

**Charoen Pokphand Foods Public Company Limited
and its Subsidiaries**
Notes to the interim financial statements
For the three-month period ended 31 March 2022 (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 12 May 2022.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of Charoen Pokphand Foods Public Company Limited, the “Company” and the Company and its subsidiaries (together referred to the “Group”) for the year ended 31 December 2021.

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 2021.

2 Changes in accounting policy

From 1 January 2022, the Group has changed its accounting policy for the measurement of investment properties from cost method (net of accumulated depreciation and impairment losses) to fair value method in accordance with TAS 40 *Investment property*, in order to reflect the fair value of the investment properties in the financial statements and to provide more relevant information to investors for decision making.

The Group’s investment properties were valued by the independent professional valuers and retrospectively adjusted the previous periods’ comparative information as follows:

	<i>(Unit: Million Baht)</i>				
	Consolidated financial statements				
	Investment properties	Deferred tax assets	Deferred tax liabilities	Non-controlling interests	Retained earnings
As at 1 January 2021					
- as reported	1,433	2,948	8,962	70,242	119,893
Impact of changes in accounting policy	3,126	(92)	533	1	2,500
As at 1 January 2021					
- restated	4,559	2,856	9,495	70,243	122,393

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	Consolidated financial statements				
	<u>Investment properties</u>	<u>Deferred tax assets</u>	<u>Deferred tax liabilities</u>	<u>Non-controlling interests</u>	<u>Retained earnings</u>
As at 31 December 2021					
- as reported	1,956	4,964	8,554	72,070	125,249
Impact of changes in accounting policy	3,126	(234)	391	1	2,500
As at 31 December 2021 - restated	5,082	4,730	8,945	72,071	127,749

(Unit: Million Baht)

	Separate financial statements			
	<u>Investment properties</u>	<u>Deferred tax assets (liabilities)</u>	<u>Retained earnings</u>	
As at 1 January 2021 - as reported		355	91	54,225
Impact of changes in accounting policy	1,167	(234)		933
As at 1 January 2021 - restated	1,522	(143)		55,158
As at 31 December 2021 - as reported		902	1,472	47,436
Impact of changes in accounting policy	1,167	(234)		933
As at 31 December 2021 - restated	2,069	1,238		48,369

3 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 14 March 2022.

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

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
(a) Income				
Significant influence entity				
Software application income	1	-	-	-
Subsidiaries				
Dividend income	-	-	7,171	-
Sale of goods	-	-	1,455	1,322
Interest income	-	-	120	331
Rental, service and other income	-	-	30	1

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		Consolidated		<i>(Unit: Million Baht)</i>	
		financial statements		Separate	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
(a)	<i>Income (Continued)</i>				
	Associates, joint ventures and related companies				
	Sale of goods	15,087	10,137	337	285
	Rental, service and other income	79	47	12	1
	Software application income	31	20	-	-
	Interest income	28	-	-	-
	Training and seminar income	2	-	-	-
(b)	<i>Expenses and others</i>				
	Significant influence entity				
	Purchase of raw materials and goods	2,997	2,419	726	456
	Trademark license fees	1,151	1,051	78	69
	Technical service fees	26	23	-	-
	Subsidiaries				
	Purchase of raw materials and goods	-	-	387	314
	Interest expenses	-	-	53	36
	Software application fees	-	-	44	45
	Leased-related and service expenses	-	-	8	2
	Cost of right-of-use assets	-	-	6	1
	Training and seminar fees	-	-	6	1
	Construction costs of buildings, structures and others	-	-	3	-
	Other expenses	-	-	8	12
	Associates, joint ventures and related companies				
	Purchase of raw materials and goods	12,178	12,892	133	219
	Construction costs of buildings, structures and others	533	178	13	3
	Leased-related and service expenses	180	203	21	16
	Cost of right-of-use assets	135	126	9	25
	Software application fees	62	42	-	-
	Purchase of equipment and others	42	84	2	5
	Training and seminar fees	39	101	2	2
	Trademark license fees	37	59	-	-
	Interest expenses	17	6	-	-
	Other expenses	501	390	21	23

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3.2 Balances with related parties as at 31 March 2022 and 31 December 2021 were as follows:

3.2.1 Accounts receivable - trade and others

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Significant influence entity	1	2	-	-
Subsidiaries	-	-	623	671
Associates and joint ventures	7,229	7,258	45	61
Related companies	6,309	5,035	1,059	1,174
Total	13,539	12,295	1,727	1,906

3.2.2 Short-term loans to related parties

(Unit: Million Baht)

