

**Charoen Pokphand Foods Public Company Limited  
and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

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# Charoen Pokphand Foods Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2023 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the executive directors on 11 May 2023.

#### 1 Basis of preparation of the interim financial statements

The interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of Charoen Pokphand Foods Public Company Limited, the “Company” and the Company and its subsidiaries (together referred to the “Group”) for the year ended 31 December 2022.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2022.

#### 2 Related party transactions

The entity which holds significant influence over the Company is Charoen Pokphand Group Company Limited which directly and indirectly owned 45.38% of the Company’s voting rights as of the latest closing date of shareholder register book on 13 March 2023.

In addition, relationships with subsidiaries, associates, and joint ventures that have material changes are described in note 3 and 4.

##### 2.1 Significant transactions with related parties for the three-month period ended 31 March

	<i>(Unit: Million Baht)</i>			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>(a) Income</b>				
<b>Significant influence entity</b>				
Sale of goods	2	-	-	-
Software application income	1	1	-	-
<b>Subsidiaries</b>				
Sale of goods	-	-	1,332	1,455
Interest income	-	-	133	120
Rental, service and other income	-	-	43	30
Dividend income	-	-	-	7,171

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		<b>Consolidated</b>		<i>(Unit: Million Baht)</i>	
		<b>financial statements</b>		<b>Separate</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>(a)</b>	<b><i>Income (Continued)</i></b>				
	<b>Associates, joint ventures and related companies</b>				
	Sale of goods	17,468	15,087	329	337
	Rental, service and other income	88	79	10	12
	Software application income	33	31	-	-
	Interest income	29	28	-	-
	Training and seminar income	2	2	-	-
<b>(b)</b>	<b><i>Expenses and others</i></b>				
	<b>Significant influence entity</b>				
	Purchase of raw materials and goods	3,234	2,997	794	726
	Trademark license fees	1,181	1,151	77	78
	Technical service fees	25	26	-	-
	<b>Subsidiaries</b>				
	Purchase of raw materials and goods	-	-	603	387
	Interest expenses	-	-	110	53
	Software application fees	-	-	45	44
	Training and seminar fees	-	-	2	6
	Leased-related and service expenses	-	-	1	8
	Cost of right-of-use assets	-	-	-	6
	Construction costs of buildings, structures and others	-	-	-	3
	Other expenses	-	-	10	8
	<b>Associates, joint ventures and related companies</b>				
	Purchase of raw materials and goods	17,519	12,178	439	133
	Transportation-related expenses	1,080	312	3	2
	Construction costs of buildings, structures and others	485	533	3	13
	Leased-related and service expenses	172	180	19	21
	Cost of right-of-use assets	118	135	30	9
	Software application fees	93	62	-	-
	Training and seminar fees	44	39	2	2
	Purchase of equipment and others	35	42	7	2
	Interest expenses	31	17	-	-
	Trademark license fees	1	37	-	-
	Technical service fees	1	-	-	-
	Other expenses	227	189	26	19

# Charoen Pokphand Foods Public Company Limited

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#### For the three-month period ended 31 March 2023 (Unaudited)

#### 2.2 Balances with related parties as at 31 March 2023 and 31 December 2022 were as follows:

##### 2.2.1 Accounts receivable - trade and others

*(Unit: Million Baht)*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Significant influence entity	4	3	-	-
Subsidiaries	-	-	541	616
Associates and joint ventures	7,159	8,654	50	60
Related companies	5,791	5,632	1,390	1,345
<b>Total</b>	<b>12,954</b>	<b>14,289</b>	<b>1,981</b>	<b>2,021</b>

##### 2.2.2 Short-term loans to related parties

*(Unit: Million Baht)*

	<b>Separate financial statements</b>		
	<b>Outstanding balance</b>		
	31 March 2023	31 December 2022	Average balance
Subsidiaries	9,194	8,020	8,432
<b>Total</b>	<b>9,194</b>	<b>8,020</b>	<b>8,432</b>

As at 31 March 2023, the short-term loans bear interest at 5.96% per annum (*31 December 2022: 5.91% per annum*). The Company computes the average balance from the outstanding balances of the loans at the end of each month excluding accrued interest income.

