from chicken processing segment represented 41.63%, being the largest portion of GFPT's consolidated net sales amounting THB 1,872.51 million, an increase of THB 82.40 million or 4.60% from 2Q2013. The total export volume of chicken product in 2Q2014 of 7,000.00 MT, significantly increased 1,300.00 MT or 22.81% from 2Q2013; the increase of export volume was primarily from rise in chicken export to Asia Pacific market such as Japan and Malaysia.

**Feed Segment** : Revenue from feed segment in 2Q2014 represented 27.41% of the consolidated net sales amounting THB 1,232.70 million, increased by THB 87.10 million or 7.60% from 2Q2013. The increase in revenue was primarily from increase in animal feed sales volume.

**Farm & Day-Old-Chick Segment** : Since we have started to supply live broilers to GFN, the revenue from chicken farm has become consistent major revenue for the company as the volume sales increased. The revenue from farm and day-old-chick sales in 2Q2014 was THB 1,160.07 million, an increase of THB 226.81 million or 24.30% from 2Q2013, from increasing in live broilers sales to GFN.

**Processed Foods** : From the continuous expansion of meat wholesale outlets in large provinces, the processed foods segment's growth looks promising as the revenue from food products such as chicken sausages, meatballs and other processed foods increased. In 2Q2014, the revenue from processed foods was THB 232.31 million, grew by THB 22.85 million, a 10.91% increase from 2Q2013; mainly from higher sales volume of processed chicken food.

In 2Q2014, the Company has opened 12 meat wholesale outlets in 12 provinces including Phuket, Songkhla, NakornPathom, Bureerum, Lampang, SuratThani, NakhonSawan, Chiang Rai, UbonRatchathani, Tak, Phetchaburi, and Pitsanulok to prepare for the Asian Economic Community in 2015.

### Cost of Sales

Cost of sales for 2Q2014 was THB 3,842.00 million, went up by THB 203.24 million from 2Q2013 in accordance with the increase in sales. The cost of goods sold of 2Q2014 contributed of 85.42% of sales, declined by 3.80% from 89.22% in 2Q2013, resulting from decrease in overall production cost per unit due to higher sales volume of GFPT's group and lower average price of corn, which is one of main raw materials using for feed production.

### Gross Profit

In 2Q2014, the consolidated gross profit was THB 655.59 million, a significant increase of THB 215.92 million or 49.11% from 2Q2013. The higher gross margin in 2Q2014 primarily from higher sales volume in chicken export, chicken meat for domestic market, animal feed, live broiler to GFN, and processed chicken food products resulting in decreasing in overall production cost per unit. Thus, the gross profit margin increased from 10.78% in 2Q2013 to 14.58% in 2Q2014.

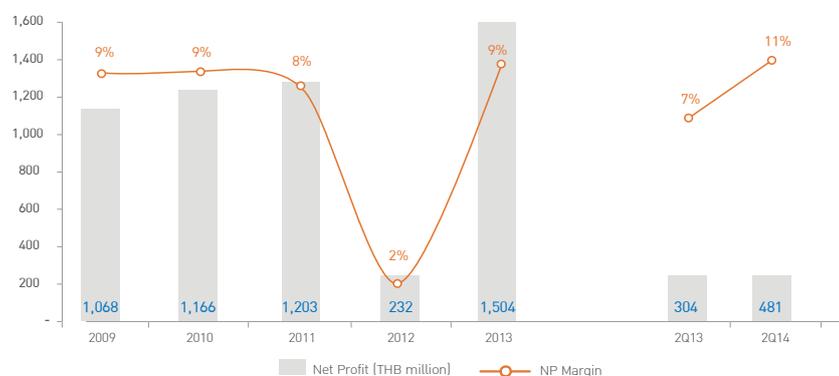
### Share of Profit from associated companies

In 2Q2014, the Company's share of profit from associates, which are GFN and McKey, totaled of THB 80.48 million, increased from 2Q2013 by THB 17.54 million or 27.87%. In 2Q2014, the profit contributed from GFN was THB 53.42 million while McKey's was THB 27.07 million, increased by 22.82% and 39.15% from 2Q2013, respectively.

### Net Profit

The Company's net income in 2Q2014 was THB 481.21 million, or THB 0.38 per share, an increase of THB 177.23 million or 58.31% from 2Q2013. The rise in net income of the Company was driven by higher sales volumes, lower cost of goods sold, and increase of participating profit from associated companies. The consolidated net profit margin of 2Q2014 was 10.70% of net sales, increased from 7.45% in 2Q2013.

### NP Margin



## Financial position

### Assets

As of June 30, 2014, total assets of the Company equal to THB 13,759.43 million including THB 4,847.89 million (35.23% of total assets) in current assets, THB 5,977.64 million (43.44% of total assets) in property, plant and equipment (PP&E)-net, THB 1,778.13 million (12.92% of total assets) in investments in associated companies, THB 446.65 million (3.25% of total assets) in grandparent chicken and parent chicken-net, and THB 709.12 million (5.15% of total assets) in investment property and other non-current assets.