	Separate financial statements		
	Outstanding balance		
	31 March 2022	31 December 2021	Average balance
Subsidiaries	1,870	6,876	5,920
Total	1,870	6,876	5,920

3.2.3 Advance payments for purchase of goods

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Associate and joint ventures	43	65	-	-
Related companies	1,647	2,344	-	-
Total	1,690	2,409	-	-

3.2.4 Accrued dividend income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Associate	172	172	-	-
Total	172	172	-	-

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3.2.5 Long-term loans to related parties

(Unit: Million Baht)

	Consolidated financial statements		
	Outstanding balance		
	31 March 2022	31 December 2021	Average balance
Associates	-	49	16
Less current portion	-	(12)	-
Net	-	37	16

(Unit: Million Baht)

	Separate financial statements		
	Outstanding balance		
	31 March 2022	31 December 2021	Average balance
Subsidiaries	4,650	570	1,930
Total	4,650	570	1,930

As at 31 March 2022, the loans bear interest at 4.52% to 5.88% per annum (*31 December 2021: 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.

3.2.6 Other non-current assets

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	Associate	209	-	-
Total	209	-	-	-

3.2.7 Accounts payable - trade and others

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	Significant influence entity	604	435	194
Subsidiaries	-	-	88	72
Associates and joint ventures	7,768	7,565	5	6
Related companies	9,607	6,663	88	108
Total	17,979	14,663	375	265

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3.2.8 Short-term borrowings from related parties

(Unit: Million Baht)

	Consolidated financial statements		
	Outstanding balance		
	31 March 2022	31 December 2021	Average balance
Joint venture	840	837	840
Related companies	950	619	950
Total	1,790	1,456	1,790

(Unit: Million Baht)

	Separate financial statements		
	Outstanding balance		
	31 March 2022	31 December 2021	Average balance
Subsidiary	5,900	-	6,400
Total	5,900	-	6,400

As at 31 March 2022, the borrowings bear interest at 3.66% to 5.03% per annum (31 December 2021: 4.02% to 5.27% 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.

3.2.9 Lease liabilities

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Subsidiary	-	-	51	54
Associates	561	578	-	-
Related companies	2,669	2,747	180	200
Total	3,230	3,325	231	254

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3.3 Key management personnel compensations

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<i>For the three-month period ended 31 March</i>				
Short-term employee benefits	357	382	58	52
Post-employment under defined benefit plans	4	6	1	1
Total	361	388	59	53
<i>At 31 March</i>				
Provisions for employee benefits	463	598	105	95
Total	463	598	105	95

3.4 Commitments

Capital commitments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<i>Contracted but not provided for</i> Mainly represents contracts for construction of buildings and structures, and purchase of machinery and others	483	905	-	2

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4 Investments in subsidiaries and associates

Significant movements for the three-month period ended 31 March 2022 were as follows:

	Consolidated financial statements	<i>(Unit: Million Baht)</i> Separate financial statements
<i>Subsidiaries</i>		
Increase capital in C.P. Foods International Limited	-	7,171
Increase capital in Bellisio Investment, LLC	-	3,857
Increase capital in CPF Poland S.A.	-	123
<i>Associates</i>		
Purchase investment in CP ALL Public Company Limited	2,396	-
Purchase investment in Cloud Food System Joint Stock Company	119	-
Dispose investment in CP ALL Public Company Limited	(1,724)	(1,486)

The Group accounts for the investment in CP ALL Public Company Limited (“CPALL”) and Siam Makro Public Company Limited, which are listed companies in the Stock Exchange of Thailand, in the consolidated financial statements by the equity method. As at 31 March 2022, the fair value of the investments were Baht 196,833 million and Baht 36,975 million, respectively (31 December 2021: Baht 180,181 million and Baht 39,315 million, respectively).

During the first quarter of 2022, the Group partially sold its interest in CPALL with the carrying amount in the consolidated financial statements of Baht 1,724 million, and the Company sold its whole interest of 0.28% in CPALL with the carrying amount in the separate financial statements of Baht 1,486 million. In this regard, the Group and the Company recognised gains on sale of investments of Baht 1,595 million and Baht 143 million, respectively. As at 31 March 2022, the Group holds 33.83% interest in CPALL.

