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Bor Mor Jor. Jor Por Or. 082/2023

November 13, 2023

Subject Management's Discussion and Analysis for the operating results of the third quarter of 2023 which decreased over 20% from the same period of the previous year

Attention President
The Stock Exchange of Thailand

Charoen Pokphand Foods Public Company Limited would like to inform the operating results of the Company and its subsidiaries (collectively referred to as the "Company") as follows:

In the third quarter of 2023, sales revenue was THB 144,498 million, of which THB 90,187 million (62%) was contributed by international operations and THB 54,311 million (38%) was from Thailand operations. The Company experienced a net loss attributable to the Company of THB 1,810 million, representing a 135% decrease from the same period of the previous year. This decline primarily resulted from a decrease in the gross profit margin, which fell from 15% in the third quarter of the previous year to 11%. The main contributing factors are outlined below:

1. The price of swine dropped lower than the same period last year, especially in Thailand, Vietnam and Cambodia (average decline of 26% from the same period last year) due to the oversupply of pork resulting from illegal pork imports.
2. Production costs, which includes raw material costs required for animal feed production as well as energy cost, increased.
3. Overall economic conditions negatively impacted purchasing power in various countries.

Furthermore, other factors contribute to the net loss, such as share of loss from associates and joint ventures. This is primarily driven by operational performance of an associate in China which was adversely affected by low swine prices and high raw material costs. Additionally, the upward trend in global interest rates has led to increased interest expenses and financial costs for the Company compared to the same period in the previous year.

Please be informed accordingly.

Sincerely yours,

Kobboon Srichai
(Mrs. Kobboon Srichai)
Company Secretary