##### 2.2.3 Advance payments for purchase of goods

*(Unit: Million Baht)*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Associate and joint ventures	65	53	-	-
Related companies	3,082	2,706	-	-
<b>Total</b>	<b>3,147</b>	<b>2,759</b>	<b>-</b>	<b>-</b>

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**2.2.4 Accrued dividend income**

*(Unit: Million Baht)*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Associate	155	157	-	-
<b>Total</b>	<b>155</b>	<b>157</b>	<b>-</b>	<b>-</b>

**2.2.5 Long-term loans to related parties**

*(Unit: Million Baht)*

	<b>Separate financial statements</b>		
	Outstanding balance		
	31 March 2023	31 December 2022	Average balance
Subsidiaries	390	3,758	496
Less current portion	(390)	(540)	-
<b>Total</b>	<b>-</b>	<b>3,218</b>	<b>496</b>

As at 31 March 2023, the long-term loans bear interest at 5.00% per annum (31 December 2022: 4.60% per annum). The Company computes the average balance from the outstanding balances of the loans at the end of each month excluding accrued interest income.

**2.2.6 Other non-current assets**

*(Unit: Million Baht)*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Subsidiaries	-	-	3	347
Associates and joint venture	94	93	-	-
Related companies	85	85	11	10
<b>Total</b>	<b>179</b>	<b>178</b>	<b>14</b>	<b>357</b>

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*2.2.7 Accounts payable - trade and others*

*(Unit: Million Baht)*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Significant influence entity	588	362	164	7
Subsidiaries	-	-	177	96
Associates and joint ventures	8,094	8,393	5	7
Related companies	11,296	10,905	85	62
<b>Total</b>	<b>19,978</b>	<b>19,660</b>	<b>431</b>	<b>172</b>

*2.2.8 Short-term borrowings from related parties*

*(Unit: Million Baht)*

	<b>Consolidated financial statements</b>		
	Outstanding balance		
	31 March 2023	31 December 2022	Average balance
Joint venture	1,095	1,104	1,095
Related companies	511	890	613
<b>Total</b>	<b>1,606</b>	<b>1,994</b>	<b>1,708</b>

  

*(Unit: Million Baht)*

	<b>Separate financial statements</b>		
	Outstanding balance		
	31 March 2023	31 December 2022	Average balance
Subsidiary	13,720	11,170	12,470
<b>Total</b>	<b>13,720</b>	<b>11,170</b>	<b>12,470</b>

As at 31 March 2023, the borrowings bear interest at 3.75% to 6.15% per annum (31 December 2022: 3.75% to 4.88% per annum). The Group and the Company compute the average balance from the outstanding balances of the borrowings at the end of each month excluding accrued interest expense.

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**2.2.9 Lease liabilities**

	<b>Consolidated</b>		<i>(Unit: Million Baht)</i> <b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Subsidiaries	-	-	76	87
Associates	588	536	-	-
Related companies	2,589	2,687	313	311
<b>Total</b>	<b>3,177</b>	<b>3,223</b>	<b>389</b>	<b>398</b>

**2.3 Key management personnel compensations**

	<b>Consolidated</b>		<i>(Unit: Million Baht)</i> <b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
<i>For the three-month period ended 31 March</i>				
Short-term employee benefits	342	357	54	58
Post-employment under defined benefit plans	5	4	1	1
<b>Total</b>	<b>347</b>	<b>361</b>	<b>55</b>	<b>59</b>
<i>At 31 March</i>				
Provisions for employee benefits	480	463	106	105
<b>Total</b>	<b>480</b>	<b>463</b>	<b>106</b>	<b>105</b>

**2.4 Commitments**

*Capital commitments*

	<b>Consolidated</b>		<i>(Unit: Million Baht)</i> <b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<i>Contracted but not provided for</i> Mainly represents contracts for construction of buildings and structures, and purchase of machinery and others	<b>985</b>	<b>838</b>	<b>-</b>	<b>5</b>

# Charoen Pokphand Foods Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2023 (Unaudited)

#### 3 Investments in subsidiaries

Movements for the three-month period ended 31 March 2023 were as follows:

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
		<i>(Unit: Million Baht)</i>
Increase capital in Bellisio Investment, LLC	-	452
Increase capital in CPF Netherlands B.V.	-	689
Acquire investment in CPF Global Food Solution Public Company Limited	-	1,350
Transfer of investment in CPF Poland S.A. <sup>(1)</sup>	-	344
Impairment loss	-	(750)
<b>Net</b>	<b>-</b>	<b>2,085</b>

<sup>(1)</sup> During the year 2022, the Company increased share capital in CPF Poland S.A. amounting to Zlotty 45 million or equivalent to Baht 344 million. In this regard, the registration of share capital was completed in the first quarter of 2023 therefore the Company recognised an investment by transferring from advance payment.

