

Charoen Pokphand Foods buys major stake in RBPI

Thai company Charoen Pokphand Foods Plc (CPF) will pay €76.8 million for a 83% stake in Russia Baltic Pork Invest ASA (RBPI), a large-scale grain and pork producer in the European part of Russia, according to RBPI.



Under the deal, CPF Investment Limited (CPFI), a subsidiary of CPF, will purchase the shares from Capman Russian Fund L.P in the third quarter of this year. The deal is part of CPF's food expansion plans and into Russia, where it already operates a feed mill and integrated swine businesses, said president and CEO Adirek Sripratak.

The investment aims to serve a huge demand for meat in the country, at 2.75 million tonnes a year, while local production capacity remains low, leading to imports of some 750,000 tonnes of pork every year. Adirek said the management team of RBPI is competent and he is confident the cooperation would help increase supply to meet the rising demand.

The company projects that its new capacities in Russia will help it to improve operational performance. CPF projects sales this year to increase by 10-15%. Operations in 12 countries including Russia are expected to contribute 55% to revenue in 2013 thanks to aggressive investment expansion in recent years.

by [Vladislav Vorotnikov](#) Aug 2, 2013
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