Total assets at June 30, 2014 increased in amount of THB 737.92 million or 5.67% from 31 December 2013. The factors were the increase of THB 227.42 million in inventories-net, the increase in investments in associates-net of THB 162.40 million, and the increase of THB 291.30 million in PP&E-net. Nevertheless, there was a decline in trade and other receivables-net of THB 68.13 million.

### Liabilities

As at June 30, 2014, total liabilities are THB 5,911.67 million comprising of Current Liabilities of THB 3,071.47 million or 51.96% of total liabilities, Long-Term Loans of THB 2,340.00 million or 39.58% of total liabilities, Provision for Employees Benefit of THB 303.91 million or 5.14% of total liabilities, Advance Received for Rental Income from Associates of THB 130.36 million or 2.21% of total liabilities, and other Non-Current Liabilities of THB 65.93 million or 1.12% of total liabilities.

The total liabilities for June 30, 2014, rise by THB 266.28 million or 4.72% from 31 December 2013 as long-term loans from financial institutions increased in amount of THB 260.00 million. All short-term and long-term loans of the group are in THB currency only, thus; the Company has no exposure in foreign currency borrowings.

Moreover, there was an increase in trade and other payable of THB 304.66 million or 33.07% from THB 921.12 million in December 2013 to THB 1,225.77 million in 2Q2014. The Current Portion of Long-Term Loans decreased THB 1,850.00 million or 88.94% as compared to December 31, 2013 because as at 2Q2014, there was only current portion of long-term loan from financial institutions whereas in year 2013, there was also a current portion of long-term loans from related persons in amount THB 2,000.00 million. Since the Company had an approval to renew the long-term loan from RPT according to the Extraordinary General Meeting No.1/2013 on December 12, 2013, thus; the current portion of long-term loan from RPT was reclassified to non-current liabilities. In addition, short-term loans from financial institutions declined by THB 457.39 million or 22.35% comparing to December 31, 2013.

### Shareholders' Equity

As at June 30, 2014, the consolidated shareholders' equity was THB 7,847.76 million, increased by THB 471.63 million or 6.39% from December 31, 2013 from an outstanding performance in first-half of year 2014. The consolidated book value at June 30, 2014 was THB 6.26 per share.



The 2<sup>nd</sup> Quarter 2014 financial statement and interim management discussion and analysis are available for download at [http://www.gfpt.co.th/ir\\_home.php?lang=EN](http://www.gfpt.co.th/ir_home.php?lang=EN)

### IR Calendar

01/04/2014 :	Invest Asean 2014	Singapore
04/04/2014 :	Annual General Meeting 2014	Thailand
20/05/2014 :	Analyst Meeting No.2/2014	Thailand
03/06/2014 :	"Pulse of Asia" Conference	England

## GFPT Profile

CG Score :	 [Very Good]
Industry / Sector :	Agro & Food Industry / Agribusiness
Closed Price [30/06/2014] :	THB 12.80 per share
Share Outstanding :	1,253.82 million share [1 Baht per share]
Market Cap. :	THB 16.05 billion
%Free Float [05/03/2014] :	44.00%
%Foreign Holding :	18.99% [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)

### Top 10 Major Shareholders [05 Mar 2014]

1. Mr. Sujin Sirimongkolkasem	17.77%
2. Mr. Prasit Sirimongkolkasem	17.55%
3. Mr. Virach Sirimongkolkasem	14.36%
4. THAI NVDR CO., LTD.	6.49%
5. NICHIREI FOODS INC.	4.52%
6. SOMERS (U.K.) LIMITED	3.56%
7. Mr. Anucha Kittanamongkolchai	3.54%
8. Mr. Somkiat Limsong	2.00%
9. Mr. Pitsanu Sirimongkolkasem	1.82%
10. NORBAX INC.,79	1.71%

### Disclaimer

This document was prepared by GFPT Public Company Limited ("the Company") for informative purpose only. It should not be taken as an offer of securities for sale. You should not make any investment decision based on any information on this document.

The Company undertakes no responsibility on changes after that date stated herein. This presentation may include forward-looking statements representing expectations about future events or anticipated result based on factors such as economic scenario, market conditions and expected future events, over many of which the Company has no control. These statements include projections of economic growth, as well as information about competitive position, the regulatory environment, potential opportunities for growth and other matters.

In addition, the content and forward-looking statements state within this document only as the date they made. Several factors may adversely affect the estimates and assumptions on which these statements are based.

### IR Contact



0 2473 8000



ir@gfpt.co.th



GFPT Public Company Limited

312 Rama II Road, Bangmod, Jomthong, Bangkok 10150

[www.gfpt.co.th](http://www.gfpt.co.th)