

**Charoen Pokphand Foods Public Company Limited
and its Subsidiaries**
Notes to the interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

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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 13 May 2021.

1 General information

Charoen Pokphand Foods Public Company Limited, the “Company”, is incorporated in Thailand.

The principal activities of the Company and its subsidiaries (together referred to the “Group”) are operating in agro-industrial and integrated food businesses. The Group’s business operations are located throughout Thailand and overseas. The businesses are divided into 2 main segments as follows:

- 1) The livestock business comprises chicken, duck and pig
- 2) The aquaculture business comprises shrimp and fish

The Group’s two main businesses are vertically integrated, starting from sourcing of raw materials for animal feed production, manufacturing animal feed, breeding animals, farming animals for commercial purposes, processing meat, producing ready-to-eat food products, and including operating food retail outlets and restaurants. The Group’s main products are divided into 3 main categories as follows:

- 1) Animal feed
- 2) Animal farm products such as animal breeder, live animal and meat, etc.
- 3) Processed foods and ready meals

Details of the Company’s subsidiary as at 31 March 2021 and 31 December 2020 only those with changes during the three-month period ended 31 March 2021 were as follows:

<u>Name of the entity</u>	<u>Type of business</u>	<u>Country of incorporation</u>	<u>Ownership interest (%)</u>	
			31 March 2021	31 December 2020
<i>Indirect subsidiary from share acquisition</i>				
1) Suansomboon Co., Ltd. ⁽¹⁾	Agricultural plant farming	Thailand	99.99	-

⁽¹⁾ A subsidiary of CPF (Thailand) Public Company Limited

During the three-month period ended 31 March 2021, the Group did not dispose any investments in subsidiaries.

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2 Basis of preparation of the interim financial statements

2.1 Statement of compliance

The interim financial statements presented in the same format as the annual financial statements together with notes to the interim financial statements are presented 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 do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

The Group has initially applied revised TFRS that are effective for annual periods beginning on or after 1 January 2021 and has not early adopted TFRS which are not yet effective. The application has no material impact on the financial statements.

2.2 Use of judgements, estimates and accounting policies

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 2020, except those described in note 3.

3 Impact of COVID-19 pandemic

Due to uncertainty of the situation of COVID-19 pandemic in 2020, the Group applied accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 in preparing the financial statements for the year ended 31 December 2020 by excluding COVID-19 situation in impairment of assets, lease modifications, fair value measurement and deferred tax assets. In this regard, the accounting guidance already expired on 31 December 2020, however, there is no material impact to the financial statements for the period ended 31 March 2021.

At 31 March 2021, COVID-19 pandemic is still on going. The Company established the committee to monitor the situation, supervise the outbreak preventive measures within the organisation and monitor the business operations, including closely governing of its employees by having measures and policies to be complied and administrating the business to minimise the impact as much as possible. In supporting of the employees, the Company has strict policies, for example, working from home, being informed and educated regarding COVID-19 pandemic protection and conducting a workplace in accordance with the measures. In addition, the Company strongly supports the government’s policies in prevention of the outbreaks.

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4 Related party transactions

The entity which holds significant influence over the Company is Charoen Pokphand Group Company Limited which directly and indirectly owned 46.49% of the Company's voting rights as of the latest closing date of shareholder register book on 12 March 2021.

There were no material changes in the pricing policies during the three-month period ended 31 March 2021.

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

For the three-month period ended 31 March

				<i>(Unit: Million Baht)</i>	
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
(a) Income					
	Subsidiaries				
	Sale of goods	-	-	1,322	800
	Interest income	-	-	331	740
	Rental, service and other income	-	-	1	1
	Associates, joint ventures and related companies				
	Sale of goods	10,137	17,341	285	331
	Rental, service and other income	47	50	1	1
	Software application income	20	17	-	-
	Dividend income	-	66	-	-
	Interest income	-	3	-	-
	Training and seminar income	-	1	-	-
(b) Expenses and others					
	Significant influence entity				
	Purchase of raw materials and goods	2,419	2,527	456	615
	Trademark license fees	1,051	972	69	74
	Technical service fees	23	5	-	-
	Subsidiaries				
	Purchase of raw materials and goods	-	-	314	505
	Software application fees	-	-	45	37
	Interest expenses	-	-	36	61
	Rental and service fees	-	-	2	2
	Cost of right-of-use assets	-	-	1	-
	Training and seminar fees	-	-	1	2
	Other expenses	-	-	12	7