During the first quarter of 2023, the Group sold its entire investment in CP Chozen Limited, a 79.99% indirectly owned subsidiary of the Company, to a non-related party amounting to GBP 1 million or equivalent to Baht 45 million. In this regard, the Group recognised gain on sale of investment of Baht 47 million.

Details of the Group's subsidiaries as at 31 March 2023 and 31 December 2022 only those with changes during the three-month period ended 31 March 2023 were as follows:

<u>Name of the entity</u>	<u>Type of business</u>	<u>Country of incorporation</u>	<u>Ownership interest (%)</u>	
			<u>31 March 2023</u>	<u>31 December 2022</u>
<b><i>Newly incorporated indirect subsidiary</i></b>				
1) CP Norfolk (India) Private Limited <sup>(1)</sup>	Processed food business	India	87.99	-
<b><i>Indirect subsidiaries with change in interests</i></b>				
1) Sheng Da Foods Co., Ltd. <sup>(2)</sup>	Layer chicken business	Republic of China (Taiwan)	16.27	14.92
2) CP Chozen Limited <sup>(3)</sup>	Investment	England	-	79.99
2.1) Chozen Holdings Limited	Restaurant business	England	-	79.99
2.2) Chozen Noodle Trading Limited	Property lease-out	England	-	79.99
<b><i>Direct and Indirect subsidiary that change name</i></b>				
1) CPF Global Food Solution Public Company Limited (Formerly known as CPF Trading Company Limited)	Distributor of food products	Thailand	99.98	99.98

<sup>(1)</sup> A subsidiary of CPF (India) Private Limited and Norfolk Foods (Private) Limited

<sup>(2)</sup> A subsidiary of Charoen Pokphand Enterprise (Taiwan) Co., Ltd.

<sup>(3)</sup> A subsidiary of CPF Netherlands B.V.

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### 4 Investments in associates and joint ventures

Movements for the three-month period ended 31 March 2023 were as follows:

	<b>Consolidated</b>	<i>(Unit: Million Baht)</i>
	<b>financial statements</b>	<b>Separate</b>
	<u>financial statements</u>	<u>financial statements</u>
Increase capital in Hylife Group Holdings Ltd.	1,183	-
Acquire investment in CP ALL Public Company Limited (“CPALL”)	1,989	-
Dispose investment in CPALL	(1,237)	-
Share of loss of investment	(1,088)	-
Share of other comprehensive income of investment	206	-
Dividend income	(436)	-
Changes in interests in joint venture	(1,354)	-
Foreign currency translation differences	(584)	-
<b>Net</b>	<b><u>(1,321)</u></b>	<b><u>-</u></b>

The Group accounts for the investment in CPALL and Siam Makro Public Company Limited, which are listed companies in the Stock Exchange of Thailand, in the consolidated financial statements by the equity method. As at 31 March 2023, the fair value of the investments were Baht 189,812 million and Baht 36,507 million, respectively (31 December 2022: Baht 209,047 million and Baht 37,209 million, respectively).

During the first quarter of 2023, the Group partially sold its interest in CPALL with the carrying amount in the consolidated financial statements of Baht 1,237 million. In this regard, the Group recognised gains on sale of investments of Baht 851 million. As at 31 March 2023, the Group holds 34.07% interest in CPALL.

