

**Information Memorandum Concerning the Connected Transactions disclosed pursuant to
Clause 16 of the Notification of the Stock Exchange of Thailand**

The Acquisition of the Investment in C.P. Cambodia Co., Ltd.

1. Transaction Date

CPF Investment Limited ("CPFI"), a wholly-owned subsidiary of Charoen Pokphand Foods Plc. ("CPF" or the "Company"), will acquire 75% of total issued ordinary shares of C.P. Cambodia Co., Ltd. ("CPC") from Orient Success International Limited ("OSIL") upon the fulfillment of the other conditions precedent as stated in Section 10 below.

2. Parties involved and their relationship with CPF

Purchaser : CPFI
Seller : OSIL
Relationship with the Company : OSIL is an indirect wholly owned subsidiary of Charoen Pokphand Group Co., Ltd. ("CPG") which is a major shareholder of CPF

3. General Characteristic of the Transaction, Transaction Size and Connected Transactions

3.1 General Characteristic of the Transaction

CPFI entered into an agreement to acquire 75% of total issued ordinary shares of CPC ("the Investment in CPC") from OSIL at the total consideration of THB 2,850 mm (or approximately KHR 351,852 mm¹). After the completion, CPFI will hold 100% stake in CPC; therefore, CPC and its subsidiary will become indirect subsidiaries of CPF.

3.2 Calculation of Size of the Transaction

The acquisition of the Investment in CPC is considered as a connected transaction in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (the "Rules on Connected Transactions"). The transaction size is equivalent to 5.5% of net tangible assets of CPF and its subsidiaries based on the latest audited financial statement as of December 31, 2014. Therefore, CPF is required to obtain shareholders' approval prior to entering into this connected transaction.

4. Details of the Assets to be Acquired

4.1 Business Description

CPC, the company incorporated in Cambodia, engages in animal feedmill, livestock farming and food processing plant for domestic sale in Cambodia.

At present, CPC has investment in a subsidiary, namely Cambodia Property and Trading Co., Ltd. (CPC holds 49% stake), which invest in property for CPC's business.

4.2 Key Financial Information of CPC

Company Only	For the Year Ended December 31, ¹							
	2011 ⁽¹⁾		2012 ⁽¹⁾		2013 ⁽¹⁾		2014 ⁽²⁾	
	KHR mm	THB mm ²	KHR mm	THB mm ²	KHR mm	THB mm ²	KHR mm	THB mm ²
Profit and Loss Statement								
Revenue from sales	586,477	4,750	714,167	5,785	903,863	7,321	1,025,801	8,309
Cost of goods sold	492,155	3,986	652,130	5,282	784,040	6,351	821,647	6,655
Gross Profit	94,322	764	62,037	503	119,823	971	204,154	1,654
Net Profit	41,283	334	5,607	45	35,862	290	91,353	740
Statement of Financial Position								
Inventories	77,467	628	93,982	761	77,003	624	104,619	847
Biological assets	129,243	1,047	178,270	1,444	164,985	1,336	200,524	1,624
Property, Plant and Equipment	81,938	664	112,113	908	140,758	1,140	158,231	1,282
Total Assets	338,312	2,740	433,819	3,514	457,300	3,704	563,349	4,563
Total Liabilities	114,521	928	204,421	1,656	192,039	1,556	247,535	2,005
Total Shareholders' Equity	223,792	1,813	229,398	1,858	265,261	2,149	315,814	2,558

¹ Source: (1) Audited Financial Statements of CPC, (2) Unaudited statement based on CPC's management account