Details of the Group’s subsidiaries as at 31 March 2022 and 31 December 2021 only those with changes during the three-month period ended 31 March 2022 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2022	31 December 2021
<i>Subsidiaries with change in interests</i>				
<i>Direct and indirect subsidiary</i>				
1) C.P. Pokphand Co., Ltd.	Investment in agro-Industrial and food	Bermuda	76.24	52.25
<i>Indirect subsidiary</i>				
1) C.P. Foods Holdings Limited ⁽¹⁾	Investment	British Virgin Islands	99.99	100.00

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

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Acquisition of non-controlling interests

C.P. Pokphand Co., Ltd. (“CPP”)

As the withdrawal of listing of CPP’s ordinary shares from the Stock Exchange of Hong Kong Limited was approved by CPP’s shareholders. On 25 January 2022, CPF Investment Limited (“CPFI”), a wholly-owned subsidiary of the Company, paid for the cancelled ordinary shares of CPP for 6,079,356,827 shares which equal to 25.26% totalling HK Dollar 6,991 million or equivalent to Baht 29,759 million sourcing from the internal cash resources and borrowing from financial institution. As a result, the Group’s ownership interest in CPP increased from 52.25% to 76.24%.

	<i>(Unit: Million Baht)</i>
	Consolidated
	financial statements
Carrying amount of non-controlling interests acquired	29,129
Consideration transferred	29,759
A decrease in equity attributable to equity holders of the Company	(630)
A decrease in equity attributable to equity holders of the Company	
comprised:	
Surplus from change in shareholders’ equity in subsidiary	(948)
Loss on revaluation of assets	(80)
Loss on cash flow hedges	(3)
Foreign currency translation differences	401
Total	(630)

During the three-month period ended 31 March 2022, the Group did not dispose any investments in subsidiaries.

5 Property, plant and equipment

	Consolidated	<i>(Unit: Million Baht)</i>
	financial statements	Separate
	financial statements	financial statements
<i>For the three-month period ended 31 March 2022</i>		
Acquisition - at cost	5,883	56
Disposals - net book value	(125)	(50)

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6 Subordinated perpetual debentures

On 2 March 2022, the Company exercised the early redemption right per condition as stipulated in the terms and conditions of 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") (debentures no. 1/2017) of Baht 15,000 million, as well as, on the same day the Company issued the Debentures of Baht 15,000 million (debentures no. 1/2022). 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 4.50%, 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.

During the first quarter of 2022, the Company paid interest to the debentures holders amount of Baht 372 million. The interest expense and other expenses of Baht 412 million was deducted from unappropriated retained earnings in the statements of financial position as at 31 March 2022.

As at 31 March 2022, the accumulated accrued interest expenses subsequent to the latest interest payment date was Baht 55 million.

7 Segment information and disaggregation of revenue

Information about reportable segments

The Group presents the following main segments:

Segment 1 : Livestock business

Segment 2 : Aquaculture business

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

	<i>(Unit: Million Baht)</i>	
	Consolidated financial statements	
	2022	2021
Segment revenue		
Livestock business	119,016	104,152
Aquaculture business	19,871	15,194
Total	138,887	119,346
Segment results		
Livestock business	7,180	12,831
Aquaculture business	697	506
Total allocated segment results	7,877	13,337
Unallocated segment results	(4,881)	(4,719)
Profit for the period	2,996	8,618

Information about geographic areas

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

	<i>(Unit: Million Baht)</i>	
	Consolidated financial statements	
	2022	2021
Revenue from external customers		
Thailand	44,253	38,629
Asia	69,490	61,006
Europe	17,156	12,923
America	7,685	6,557
Others	303	231
Total	138,887	119,346

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Details of the geographic segment financial information of the Group as at 31 March 2022 and 31 December 2021 were as follow:

(Unit: Million Baht)

	Consolidated financial statements	
	31 March 2022	31 December 2021
	<i>Non-current assets (exclude deferred tax assets and other non-current financial assets)</i>	
Thailand	264,877	263,033
Asia	266,207	264,798
Europe	42,299	44,895
America	51,020	51,423
Total	624,403	624,149

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					
	Reportable segments					
	Aquaculture business		Livestock business		Total	
	2022	2021	2022	2021	2022	2021
Categories of main products						
Animal feed	10,159	7,560	22,970	19,471	33,129	27,031
Animal farm products	7,740	5,912	68,761	62,320	76,501	68,232
Processed foods and ready meals	1,972	1,722	27,285	22,361	29,257	24,083
Total	19,871	15,194	119,016	104,152	138,887	119,346

(Unit: Million Baht)

	Separate financial statements	
	Reportable segment	
	Aquaculture business	
	2022	2021
Categories of main products		
Animal feed	3,522	2,854
Animal farm products	2,560	2,236
Processed foods and ready meals	526	715
Total	6,608	5,805

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Contract Balances

As at 31 March 2022, the Group and the Company had contract liabilities of Baht 1,386 million and Baht 58 million, respectively (31 December 2021: Baht 1,521 million and Baht 55 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 2022.