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		<i>(Unit: Million Baht)</i>			
		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
(b)	<i>Expenses and others (continued)</i>				
	Associates, joint ventures				
	and related companies				
	Purchase of raw materials and goods	12,892	18,209	219	114
	Rental and service fees	203	310	16	28
	Construction costs of buildings, structures and others	178	619	3	29
	Cost of right-of-use assets	126	248	25	78
	Training and seminar fees	101	247	2	3
	Purchase of equipment and others	84	72	5	5
	Trademark license fees	59	19	-	-
	Software application fees	42	36	-	-
	Interest expenses	6	3	-	-
	Purchase of trademark	-	349	-	-
	Other expenses	390	431	23	24

4.2 Balances with related parties as at 31 March 2021 and 31 December 2020 were as follows:

4.2.1 Accounts receivable - trade and others

	<i>(Unit: Million Baht)</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Significant influence entity	1	1	-	-
Subsidiaries	-	-	510	523
Associates and joint ventures	4,317	4,680	24	37
Related companies	3,196	3,772	795	593
Total	7,514	8,453	1,329	1,153

4.2.2 Short-term loans to related parties

	<i>(Unit: Million Baht)</i>		
	Separate financial statements		
	Outstanding balance		
	31 March	31 December	Average
	2021	2020	balance
Subsidiaries	27,743	20,024	23,073
Total	27,743	20,024	23,073

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4.2.3 Advance payments for purchase of goods

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Joint ventures	43	41	-	-
Related companies	775	725	-	-
Total	818	766	-	-

4.2.4 Accrued dividend income

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Associates	3,493	3,729	-	-
Related companies	39	38	-	-
Total	3,532	3,767	-	-

4.2.5 Long-term loans to related parties

	<i>(Unit: Million Baht)</i> Consolidated financial statements		
	Outstanding balance		
	31 March 2021	31 December 2020	Average balance
Associates	49	49	49
Total	49	49	49

	<i>(Unit: Million Baht)</i> Separate financial statements		
	Outstanding balance		
	31 March 2021	31 December 2020	Average balance
Subsidiary	570	570	570
Total	570	570	570

At 31 March 2021, the loans bear interest at 2.81% to 5.88% per annum (31 December 2020: 2.81% to 5.88% per annum). The Group and the Company compute the average balance from the outstanding balances of the loans at the end of each month excluding accrued interest income.

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4.2.6 Accounts payable - trade and others

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Significant influence entity	965	1,167	89	71
Subsidiaries	-	-	57	62
Associates and joint ventures	5,792	4,573	8	7
Related companies	5,854	6,146	73	59
Total	12,611	11,886	227	199

4.2.7 Short-term borrowings from related parties

	<i>(Unit: Million Baht)</i> Consolidated financial statements		
	Outstanding balance		
	31 March 2021	31 December 2020	Average balance
Joint ventures	668	414	668
Related companies	348	9	122
Total	1,016	423	790

	<i>(Unit: Million Baht)</i> Separate financial statements		
	Outstanding balance		
	31 March 2021	31 December 2020	Average balance
Subsidiaries	5,627	13,251	2,276
Total	5,627	13,251	2,276

At 31 March 2021, the borrowings bear interest at 3.45% to 6.01% per annum (31 December 2020: 3.52% to 6.50% 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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4.2.8 Lease liabilities

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Subsidiary	-	-	31	42
Associates	565	553	-	-
Related companies	2,941	3,048	252	264
Total	3,506	3,601	283	306

4.3 Key management personnel compensations

Key management personnel compensations consist of:

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	2021	2020	2021	2020
<i>For the three-month period ended 31 March</i>				
Short-term employee benefits	382	303	52	46
Post-employment under defined benefit plans	6	6	1	1
Total	388	309	53	47
<i>At 31 March</i>				
Provisions for employee benefits	598	537	95	94
Total	598	537	95	94

4.4 Commitments

As at 31 March 2021 and 31 December 2020, the Group had commitments with related parties as follows:

Capital commitments

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<i>Contracted but not provided for</i> Mainly represents contracts for construction of buildings and structures, and purchase of machinery and others	235	318	2	2

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5 Investments in subsidiaries

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

	Consolidated		<i>(Unit: Million Baht)</i> Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
At 1 January	-	-	227,368	191,466
Acquisitions/additional investments	-	-	209	29
At 31 March	<u>-</u>	<u>-</u>	<u>227,577</u>	<u>191,495</u>
At 31 December		<u>-</u>		<u>227,368</u>

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Details of investments in subsidiaries and dividend income

