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30 September 2021

Subject: The Proposed Privatisation of C. P. Pokphand Co., Ltd. by Way of a Scheme of Arrangement and the Proposed Withdrawal of Listing of C.P. Pokphand Co., Ltd., which is listed on the Stock Exchange of Hong Kong Limited

Attention: President
The Stock Exchange of Thailand

Enclosures: Information Memorandum on the Proposed Privatisation of C.P. Pokphand Co., Ltd. by Way of a Scheme of Arrangement under Section 99 of the Companies Act of Bermuda and the Proposed Withdrawal of Listing of C.P. Pokphand Co., Ltd.

Charoen Pokphand Foods Public Company Limited ("CPF") would like to inform you that the board of directors of CPF has resolved, amongst others, to have its wholly-owned subsidiary, CPF Investment Limited ("CPFI"), privatise C.P. Pokphand Co., Ltd. ("CPP")¹ by way of a scheme of arrangement under section 99 of the Companies Act of Bermuda (the "Scheme") and withdraw the listing of its ordinary shares from the Stock Exchange of Hong Kong Limited ("HKEX"). The maximum cash consideration payable under the Scheme is approximately HKD 6,991.27 million or approximately THB 30,716 million². Upon approval and implementation of the Scheme, the listing of the shares of CPP on HKEX will be withdrawn. More information about the proposed transaction can be found in the announcement jointly published by CPP and CPFI pursuant to the disclosure rules of HKEX on the website of HKEX at www.hkexnews.hk under Stock Code 43 (the "CPP Announcement").

The proposed Scheme is considered as an acquisition of assets transaction under the Notifications on Acquisition or Disposal of Assets. The highest size of the transaction when calculated on the basis of the net tangible assets (NTA) is equal to 24.76% of the net tangible assets (NTA) of the Company and the subsidiaries (the "CPF Group") based on the latest consolidated financial statements as at 30 June 2021 which have been reviewed by the auditor. Combined with the other acquisition of assets transactions of the CPF Group during the past six months (from 30 March 2021 to 29 September 2021), the highest size of the combined transactions when calculated on the basis of the net tangible assets (NTA) is equal to 28.52% of the net tangible assets (NTA) of the CPF Group. As such, the Scheme is considered as a Class 2 transaction under the Notifications on Acquisition or Disposal of Assets with the size of the combined transactions calculated on the basis of net tangible assets (NTA) being higher than 15% but less than 50%. Therefore, the Company is required to disclose an information memorandum to the SET and deliver a notice informing the shareholders of the Company within 21 days from the date of the transaction disclosure to the SET.

Please be informed accordingly.

Sincerely yours,

Kobboon Srichai
(Mrs. Kobboon Srichai)
Company Secretary

¹ CPP is a subsidiary incorporated in Bermuda which CPF indirectly through CPFI, holds 49.74% of the total issued ordinary shares

² The exchange rate is Baht 4.3935/HK\$ (as of 30 September 2021 which published on Bank of Thailand website)

Information Memorandum on the Proposed Privatisation of C.P. Pokphand Co., Ltd. by Way of a Scheme of Arrangement under Section 99 of the Companies Act of Bermuda and the Proposed Withdrawal of Listing of C.P. Pokphand Co., Ltd.

1. Transaction Date

30 September 2021

2. Involved Parties

- Offeree: C.P. Pokphand Co., Ltd. ("CPP")
- Offeror: CPF Investment Limited ("CPFI" or the "Offeror"), an existing controlling shareholder of CPP and the offeror in the Proposal
- ITOCHU: ITOCHU Corporation ("ITOCHU"), an existing substantial shareholder of CPP and who will remain as a shareholder of CPP upon approval and implementation of the Proposal
- Scheme Shareholders: Shareholders of CPP who hold ordinary shares in the capital of CPP ("Shares") which will be cancelled under the scheme arrangement under section 99 of the Companies Act of Bermuda (such shares being "Scheme Shares", and such shareholders being "Scheme Shareholders")

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

On September 30, 2021, the board of directors of CPF and CPP approved of CPP putting forward to the Scheme Shareholders the proposal by CPFI to privatise CPP by way of a scheme of arrangement under section 99 of the Companies Act of Bermuda (the "Scheme") pursuant to which:

- (a) all of the Scheme Shares held by the Scheme Shareholders will be cancelled by way of the reduction of issued share capital of CPP in exchange for the payment of the cancellation price of HK\$1.15 (the "Cancellation Price") to each Scheme Shareholder by the Offeror;
- (b) immediately after the cancellation of the Scheme Shares, the issued share capital of CPP will be increased to its former amount by the new issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled;
- (c) approximately 75.00% of the total number of issued Shares will be held by the Offeror, and approximately 25.00% of the total number of issued Shares will be held by ITOCHU; and
- (d) CPP will make an application to the HKEX for the withdrawal of the listing of the Shares on the Stock Exchange pursuant to Rule 6.15 of the Listing Rules, with effect immediately following the Effective Date.

On the basis of the Cancellation Price of HK\$1.15 per Scheme Share and 6,079,356,827 Scheme Shares in issue as at the date of this information memorandum, the maximum cash consideration payable by CPFI under the Proposal is approximately HK\$ 6,991.27 million or approximately THB 30,716 million³.

