

-Translation-

Bor Mor Jor. Jor Por Or. 064/2021

August 27, 2021

Re : The acquisition of swine business in Russia (Revision)

Attn : President

The Stock Exchange of Thailand

Attachment Information Memorandum on the Acquisition of Swine Business in Russia

Charoen Pokphand Foods Public Company Limited ("CPF" or the "Company") would like to inform you on the acquisition of swine business in Russia by a newly established subsidiary of CPF. Upon the completion of the acquisition, Target Company and its subsidiaries will become indirect subsidiaries of CPF. Details of the transaction are shown in the attachment.

The highest transaction size derived from net tangible assets basis is 1.32% of net tangible assets of CPF and its subsidiaries based on the latest reviewed consolidated financial statements ended June 30, 2021. This transaction when consolidating with the size of asset acquisition transactions of CPF and its subsidiaries within the six-month period (during February 26, 2021 to August 25, 2021), the highest size obtained from net tangible assets basis is 2.32% of net tangible assets of CPF and its subsidiaries which does not trigger the requirement to comply with the regulation in relation to the entering into a major transaction regarding asset acquisition and disposal of a listed company.

Please be informed accordingly.

Sincerely yours,

Kobboon Srichai

(Mrs. Kobboon Srichai)

Company Secretary

Information Memorandum on the Acquisition of Swine Business in Russia

1. The Execution Date of the Share Purchase Agreement

August 26, 2021

2. Involved Parties

Purchaser: LLC RBPI Voronezh¹ (the "Purchaser"), a newly established indirect subsidiary of Charoen Pokphand Foods Public Company Limited ("CPF" or the "Company")

Seller: (1) Tönnies Russland Agrar GmbH, a limited liability company incorporated under the laws of Germany and
(2) RKS Agrarbeteiligungs GmbH, a limited liability company incorporated under the laws of Germany and
(3) Tönnies Holding ApS & Co. KG, a limited partnership incorporated under the laws of Germany
together referred as the "Seller"²

Relationship: The Sellers are not connected persons of the Company, according to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions.

3. General Information of the Transaction and Value of the Transaction

• General Characteristic of the Transaction

On August 26, 2021, the Purchaser and the Seller entered in to Share Purchase Agreement (the "Agreement"). According to the Agreement, the Purchaser will acquire swine business in Russia at a consideration of approximately RUB 22,000 million³ or approximately THB 9,900 million⁴ for the acquisition of (1) entire shares in LLC Agro-Sojuz TS and LLC Mjaso-Sojuz T (together referred as the "Target Company") and (2) loans provided by the Seller to Target Company. After completion of the transaction, Target Company and its subsidiaries will become indirect subsidiaries of the Company.

The transaction is expected to be completed within January 2022, subject to fulfillment of the conditions precedent specified in the Agreement (as set out in paragraph 7).

• Transaction Size

The transaction size is 1.32% calculated based on net tangible assets of CPF and its subsidiaries based on the latest reviewed consolidated financial statements ended June 30, 2021.

Applicable approach	Calculation formula	Transaction size
1. Net tangible assets (NTA)	<u>NTA of the Target, multiplied by the acquisition percentage</u> NTA of the Company	1.32
2. Net profit	<u>Net profit of the Target, multiplied by the acquisition percentage</u> Net profit of the Company <i>This approach is not applicable because Target Company has net loss</i>	N/A
3. Total consideration	<u>Total consideration paid</u> Total assets of the Company	1.25
4. Value of shares issued as payment-in-kind	<u>Number of shares issued by the Company as payment</u> Its total issued and outstanding shares <i>This approach is not applicable because there will be no securities issuance as payment for the Transaction by the Company or its subsidiaries.</i>	N/A

¹ An investment company, incorporated in Russia, which Russia Baltic Pork Invest AS Group holds 100% stake. RBPI Group is an indirect subsidiary of CPF with 75.82% stake

² Seller (1) and seller (2) are shareholders of Target Company whereas seller (2) and seller (3) are lenders who provided loans to Target Company

³ The consideration may be adjusted under the terms and conditions to the Agreement

⁴ The exchange rate is Baht 0.45/RUB (as of August 25, 2021 which published on Bank of Thailand website)

This transaction when consolidating with the size of asset acquisition transactions of CPF and its subsidiaries within the six-month period (during February 26, 2021 to August 25, 2021), the highest size obtained from net tangible assets basis is 2.32% of net tangible assets of CPF and its subsidiaries which does not trigger the requirement to comply with the regulation in relation to the entering into a major transaction regarding asset acquisition and disposal of a listed company.

4 Detail of Asset to be acquired:

(i) Business description

Target Company, limited liability companies incorporated under the laws of Russia, hold entire investment in APK-Don Group comprises (1) JSC Alekseevsky Mischfutterwerk, (2) JSC Alekseevsky Bacon, (3) JSC Agro-Oskol, (4) LLC APK Don, (5) LLC Donskoy Bacon, (6) LLC MPK Belgorod, (7) LLC Agro-Ostrogzhsk and (8) LLC Chochol-Trostjanka. APK-Don Group operates cropping, animal feed, swine breeding and fattening farm in Belgorod and Voronezh regions of Russia.

(ii) Key financial information for the last three years:

Key financial information derived from consolidated financial statement of Target Company and APK-Don Group which prepared in accordance with Russian Accounting Standards are as follows:

(Unit: in million) ^{/5}	2019		2020	
	RUB	THB	RUB	THB
Revenues	9,498	4,274	10,465	4,709
Operating Profit ^{/6}	1,196	538	1,608	724
Total Assets ^{/7}	17,524	7,886	17,434	7,845
Total Liabilities	12,648	5,692	13,399	6,030
Shareholders' Equity	4,876	2,194	4,035	1,816

(iii) Charter Capital

Each of Target Company has charter capital of RUB 10,000.00

(iv) Shareholding Structure of Target Company for pre and post transaction

Participants	Participation Interests (%)			
	LLC Agro-Sojuz TS:		LLC Mjaso-Sojuz T	
	Pre	Post	Pre	Post
Tönnies Russland Agrar GmbH	82.50	0.00	82.50	0.00
RKS Agrarbeteiligungs GmbH	17.50	0.00	17.50	0.00
LLC RBPI Voronezh	0.00	100.00	0.00	100.00
Total	100.00	100.00	100.00	100.00

5 Criteria Used in Determining the Transaction Value

The enterprise value of Target Company to be acquired was determined based on negotiations between the Seller and the Purchaser with reference to the price obtained from [market comparable approach](#).

6 Source of fund

The Company will fund this transaction with loans from financial institution and within the group.

7 Conditions for Entry into the Transaction

The Acquisition is conditional upon:

- (1) Receipt of antitrust approval from the Russian Competition Authority; and
- (2) Satisfaction of other conditions precedent as specified in the Agreement.

^{/5} The exchange rate is Baht 0.45/RUB (as of August 25, 2021 which published on Bank of Thailand website)

^{/6} Before gain (loss) from foreign exchange and other income and expenses

^{/7} Major assets are cropping area with grain, feed mills, silos and swine farm with breeders and fattening pigs

8 Opinions of the Board of Directors

The Board of Directors of the Company considered that this transaction is reasonable which will enhance the capacity of the Company to strengthen its swine farm business expansion in Russia.