

**Charoen Pokphand Foods Public Company Limited
and its Subsidiaries**
Notes to the interim financial statements
For the three-month period ended 31 March 2017 (Unaudited)

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These notes form an integral part of the 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 financial statements, and were approved and authorised for issue by the executive directors on 11 May 2017.

1 General information

Charoen Pokphand Foods Public Company Limited, the “Company”, is incorporated in Thailand on 17 January 1978 and has its registered head office at 313 C.P. Tower, Silom Road, Silom, Bangkok, Bangkok 10500, Thailand.

The Company was listed on the Stock Exchange of Thailand on 21 December 1987.

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 pigs
- 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 subsidiaries as at 31 March 2017 and 31 December 2016 only those with changes during the three-month period ended 31 March 2017 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2017	31 December 2016
<i>Newly incorporated indirect subsidiaries</i>				
1) C.P. Food (Kaifeng) Co., Ltd. ⁽¹⁾	Production and sale of processed food	The People’s Republic of China	50.43	-
2) Nantong Chia Tai Feed Co., Ltd. ⁽¹⁾	Production and sale of animal feed	The People’s Republic of China	30.26	-

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2017	31 December 2016
<i>Indirect subsidiary from business acquisition</i>				
1) Chia Tai Food (Suqian) Co., Ltd. ⁽¹⁾ (Formerly known as COFCO (Suqian) Co., Ltd.)	Poultry farming, production and sale of chicken meat products	The People's Republic of China	50.43	-
<i>Indirect subsidiary that change name</i>				
1) C.P. Premix (Hangzhou) Co., Ltd. ⁽¹⁾ (Formerly known as Hangzhou Advance Feed Tech Co., Ltd.)	Production and sale of animal feed	The People's Republic of China	50.43	50.43

⁽¹⁾ A subsidiary of C.P. Pokphand Co., Ltd.

During the three-month period ended 31 March 2017, the Group did not dispose any investment in subsidiaries.

2 Basis of preparation of the interim financial statements

2.1 Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 34 (revised 2016) *Interim Financial Reporting*; including related guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2016. They 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 for the year ended 31 December 2016.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2016 except for the adoption of all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2017 and are relevant to the Group's operations. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

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2.2 Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the interim financial statements to the nearest million Baht unless otherwise stated.

2.3 Use of judgments and estimates

The preparation of financial interim statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

In preparing these interim financial statements, the judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2016.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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Further information about the assumptions made in measuring fair values of investments held as available for sale, which is financial instrument carried at fair value, is included in note 6 to the interim financial statements.

3 Business combination by acquisition of shares

Share acquisition of Chia Tai Food (Suqian) Co., Ltd.

On 2 December 2016 Chia Tai (China) Investment Co., Ltd. (“CTI”), a 50.43% indirectly owned subsidiary, agreed to acquire investments from COFCO Poultry Industry Co., Ltd. (“the Seller”) for the following transactions:

- 1) Acquire the entire interest in Chia Tai Food Suqian Co., Ltd. (“Suqian Chia Tai”) at a consideration of Renminbi 187 million or equivalent to approximately Baht 953 million; and
- 2) Settle loan of Suqian Chia Tai at the amount of Renminbi 384 million or equivalent to approximately Baht 1,957 million to the Seller.

Suqian Chia Tai is incorporated in China and principally engaged in poultry farming, production and sale of chicken meat products primarily in China.

CTI obtained control of Suqian Chia Tai on 20 January 2017 (“Acquisition date”) through the acquisition of 100.00% of Suqian Chia Tai’s total issued and paid-up share capital which equaled to 50.43% interests of the Group.

The Group has applied Thai Financial Reporting Standards No. 3 (revised 2016) *Business Combinations* to recognise the business combination transactions. The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

Consideration transferred

	<i>(Unit: Million Baht)</i>
	Fair value
Cash	2,910

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Identifiable assets acquired and liabilities assumed

	<i>(Unit: Million Baht)</i>
	Fair value
Cash and cash equivalents	62
Accounts receivable - trade and others	75
Inventories	157
Current biological assets	46
Other current assets	1,231
Plant and equipment	2,836
Leasehold rights	196
Short-term borrowings from financial institutions	(331)
Accounts payable - trade and others	(244)
Other current liabilities	(1,128)
Deferred tax liabilities	(91)
Net assets	2,809
Goodwill	101
Consideration transferred	2,910
Cash received from acquisition of subsidiary	(62)
Net consideration paid for acquisition of subsidiary	2,848

As at 31 March 2017 the Group was still assessing the fair value of the net assets acquired with an independent appraiser. In this regard, the group has provisionally estimated the fair value of the identifiable assets acquired and liabilities assumed from the business combination for accounting record, if the Group obtains any new information within one year from the acquisition date about facts and circumstances that existed at the acquisition date, the Group will adjust the above provisional fair values, or recognise any additional assets or liabilities existed at the acquisition date, then the acquisition accounting will be revised.

The factors contributing to the goodwill are the growth potential in agri-food business in China which will further reinforce the leading position in the agri-food industry in China. Goodwill arising from the business combination is recognised in the consolidated statement of financial position and is not amortised as expenses.