Investments in subsidiaries as at 31 March 2021 and 31 December 2020 and dividend income for the three-month period ended 31 March were as follows:

(Unit: Million Baht)

	(Unit: Million Baht)											
	Separate financial statements											
	Ownership interest (%)		Paid-up share capital		Cost method		Accumulated impairment		At cost - net		Dividend income for three months ended	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 March 2020
Marketable securities												
C.P. Pokphand Co., Ltd.	4.98	4.98	7,973	7,973	4,691	4,691	-	-	4,691	4,691	-	-
Chia Tai Enterprises International Limited	4.98	4.98	840	840	500	500	-	-	500	500	-	-
Total					5,191	5,191	-	-	5,191	5,191	-	-
Non-marketable securities												
Bangkok Produce Merchandising Public Company Limited	99.44	99.44	600	600	1,230	1,230	-	-	1,230	1,230	-	-
CPF (Thailand) Public Company Limited	99.99	99.99	15,289	15,289	48,510	48,510	-	-	48,510	48,510	-	-
CPF Training Center Co., Ltd.	99.99	99.99	20	20	20	20	-	-	20	20	-	-
CPF IT Center Co., Ltd.	99.99	99.99	250	250	250	250	-	-	250	250	-	-
C.P. Merchandising Co., Ltd.	87.54	87.54	44,500	44,500	38,999	38,999	-	-	38,999	38,999	-	-
CPF Food Research & Development Center Co., Ltd.	99.99	99.99	500	500	500	500	-	-	500	500	-	-
Bellisio Investment, LLC	100.00	100.00	37,072	37,072	37,072	37,072	-	-	37,072	37,072	-	-

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Details of investments in subsidiaries and dividend income (continued)

(Unit: Million Baht)

	Separate financial statements											
	Ownership interest		Paid-up		Cost method		Accumulated		At cost - net		Dividend income	
	(%)		share capital				impairment				for three months ended	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 March 2020
C.P. Aquaculture (Hainan) Co., Ltd.	100.00	100.00	126	126	126	126	-	-	126	126	-	-
C.P. Foods Holdings Limited	100.00	100.00	1	1	1	1	-	-	1	1	-	-
C.P. Foods International Limited	100.00	100.00	1	1	1	1	-	-	1	1	-	-
CP Foods Capital Limited	100.00	100.00	1	1	1	1	-	-	1	1	-	-
CP Foods Singapore Pte Ltd.	100.00	100.00	34	34	34	34	-	-	34	34	-	-
Charoen Pokphand Foods Kenya Co., Ltd.	99.99	99.99	8	8	8	8	(8)	(8)	-	-	-	-
Charoen Pokphand Foods (Overseas) LLC	8.15	8.15	3,420	3,420	1,394	1,394	(1,141)	(1,141)	253	253	-	-
Charoen Pokphand Foods Philippines Corporation	23.81	23.81	4,487	4,487	1,055	1,055	-	-	1,055	1,055	-	-
CPF Investment Limited	100.00	100.00	55,662	55,662	55,644	55,644	-	-	55,644	55,644	-	-
CPF Tanzania Limited	58.26	58.26	224	224	129	129	(129)	(129)	-	-	-	-
CPF Netherlands B.V.	99.99	99.99	37,663	37,663	38,148	38,148	-	-	38,148	38,148	-	-
CPF Poland S.A.	66.67	66.67	185	185	124	124	-	-	124	124	-	-
Homegrown Shrimp (USA) LLC	100.00	100.00	418	209	418	209	-	-	418	209	-	-
Total					223,664	223,455	(1,278)	(1,278)	222,386	222,177	-	-
Grand Total					228,855	228,646	(1,278)	(1,278)	227,577	227,368	-	-

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6 Investments in associates

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

	Consolidated financial statements		<i>(Unit: Million Baht)</i> Separate financial statements	
	2021	2020	2021	2020
At 1 January	217,839	105,893	5,534	335
Impact from change in accounting policy	-	(509)	-	-
Acquisitions/additional investments	74	2,629	-	5,377
Disposal	-	(910)	-	-
Share of profit	1,637	2,085	-	-
Dividend income	(5)	-	-	-
Currency translation differences	1,529	495	-	-
Others	(114)	1	-	-
At 31 March	220,960	109,684	5,534	5,712
At 31 December		217,839		5,534

The Group accounts for the investment in ordinary shares of an associate, CP ALL Public Company Limited, which is a listed company in the Stock Exchange of Thailand, in the consolidated interim financial statements by the equity method. As at 31 March 2021, the fair value of this investment was Baht 211,502 million (*31 December 2020: Baht 178,476 million*).