### 5 Property, plant and equipment

	<b>Consolidated</b>	<i>(Unit: Million Baht)</i>
	<b>financial statements</b>	<b>Separate</b>
	<u>financial statements</u>	<u>financial statements</u>
<b><i>For the three-month period ended 31 March 2023</i></b>		
Acquisition - at cost	4,891	135
Disposals - net book value	(884)	(9)
Transfer to intangible assets and expenses	(114)	-

# Charoen Pokphand Foods Public Company Limited

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## 6 Long-term borrowings

### *Debenture*

During the first quarter of 2023, CPF (Thailand) Public Company Limited (“CPFTH”), a 99.99% directly owned subsidiary of the Company, issued unsubordinated, unsecured debentures, in registered name and with debenture holder representative as follows:

Debenture	Interest rates (% per annum)	Term (Year)	Maturity Year	(Unit: Million Baht)
				<b>Consolidated financial statements</b>
1/2023	3.20 - 4.00	5 - 10	2028 - 2033	10,000
<b>Total</b>				<b>10,000</b>

CPFTH must comply with the specific covenants in the terms and conditions of the above debenture.

CPFTH registered the debentures with the Thai Bond Market Association on 31 January 2023. The debenture of CPFTH had a credit rating of “A+” rated by TRIS Rating Co., Ltd. on 28 April 2023.

## 7 Treasury shares

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<b>Ordinary shares of the Company</b>				
At 1 January	7,063	6,245	7,063	6,245
Addition	263	818	263	818
<b>Total</b>	<b>7,326</b>	<b>7,063</b>	<b>7,326</b>	<b>7,063</b>
<b>Ordinary shares of the Company held by subsidiaries</b>	<b>4,087</b>	<b>4,087</b>	-	-
<b>Grand total</b>	<b>11,413</b>	<b>11,150</b>	<b>7,326</b>	<b>7,063</b>

As at 31 March 2023, the Group and the Company had repurchased 719 million and 249 million treasury shares, respectively (31 December 2022: 708 million and 238 million treasury shares, respectively).

## 8 Segment information and disaggregation of revenue

### *Information about reportable segments*

The Group presents the following main segments:

Segment 1 : Livestock business

Segment 2 : Aquaculture business

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Revenue and results, based on reportable segments financial information of the Group for the three-month period ended 31 March were as follows:

	<i>(Unit: Million Baht)</i>	
	<b>Consolidated financial statements</b>	
	2023	2022
<b><i>Segment revenue</i></b>		
Livestock business	125,776	119,016
Aquaculture business	18,005	19,871
<b>Total</b>	<b>143,781</b>	<b>138,887</b>
<b><i>Segment results</i></b>		
Livestock business	3,716	7,180
Aquaculture business	598	697
<b>Total allocated segment results</b>	<b>4,314</b>	<b>7,877</b>
Unallocated segment results	(7,118)	(4,881)
<b>Profit (loss) for the period</b>	<b>(2,804)</b>	<b>2,996</b>

***Information about geographic areas***

Details of the geographic segment financial information of the geographical area of the Group for the three-month period ended 31 March were as follows:

	<i>(Unit: Million Baht)</i>	
	<b>Consolidated financial statements</b>	
	2023	2022
<b><i>Revenue from external customers</i></b>		
Thailand	49,724	44,253
Asia	67,019	69,490
Europe	19,325	17,156
America	7,468	7,685
Others	245	303
<b>Total</b>	<b>143,781</b>	<b>138,887</b>

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#### For the three-month period ended 31 March 2023 (Unaudited)

Details of the geographic segment financial information of the Group as at 31 March 2023 and 31 December 2022 were as follow:

	<i>(Unit: Million Baht)</i>	
	<b>Consolidated</b>	
	<b>financial statements</b>	
	31 March 2023	31 December 2022
<i>Non-current assets (exclude deferred tax assets and other non-current financial assets)</i>		
Thailand	305,945	303,439
Asia	276,391	280,584
Europe	48,643	51,795
America	47,961	49,644
<b>Total</b>	<b>678,940</b>	<b>685,462</b>

#### *Disaggregation of revenue*

Details of revenue disaggregated by categories of main products for the three-month period ended 31 March were as follows:

	<i>(Unit: Million Baht)</i>					
	<b>Consolidated financial statements</b>					
	Reportable segments					
	Aquaculture business		Livestock business		Total	
	2023	2022	2023	2022	2023	2022
<b>Categories of main products</b>						
Animal feed	8,961	10,159	25,372	22,970	34,333	33,129
Animal farm products	7,171	7,740	72,232	68,761	79,403	76,501
Processed foods and ready meals	1,873	1,972	28,172	27,285	30,045	29,257
<b>Total</b>	<b>18,005</b>	<b>19,871</b>	<b>125,776</b>	<b>119,016</b>	<b>143,781</b>	<b>138,887</b>