The consolidated statement of income for the three-month period ended 31 March 2017 includes operating results of Suqian Chia Tai for the period from 20 January 2017 to 31 March 2017. Significant details are as follows:

	<i>(Unit: Million Baht)</i>
	For the three-month period ended 31 March 2017
Revenue from sale of goods	386
Loss for the period attributable to owners of the parent company	(10)

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If the acquisition of Suqian Chia Tai had occurred on 1 January 2017, management estimates that revenue from sale of goods and profit of the Group in the consolidated interim financial statements for the three-month period ended 31 March 2017 would have been as follows:

	<i>(Unit: Million Baht)</i>
	For the three-month period ended 31 March 2017
Revenue from sale of goods	119,713
Profit for the period attributable to owners of the parent company	3,943

4 Related party transactions

Related parties are those parties considered to be related to the Group. Related parties have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions or where the Group and parties are subject to common control or common significant influence.

The significant influence entity of the Company is Charoen Pokphand Group Company Limited which directly and indirectly owned 44.56% of the Company's voting rights as of the latest closing date of shareholder register book on 15 March 2017.

The pricing policies for particular types of transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods	The price list of the Group
Purchase of raw material and goods	The price list of the suppliers
Purchase and sale of property, plant and equipment	Fair value
Purchase and sale of investments	Fair value
Interest income/interest expense	Source of fund cost plus fund management expenses
Dividend income	Upon declaration
Rental and service fees	Standard rates as specified by the lessors or service providers
Technical service fees	Rate per quantity of feed production/rate per sale value of animal feed/rate per total revenue
Insurance premium	Standard rates as specified by the insurers
Trademark license fee	Rate per sales value under trademark
Other income/other expenses	Standard service rates as specified by the service providers

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

		Consolidated		<i>(Unit: Million Baht)</i> Separate	
		financial statements		financial statements	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
(a)	Revenues				
	Subsidiaries				
	Dividend income	-	-	3,150	2,025
	Interest income	-	-	756	995
	Sale of goods	-	-	726	512
	Rental, service and other income	-	-	3	3
	Gain on sale of fixed assets	-	-	-	1
	Associates, joint ventures and related companies				
	Sale of goods	12,690	9,000	184	156
	Rental, service and other income	39	55	1	1
	Software application income	7	6	-	-
	Training and seminar income	2	3	-	-
	Interest income	-	2	-	-
(b)	Expenses and others				
	Significant influence entity				
	Purchase of raw materials and goods	2,338	2,249	498	533
	Trademark license fees	284	21	2	1
	Technical service fees	177	425	9	10
	Subsidiaries				
	Purchase of raw materials and goods	-	-	1,000	1,340
	Software application fees	-	-	43	45
	Rental and service fees	-	-	16	16
	Training and seminar fees	-	-	8	4
	Other expenses	-	-	7	11
	Loss on sale of fixed assets	-	-	4	-
	Associates, joint ventures and related companies				
	Purchase of raw materials and goods	13,511	11,788	152	140
	Construction costs of buildings, structures and others	516	296	18	29
	Rental and service fees	387	409	81	93
	Purchase of equipment and others	40	28	22	4
	Trademark license fees	10	8	-	-
	Software application fees	7	7	-	-
	Interest expense	2	2	-	-
	Technical service fees	2	-	-	-
	Insurance premium	-	56	-	20
	Other expenses	340	219	32	12

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4.2 Balances with related parties as at 31 March 2017 and 31 December 2016 were as follows:

4.2.1 Accounts receivable - trade and others

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Significant influence entity	1	1	-	-
Subsidiaries	-	-	1,180	1,354
Associates and joint ventures	3,153	3,271	25	38
Related companies	5,898	6,048	118	133
Total	9,052	9,320	1,323	1,525

4.2.2 Short-term loans

(Unit: Million Baht)

	Consolidated financial statements		
	Outstanding balance		
	31 March 2017	31 December 2016	Average balance
Associate	2	-	1
Total	2	-	1

(Unit: Million Baht)

	Separate financial statements		
	Outstanding balance		
	31 March 2017	31 December 2016	Average balance
Subsidiaries	27,781	34,583	27,163
Total	27,781	34,583	27,163

The Group and the Company computes the average balance from the outstanding balances of short-term loans at the end of each month excluding accrued interest income.

4.2.3 Accrued dividend income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Subsidiaries	-	-	3,150	-
Associates	256	177	-	-
Total	256	177	3,150	-

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4.2.4 Accrued interest income

	Consolidated		<i>(Unit: Million Baht)</i> Separate	
	financial statements		financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Subsidiaries	-	-	182	97
Total	-	-	182	97

4.2.5 Long-term loans

	<i>(Unit: Million Baht)</i> Separate financial statements		
	Outstanding balance		
	31 March 2017	31 December 2016	Average Balance
Subsidiaries	18,083	6,880	17,385
<i>Less current portion</i>	<i>(880)</i>	<i>(867)</i>	
Net	17,203	6,013	

The Company computes the average balance from the outstanding balances of long-term loans at the end of each month excluding accrued interest income.

