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Bor Mor Jor. Jor Por Or. 082/2021

October 1, 2021

Re : The acquisition of plant-based business in Poland

Attn : President

The Stock Exchange of Thailand

Attachment Information Memorandum on the Acquisition of Plant-Based Business in Poland

Charoen Pokphand Foods Public Company Limited ("CPF" or the "Company") would like to inform you on the acquisition of Well Well Invest S.A. ("Well Well" or the "Target Company") which operates plant-based business in Poland by a newly established subsidiary of CPF. Upon the completion of the acquisition, Well Well will become joint venture of CPF. Details of the transaction are shown in the attachment.

The highest transaction size derived from consideration basis is 0.02% of total assets of CPF and its subsidiaries (the "CPF Group") 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 Group within the six-month period (during March 31, 2021 to September 30, 2021) derived from such basis is 6.10% of total assets of the CPF Group 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 Plant-Based Business in Poland

(1) The Execution Date

September 30, 2021, the signing date of the Agreement (as defined in paragraph 3), at the time in Poland

(2) Involved Parties

Investor: PLANT-TEC Europe Sp. z o.o.^{/1} (the "Investor" or "PLANT-TEC Europe"), a newly established indirect subsidiary of Charoen Pokphand Foods Public Company Limited ("CPF" or the "Company")

Target: Well Well Invest S.A. ("Well Well" or the "Target Company")

Relationship: The Target is not a connected person 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

On September 30, 2021, PLANT-TEC Europe signed the Shareholders' Agreement (the "Agreement") to acquire 2,539,837 newly issued shares in Well Well, plant-based business in Poland, equivalent to 50% of enlarged share capital of Well Well, at a consideration of PLN 10.0 million or approximately THB 85.3 million^{/2} (the "Transaction"). Pursuant to the Agreement, in addition to the Transaction, the Investor shall subscribe the convertible bonds to be issued by the Target Company for PLN 10.0 million or approximately THB 85.3 million^{/2}.

The Transaction is expected to be completed within 30 days from the execution of the Agreement, subject to fulfilment of the conditions precedent specified in the Agreement. After the completion of the Transaction, Target Company and its subsidiaries (together referred as "Well Well Group") will become joint venture of CPF.

(4) Detail of Target or Asset to be acquired:

(i) Business description

Well Well, an investment company, is incorporated under the laws of Poland. The structure of Well Well Group is as follows:



Well Well Group engages in production of plant-based meat substitutes products with recognized brands in Poland (Polsoja, Well Well) and Germany (Hobelz). The product portfolio comprises wide product range such as sausage, slices, tofu, spreads and baked products (falafel, burgers and ready to eat).

^{/1} An investment company incorporated under the laws of Poland and wholly owned by CPF Poland S.A. whereas CPF holds 66.67% in CPF Poland S.A.

^{/2} THB 8.5317/PLN 1 (based on the exchange rate as October 1, 2021. published on the website of the Bank of Thailand)

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

Key financial information derived from consolidated financial statement of Target Company which prepared in accordance with Polish Accounting Standard are as follows:

(Unit: in million) ^{/3}	2018		2019		2020	
	PLN	THB	PLN	THB	PLN	THB
Revenues from sales	34.5	294.3	40.8	348.1	56.1	478.6
Operating Profit ^{/4}	(2.2)	(18.8)	(6.7)	(57.2)	(0.7)	(6.0)
Total Assets ^{/5}	53.4	455.6	56.0	477.8	57.9	494.0
Total Liabilities	23.9	203.9	35.2	300.3	40.5	345.5
Shareholders' Equity	29.5	251.7	20.8	177.5	17.4	148.5

(iii) Shareholder Structure of Target Company

Shareholders	Shareholding (%)	
	Pre-Transaction	Post-Transaction
1. ZPS Convita Sp. z o.o.	89.6%	44.8%
2. BNP Paribas Bank Polska S.A.	10.4%	5.2%
3. PLANT-TEC Europe Sp. z o.o.	0.0%	50.0%
Total	100.0%	100.0%

(5) Criteria Used in Determining the Transaction Value

The total consideration was determined based on negotiation between the Target and the Investor with reference to the price obtained from various customary valuation methodologies e.g. discounted cash flow and peer comparison, etc.

(6) Transaction Size

The highest transaction size derived from consideration basis is 0.02% of total assets of CPF and its subsidiaries (the "CPF Group") 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 <i>This approach is not applicable because NTA of Target Company is negative</i>	N/A
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	0.02%
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

This transaction when consolidating with the size of asset acquisition transactions of the CPF Group within the six-month period (during March 31, 2021 to September 30, 2021) derived from consideration basis is 6.10% of total assets of the CPF Group 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.

(7) Source of fund

Internal cash flow of the group.

^{/3} THB 8.5317/PLN 1 (based on the exchange rate as at October 1, 2021. published on the website of the Bank of Thailand)

^{/4} Before other revenues and other expenses

^{/5} Major assets are trademarks and recipes; machines and equipment, inventory and buildings and structures

(8) Conditions for Entry into the Transaction

The Transaction is conditional upon the satisfaction of conditions precedent as specified in the Agreement.

(9) Opinions of the Board of Directors

The Board of Directors of the Company considered that this Transaction will increase product portfolio and customer bases of the Company as well as expand its business to plant-based meat business in Poland and Europe.

(10) Dissenting Opinion of the Company's Audit Committee Member and/ or Directors against those of the Board of Directors in paragraph 9

None of the member of the Audit Committee of the Company nor any director has any dissenting opinion against those of the board of directors of the Company in paragraph 9.