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Details of investments in associates and dividend income

Investments in associates as at 31 March 2021 and 31 December 2020 and dividend income for the three-month period ended 31 March were as follows:

(Unit: Million Baht)

		Consolidated financial statements													
	Country of operation	Ownership interest (both direct and indirect) (%)		Paid-up share capital		Cost method		Equity method		Accumulated impairment		At equity - net		Dividend income for three months ended	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 March 2020
Marketable security															
CP ALL Public Company Limited	Thailand	34.11	34.10	8,983	8,983	85,237	85,163	104,320	103,208	-	-	104,320	103,208	-	-
Total						85,237	85,163	104,320	103,208	-	-	104,320	103,208	-	-
Non-marketable securities															
C.P. Retail Holding Co., Ltd	Thailand	20.00	20.00	199,480	199,480	40,973	40,973	40,935	40,931	-	-	40,935	40,931	-	-
Nava 84 Co., Ltd.	Thailand	25.00	25.00	1,206	1,206	160	160	163	163	-	-	163	163	-	-
Ross Breeders Siam Co., Ltd.	Thailand	49.99	49.99	70	70	35	35	166	151	-	-	166	151	-	-
Siam Rivea Co., Ltd.	Thailand	29.99	29.99	60	60	23	23	15	15	-	-	15	15	-	-
Arbor Acres Thailand Co., Ltd.	Thailand	49.98	49.98	4	4	2	2	237	206	-	-	237	206	-	-
A.P.P Enterprise Inc.	Philippines	39.60	39.60	-	-	-	-	3	117	-	-	3	117	-	-
BHJ Kalino Food AB	Sweden	15.08	15.08	5	5	24	24	25	26	-	-	25	26	2	-
C.P. Aquaculture (India) Private Limited	India	31.70	31.70	192	192	176	176	589	595	-	-	589	595	-	-

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(Unit: Million Baht)

Consolidated financial statements															
	Country of operation	Ownership interest (both direct and indirect)		Paid-up share capital		Cost method		Equity method		Accumulated impairment		At equity - net		Dividend income for three months ended	
		(<i>%)</i>													
		31	31	31	31	31	31	31	31	31	31	31	31	31	31
		March	December	March	December	March	December	March	December	March	December	March	December	March	December
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Chia Tai Conti (Cixi) Investment Management Co., Ltd.															
	China	26.12	26.12	15	15	8	8	4	4	-	-	4	4	-	-
Chia Tai Investment Co., Ltd.															
	China	18.28	18.28	19,215	19,215	71,045	71,045	72,522	70,484	-	-	72,522	70,484	3	-
Cixi Zhuda Investment Centre Limited Partnership															
	China	0.52	0.52	7	7	-	-	-	-	-	-	-	-	-	-
Conti Chia Tai International Limited															
	China	26.12	26.12	767	767	1,052	1,052	1,434	1,409	-	-	1,434	1,409	-	-
Zhan Jiang Deni Carburetor Co., Ltd.															
	China	14.12	14.12	669	669	424	424	547	530	-	-	547	530	-	-
Total						113,922	113,922	116,640	114,631	-	-	116,640	114,631	5	-
Grand total						199,159	199,085	220,960	217,839	-	-	220,960	217,839	5	-

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(Unit: Million Baht)

		Separate financial statements											
	Country of operation	Ownership interest		Paid-up share capital		Cost method		Accumulated impairment		At cost - net		Dividend income for three months ended	
		(%)											
		31	31	31	31	31	31	31	31	31	31	31	31
		March	December	March	December	March	December	March	December	March	December	March	March
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Marketable security													
CP ALL Public Company Limited	Thailand	0.97	0.97	8,983	8,983	5,198	5,198	-	-	5,198	5,198	-	-
Total						5,198	5,198	-	-	5,198	5,198	-	-
Non-marketable securities													
Nava 84 Co., Ltd.	Thailand	25.00	25.00	1,206	1,206	160	160	-	-	160	160	-	-
C.P. Aquaculture (India) Private Limited	India	31.70	31.70	192	192	176	176	-	-	176	176	-	-
Lotus Distribution International Co., Ltd.	British Virgin Islands	20.50	20.50	50	50	1	1	(1)	(1)	-	-	-	-
Total						337	337	(1)	(1)	336	336	-	-
Grand Total						5,535	5,535	(1)	(1)	5,534	5,534	-	-

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7 Investments in joint ventures