4.2.6 Accounts payable - trade and others

	Consolidated		<i>(Unit: Million Baht)</i> Separate	
	financial statements		financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Significant influence entity	427	366	94	54
Subsidiaries	-	-	71	136
Associates and joint ventures	271	282	5	5
Related companies	2,166	4,033	93	70
Total	2,864	4,681	263	265

4.2.7 Short-term borrowings

	<i>(Unit: Million Baht)</i> Consolidated financial statements		
	Outstanding balance		
	31 March 2017	31 December 2016	Average Balance
Joint ventures	510	291	437
Related company	-	-	17
Total	510	291	454

The Company computes the average balance from the outstanding balances of short-term borrowings at the end of each month excluding accrued interest expense.

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4.3 Balances of loans/borrowings and interest rates

Balances of loans/borrowings and interest rates as at 31 March 2017 and 31 December 2016 are summarised as follows:

	Consolidated financial statements					
	<i>(Unit: Million Baht)</i>					
	Balance with fixed interest rate		Balance with floating interest rate		Average interest rate (%)	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Short-term loan to associate	2	-	-	-	6.26	-
Short-term borrowings from joint ventures	510	291	-	-	2.00	2.00

	Separate financial statements					
	<i>(Unit: Million Baht)</i>					
	Balance with fixed interest rate		Balance with floating interest rate		Average interest rate (%)	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Short-term loans to subsidiaries	-	9,254	27,781	25,329	7.38	7.38
Long-term loans to subsidiaries	17,789	6,880	294	-	6.58	5.26

4.4 Key management personnel compensations

Key management personnel compensations consist of:

	<i>(Unit: Million Baht)</i>			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<i>For the three-month period ended 31 March</i>				
Short-term employee benefits	138	111	73	50
Post-employment under defined benefit plans	3	3	1	1
Total	141	114	74	51
<i>As at 31 March</i>				
Provisions for employee benefit	296	240	118	79
Total	296	240	118	79

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4.5 Commitments

As at 31 March 2017 and 31 December 2016 the Group had commitments with related parties as follows:

4.5.1 Capital commitments

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
<i>Contracted but not provided for</i> Mainly represents contracts for construction of buildings and structures, and purchase of machinery and others	520	389	81	80

(Unit: Million Baht)

4.5.2 Commitments under operating lease agreements

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Within one year	923	940	287	291
Over one year but within five years	1,712	1,790	340	379
Over five years	330	373	-	-
Total	2,965	3,103	627	670

(Unit: Million Baht)

The Company and certain subsidiaries had lease agreements with related parties covering office premises (including related facilities service agreements), land, farms and vehicles for periods of 1 to 9 years, expiring during 2017 to 2025.

4.6 Significant agreements

As at 31 March 2017 the Group had the following significant agreements with related parties:

4.6.1 Technical service agreements

The Company and certain subsidiaries have technical service agreements with a significant influence entity, Charoen Pokphand Group Company Limited (“CPG”). Under the terms of the agreements, CPG agrees to research and develop the raw material ingredients for the production of animal feeds for the Company and subsidiaries. In this regard, the Company and subsidiaries are committed to pay the technical service fee, which is calculated from the feed production quantity dependent upon the types of feed as stipulated in the agreements, to CPG. The minimum service fee ranges from Baht 0.1 million to Baht 1.3 million per month. These agreements are in effect starting from 1 January 2017 to 31 December 2017.


In addition, certain foreign subsidiaries have agreements to obtain the technical service assistance from CPG. The foreign subsidiaries are committed to pay service fees to CPG in accordance with the terms and conditions stipulated in the agreements.


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4.6.2 Trademark agreements

A subsidiary (CPF Trading Company Limited) has trademark agreement with CPG for the right to use  trademark. In this regard, the subsidiary is committed to pay the trademark license fees to CPG at the rates of 0.2% and 0.4% of the sale value of each product as stipulated in the agreement. This agreement is effective starting from 1 July 2014 to 30 June 2017.

The Company and certain subsidiaries have trademark agreements with CPG, for the right to use  trademark. In this regard, the Company and subsidiaries are committed to pay the trademark license fees to CPG at the rates of 0.2% and 0.4% of the sale value of each product as stipulated in the agreements. These agreements are effective starting from 1 January 2017 to 31 December 2017.

A foreign subsidiary (C.P. Vietnam Corporation) entered into trademark agreement with CPG to use trademarks as stipulated in the agreements. In this regard, the subsidiary is committed to pay the trademark license fee to CPG at the rate as stipulated in the agreements. This agreement is effective starting from 1 January 2017 to 31 December 2019.

A subsidiary has a trademark agreement with a related company, Star Marketing Co., Ltd. (“STAR”), for the right to use STAR trademark. In this regard, the subsidiary is committed to pay the trademark license fee to STAR, which is calculated from the sale value under the trademark at the rates as stipulated in the agreement. This agreement is effective starting from 1 January 2014 to 31 December 2018.

4.6.3 Application system service agreement

A subsidiary had an application system service agreement with a related company, Freewill Solutions Co., Ltd. (“Freewill”). Under the terms of the agreement, Freewill agrees to provide the subsidiary the application system service. In this regard, the subsidiary is committed to pay the application system service fee to Freewill at the agreed rate stipulated in the agreement. This agreement is effective starting from 1 January 2015 to 31 December 2019.