	<i>(Unit: Million Baht)</i>	
	<b>Separate</b>	
	<b>financial statements</b>	
	Reportable segment Aquaculture business	Reportable segment Livestock business
	2023	2022
<b>Categories of main products</b>		
Animal feed	3,496	3,522
Animal farm products	2,376	2,560
Processed foods and ready meals	453	526
<b>Total</b>	<b>6,325</b>	<b>6,608</b>

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#### Contract Balances

As at 31 March 2023, the Group and the Company had contract liabilities of Baht 3,160 million and Baht 31 million, respectively (31 December 2022: Baht 3,066 million and Baht 12 million, respectively), which represents the obligation to transfer goods to customers for which the consideration has been received.

The contract liabilities primarily relate to the advance consideration received from customers for sale of goods. The Group and the Company recognise such contract liabilities as revenue when transferring control of the goods to the customers. The outstanding balance of contract liabilities is included in the accounts “other current liabilities” in the consolidated and separate statement of financial position as at 31 March 2023.

## 9 Earnings (losses) per share

The calculations of earnings (losses) per share for the three-month period ended 31 March were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company less cumulative interest and other expenses for the period net of income tax on subordinated perpetual debentures and the weighted average number of ordinary shares held by third parties outstanding during the three-month period ended as follows:

*(Unit: Million Baht/Million shares)*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
<b>Profit (loss) for the period attributable to ordinary shareholders of the Company</b>	<b>(2,725)</b>	<b>2,842</b>	<b>(2,155)</b>	<b>6,232</b>
<i>Less: cumulative interest and other expenses for the period net of income tax on subordinated perpetual debentures</i>	(133)	(145)	(133)	(145)
<b>Profit (loss) used in calculation of earnings per share (basic)</b>	<b>(2,858)</b>	<b>2,697</b>	<b>(2,288)</b>	<b>6,087</b>
<i>Interest expense on convertible bonds, net of tax</i>	-	66	-	-
<b>Profit (loss) used in calculation of earnings per share (diluted)</b>	<b>(2,858)</b>	<b>2,763</b>	<b>(2,288)</b>	<b>6,087</b>
<b>Weighted average number of ordinary shares held by third parties outstanding</b>				
Number of ordinary shares outstanding at the beginning of period	8,611	8,611	8,611	8,611
Treasury shares held by subsidiaries	(470)	(470)	-	-
Effect of own shares held	(245)	(204)	(245)	(204)
<b>Number of ordinary shares outstanding (basic) at the end of period</b>	<b>7,896</b>	<b>7,937</b>	<b>8,366</b>	<b>8,407</b>
Effect of conversion of convertible bonds	-	234	-	234
<b>Number of ordinary shares outstanding (diluted) at the end of period</b>	<b>7,896</b>	<b>8,171</b>	<b>8,366</b>	<b>8,641</b>
<b>Basic earnings (losses) per share (in Baht)</b>	<b>(0.36)</b>	<b>0.34</b>	<b>(0.27)</b>	<b>0.72</b>
<b>Diluted earnings (losses) per share (in Baht)</b>	<b>(0.36)</b>	<b>0.34</b>	<b>(0.27)</b>	<b>0.70</b>

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**10 Financial Instruments**

*Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

**Charoen Pokphand Foods Public Company Limited  
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(Unit: Million Baht)

	Consolidated financial statements							
	Carrying amount				Fair value			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>As at 31 March 2023</i>								
<b>Financial assets</b>								
Investments in equity securities								
-Marketable equity securities	-	3,712	-	3,712	3,712	-	-	3,712
-Non-marketable equity securities	-	12,423	-	12,423	-	-	12,423	12,423
Other financial assets								
-Derivative assets	3,510	-	-	3,510	-	3,510	-	3,510
<b>Total financial assets</b>	<b>3,510</b>	<b>16,135</b>	<b>-</b>	<b>19,645</b>				
<b>Financial liabilities</b>								
Long-term borrowings								
-Debentures	-	-	217,565	217,565	-	220,620	-	220,620
-Long-term borrowings from financial institutions	-	-	141,375	141,375	-	141,481	-	141,481
Other financial liabilities								
-Derivative liabilities	280	-	-	280	-	280	-	280
<b>Total financial liabilities</b>	<b>280</b>	<b>-</b>	<b>358,940</b>	<b>359,220</b>				