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

	Consolidated		<i>(Unit: Million Baht)</i> Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
At 1 January	21,014	19,434	4,360	4,360
Acquisitions/additional investments	-	1	-	-
Share of profit	406	595	-	-
Dividend income	(4)	-	-	-
Currency translation differences	442	151	-	-
Others	-	(2)	-	-
At 31 March	<u>21,858</u>	<u>20,179</u>	<u>4,360</u>	<u>4,360</u>
At 31 December		<u>21,014</u>		<u>4,360</u>

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Details of investments in joint ventures and dividend income

Investments in joint ventures as at 31 March 2021 and 31 December 2020 and dividend income for the three-month period ended 31 March were as follows:

(Unit: Million Baht)

	Consolidated financial statements														
	Country of operation	Ownership interest (both direct and indirect)		Paid-up share capital		Cost method		Equity method		Accumulated impairment		At equity - net		Dividend income for three months ended	
		(%)													
		31	31	31	31	31	31	31	31	31	31	31	31	31	31
		March 2021	December 2020	March 2021	December 2020	March 2021	December 2020	March 2021	December 2020	March 2021	December 2020	March 2021	December 2020	March 2021	March 2020
Non-marketable securities															
CP-Meiji Co., Ltd. Andhra Pradesh Broodstock Multiplicationcentre Private Limited	Thailand	59.99	59.99	500	500	1,200	1,200	2,776	2,664	-	-	2,776	2,664	-	-
Camamor Produtos Marinhos S.A.	India	74.99	74.99	132	132	98	98	92	91	-	-	92	91	-	-
CP-MP Logistics Joint Stock Company	Brazil	40.00	40.00	103	103	566	566	381	409	-	-	381	409	-	-
ECI Metro Enterprises (Hong Kong) Co., Ltd.	Vietnam	32.43	32.43	9	9	4	4	2	2	-	-	2	2	-	-
ECI Metro Investment Co., Ltd.	Hong Kong	25.21	25.21	-	-	-	-	-	-	-	-	-	-	-	-
Feng Sheng Livestock Co., Ltd.	China	25.21	25.21	378	378	1,296	1,296	3,121	2,986	-	-	3,121	2,986	-	-
	Taiwan	19.51	19.51	214	214	107	107	108	107	-	-	108	107	-	-

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Details of investments in joint ventures and dividend income (continued)

(Unit: Million Baht)

Consolidated financial statements															
	Country of operation	Ownership interest (both direct and indirect)		Paid-up share capital		Cost method		Equity method		Accumulated impairment		At equity - net		Dividend income for three months ended	
		(<i>%</i>)													
		31	31	31	31	31	31	31	31	31	31	31	31	31	31
		March	December	March	December	March	December	March	December	March	December	March	December	March	March
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
HyLife Group															
Holdings Ltd.	Canada	50.10	50.10	1,555	1,555	9,988	9,988	11,938	11,272	-	-	11,938	11,272	-	-
SuperDrob S.A.	Poland	49.45	49.45	4,708	4,708	3,794	3,794	3,437	3,476	-	-	3,437	3,476	-	-
Westbridge Foods															
Holding B.V.	Netherlands	50.00	50.00	1	1	6	6	3	7	-	-	3	7	4	-
Total						17,059	17,059	21,858	21,014	-	-	21,858	21,014	4	-

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Details of investments in joint ventures and dividend income (continued)

(Unit: Million Baht)

Separate financial statements													
Country of operation	Ownership interest		Paid-up share		Cost method		Accumulated		At cost - net		Dividend income		
	(%)		capital				impairment				for three months ended		
	31	31	31	31	31	31	31	31	31	31	31	31	
	March	December	March	December	March	December	March	December	March	December	March	March	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
<i>Non-marketable securities</i>													
Camamor Produtos													
Marinhos S.A.	Brazil	40.00	40.00	103	103	566	566	-	-	566	566	-	-
SuperDrob S.A.	Poland	49.45	49.45	4,708	4,708	3,794	3,794	-	-	3,794	3,794	-	-
Total						4,360	4,360	-	-	4,360	4,360	-	-

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8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month period ended 31 March were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	2021		2020	
	Acquisitions and transfers in - at cost/ net book value	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost/ net book value	Disposals and transfers out - net book value
Land	316	-	189	-
Buildings and building improvements and utility systems	2,082	17	1,461	1,529
Machinery and equipment	3,448	17	1,869	330
Others	446	6	236	72
Assets under construction and installation	4,093	5,646	5,775	4,420
Total	10,385	5,686	9,530	6,351

(Unit: Million Baht)