4.6.4 Service agreements for import and export transactions

The Company and certain subsidiaries have service agreements with a related company, C.P. Intertrade Co., Ltd. (“CPI”). Under the terms of the agreements, CPI agrees to provide documentation services and others relating to import and export transactions of the Company and subsidiaries. In this regard, the Company and subsidiaries are committed to pay the service fees to CPI at the agreed rate stipulated in the agreements. These agreements are in effect since 1 July 2015 to 30 June 2017.

4.6.5 Software application agreements

A subsidiary (CPF IT Center Co., Ltd.) has information technology service and software application agreements with local and foreign related companies. The terms and the service fees are stipulated in the agreements. The agreements may be terminated upon either party agreeing to terminate the agreements or either party being in breach of the agreements.

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5 Accounts receivable - trade and others

(Unit: Million Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2017	31 December 2016	31 March 2017	31 December 2016
Related parties	4	9,052	9,320	1,323	1,525
Other parties		22,411	22,141	2,132	2,033
Total		31,463	31,461	3,455	3,558
Less allowance for doubtful accounts		(756)	(782)	(7)	(7)
Net		30,707	30,679	3,448	3,551

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Bad and doubtful debts expense (reversal of allowance for doubtful debts) for the three-month period ended 31 March	9	88	(1)	(1)

The outstanding balances of doubtful accounts receivable - trade and others that the Group and the Company have considered and already provided the allowance for doubtful accounts as at 31 March 2017 and 31 December 2016 classified by aging were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Periods over credit terms:				
Over 3 months to 6 months	132	130	-	1
Over 6 months to 12 months	83	103	1	-
Over 12 months	541	549	6	6
Total	756	782	7	7

6 Investments held as available for sale

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

(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
At 1 January	5,265	3,659
Changes in fair value	(131)	524
Currency translation differences	(140)	(65)
At 31 March	4,994	4,118
At 31 December		5,265

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Details of investments held as available for sale

Investments held as available for sale as at 31 March 2017 and 31 December 2016 were as follows:

(Unit: Million Baht)

Ownership interest (both direct and indirect) (%)		Consolidated financial statements		Separate financial statements	
31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016

**Marketable security
- at fair value**

True Corporation Public Company Limited - at cost	2.21	2.21	8,013	8,153	-	-
Changes in fair value			(3,019)	(2,888)	-	-
Total			4,994	5,265	-	-

Carrying amounts and fair values of financial instruments carried at fair value

The fair values of financial assets together with the carrying amounts in the consolidated statement of financial position are as follows:

(Unit: Million Baht)

Carrying amount	Consolidated financial statements			
	Fair value			
	Level 1	Level 2	Level 3	Total
31 March 2017				
Non-current				
Equity security held as available for sale	4,994	4,994	-	4,994

7 Investments in subsidiaries

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
At 1 January	-	-	120,795	86,938
Additional investments	-	-	7,007	2,553
At 31 March	-	-	127,802	89,491
At 31 December		-		120,795

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Details of investments in subsidiaries and dividend income

Investments in subsidiaries as at 31 March 2017 and 31 December 2016, and dividend income for the three-month periods ended 31 March 2017 and 2016 were as follows:

(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 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 March 2016	
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	99.98	99.98	10,512	9,110	29,400	22,393	-	-	29,400	22,393	-	-	
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.	99.99	99.99	9,000	9,000	9,000	9,000	-	-	9,000	9,000	3,150	2,025	
Chester Food Co., Ltd.	99.99	99.99	80	80	450	450	-	-	450	450	-	-	
CPF Food Research & Development Center Co., Ltd.	99.99	99.99	125	125	125	125	-	-	125	125	-	-	
Bellisio Investment, LLC	100.00	100.00	20,925	20,925	20,925	20,925	-	-	20,925	20,925	-	-	

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Details of investments in subsidiaries and dividend income (Continued)

(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	31	31	31	31	31	31	31	31	31	31	31
	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	March 2016
C.P. Aquaculture (Beihai) Co., Ltd.	100.00	100.00	602	602	602	602	-	-	602	602	-	-
C.P. Aquaculture (Dongfang) Co., Ltd.	100.00	100.00	755	755	755	755	-	-	755	755	-	-
C.P. Aquaculture (Hainan) Co., Ltd.	100.00	100.00	126	126	126	126	-	-	126	126	-	-
C.P. Standart Gida Sanayi ve Ticaret A.S.	5.63	5.63	3,409	3,409	618	618	-	-	618	618	-	-
Charoen Pokphand Foods Kenya Co., Ltd.	99.99	99.99	8	8	8	8	(4)	(4)	4	4	-	-
Charoen Pokphand Foods (Overseas) LLC.	10.21	10.21	2,819	2,819	1,394	1,394	(938)	(938)	456	456	-	-
Charoen Pokphand Foods Philippines Corporation	27.78	27.78	3,954	3,954	1,055	1,055	-	-	1,055	1,055	-	-
CPF Investment Limited	100.00	100.00	44,663	44,663	44,663	44,663	-	-	44,663	44,663	-	-
CPF Tanzania Limited	58.26	58.26	224	224	129	129	(125)	(125)	4	4	-	-
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	-	-
CPF Netherlands B.V.	99.99	99.99	12,541	12,541	12,926	12,926	-	-	12,926	12,926	-	-
Total					123,678	116,671	(1,067)	(1,067)	122,611	115,604	3,150	2,025
Grand Total					128,869	121,862	(1,067)	(1,067)	127,802	120,795	3,150	2,025

