

-Translation-

Bor Mor Jor. Jor Por Or. 038/2022

May 12, 2022

Re : The connected transaction by a subsidiary

Attn : President
The Stock Exchange of Thailand

Charoen Pokphand Foods Public Company Limited ("CPF") would like to inform that the Board of Directors' Meeting convened on May 12, 2022 resolved to approve CPF (Thailand) Plc., a subsidiary of CPF with 99.99% stake, to acquire 80.00% of Tacharm Agricultural Industry Co., Ltd., which operates a pig breeding farm business, from a connected person. Details of the transaction are in the Attachment to this letter.

This transaction size is equivalent to 0.22% of net tangible assets of CPF and its subsidiaries based on the latest reviewed consolidated financial statements as of March 31, 2022, which is greater than 0.03% but less than 3.00% of net tangible assets of CPF and its subsidiaries.

Information Memorandum Regarding the Connected Transaction
The Investment in Tacharm Agricultural Industry Co., Ltd. by a Subsidiary

1. Involved Parties

Purchaser : CPF (Thailand) Plc., a subsidiary of CPF with 99.99% stake
 Seller : Charoen Pokphand Seeds Co., Ltd. ("CP Seeds"), a subsidiary of Charoen Pokphand Group Co., Ltd. ("CPG") with indirect shareholding of 99.99%
 Relationship with CPF : CPG is a major shareholder of CPF and an indirect major shareholder of CP Seeds

2. General Characteristic of the Transaction and Value of the Transaction

CPFTH will acquire 80.00% of total ordinary shares of Tacharm Agricultural Industry Co., Ltd. ("Tacharm") from CP Seeds at the total consideration of Baht 320 million.

This transaction is considered as a connected transaction relating to assets or services in compliance with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 as of November 19, 2003 and additional amendments since CP Seeds is a connected person of CPF in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions

After the completion of the acquisition, CP Seeds will become an indirect subsidiary of CPF.

3. Details of the Assets to be Acquired

Company Name : Tacharm Agricultural Industry Co., Ltd.
 Nature of Business : Pig breeding farm
 Paid-up Capital : Baht 5,000,000
 Investment Structure :

Shareholders	Investment Percentage	
	Pre-Transaction	Post-Transaction
CPFTH	0.00	80.00
CP Seeds	80.00	0.00
3 other shareholders (not connected persons)	20.00	20.00
Total	100.00	100.00

Key Financial Information

Unit : Million Baht	For the year ended December 31, 2021
Total revenues	252
EBITDA*	19
Net profit	3
Total Assets	253
Total Liabilities	57
Shareholders' Equities	196

Source Audited financial statements of Tacharm

* Profit before interest, tax, depreciation and amortization

4. Basis to Determine the Value of Consideration

Value of the asset to be acquired was determined on the arm's length negotiation between the purchaser and the seller by reference to the value appraised by an independent appraiser which adopted Discounted Cash Flow valuation as the main approach.

5. Transaction Size

The transaction size is equivalent to 0.22% of net tangible assets of CPF and its subsidiaries based on the latest reviewed consolidated financial statements as of March 31, 2022.

6. Details and Scope of Interest of Connected Person

CP Seeds has CPG as an indirect major shareholder which CP Seeds will receive a total consideration of Baht 320 million.

7. Source of Fund

Cash flow of CPF group

8. Opinion of the Board of Directors

The Board of Directors (excluding director with the conflict of interest as described below) considered and viewed that this transaction is reasonable and beneficial to CPF group to integrate pig breeding farm with CFTH's livestock business and the basis used to determine total consideration of this transaction is appropriate. In this regard, the directors who did not attend the meeting and had no voting right due to the conflict of interest in the transaction are Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont as a director of CPG and Mr. Phongthep Chiaravanont as a director of CPG and CP Seeds.

9. Opinion of the Audit Committee

The Audit Committee has no different opinion from the Board of Directors.