	Separate financial statements			
	2021		2020	
	Acquisitions and transfers in - at cost/ net book value	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost/ net book value	Disposals and transfers out - net book value
Buildings and building improvements and utility systems	13	-	56	-
Machinery and equipment	38	-	175	1
Others	7	-	5	-
Assets under construction and installation	23	43	79	213
Total	81	43	315	214

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9 Long-term borrowing

For the three-month period ended 31 March, the Company issued unsubordinated and unsecured debenture as follows:

Debenture	Interest rates (% per annum)	Term (Year)	Maturity Year	(Unit: Million Baht)			
				Consolidated		Separate	
				financial statements		financial statements	
				2021	2020	2021	2020
1/2021	1.75 - 3.80	2 - 12	2023 - 2033	30,000	-	30,000	-
Total				30,000	-	30,000	-

The debenture of Company was registered with the Thai Bond Market Association on 22 January 2021. The debenture of Company had a credit rating of “A+” rated by TRIS Rating Co., Ltd. on 31 March 2021.

In this regard, the Company must comply with the specific covenants of the above debenture such as to maintain debt to equity ratio throughout the terms of debentures, etc.

10 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

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

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	2021	2020
Segment revenue		
Livestock business	104,152	122,376
Aquaculture business	15,194	15,759
Total	119,346	138,135
Segment results		
Livestock business	12,831	9,890
Aquaculture business	506	1,098
Total allocated segment results	13,337	10,988
Unallocated segment results	(4,719)	(2,494)
Profit for the period	8,618	8,494

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Information about geographical areas

In presenting information on the basis of information about geographical areas, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

The Group presents the following main information about geographical areas:

Area 1 : Thailand
Area 2 : Asia
Area 3 : Europe
Area 4 : America
Area 5 : Others

Details of the geographic segment financial information of the geographical area of the Group as at 31 March 2021 and 31 December 2020 and for the three-month period ended 31 March were as follows:

	<i>(Unit: Million Baht)</i>	
	Consolidated	
	financial statements	
	2021	2020
<i>Revenue from external customers</i>		
Thailand	38,629	37,516
Asia	61,006	80,969
Europe	12,923	13,642
America	6,557	5,805
Others	231	203
Total	119,346	138,135

	<i>(Unit: Million Baht)</i>	
	Consolidated	
	financial statements	
	31 March 2021	31 December 2020
<i>Property, plant and equipment, right-of-use assets and intangible assets (exclude goodwill)</i>		
Thailand	100,218	101,156
Asia	114,655	109,758
Europe	17,828	16,892
America	18,322	17,848
Total	251,023	245,654

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Disaggregation of revenue

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

(Unit: Million Baht)

	Consolidated financial statements					
	Aquaculture business		Reportable segments Livestock business		Total	
	2021	2020	2021	2020	2021	2020
Categories of main products						
Animal feed	7,560	8,839	19,471	41,571	27,031	50,410
Animal farm products	5,912	5,340	62,320	59,401	68,232	64,741
Processed foods and ready meals	1,722	1,580	22,361	21,404	24,083	22,984
Total	15,194	15,759	104,152	122,376	119,346	138,135

(Unit: Million Baht)

	Separate financial statements	
	Reportable segment Aquaculture business	
	2021	2020
Categories of main products		
Animal feed	2,854	3,000
Animal farm products	2,236	2,230
Processed foods and ready meals	715	508
Total	5,805	5,738

Contract Balances

As at 31 March 2021, the Group and the Company had contract liabilities of Baht 868 million and Baht 79 million, respectively (31 December 2020: Baht 896 million and Baht 38 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 2021.

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11 Earnings (losses) per share

The calculations of basic 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 expense 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:

	<i>(Unit: Million Baht/Million shares)</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Profit (loss) for the period attributable to ordinary shareholders of the Company	6,945	6,111	(1,112)	(683)
<i>Less: cumulative interest expense for the period net of income tax on subordinated perpetual debentures</i>	<i>(148)</i>	<i>(150)</i>	<i>(148)</i>	<i>(150)</i>
Profit (loss) used in calculation of earnings per share (basic)	6,797	5,961	(1,260)	(833)
Interest expense on convertible bonds, net of tax	59	-	-	-
Profit (loss) used in calculation of earnings per share (diluted)	6,856	5,961	(1,260)	(833)
Weighted average number of ordinary shares held by third parties outstanding				
Number of ordinary shares outstanding at the beginning of period	8,611	8,611	8,611	8,611
Treasury shares held by subsidiaries	(426)	(426)	-	-
Effect of own shares held	(198)	-	(198)	-
Number of ordinary shares outstanding (basic) at the end of period	7,987	8,185	8,413	8,611
Effect of conversion of convertible bonds	234	-	234	-
Number of ordinary shares outstanding (diluted) at the end of period	8,221	8,185	8,647	8,611
Basic earnings (losses) per share (in Baht)	0.85	0.73	(0.15)	(0.10)
Diluted earnings (losses) per share (in Baht)	0.83	0.73	(0.15)	(0.10)

12 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.