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8 Investments in associates

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

	Consolidated		<i>(Unit: Million Baht)</i>	
	financial statements		Separate	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
At 1 January	75,786	65,312	335	335
Share of profit	1,846	1,463	-	-
Dividend income	(51)	(2)	-	-
Acquisition/additional investments	5,204	2,788	-	-
Disposals	(1,614)	(797)	-	-
Currency translation differences	(166)	(1)	-	-
Other	6	-	-	-
At 31 March	<u>81,011</u>	<u>68,763</u>	<u>335</u>	<u>335</u>
At 31 December		<u>75,786</u>		<u>335</u>

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 2017, the fair value of this investment was Baht 187,487 million (*31 December 2016: Baht 197,935 million*).

During the three-month period ended 31 March 2017, a subsidiary sold a portion of the investment in an associate with the carrying amount of Baht 1,614 million (*2016: Baht 797 million*) with gain on sale of investment amounting to Baht 2,831 million (*2016: Baht 903 million*), which is presented in the consolidated statement of income.

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Details of investments in associates and dividend income

Investments in associates as at 31 March 2017 and 31 December 2016, and dividend income for the three-month periods ended 31 March 2017 and 2016 were as follows:

(Unit: Million Baht)

	Consolidated financial statements													
	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 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	March 2016
Marketable security														
CP ALL Public Company Limited	35.36	35.24	8,983	8,983	62,881	59,061	74,362	69,144	-	-	74,362	69,144	-	-
Total					62,881	59,061	74,362	69,144	-	-	74,362	69,144	-	-
Non-marketable securities														
Nava 84 Co., Ltd.	25.00	25.00	1,203	1,203	159	159	162	163	-	-	162	163	-	-
Ross Breeders Siam Co., Ltd.	49.99	49.99	70	70	35	35	114	102	-	-	114	102	-	-
Siam Rivea Co., Ltd.	29.99	29.99	5	5	2	2	2	2	-	-	2	2	-	-
Arbor Acres Thailand Co., Ltd.	49.98	49.98	4	4	2	2	174	134	-	-	174	134	-	-
BHJ Kalino Food AB ("BHJ")*	15.08	15.08	5	5	24	24	27	29	-	-	27	29	2	2
C.P. Aquaculture (India) Private Limited	31.70	31.70	192	192	176	176	734	712	-	-	734	712	-	-
Charoen Pokphand Holdings (Malaysia) Sdn. Bhd.	49.75	49.75	353	353	176	176	1,324	1,352	-	-	1,324	1,352	-	-

**Charoen Pokphand Foods Public Company Limited
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Notes to the interim financial statements

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Details of investments in associates and dividend income (Continued)

(Unit: Million Baht)

	Consolidated financial statements													
	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 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 March 2016
Chai Tai Conti (Cixi) Investment Management Co., Ltd.	25.21	25.21	15	5	8	3	7	2	-	-	7	2	-	-
Conti Chia Tai International Limited	25.21	25.21	767	767	1,052	1,052	1,474	1,481	-	-	1,474	1,481	-	-
Ningxia Xiao Ming Animal Husbandry Co., Ltd. **	8.34	8.34	293	293	749	749	743	748	-	-	743	748	-	-
Qingdao Yi Bang Bio Engineering Co., Ltd. **	6.05	6.05	147	147	1,358	1,358	1,392	1,378	-	-	1,392	1,378	-	-
Zhan Jiang Deni Carburetor Co., Ltd. ***	14.12	14.12	581	581	424	424	496	539	-	-	496	539	49	-
Total					4,165	4,160	6,649	6,642	-	-	6,649	6,642	51	2
Grand total					67,046	63,221	81,011	75,786	-	-	81,011	75,786	51	2

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* BHI is an associate in which 29.00% of the total issued and paid share capital were held by CPF Denmark A/S (“CPF DM”), a 52.00% indirectly owned subsidiary. In this regard, the Group accounted for its investment in BHI using the equity method based on 15.08% shareholding in the consolidated interim financial statements.

** Ningxia Xiao Ming Animal Husbandry Co., Ltd. (“Ningxia Xiao Ming”) and Qingdao Yi Bang Bio Engineering Co., Ltd. (“Qingdao Yi Bang”) are associates in which 16.54% and 12.00% respectively of the total issued and paid-up share capital were held by Chia Tai (China) Investment Co., Ltd. (“CTI”), a 50.43% indirectly owned subsidiary. Therefore, the Group accounted for its investments in Ningxia Xiao Ming and Qingdao Yi Bang using the equity method based on 8.34% and 6.05% shareholding in the consolidated interim financial statements respectively. In this regard, CTI exercises significant influence in Ningxia Xiao Ming and Qingdao Yi Bang by having representatives in the board of directors and involving in setting the policy and making the significant decisions, therefore, the Group classified the aforementioned investments as investments in associates.

