



No: IDR 14/2023

Date: September 22, 2023

Re: Notification of the Resolutions of the Board of Directors' Meeting No.7/2023 and  
Approval of entering into connected transaction

To: The President  
The Stock Exchange of Thailand

Attachment: Information Memorandum of sale of assets in the People's Republic of China of  
indirect subsidiaries of CP Aextra Public Company Limited, which is considered a  
connected transaction.

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CP All Public Company Limited (CPALL or the Company) would like to inform that the  
Board of Directors' Meeting No.7/2023, held on September 13, 2023 had the significant  
resolutions;

The Board of Directors' Meeting with directors who have no conflict of interest, approved  
to enter into a connected transaction regarding the sale of assets of Makro (Guangzhou) Food  
Company Limited and Guangzhou Haudu Makro Food Supermarket Company Limited in the  
People's Republic of China which are indirect subsidiaries of CP Aextra Public Company Limited, a  
subsidiary of the Company, to Guangzhou Lotus Supermarket Chain Store Company Limited,  
which is considered a connected person.

In addition, the Board of Directors' meeting of the Company also resolved to disclose  
Information Memorandum, regarding connected transaction after the Board of Directors' meeting  
of CP Aextra Public Company Limited resolved to approve an entering into such connected  
transaction on September 22, 2023. Details of Information Memorandum as in attachment.

Please be informed accordingly.

Sincerely yours,

Mr. Supot Shitgasornpongse

Company Secretary

Authorized to sign on behalf of the Company

**Information Memorandum of CP All Public Company Limited in relation to the disposal of assets in the People's Republic of China of indirect subsidiaries of CP Aextra Public Company Limited, which is considered as a connected transaction.**

According to the Board of Directors' Meeting of CP All Public Company Limited (the Company) No.7/2023, held on September 13, 2023, had a resolution to approve the entering into a connected transaction regarding the disposal of assets of Makro (Guangzhou) Food Company Limited and Guangzhou Huadu Makro Food Supermarket Company Limited in the People's Republic of China which are indirect subsidiaries of CP Aextra Public Company Limited, a subsidiary of the Company, to Guangzhou Lotus Supermarket Chain Store Company Limited, details are as follows..

**1. Period of the Transaction**

Within October 2023

**2. Related Parties**

Seller: (1) Makro (Guangzhou) Food Company Limited ("MGZ"), an indirect subsidiary of CP Aextra Public Company Limited ("CPAXT"), wholly owned by MAKRO ROH Co., Ltd. 100%  
(2) Guangzhou Haudu Makro Food Supermarket Company Limited ("MGH"), an indirect subsidiary of CPAXT, wholly owned by MGZ 100%

Purchaser: Guangzhou Lotus Supermarket Chain Store Company Limited ("GLSC") which is a legal entity that is considered as a connected person with CPAXT.

**Nature of Relationship:**

Charoen Pokphand Group Co., Ltd. ("CPG") is an indirect major shareholder of the Company, GLSC and CPAXT. In addition, Mr. Suphachai Chearavanont and Mr. Narong Chearavanont are also directors of the Company, GLSC and CPAXT.

**3. General Characteristic**

The disposal assets are assets of Makro stores of MGZ (Huadu store) and Makro stores of MGH (Panyu store) in the People's Republic of China, including fixed assets, inventories and rental deposit.

**4. Total value of consideration and criteria for determining the transaction**

Total value of the disposal of assets of MGZ and MGH in the People's Republic of China is RMB 10 million, or approximately Baht 49.20 million, which will be paid in cash from GLSC as the purchaser. CPAXT hired Jay Capital Advisory Company Limited, an independent property appraiser company, approved by the Securities and Exchange Commission, to appraise the fair value of the transaction

by using the Net Tangible Asset Value Approach, with totaling of RMB 8.11 million or approximately Baht 39.90 million.

In this regard, the disposal of assets of the Makro stores of MGZ (Huadu store) and the Makro Stores of MGH (Panyu store) in the People's Republic of China. It is considered a connected transaction of a listed company according to the announcement of the Capital Market Supervisory Board No. TorChor. 21/2008 regarding criteria for entering into connected transactions, dated August 31, 2008 (including any amendments) and notification of the Board of Governors of the Stock Exchange of Thailand regarding the disclosure of information and other acts of listed companies in connected transactions, 2003, dated November 19, 2003 (including any amendments).

CPAXT is a subsidiary of CPALL, CPAXT's subsidiaries transaction mentioned above is considered a connected transaction, a type of transaction related to assets or services of the Company. The size of this connected transaction, which has a total value of disposal assets of Baht 49.20 million, equivalent to 0.058 percent of the net tangible assets (NTA) value, according to the Company's consolidated financial statements, ending June 30, 2023, which has been reviewed by the auditor. Additionally, when combined with the transactions that occurred in the past six months of the Company and/or the Company's subsidiaries with companies that have Charoen Pokphand Group Co., Ltd. ("CPG") is an indirect major shareholder. As a result, the total transaction size is equal to 0.883 percent of NTA. This is a transaction size of exceed 0.03 percent but not exceed 3.00 percent of NTA. Therefore, it is considered a medium-sized transaction which have to approve by the Company's board of director and disclose to the Stock Exchange of Thailand after the CPAXT Board meeting resolved to approve this connected transaction.

## **5. Opinion of the Board of Directors**

Board of Directors' Meeting (which does not include directors with interests listed below) has considered entering into such connected transactions and the benefit receive from the disposal of assets of MGZ and MGH, which are indirect subsidiaries of CPAXT, were considered reasonable and beneficial to the Company.

The Company's directors name below are considered as directors with conflicts of interest as they are directors of GLSC and/or CPAXT and therefore do not have the right to vote.

1. Mr. Suphachai Chearavanont Director of GLSC and CPAXT
2. Mr. Narong Chearavanont Director of GLSC and CPAXT
3. Mr. Korsak Chairasmisak Director of CPAXT
4. Mr. Adirek Sripratak Director of CPAXT
5. Mr. Umroong Sanphasitvong Director of CPAXT
6. Mr. Prasert Jarupanich Director of CPAXT

- 7. Mr. Pittaya Jearavisitkul                      Director of CPAXT
- 8. Mr. Piyawat Titasattavorakul                Director of CPAXT
- 9. Mr. Tanin Buranamanit                        Director of CPAXT

**6. Opinion of the Audit Committee**

The Audit Committee has carefully considered that the assets disposal of MGZ and MGH to GLSC has strengthen financial position and reduce the impact from the continuous operating losses of MGZ and MGH. The selling price are appropriate within the price level that the independent property appraiser has assessed fair value, including listening to opinions from the executives who responsible for this transaction, they had implemented various procedures and practices with transparency and it is reasonable and maximizes benefit to the Company as well as complying with the requirements of the Capital Market Supervisory Board. The Company's Audit Committee has no different opinion from the Board of Directors.