² Using the exchange rate of THB 0.0081 for KHR 1

^{1/1} Using the exchange rate of THB 0.0081 for KHR 1

Consolidated	For the Year Ended December 31, ¹							
	2011		2012		2013		2014	
	KHR mm	THB mm ²	KHR mm	THB mm ²	KHR mm	THB mm ²	KHR mm	THB mm ²
Profit and Loss Statement								
Revenue from sales	586,441	4,750	714,167	5,785	903,863	7,321	1,025,801	8,309
Cost of goods sold	492,155	3,986	652,130	5,282	784,040	6,351	821,647	6,655
Gross Profit	94,286	764	62,037	502	119,823	971	204,154	1,654
Net Profit	41,494	336	5,827	47	35,979	291	91,810	744
Statement of Financial Position								
<i>Inventories</i>	77,467	628	93,982	761	77,003	624	104,619	847
<i>Biological assets</i>	129,243	1,047	178,270	1,444	164,985	1,336	200,524	1,624
<i>Property, Plant and Equipment</i>	97,977	794	144,291	1,169	198,410	1,607	175,860	1,425
Total Assets	353,024	2,859	463,349	3,753	488,947	3,960	566,188	4,586
Total Liabilities	117,177	949	215,768	1,748	205,266	1,663	247,632	2,006
Total Shareholders' Equity	235,847	1,910	247,581	2,005	283,681	2,298	318,556	2,580

¹ Source: Consolidated Financial Statements of CPC audited by CPC's auditor according to the guideline specified by CPF

² Using the exchange rate of THB 0.0081 for KHR 1

4.3 Paid-up Capital

As of 31 December 2014, CPC's registered and paid-up capital is USD 67.4 mm or KHR 268,753 mm (approximately THB 2,176 mm), divided into 13,700 ordinary shares with par value of USD 5,030 or KHR 20.06 mm each.

4.4 Shareholding Structure

Shareholders	Percentage Shareholding	
	Pre-Transaction	Post-Transaction
OSIL	75.00	0.00
CPFI	25.00	100.00
Total	100.00	100.00

5. ***Basis to Determine the Value of Consideration***

Value of the asset to be acquired was determined based on an arm's length negotiation between the purchaser and the seller, referencing to various valuation methodologies by financial advisor which are internationally accepted including; Price-to-Earnings Ratio, EV-to-EBITDA Ratio, Price-to-Book Value Ratio, and Discounted Cash Flow Approach (DCF).

6. ***Transaction Size***

The transaction size is equivalent to 5.5% of net tangible assets of CPF and its subsidiaries based on the latest audited financial statements as of December 31, 2014.

7. ***Details and Scope of Interest of Connected Person***

- OSIL is an indirect wholly owned subsidiary of CPG which is a major shareholder of CPF.
- OSIL has interest in the sale of the Investment in CPC to CPFI by receiving THB 2,850 million (or approximately KHR 351,852 mm) in return.

8. ***Directors with Conflict of Interest***

In considering the acquisition of the Investment in CPC which is considered as a connected transaction, the directors with a conflict of interest who had no right to vote and did not attend the meeting were Mr. Dhanin Chearavanont, Mr. Prasert Poongkumarn, Mr. Min Tieworn, Mr. Chingchai Lohawatanakul, Mr. Phongthep Chiaravanont and Mr. Adirek Sripratak.

9. ***Sources of Fund***

Cash flow of CPF group

10. ***Conditions Precedent***

This transaction is considered a connected transaction under the Rules on Connected Transactions which CPF's shareholder approval is required with an affirmative resolution of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote, excluding the shareholders who have a conflict of interest.

11. ***Opinion of the Board of Directors***

The Meeting of the Board of Directors of the Company (excluding Directors with conflict of interest as mentioned in Section 8.) considered and viewed that this transaction is reasonable and beneficial to CPF

group as Cambodia's agro-industrial market has strong growth potential. In addition, CPC has expansion plan to food business. The net profit CAGR for CPC over the past 4 years was approximately 29.2% per annum.

After the completion of the transaction, status of CPC will change from associate company (CPF indirectly holds 25% in CPC) to subsidiary company (CPF indirectly holds 100% in CPC) become an indirect wholly owned subsidiary of CPF. As a result, CPF will consolidate CPC and its subsidiary operating results into the consolidated financial statements of CPF since the completion date.

12. *Opinion of Directors and/or the Audit Committee which is Different from the Opinion of the Board of Directors*

Directors and the Audit Committee of CPF has no different opinion from the Board of Directors' opinion.

13. *Distribution of the invitation for the AGM*

CPF will send the invitation for the Annual General Shareholders' Meeting No. 1/2015 and the opinion of the Independent Financial Advisor to the Office of the Securities and Exchange Commission at least 5 business days before sending them to the shareholders. It will also send these documents to the shareholders at least 14 days before the meeting date.