*** Zhan Jiang Deni Carburetor Co., Ltd. (“Zhanjiang Deni”) is an associate in which 28.00% of the total issued and paid-up share capital were held by Chia Tai Enterprises International Limited (“CTEI”), a 50.43% directly and indirectly owned subsidiary. In this regard, the Group accounted for its investment in Zhanjiang Deni using the equity method based on 14.12% shareholding in the consolidated interim financial statements.

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Details of investments in associates and dividend income (Continued)

(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 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 March 2016
<i>Non-marketable securities</i>												
Nava 84 Co., Ltd.	25.00	25.00	1,203	1,203	159	159	-	-	159	159	-	-
C.P. Aquaculture (India) Private Limited	31.70	31.70	192	192	176	176	-	-	176	176	-	-
Total					335	335	-	-	335	335	-	-

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9 Investments in joint ventures

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

	Consolidated		<i>(Unit: Million Baht)</i>	
	financial statements		Separate	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
At 1 January	4,582	4,419	-	-
Share of profit	108	90	-	-
Dividend income	-	(16)	-	-
Currency translation differences	(49)	(47)	-	-
At 31 March	<u>4,641</u>	<u>4,446</u>	<u>-</u>	<u>-</u>
At 31 December		<u>4,582</u>		<u>-</u>

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Details of investments in joint ventures

Investments in joint ventures as at 31 March 2017 and 31 December 2016 and dividend income for the three-month periods ended 31 March 2017 and 2016 were as follows:

(Unit: Million Baht)

	Consolidated financial statements													
	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 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	December 2016	March 2017	March 2016
Non-marketable securities														
CP-Meiji Co., Ltd. ("CP-Meiji") *	59.99	59.99	500	500	1,200	1,200	1,717	1,656	-	-	1,717	1,656	-	-
Beijing Chia Tai Feedmill Co., Ltd.	25.21	25.21	157	157	128	128	191	192	-	-	191	192	-	-
Handan Chia Tai Feed Co., Ltd.	25.21	25.21	56	56	-	-	21	20	-	-	21	20	-	-
Jilin Chia Tai Enterprise Co., Ltd.	25.21	25.21	261	261	211	211	213	216	-	-	213	216	-	16
Henan East Chia Tai Co., Ltd.	25.21	25.21	170	170	225	225	264	262	-	-	264	262	-	-
ECI Metro Investment Co., Ltd.	25.21	25.21	378	378	<u>1,296</u>	<u>1,296</u>	<u>2,235</u>	<u>2,236</u>	<u>-</u>	<u>-</u>	<u>2,235</u>	<u>2,236</u>	<u>-</u>	<u>-</u>
Total					<u>3,060</u>	<u>3,060</u>	<u>4,641</u>	<u>4,582</u>	<u>-</u>	<u>-</u>	<u>4,641</u>	<u>4,582</u>	<u>-</u>	<u>16</u>

* CP-Meiji is a joint venture because the articles of association of the joint venture specifies that each investor has joint control over significant financial and operating decisions and has right to the net assets. The Group accounts for investments in joint ventures using the equity method in the consolidated interim financial statements.

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10 Investments in related companies

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

	Consolidated		<i>(Unit: Million Baht)</i> Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
At 1 January	1,605	1,608	678	678
Currency translation differences	(29)	(17)	-	-
At 31 March	<u>1,576</u>	<u>1,591</u>	<u>678</u>	<u>678</u>
At 31 December		<u>1,605</u>		<u>678</u>

Details of investments in related companies

Investments in related companies as at 31 March 2017 and 31 December 2016 were as follows:

	Ownership interest (both direct and indirect)		Consolidated		Separate	
	<i>(%)</i>		financial statements		financial statements	
	<u>31</u> March 2017	<u>31</u> December 2016	<u>31</u> March 2017	<u>31</u> December 2016	<u>31</u> March 2017	<u>31</u> December 2016
<i>Non-marketable securities</i>						
General investments in equity securities - at cost						
CPPC Public Company Limited	6.58	6.58	110	110	55	55
C.P. Land Public Company Limited	6.49	6.49	276	276	95	95
Chia Tai (Jilin) Co., Ltd.	10.00	10.00	5	5	-	-
Kinghill Limited	13.96	13.96	1,185	1,214	528	528
Total			<u>1,576</u>	<u>1,605</u>	<u>678</u>	<u>678</u>

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11 Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements			
	<u>2017</u>		<u>2016</u>	
	Acquisitions and transfers in - at cost/ carrying value	Disposals and transfers out - carrying value	Acquisitions and transfers in - at cost/ carrying value	Disposals and transfers out - carrying value
Buildings and building improvements and utilities system	4,471	39	2,486	45
Machinery and equipment	3,555	11	2,772	7
Other	316	27	210	11
Assets under construction and installation	4,854	4,067	3,924	4,823
Total	13,196	4,144	9,392	4,886

(Unit: Million Baht)

	Separate financial statements			
	<u>2017</u>		<u>2016</u>	
	Acquisitions and transfers in - at cost/ carrying value	Disposals and transfers out - carrying value	Acquisitions and transfers in - at cost/ carrying value	Disposals and transfers out - carrying value
Buildings and building improvements and utilities system	53	-	289	33
Machinery and equipment	108	1	96	5
Other	14	-	5	-
Assets under construction and installation	239	78	158	367
Total	414	79	548	405