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(Unit: Million Baht)

	Consolidated financial statements							
	Carrying amount				Fair value			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>As at 31 December 2022</i>								
<b>Financial assets</b>								
Investments in equity securities								
- Marketable equity securities	-	3,585	-	3,585	3,585	-	-	3,585
- Non-marketable equity securities	-	13,005	-	13,005	-	-	13,005	13,005
Other financial assets								
- Derivative assets	4,692	-	-	4,692	-	4,692	-	4,692
<b>Total financial assets</b>	<b>4,692</b>	<b>16,590</b>	<b>-</b>	<b>21,282</b>				
<b>Financial liabilities</b>								
Long-term borrowings								
- Debentures	-	-	212,215	212,215	-	214,644	-	214,644
- Long-term borrowings from financial institution	-	-	155,402	155,402	-	156,724	-	156,724
Other financial liabilities								
- Derivative liabilities	152	-	-	152	-	152	-	152
<b>Total financial liabilities</b>	<b>152</b>	<b>-</b>	<b>367,617</b>	<b>367,769</b>				

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(Unit: Million Baht)

**Separate financial statements**

	<b>Carrying amount</b>				<b>Fair value</b>			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>As at 31 March 2023</i>								
<b>Financial assets</b>								
Long term loans to related parties	-	-	390	390	-	-	387	387
Investments in equity securities								
- Non-marketable equity securities	-	905	-	905	-	-	905	905
Other financial assets								
- Derivative assets	183	-	-	183	-	183	-	183
<b>Total financial assets</b>	<b>183</b>	<b>905</b>	<b>390</b>	<b>1,478</b>				
<b>Financial liabilities</b>								
Long-term borrowings								
- Debentures	-	-	120,515	120,515	-	122,788	-	122,788
- Long-term borrowings from financial institutions	-	-	1,857	1,857	-	1,860	-	1,860
Other financial liabilities								
- Derivative liabilities	1	-	-	1	-	1	-	1
<b>Total financial liabilities</b>	<b>1</b>	<b>-</b>	<b>122,372</b>	<b>122,373</b>				

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(Unit: Million Baht)

**Separate financial statements**

	Carrying amount				Fair value			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>At 31 December 2022</i>								
<b>Financial assets</b>								
Long term loans to related parties	-	-	3,758	3,758	-	-	3,631	3,631
Investments in equity securities								
- Non-marketable equity securities	-	919	-	919	-	-	919	919
Other financial assets								
- Derivative assets	323	-	-	323	-	323	-	323
<b>Total financial assets</b>	<b>323</b>	<b>919</b>	<b>3,758</b>	<b>5,000</b>				
<b>Financial liabilities</b>								
Long-term borrowings								
- Debentures	-	-	123,015	123,015	-	124,543	-	124,543
- Long-term borrowings from financial institution	-	-	2,589	2,589	-	2,600	-	2,600
Other financial liabilities								
- Derivative liabilities	1	-	-	1	-	1	-	1
<b>Total financial liabilities</b>	<b>1</b>	<b>-</b>	<b>125,604</b>	<b>125,605</b>				

There were no significant changes of valuation technique of financial instruments measured at fair value in the statements of financial position during the period.

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*Expected credit losses*

	<b>Consolidated financial statements</b>		<i>(Unit: Million Baht)</i> <b>Separate financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Within credit terms	30,219	34,310	1,886	2,207
Overdue 1 - 60 days	5,227	6,259	613	912
Overdue 60 - 120 days	1,912	1,178	758	19
More than 120 days	3,864	2,554	102	28
<b>Total</b>	<b>41,222</b>	<b>44,301</b>	<b>3,359</b>	<b>3,166</b>
<i>Less</i> allowance for expected credit losses	(1,080)	(1,080)	(3)	(3)
<b>Net</b>	<b>40,142</b>	<b>43,221</b>	<b>3,356</b>	<b>3,163</b>

**11 Commitments with non-related parties**

**11.1 Capital commitments**

	<b>Consolidated financial statements</b>		<i>(Unit: Million Baht)</i> <b>Separate financial statements</b>	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<i>Contracted but not provided for</i>				
Land, buildings and constructions	3,573	3,664	-	-
Machinery, equipment and others	5,031	5,511	16	11
<b>Total</b>	<b>8,604</b>	<b>9,175</b>	<b>16</b>	<b>11</b>