This transaction will only occur after the satisfaction or valid waiver of the conditions precedent as specified in the CPP Announcement, including the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting (as defined in the CPP Announcement), and the approval of the Scheme (by way of poll) by not less than 75% of the votes attaching to the Scheme Shares held by Disinterested Shareholders (as defined in the CPP Announcement) that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast against the

³ The exchange rate is Baht 4.3935/HK\$ (as of 30 September 2021 which published on Bank of Thailand website)

resolution to approve the Scheme is not more than 10% of the votes attaching to all of the Scheme Shares held by the Disinterested Shareholders.

4. Details of the Assets Acquired

4.1 Business operation of CPP

CPP is a limited liability company incorporated in Bermuda, whose Shares are listed on the Main Board of the HKEX. CPP and its subsidiaries ("CPP Group") operates in Vietnam and the PRC. In Vietnam, CPP Group is principally engaged in the (1) production and sale of animal feed, (2) breeding, farming and sale of livestock and aquatic animals, and (3) production and sale of value-added processed food products. In the PRC, CPP Group is principally engaged in poultry farming and production and sale of value-added processed food products. CPP Group also has a significant investment in a company operating in the PRC which is principally engaged in the production and sale of animal feed and breeding, farming and sale of swine and sale of pork.

4.2 Key Financial Information of CPP

As disclosed in the annual reports published by CPP on the website of HKEX at www.hkexnews.hk, the consolidated audited financial statements of CPP have been prepared according to the International Financial Reporting Standard (IFRSs) and are summarised below:

(Unit: million)	For the years ended 31 December						For six months ended 30 June	
	2018		2019		2020		2021	
	US\$	THB ^{/4}	US\$	THB ^{/4}	US\$	THB ^{/4}	US\$	THB ^{/4}
Revenue	6,709	228,396	6,961	236,975	4,333	147,510	2,303	78,402
Profit Attributable to Shareholders	282	9,600	346	11,779	2,155*	73,363	162	5,515
Total Assets	4,611	156,974	5,346	181,995	6,597	224,584	6,712	228,499
Total Liabilities	2,909	99,032	3,379	115,032	2,564	87,287	2,746	93,483
Total Shareholders' Equity	1,702	57,942	1,967	66,963	4,033	137,297	3,966	135,016

* Including gain on deemed disposal of Chia Tai Investment Co., Ltd. ("CTI")

4.3 Capital of CPP

The authorized share capital of CPP is US\$600,000,000 divided into 36,000,000,000 Shares, 20,000,000,000 Series A Convertible Preference Shares and 4,000,000,000 Series B Convertible Preference Shares. As of the date of this information memorandum, CPP has 24,071,837,232 Shares, nil Series A Convertible Preference Shares and 1,261,077,748 Series B Convertible Preference Shares in issue.

4.4 Shareholding Structure in CPP as at the date of this information memorandum

Shareholders	Shareholding Percentage			
	Pre-Transaction		Post-Transaction	
	Number of ordinary shares	%	Number of ordinary shares	%
1. CPFI	11,974,521,097	49.74	18,053,877,924	75.00
2. ITOCHU	6,017,959,308	25.00	6,017,959,308	25.00
3. Scheme Shareholders	6,079,356,827	25.26	-	-
Total	24,071,837,232	100.00	24,071,837,232	100.00

5. Basis to Determine the Value of Consideration

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, recent and historic traded prices of Shares, and with reference to other privatisation transactions in Hong Kong in recent years.

6. Transaction size

The highest size of the proposed transaction when calculated on the basis of the net tangible assets (NTA) is equal to 24.76% of the net tangible assets (NTA) of the CPF Group based on the latest consolidated financial statements as at 30 June 2021 which have been reviewed by

^{/4} The exchange rate is Baht 34.0433/US\$ (as of 30 September 2021 which published on Bank of Thailand website)

the auditor. Combined with the other acquisition of assets transactions of the CPF Group during the past six months (from 30 March 2021 to 29 September 2021), the highest size of the combined transactions when calculated on the basis of the net tangible assets (NTA) is equal to 28.52% of the net tangible assets (NTA) of the CPF Group. As such, the Scheme is considered as a Class 2 transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) and 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 Acquisition and Disposition of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) (the "Notifications on Acquisition or Disposal of Assets") with the size of the combined transactions calculated on the basis of net tangible assets (NTA) being higher than 15% but less than 50%. Therefore, the Company is required to disclose this information memorandum to the SET and deliver a notice informing the shareholders of the Company within 21 days from the date of the transaction disclosure to the SET.

7. Source of Financing

A combination of internal cash resources and external debt financing of the Offeror.

8. Benefits of this Transaction to the CPF Group

The privatisation of CPP will permit the Offeror and CPP to make strategic decisions focused on long-term growth and benefits, free from the pressure of market expectations and share price fluctuations which arise from CPP being a publicly listed company.

The transaction, which entails the delisting of CPP, is also expected to reduce the administrative costs and management resources associated with maintaining CPP's listing status and compliance with regulatory requirements and, in turn, allow greater flexibility for the Offeror and CPP to manage the business of CPP and its subsidiaries.

9. Opinion of the Board of Directors

The board of directors of CPF resolved that the proposed transaction be approved with the view that the proposed transaction is reasonable and beneficial to CPF as specified in paragraph 8.

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.