12 Accounts payable - trade and others

(Unit: Million Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Related parties	4	2,864	4,681	263	265
Other parties		22,453	26,881	1,165	1,093
Total		25,317	31,562	1,428	1,358

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13 Subordinated perpetual debentures

On 2 March 2017 the Company issued subordinated perpetual debentures which is similar to equity with one-time payment upon dissolution of the Company or upon the exercise of the Company's early redemption right ("Debentures") of Baht 15,000 million. The debentures were in registered name form, unsecured and unconvertible with debenture holder representative and the Company had the early redemption right pursuant to the terms and conditions of the debentures. The Debentures' interest rates during the first year to the fifth year is 5%, and after the fifth year the interest rate is adjusted every 5 years based on: (1) 5-year government bond yield, (2) Initial Credit Spread, and (3) percentage as stipulated in the prospectus; and will be paid on a semi-annual basis. In this regard, the Company has the sole right to unconditionally defer interest and cumulative interest payments without limitation on deferral period and times at the sole discretion of the Company. If the Company defers interest and cumulative interest payment, the Company shall not perform as follows:

- (a) declare or pay any dividend,
- (b) pay any interest or distribute any assets to any holder of Parity Securities or Junior Securities; and
- (c) redeem, reduce, cancel, acquire, or buy-back any of any securities issued by the Company which rank pari passu or junior to these Debentures.

The issuance cost of Baht 75 million is deducted from unappropriated retained earnings in the statements of financial position as at 31 March 2017.

Interest expenses for the three-month periods ended 31 March 2017 which the debenture holders have the right to receive if the interest payment was announced amounting to Baht 62 million.

14 Segment information

Segment information is based on the Group's management and internal financial reporting structure which is regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to those segments.

Information about reportable segments

The Group comprises 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 periods ended 31 March were as follows:

	<i>(Unit: Million Baht)</i>	
	Consolidated financial statements	
	2017	2016
Segment revenue		
Livestock business	105,487	92,322
Aquaculture business	14,130	13,191
Total	119,617	105,513

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(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
<i>Segment results</i>		
Livestock business	2,859	7,360
Aquaculture business	833	54
Total allocated segment results	3,692	7,414
Unallocated segment results	1,012	(2,259)
Profit for the period	4,704	5,155

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 comprises the following main information about geographical areas:

- Area 1 : Thailand
- Area 2 : Asia
- Area 3 : Europe
- Area 4 : America
- Area 5 : Other

Details of the geographic segment financial information of the geographical area of the Group as at 31 March 2017 and 31 December 2016 and for the three-month periods ended 31 March 2017 and 2016 were as follows:

(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
<i>Revenue from external customers</i>		
Thailand	36,357	35,965
Asia	65,124	58,223
Europe	10,804	10,210
America	7,010	899
Others	322	216
Total	119,617	105,513

(Unit: Million Baht)

	Consolidated financial statements	
	31 March 2017	31 December 2016
<i>Property, plant and equipment and other intangible assets (excluded goodwill)</i>		
Thailand	69,655	68,941
Asia	89,886	88,181
Europe	18,507	18,309
America	18,021	19,410
Others	-	24
Total	196,069	194,865

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15 Basic earnings per share

The calculations of basic earnings per share for the three-month periods ended 31 March 2017 and 2016 were based on the profit 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 periods then ended as follows:

For the three-month periods ended 31 March

	<i>(Unit: Million Baht/Million shares)</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the period attributable to ordinary shareholders of the Company	3,955	3,764	2,263	1,971
<i>Less:</i> cumulative interest expense for the period net of income tax on subordinated perpetual debentures	<u>(50)</u>	<u>-</u>	<u>(50)</u>	<u>-</u>
Profit used in calculation of basic earnings per share	<u>3,905</u>	<u>3,764</u>	<u>2,213</u>	<u>1,971</u>
Weighted average number of ordinary shares held by third parties outstanding				
Number of ordinary shares outstanding at beginning of period	7,743	7,743	7,743	7,743
Treasury shares held by subsidiaries	<u>(355)</u>	<u>(355)</u>	<u>-</u>	<u>-</u>
Net	<u>7,388</u>	<u>7,388</u>	<u>7,743</u>	<u>7,743</u>
Basic earnings per share (in Baht)	<u>0.53</u>	<u>0.51</u>	<u>0.29</u>	<u>0.25</u>

16 Commitments with non-related parties

The Group had commitments with non-related parties as at 31 March 2017 and 31 December 2016 as follows:

16.1 Capital commitments

	<i>(Unit: Million Baht)</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>31 March</u>	<u>31 December</u>	<u>31 March</u>	<u>31 December</u>
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<i>Contracted but not provided for</i>				
Land, buildings and constructions	2,521	2,461	5	1
Machinery, equipment and others	<u>1,814</u>	<u>1,753</u>	<u>35</u>	<u>37</u>
Total	<u>4,335</u>	<u>4,214</u>	<u>40</u>	<u>38</u>

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16.2 Commitments under operating lease agreements

	<i>(Unit: Million Baht)</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	3,776	3,586	178	131
Over one year but within five years	10,100	9,555	169	127
Over five years	14,893	14,455	6	7
Total	28,769	27,596	353	265

The Group has lease agreements with non-related parties covering office premises including facilities, land, farms, vehicles and others for periods of 1 to 50 years expiring in 2017 to 2058.