**11.2 Other commitments**

- (a) The Company had a Cooperative Technical agreement with Maejo University (the “university”) whereby the university allowed the Company to use its land and constructions thereon in developing shrimp ponds and as the research and training center which will be terminated on 31 December 2025. Under the terms of the agreements, the Company is committed to pay total annual compensation of Baht 2.2 million and to transfer the ownership of the project property to the university at the expiration of the agreements. The net book value of the Company’s assets in respect to the agreement as at 31 March 2023 totalling Baht 15 million (*31 December 2022: Baht 15 million*).
- (b) The Company and certain subsidiaries had commitments with financial institutions for letters of guarantee issued by the financial institutions in favour of government agencies and others totalling Baht 11 million and Baht 200 million, respectively (*31 December 2022: Baht 11 million and Baht 193 million, respectively*). The letters of guarantee principally cover the guarantee for sale of goods, taxes and duties.

**11.3 Letters of credit**

Certain subsidiaries had commitments under the issued letters of credit totalling Baht 1,931 million (*31 December 2022: Baht 1,994 million*).

# **Charoen Pokphand Foods Public Company Limited**

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#### **For the three-month period ended 31 March 2023 (Unaudited)**

#### **11.4 Contingent Liabilities**

Certain foreign subsidiaries had commitments with foreign financial institutions for letters of financial guarantees issued for the customers in feed business of those subsidiaries totalling Baht 105 million (*31 December 2022: Baht 116 million*).

#### **12 Guarantees**

As at 31 March 2023, certain foreign subsidiaries had secured borrowings from financial institutions which were pledged by various assets as collateral including property, plant and equipment with net book value of Baht 17,450 million (*31 December 2022: Baht 17,746 million*), current and non-current assets mainly comprising of leasehold rights, inventories and net accounts receivable and payable, with carrying amount of Baht 6,513 million (*31 December 2022: Baht 6,743 million*), and ordinary shares of a foreign subsidiary of Baht 2,971 million (*31 December 2022: Baht 3,182 million*).

#### **13 Events after the reporting period**

- 13.1 On 4 April 2023, CPF Restaurant and Food Chain Co., Ltd., a 99.97% indirectly owned subsidiary of the Company, has entered into an agreement to acquire the “FIVE STAR” trademarks and service marks being registered overseas from Charoen Pokphand Group Company Limited amounting to Baht 317 million. In this regard, the ownership assignment of the FIVE STAR trademarks and service marks will be completed when the registration of ownership assignment of the FIVE STAR trademarks and service marks in each country has been completed.
- 13.2 On 12 April 2023, CPF Global Food Solution Public Company Limited, a 99.98% directly and indirectly owned subsidiary of the Company, has filed an application for approval and the registration statement and draft prospectus in respect of the initial public offering of its newly issued ordinary shares (“IPO”) with the Office of the Securities and Exchange Commission (the “SEC Office”), and has filed an application for the listing of its ordinary shares as registered securities on the Stock Exchange of Thailand (the “SET”) with the SET. In this regard, the CPFGS’s issuance and initial public offering comprise of an offering of not exceeding 66,700,000 newly issued ordinary shares of CPFGS and an offering of certain portions of ordinary shares of CPFGS held by the Company and a subsidiary of not exceeding 316,655,000 shares and 116,655,000 shares, respectively. After completion of the IPO, the shareholding of the Group in CPFGS will be no less than 70% of total issued and paid-up ordinary shares of CPFGS and CPFGS will remain as a subsidiary of the Group.
- 13.3 At the Annual General Shareholders’ meeting of the Company held on 26 April 2023, the shareholders of the Company approved a dividend payment from the Company’s operating results of the year 2022 at Baht 0.75 per share in total. In this regard, the Company already distributed the first dividend payment to shareholders as an interim dividend at Baht 0.40 per share on 14 September 2022. Therefore, the remaining dividend payment to the ordinary shareholders who have the rights to receive the dividend of 8,367,182,585 ordinary shares shall be at Baht 0.35 per share, totalling Baht 2,929 million which are scheduled to be paid on 25 May 2023.