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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
At 31 March 2021								
Financial assets								
Investment in equity securities								
- Marketable equity securities	-	2,516	-	2,516	2,516	-	-	2,516
- Non-marketable equity securities	-	9,153	-	9,153	-	-	9,153	9,153
Other current financial assets								
- Derivative assets	223	-	-	223	-	223	-	223
Total financial assets	223	11,669	-	11,892				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	199,790	199,790	-	206,908	-	206,908
- Exchangeable bonds	-	-	3,016	3,016	-	3,064	-	3,064
- Convertible bonds	-	-	8,607	8,607	-	9,112	-	9,112
Other financial liabilities								
- Derivative liabilities	1,677	-	-	1,677	-	1,677	-	1,677
Total financial liabilities	1,677	-	211,413	213,090				

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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
At 31 December 2020								
Financial assets								
Investment in equity securities								
- Marketable equity securities	-	2,552	-	2,552	2,552	-	-	2,552
- Non-marketable equity securities	-	8,869	-	8,869	-	-	8,869	8,869
Other current financial assets								
- Derivative assets	155	-	-	155	-	155	-	155
Total financial assets	155	11,421	-	11,576				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	177,240	177,240	-	185,646	-	185,646
- Exchangeable bonds	-	-	2,885	2,885	-	2,827	-	2,827
- Convertible bonds	-	-	8,228	8,228	-	8,252	-	8,252
Other financial liabilities								
- Derivative liabilities	2,190	-	-	2,190	-	2,190	-	2,190
Total financial liabilities	2,190	-	188,353	190,543				

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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
At 31 March 2021								
Financial assets								
Investment in equity securities								
- Non-marketable equity securities	-	663	-	663	-	-	663	663
Total financial assets	-	663	-	663				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	131,240	131,240	-	136,188	-	136,188
Other financial liabilities								
- Derivative liabilities	152	-	-	152	-	152	-	152
Total financial liabilities	152	-	131,240	131,392				

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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
At 31 December 2020								
Financial assets								
Investment in equity securities								
- Non-marketable equity securities	-	663	-	663	-	-	663	663
Other current financial assets								
- Derivative assets	11	-	-	11	-	11	-	11
Total financial assets	11	663	-	674				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	101,240	101,240	-	107,305	-	107,305
Other financial liabilities								
- Derivative liabilities	309	-	-	309	-	309	-	309
Total financial liabilities	309	-	101,240	101,549				

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Financial instruments measured at Level 2 fair values

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Derivatives	Derived by a model using a valuation technique that incorporating observable market data which is adjusted with counterparty credit risk excluding own credit risk and other risks to reflect true economic value.
Debentures	Determined based on quoted prices in the debenture markets traded in Thai and overseas markets by using the closing price at the end of the reporting period.
Exchangeable bonds ("EBs")/ Convertible bonds ("CBs")	Determined based on quoted prices in the EBs/CBs market traded in overseas by using the closing price at the end of the reporting period.

Financial instruments measured at Level 3 fair values

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non-marketable equity securities	<i>Market comparison technique:</i> The valuation model is based on multiples derived from market information comparable to the investee. The estimate is adjusted for the effect of the non-marketability of the equity securities.	Adjusted multiple (0.8 - 1.6 for 31 March 2021 and 1.0 - 1.6 for 31 December 2020).	The estimated fair value would increase (decrease) if the adjusted multiple were higher (lower).

Impairment loss

Impairment on cash and cash equivalents was measured on a 12-month expected credit losses ("ECLs"). The Group considers that cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Allowance for expected credit losses for trade and other accounts receivable are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.