8 Earnings (losses) per share

The calculations of earnings (losses) per share for the three-month period ended 31 March were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company less cumulative interest 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	financial statements	financial statements
	2022	2021	2022	2021
Profit (loss) for the period attributable to ordinary shareholders of the Company	2,842	6,945	6,232	(1,112)
<i>Less: cumulative interest expense for the period net of income tax on subordinated perpetual debentures</i>	(145)	(148)	(145)	(148)
Profit (loss) used in calculation of earnings per share (basic)	2,697	6,797	6,087	(1,260)
Interest expense on convertible bonds, net of tax	66	59	-	-
Profit (loss) used in calculation of earnings per share (diluted)	2,763	6,856	6,087	(1,260)
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	(470)	(426)	-	-
Effect of own shares held	(204)	(198)	(204)	(198)
Number of ordinary shares outstanding (basic) at the end of period	7,937	7,987	8,407	8,413
Effect of conversion of convertible bonds	234	234	234	234
Number of ordinary shares outstanding (diluted) at the end of period	8,171	8,221	8,641	8,647
Basic earnings (losses) per share (in Baht)	0.34	0.85	0.72	(0.15)
Diluted earnings (losses) per share (in Baht)	0.34	0.83	0.70	(0.15)

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9 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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	Carrying amount				Fair value			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>As at 31 March 2022</i>								
Financial assets								
Investment in equity securities								
-Marketable equity securities	-	3,778	-	3,778	3,778	-	-	3,778
-Non-marketable equity securities	-	10,469	-	10,469	-	-	10,469	10,469
Other financial assets								
-Derivative assets	1,873	-	-	1,873	-	1,873	-	1,873
Total financial assets	1,873	14,247	-	16,120				
Financial liabilities								
Long-term borrowings								
-Debentures	-	-	201,790	201,790	-	205,987	-	205,987
-Convertible bonds	-	-	9,386	9,386	-	9,582	-	9,582
-Long-term borrowings from financial institutions	-	-	139,275	139,275	-	138,481	-	138,481
Other financial liabilities								
-Derivative liabilities	209	-	-	209	-	209	-	209
Total financial liabilities	209	-	350,451	350,660				

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	Consolidated financial statements							
	Carrying amount				Fair value			
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>As at 31 December 2021</i>								
Financial assets								
Investment in equity securities								
-Marketable equity securities	-	3,517	-	3,517	3,517	-	-	3,517
-Non-marketable equity securities	-	9,517	-	9,517	-	-	9,517	9,517
Other financial assets								
-Derivative assets	1,146	-	-	1,146	-	1,146	-	1,146
Total financial assets	1,146	13,034	-	14,180				
Financial liabilities								
Long-term borrowings								
-Debentures	-	-	201,790	201,790	-	210,237	-	210,237
-Convertible bonds	-	-	9,317	9,317	-	9,485	-	9,485
-Long-term borrowings from financial institutions	-	-	129,198	129,198	-	129,095	-	129,095
Other financial liabilities								
-Derivative liabilities	399	-	-	399	-	399	-	399
Total financial liabilities	399	-	340,305	340,704				

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	Separate financial statements							
	Carrying amount			Total	Fair value			Total
<i>As at 31 March 2022</i>	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost		Level 1	Level 2	Level 3	
Financial assets								
Investment in equity securities								
- Non-marketable equity securities	-	774	-	774	-	-	774	774
Other financial assets								
- Derivative assets	159	-	-	159	-	159	-	159
Total financial assets	159	774	-	933				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	122,740	122,740	-	125,737	-	125,737
- Long-term borrowings from financial institutions	-	-	3,130	3,130	-	3,166	-	3,166
Other current financial liabilities								
- Derivative liabilities	15	-	-	15	-	15	-	15
Total financial liabilities	15	-	125,870	125,885				

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(Unit: Million Baht)

	Separate financial statements							
	Carrying amount			Total	Fair value			Total
	Hedging instruments	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost		Level 1	Level 2	Level 3	
<i>As at 31 December 2021</i>								
Financial assets								
Investment in equity securities								
- Non-marketable equity securities	-	761	-	761	-	-	761	761
Non-current financial assets								
- Derivative assets	144	-	-	144	-	144	-	144
Total financial assets	144	761	-	905				
Financial liabilities								
Long-term borrowings								
- Debentures	-	-	122,740	122,740	-	128,553	-	128,553
- Long-term borrowings from financial institutions	-	-	3,151	3,151	-	3,200	-	3,200
Other current financial liabilities								
- Derivative liabilities	64	-	-	64	-	64	-	64
Total financial liabilities	64	-	125,891	125,955				