16.3 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 2018. 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 2017 totaled Baht 35 million (*31 December 2016: Baht 31 million*).

16.4 Letters of credit

The Company and certain subsidiaries had commitments under the issued letters of credit totaling Baht 16 million and Baht 804 million respectively (*31 December 2016: Baht 1 million and Baht 1,177 million respectively*).

16.5 Letters of guarantee

- (a) The Company and certain subsidiaries had commitments with financial institutions for letters of guarantee issued by the financial institutions in favor of government agencies and others totaling Baht 709 million and Baht 1,273 million respectively (*31 December 2016: Baht 17 million and Baht 3,133 million respectively*). The letters of guarantee are principally covering the guarantee of taxes, duties and sale of goods.
- (b) Certain foreign subsidiaries have commitments with foreign financial institutions for letters of financial guarantees issued for the customers in feed business of those subsidiaries totaling Baht 908 million (*31 December 2016: Baht 1,108 million*).

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17 Guarantees

As at 31 March 2017 certain foreign subsidiaries pledged their assets as collateral for their borrowings from financial institutions as follows:

17.1 Ordinary shares of the following foreign subsidiaries:

- (a) C.P. Pokphand Co., Ltd. totaling 5,154 million shares with fair value of Baht 16,404 million (*31 December 2016: 5,154 million ordinary shares with fair value of Baht 22,876 million*).
- (b) Pravdinsk Pig Production Closed Joint Stock Company totaling 51,000 shares with carrying value of Baht 190 million (*31 December 2016: 51,000 ordinary shares with carrying value of Baht 182 million*).
- (c) NNPP Limited Liability Company with an authorised share capital of Baht 295 million (*31 December 2016: Baht 283 million*).

17.2 Property, plant and equipment with net book value of Baht 9,485 million (*31 December 2016: Baht 8,708 million*).

17.3 Current assets and non-current assets mainly comprising of inventories and net accounts receivable and payable, with carrying value of Baht 3,668 million (*31 December 2016: Baht 5,825 million*).

18 Events after the reporting period

18.1 On 2 April 2017 CPF Investment Limited (“CPFI”), a 100% directly owned foreign subsidiary of the Company, entered into Share Purchase Agreement (“Share Purchase Agreement” or “SPA”) with Peter McNeil, Sarah McNeil, Evelyn McNeil, James McNeil, Trustee (as specified under the SPA), Sarah Parker, Nicholas Shaw and Sally Dowling (“Group A Sellers”) and Nicholas Shaw, James Middleton, Stephen Thomas, Yvonne Ford, Colin Mann and Mark Whaley (“Group B Sellers”) (together referred to as the “the Sellers”), to acquire entire ordinary shares of Westbridge Food Group Limited (“WFGL”) at total amount of GBP 60 million or equivalent to approximately Baht 2,600 million. However, the amount shall be adjusted based on the guideline and method stated in the Preliminary Share Purchase Agreement. In this regard, CPFI paid total purchase amount on 3 April 2017. After the completion of the transaction, WFGL and its subsidiaries (together referred to as the “WFGL Group”) will become indirect subsidiaries of the Company.

WFGL is incorporated in England. WFGL Group principally engages in the sale of meat and ready-to-eat products to customers which are retails, food services and food manufacturers in the United Kingdom and countries in the European Union. As at the date of the interim financial statements were authorised for issue, the fair value of the net assets acquired is still in the assessment process.

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- 18.2 As disclosed in note to the financial statements as at and for the year ended 31 December 2016 regarding the subscription of newly issued ordinary shares of SuperDrob Zakłady Drobiarsko - Mięsne S.A. (“SuperDrob”) and the investment in a newly-established subsidiary in Poland (“JV Co.”). The transactions completed as at the date that the interim financial statements were authorised for issue, with details as follows:
- 1) The Company has subscribed for SuperDrob’s newly issued ordinary shares totaling 98,572 shares, representing 30% of the total issued shares of SuperDrob after the capital increase, with the total value of Euro 45 million or equivalent to approximately Baht 1,699 million. The Company already paid in advance on 17 February 2017 and presented the amount as other non-current assets as at 31 March 2017. In this regard, the transaction was completed on 3 April 2017.
 - 2) The Company has jointly invested in JV Co. for 66.67% of the registered share capital of JV Co. totaling Polish Zloty 2 million or equivalent to approximately Baht 17 million. The Company already paid in advance on 8 March 2017 and presented the amount as other non-current assets as at 31 March 2017. In this regard, the transaction was completed on 14 April 2017.
- 18.3 On 25 April 2017, at the annual general meeting of the shareholders of the Company, the Company’s shareholders approved the dividend payment from the Company’s operating results of the year 2016 at Baht 0.95 per share in total. In this regard, the Company already distributed the first dividend payment to shareholders as an interim dividend at Baht 0.50 per share on 8 September 2016. Therefore, the remaining second dividend payment to the ordinary shareholders who have the rights to receive the dividend of 7,742,941,932 ordinary shares shall be at Baht 0.45 per share, totaling Baht 3,484 million. The dividends are scheduled to be paid to the Company’s shareholders on 24 May 2017.