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(Unit: Million Baht)

Consolidated financial statements				
	Accounts receivable - trade and others		Allowance for expected credit losses	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Within credit terms	24,228	24,172	422	318
Overdue 1 - 60 days	4,901	4,282	17	12
Overdue 60 - 120 days	1,045	666	17	17
More than 120 days	1,937	1,842	636	663
Total	32,111	30,962	1,092	1,010
Less allowance for expected credit losses	(1,092)	(1,010)		
Net	31,019	29,952		

(Unit: Million Baht)

Separate financial statements				
	Accounts receivable - trade and others		Allowance for expected credit losses	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Within credit terms	1,523	1,553	-	-
Overdue 1 - 60 days	299	386	1	-
Overdue 60 - 120 days	397	124	-	-
More than 120 days	797	598	80	77
Total	3,016	2,661	81	77
Less allowance for expected credit losses	(81)	(77)		
Net	2,935	2,584		

13 Commitments with non-related parties

The Group had commitments with non-related parties as at 31 March 2021 and 31 December 2020 as follows:

13.1 Capital commitments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<i>Contracted but not provided for</i>				
Land, buildings and constructions	2,988	3,112	3	-
Machinery, equipment and others	4,452	2,485	275	275
Total	7,440	5,597	278	275

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13.2 Other commitments

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 as at 31 December 2022. 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 2021 totalling Baht 17 million (*31 December 2020: Baht 18 million*).

13.3 Letters of credit

The Company and certain subsidiaries had commitments under the issued letters of credit totalling Baht 1 million and Baht 1,594 million, respectively (*31 December 2020: certain subsidiaries had commitments totalling Baht 2,051 million*).

13.4 Letters of guarantee

- (a) 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 17 million and Baht 1,739 million, respectively (*31 December 2020: Baht 16 million and Baht 2,490 million, respectively*). The letters of guarantee are principally covering the guarantee of taxes, duties and sale of goods.
- (b) 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 403 million (*31 December 2020: Baht 305 million*).

13.5 Sponsor Undertaking

The Company has provided sponsor undertaking for the Exchangeable bond which was issued by a subsidiary, as disclosed in the annual financial statement.

14 Guarantees

As at 31 March 2021, 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 11,515 million (*31 December 2020: Baht 11,156 million*), current and non-current assets mainly comprising of leasehold rights, inventories and net accounts receivable and payable, with carrying amount of Baht 6,502 million (*31 December 2020: Baht 6,339 million*), ordinary shares of a foreign subsidiary of Baht 5,986 million (*31 December 2020: Baht 4,548 million*).

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15 Others

During the fourth quarter of 2020, Chia Tai Investment Co., Ltd. (“CTI”) changed its status from a subsidiary of the Group to an associate, as disclosed in the annual financial statement.

In this regard, the transaction has significant impact to the changes of the consolidated statements of income. Additional disclosure of the comparative financial information, excluding CTI, for the three-month period ended 31 March was as follows:

	<i>(Unit: Million Baht)</i>	
	Consolidated financial statements	
	For the three-month period ended 31 March	
	2021	2020
Revenue from sales of goods	119,346	108,999
Other income	747	1,849
Total income	120,093	110,848
Cost of sale of goods	95,555	87,965
Distribution and administration expenses	11,684	10,902
Finance cost	4,098	3,467
Other expense	63	1,969
Total expense	111,400	104,303
Profit before share of profit of associates and joint ventures and income tax expense	8,693	6,545

16 Event after the reporting period

- 16.1 At the Board of Directors’ meeting of the Company held on 12 March 2021, the Board of Directors’ of the Company approved the Company and/or a subsidiary to acquire the ordinary shares of C.P. Aquaculture (India) Private Limited (“CPA”), from Charoen Pokphand Group Co., Ltd. (“CPG”), a significant influence entity of the Company, and C.T. Progressive (Investment) Ltd. which its ultimate shareholders is Chearavanont family, in aggregate of 43.30% of total issued and paid-up shares of CPA for a total consideration of INR 3,483 million or approximately Baht 1,445 million. The Group’s shareholding in CPA will increase from 31.70% to 75.00% of the issue and paid-up shares of CPA.

CPA is incorporated in India and principally engages in production and sale of shrimp feed, shrimp hatchery and sale of shrimp processing.

On 2 April 2021, the Company paid the full amount of INR 2,478 million or approximately Baht 1,041 million for the shares to CPG. As a result, CPA will change its status from an associate to a subsidiary of the Company.

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- 16.2 At the Annual General Shareholders' meeting of the Company held on 30 April 2021, the shareholders of the Company approved a dividend payment from the Company's operating results of the year 2020 at Baht 1.00 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 11 September 2020. Therefore, the remaining second dividend payment to the ordinary shareholders who have the rights to receive the dividend of 8,413,568,585 ordinary shares shall be at Baht 0.60 per share, totalling Baht 5,048 million which are scheduled to be paid on 28 May 2021.