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

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Expected credit losses

(Unit: Million Baht)

	Consolidated financial statements			
	Accounts receivable - trade and others		Allowance for expected credit losses	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Within credit terms	29,851	28,732	425	165
Overdue 1 - 60 days	6,073	6,143	22	22
Overdue 60 - 120 days	1,385	1,485	14	240
More than 120 days	3,815	3,213	655	675
Total	41,124	39,573	1,116	1,102
Less allowance for expected credit losses	(1,116)	(1,102)		
Net	40,008	38,471		

(Unit: Million Baht)

	Separate financial statements			
	Accounts receivable - trade and others		Allowance for expected credit losses	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Within credit terms	2,256	1,774	1	-
Overdue 1 - 60 days	281	403	-	-
Overdue 60 - 120 days	164	432	-	-
More than 120 days	752	835	1	19
Total	3,453	3,444	2	19
Less allowance for expected credit losses	(2)	(19)		
Net	3,451	3,425		

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10 Commitments with non-related parties

10.1 Capital commitments

	Consolidated financial statements		<i>(Unit: Million Baht)</i>	
			Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<i>Contracted but not provided for</i>				
Land, buildings and constructions	3,929	3,541	-	-
Machinery, equipment and others	5,396	5,293	170	170
Total	9,325	8,834	170	170

10.2 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 2022 totalling Baht 14 million (31 December 2021: Baht 15 million).

10.3 Letters of credit

Certain subsidiaries had commitments under the issued letters of credit totalling Baht 1,533 million (31 December 2021: Baht 2,658 million).

10.4 Letters of guarantee

As at 31 March 2022, the Company and certain subsidiaries had commitments for letters of guarantee totalling Baht 11 million and Baht 1,918 million, respectively (31 December 2021: Baht 11 million and Baht 1,771 million, respectively), which are principally the commitments for letters of guarantee issued by the financial institutions in favour of agencies and others covering the guarantee for import and sale of goods, taxes and duties.

10.5 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.

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11 Guarantees

As at 31 March 2022, 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 13,440 million (*31 December 2021: Baht 13,731 million*), current and non-current assets mainly comprising of leasehold rights, inventories and net accounts receivable and payable, with carrying amount of Baht 7,277 million (*31 December 2021: Baht 7,252 million*), ordinary shares of a foreign subsidiary of Baht 1,020 million (*31 December 2021: Baht 1,102 million*).

12 Event after the reporting period

- 12.1 On 11 April 2022, the Company issued the Letter of Undertaking to a foreign financial institution as a financial sponsor undertaking to a subsidiary under the borrowing agreement for credit facility totalling U.S. Dollar 80 million or approximately Baht 2,663 million.
- 12.2 At the Board of Directors' Meeting of the Company held on 22 April 2022, the board of directors of the Company approved C.P. Vietnam Corporation ("CPV"), an 83.17% indirectly owned subsidiary of the Company, to process the application to become a public company by distribution of ordinary shares to minorities. In case that the approval is granted by relevant authorities with the completeness of share distribution, CPV will apply for the listing on the Ho Chi Minh Stock Exchange of Vietnam.
- 12.3 At the Annual General Shareholders' meeting of the Company held on 26 April 2022, the shareholders of the Company approved a dividend payment from the Company's operating results of the year 2021 at Baht 0.65 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 10 September 2021. Therefore, the remaining second dividend payment to the ordinary shareholders who have the rights to receive the dividend of 8,406,962,585 ordinary shares shall be at Baht 0.25 per share, totalling Baht 2,102 million which are scheduled to be paid on 25 May 2022.
- 12.4 On 29 April 2022, the Company sold its investment in ordinary shares of C.P. Merchandising Co., Ltd. ("CPM"), a 99.99% directly and indirectly owned subsidiary of the Company, to CPF (Thailand) Public Company Limited, a 99.99% directly owned subsidiary of the Company, for 360,000,000 shares totalling Baht 12,078 million. As a result, the Company's ownership interest in CPM decreased from 87.54% to 79.46%. However, the transaction does not change the Group's ownership interests in CPM.
- 12.5 On 5 May 2022, CPF (Thailand) Public Company Limited ("CPFTH"), a 99.99% owned subsidiary of the Company, issued unsubordinated and unsecured debentures No. 1/2022 in registered name and with debenture holder representative totalling Baht 10,150 million, a term of 7 - 15 years and bearing interest at the fixed rate of 3.80% - 5.00% per annum.

The debentures had credit rating of "A+" rated by TRIS Rating Co., Ltd. on 31 March 2022 and CPFTH registered the debentures with the Thai Bond Market Association.